

Otonomy Inc

COMPANY AND PIPELINE OVERVIEW REPORT

A comprehensive coverage of the company and a summary of the drug pipeline portfolio.

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ABOUT COMPANY AND PIPELINE OVERVIEW REPORT

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GLOSSARY

Number of Drugs in Active Development

Number of drugs associated with the company or subsidiary that are currently in active development, i.e. the development status for the drug(s) is one of the following: Discovery, Clinical, Phase I, Phase II, Phase III, Pre-registration, Registered, Launched, or Suspended.

Number of Inactive Drugs

Number of drugs associated with the company or subsidiary that are currently classified as inactive, i.e. where the development status for the drug(s) is one of the following: No Development Reported, Discontinued, or Withdrawn.

Number of Patents as Owner

Number of patents associated with the company where the company is listed as owner; i.e. the relationship type (or way the patent refers to the company) is: Patent Assignee/Owner, Patent owner (not assignee), Licensee for development and marketing, Licensee – marketing only (Distributor), Patent assignee of family member, Inferred assignee.

Number of Patents as Third Party

Number of patents associated with the company where the company is listed as third party; i.e. the relationship type (or way the patent refers to the company) is: Patent assignee (not owner), Ex-Licensee for development and marketing, Ex-Licensee marketing only (Distributor), Customer of technology, Ex-Customer of technology, Patent opponent or infringer, Affiliate organization of inventor, Owner of underlying technology.

Patents summary table

This table represents a summary of the core patent coverage for this company covering Therapeutic EP, US and WO patents since 1990 only.

Number of Deals

A count of deals where the company or one of its subsidiaries is the primary company.

Key Indications

Displays top ten key indications for the company and its subsidiaries based on frequency (indications occurring with high and identical frequency are always included, and this may result in more than ten Key Indications being listed). Includes both indications associated with patents where the company is patent owner and indications associated with drugs in active development. A drug is classified as 'active' if it features on a row (or rows) in the current development status table where the status is one of the following: Discovery, Clinical, Phase I, Phase II, Phase III, Pre-registration, Registered, Launched, or Suspended.

Key Target-based Actions

Displays top ten key target-based actions for the company and its subsidiaries based on frequency (actions occurring with high and identical frequency are always included, and this may result in more than ten Key Target-based Actions being listed). Includes both target-based actions associated with patents where the company patent owner and target-based actions associated with drugs in active development. A drug is classified as 'active' if it features on a row (or rows) in the current development status table where the status is one of the following: Discovery, Clinical, Phase I, Phase II, Phase III, Pre-registration, Registered, Launched, or Suspended. A target-based action is one that is associated with a target.

Key Technologies

Displays top ten key technologies for the company and its subsidiaries based on frequency (technologies occurring with high and identical frequency are always included, and this may result in more than ten Key Technologies being listed). Includes both key technologies associated with patents where the company relationship is patent owner and key technologies associated with drugs in active development. A drug is classified as 'active' if it features on a row (or rows) in the current development status table where the status is one of the following: Discovery, Clinical, Phase I, Phase II, Phase III, Pre-registration, Registered, Launched, or Suspended.

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PLEASE NOTE: the financials section where present in the report includes: Share Information, Stock Performance chart (including the consensus recommendation), and Major Shareholders. Financial Performance presents graphical and tabular data on Worldwide Sales, Operating Income and Net Income over time, together with a Quarterly earnings update. Balance Sheet lists Assets, Liabilities and Stockholders Equity, and Forecasts includes: EPS Forecast and Other Forecasts. The data reported in all sections (except share information and major stock holders) are correct as of the publication date of the report (and not the download date). For share information and major stock holders the data is correct for the date shown with these sections

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Otonomy Inc

COMPANY OVERVIEW

Company Name	Otonomy Inc
Parent Company Name	Otonomy Inc
Website	http://www.otonomy.com/
Country	US
Number of Drugs in Active Development	3
Number of Inactive Drugs	0
Number of Patents as Owner	13
Number of Patents as Third Party	0
Number of Deals	2
Key Indications	Ear disease, Meniere disease, Tinnitus, Otitis media, Hearing disorder, Chronic sinusitis, Fungal infection, Hearing loss, Nasal polyps, Epistaxis, Inner ear disease, Nasopharyngeal carcinoma, Nose disease, Otitis externa, Presbycusis, Sensorineural hearing loss, Vertigo
Key Target-based Actions	Glucocorticoid agonist, DNA gyrase inhibitor, Topoisomerase IV inhibitor, Metabotropic glutamate receptor 1 modulator, Metabotropic glutamate receptor 5 modulator, Metabotropic glutamate receptor modulator, NMDA receptor antagonist
Key Technologies	Otic gel formulation, Small molecule therapeutic, Sustained release formulation, Otic formulation, Injectable controlled release formulation, Steroid, Antibiotic, Parenteral formulation unspecified, Liquid-based formulation technology, Microparticle formulation

COMPANY PROFILE

SUMMARY

Otonomy, founded in 2008, is a spin-off from the UC San Diego. It is an emerging biopharmaceutical company dedicated to developing and marketing therapeutics designed specifically for the middle and inner ear.

FINANCIAL

In January 2015, the company priced its follow-on public offering of 2,550,000 shares of its common stock at \$29.25 each, for total gross proceeds of approximately \$75 million. The offering was expected to close on January 28, 2015. The underwriters were granted a 30-day option to purchase up to an additional 382,500 shares of common stock. A registration statement relating to securities had been filed with the SEC and became effective on January 22, 2015; Later that month, the offering was closed, with total gross proceeds of approximately \$86 million and net proceeds of approximately \$80 million.

In January 2015, the company filed a registration statement on Form S-1 for the proposed follow-on public offering of \$75 million of its common stock. At that time, the company planned to grant the underwriters a 30-day option to purchase up to an additional \$11.25 million of its common stock. Later that month, the follow-on public offering was launched.

In October 2014, Otonomy was added to the Russell 2000 Index.

In July 2014, the company filed a registration statement on Form S-1 for the proposed initial public offering. In August 2014, the company priced its initial public offering of 6,250,000 shares of common stock, at \$16 each. The underwriters were granted a 30-day option to purchase up to an additional 937,500 shares of common stock. At that time, the shares began trading on NASDAQ global select market under the symbol "OTIC". In September 2014, the underwriters purchased the additional 937,500 shares at \$16 each. The company raised \$104 million through the offering.

In April 2014, the company raised \$49 million from an oversubscribed series D financing round.

In September 2013, Otonomy raised \$45.9 million in a series C financing round.

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In August 2010, the company raised \$38.5 million from a series B financing round.

In June 2010, the company raised \$10 million from a series A financing round.

COMPANY FINANCIALS

SHARE INFORMATION

Close Price (USD)	28.58
Change (USD)	-3.22 (-10.13%)
Previous Close Price (USD)	31.80
Volume	338,254
52-Week High (USD)	41.99
52-Week Low (USD)	15.19
Date	27-Apr-2015
Exchange	NASDAQ(COMPOSITE)
Current Number of Shares Outstanding	24,127,477
Current Market Capitalization	767,253,769
EPS (Date Reported)	-5.46425

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STOCK PERFORMANCE



MAJOR SHAREHOLDERS

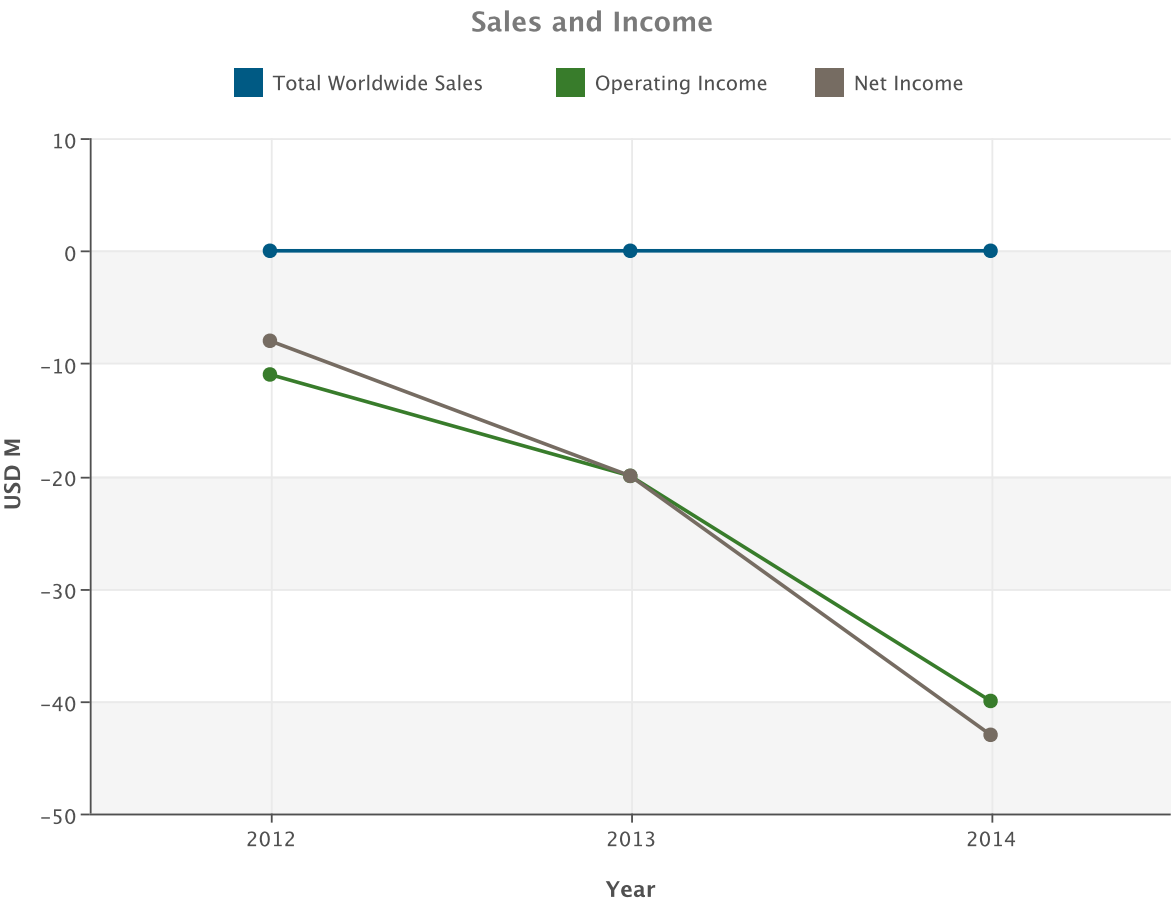
Shareholder	Type	Country	Shares held	% of shares held	Change in holding	% changes in shares held	Date
OrbiMed Advisors, LLC	Investment Advisor/Hedge Fund	United States	2,256,398	9.35	0	0	30-Jan-2015
Prudential Jennison Health Sciences Fund	Mutual Fund	United States	889,099	3.69	0	0	28-Feb-2015
SPDR S&P Biotech ETF	Mutual Fund	United States	583,902	2.42	583,902	1	31-Mar-2015
Fidelity Series Small Cap Opportunities Fund	Mutual Fund	United States	553,600	2.29	553,600	1	31-Jan-2015
Prudential Jennison Small Company Fund, Inc.	Mutual Fund	United States	379,291	1.57	356,155	15.39	28-Feb-2015
Vanguard Total Stock Market Index Fund	Mutual Fund	United States	220,601	0.91	102,811	0.87	31-Mar-2015
Fidelity OTC Portfolio	Mutual Fund	United States	208,938	0.87	0	0	28-Feb-2015

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Goldman Sachs Small/Mid-Cap Growth Fund	Mutual Fund	United States	209,596	0.87	7,068	0.03	31-Mar-2015
AB Small Cap Growth Portfolio	Mutual Fund	United States	199,204	0.83	-8,356	-0.04	28-Feb-2015
Hartford Healthcare Fund	Mutual Fund	United States	175,939	0.73	124,371	2.41	28-Feb-2015
Vanguard Extended Market Index Fund	Mutual Fund	United States	149,941	0.62	55,603	0.59	28-Feb-2015
iShares Russell 2000 ETF	Mutual Fund	United States	139,012	0.58	15,321	0.12	31-Mar-2015
Fidelity Stock Selector Small Cap Fund	Mutual Fund	United States	146,300	0.61	146,300	1	31-Jan-2015
Hartford Small Company Fund	Mutual Fund	United States	99,919	0.41	99,919	1	28-Feb-2015
Fidelity Small Cap Growth Fund	Mutual Fund	United States	95,500	0.4	95,500	1	31-Jan-2015
Principal SmallCap Growth Fund I	Mutual Fund	United States	77,375	0.32	-5,200	-0.06	31-Mar-2015
Hartford SmallCap Growth Fund	Mutual Fund	United States	64,405	0.27	64,405	1	28-Feb-2015
Fidelity Spartan Extended Market Index Fund	Mutual Fund	United States	55,917	0.23	7,068	0.14	28-Feb-2015
iShares Russell 2000 Growth ETF	Mutual Fund	United States	56,798	0.24	9,358	0.2	31-Mar-2015
John Hancock VIT - Small Cap Growth Trust	Mutual Fund	United States	56,739	0.24	56,739	1	31-Mar-2015

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	2012	2013	2014		
Sales (USD M)	0	0	0		
Operating Income (USD M)	-10.931	-19.85	-39.639		
Net Income (USD M)	-7.569	-19.559	-42.877		

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Quarterly earnings update

Period	Sales (USD M)	Operating Income (USD M)	Net Income (USD M)
2014 Q4	0	-9.854	-9.794
2014 Q3	0	-9.401	-12.038
2014 Q2	0	-9.828	-10.246
2014 Q1	0	-10.556	-10.834
2013 Q3	0	-4.355	-5.777
2013 Q2	0	-3.809	-3.865
2013 Q1	0	-3.818	-2.686

BALANCE SHEET

Assets (USD M)

	2012	2013	2014		
Cash & Short Term Investments	4.713	37.359	156.033		
Inventories - Total	0	0	0		
Current Assets - Total	5.41	39.013	157.702		
Property, Plant And Equipment - Net	0.439	0.683	1.257		
Other Assets - Total	0.055	0.061	0.205		
Total Assets	5.904	39.757	159.164		

Liabilities (USD M)

	2012	2013	2014		
Accounts Payable	1.134	2.014	1.71		
Short Term Debt & Current Portion Of Long Term Debt	0	0	0		
Current Liabilities - Total	1.684	2.715	5.417		
Long Term Debt	7.065	0	0		
Deferred Taxes	0	0			
Other Liabilities	3.175	0.866	0.134		
Total Liabilities	11.924	3.581	5.551		

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Stockholders Equity (USD M)

	2012	2013	2014		
Minority Interest	0	0	0		
Preferred Stock	33.047	95.153	0		
Common Stock	0	0	0.021		
Treasury Stock	0	0			
Total Liabilities & Shareholders' Equity	5.904	39.757	159.164		

FORECASTS

EPS Forecast

Year ending	Current Forecast	1 month ago	3 months ago
31-Dec-2015	-2.93	-2.93	-2.87
31-Dec-2016	-3.35	-3.35	-3.31
31-Dec-2017	-2.71	-2.71	-2.93

Other Forecasts

Year ending	DPS	CPS	Pretax	Sales
31-Dec-2015	0	-2.79	-69.72	0
31-Dec-2016		-2.79	-86.67	10.8
31-Dec-2017			-83.8	43.26

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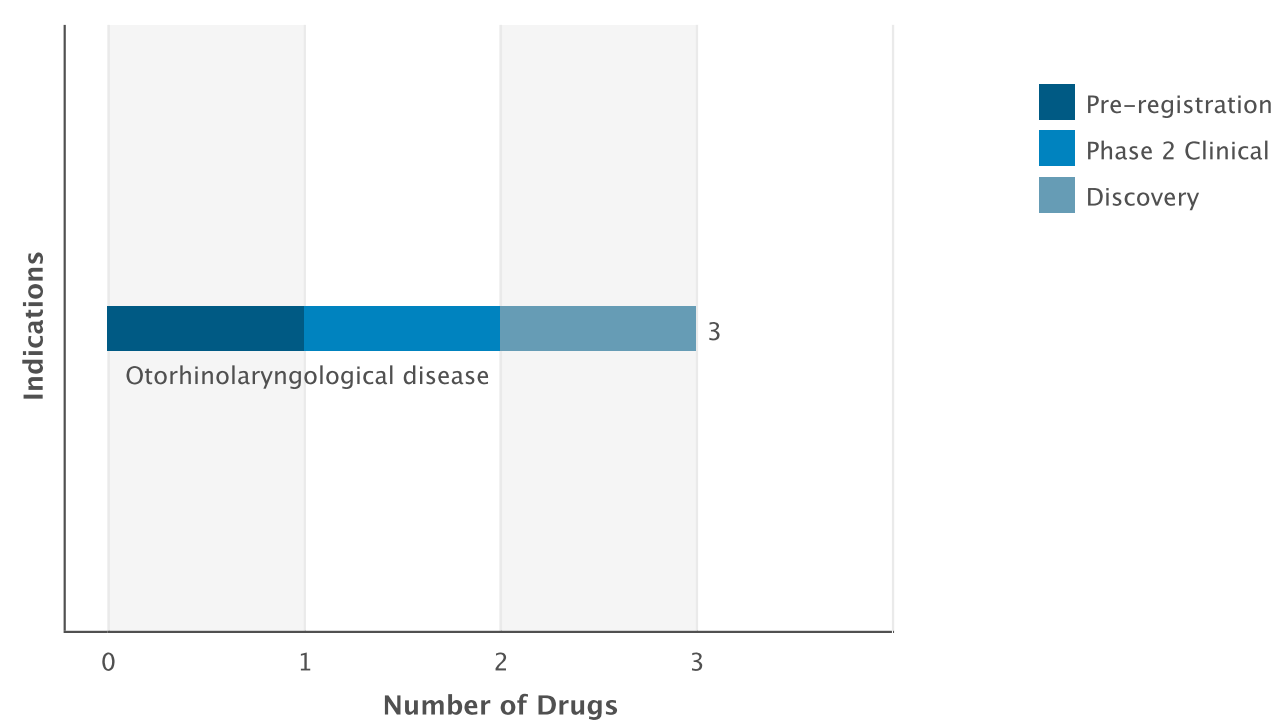


PRODUCT PORTFOLIO SUMMARY

DRUGS

Drugs by Indication

Active Drugs by Indication Chart



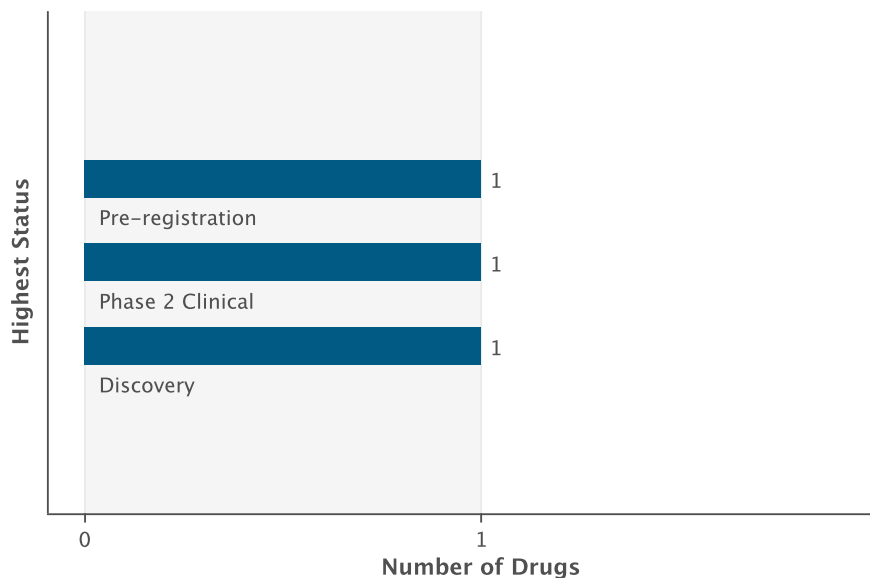
Drugs by Indication Table

Indication	Active	Inactive	Total
Otorhinolaryngological disease	3	0	3

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Drugs by Highest Status

Active Drugs by Highest Status Chart



Drugs by Highest Status Table

Development Status	Number of Drugs
Pre-registration	1
Phase 2 Clinical	1
Discovery	1

DEALS

Deal Type	Principal		Partner		Total
	Active	Inactive	Active	Inactive	
Drug - Asset Divestment	0	0	1	0	1
Drug - Early Research/Development	0	0	1	0	1

CLINICAL TRIALS

Trials by Condition Studied

Condition Studied	Ongoing	All
Otorhinolaryngological disease	3	9

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Trials by Phase

Phase	Ongoing	All
Phase 3	0	3
Phase 2	3	4
Phase 1	0	2

Phase Definitions

Phase 3 Clinical

Includes Phase 3, Phase 3b, Phase 3a, Phase 2/3 (where enrolment count is 300 or over)

Phase 2 Clinical

Includes Phase 2, Phase 2a, Phase 2b, Phase 1/2 (where enrolment count is 100 or over), Phase 2/3 (where enrolment count is under 300 or not specified)

Phase 1 Clinical

Includes Phase 1, Phase 1a, Phase 1, Phase 1/2 (where enrolment count is under 100 or not specified), Phase 0

PATENTS *

Indication	As Owner	As Third Party	Total
Cardiovascular disease	1	0	1
Immune disorder	1	0	1
Neoplasm	1	0	1
Mouth disease	1	0	1
Neurological disease	4	0	4
Respiratory disease	1	0	1
Infectious disease	1	0	1
Injury	1	0	1
Inflammatory disease	1	0	1
Otorhinolaryngological disease	9	0	9

* This table represents a summary of the core patent coverage for this company covering Therapeutic EP, US and WO patents since 1990 only.

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PRODUCT PORTFOLIO DRUGS

PLEASE NOTE: Highest status refers to highest development of that drug for one of the active companies

ciprofloxacin (intratympanic sustained release gel, otitis media), Otonomy

Drug Name	ciprofloxacin (intratympanic sustained release gel, otitis media), Otonomy
Key Synonyms	AuriPro, ciprofloxacin
Originator Company	Otonomy Inc
Active Companies	Otonomy Inc
Inactive Companies	
Highest Status	Pre-registration
Active Indications	Otitis media
Target-based Actions	Topoisomerase IV inhibitor, DNA gyrase inhibitor
Other Actions	Antibacterial, Bacterial nucleic acid synthesis inhibitor
Technologies	Sustained release formulation, Antibiotic, Small molecule therapeutic, Parenteral formulation unspecified, Otic gel formulation
Last Change Date	27-Mar-2015

dexamethasone (sustained release/intratympanic injection, ear disorders), Otonomy

Drug Name	dexamethasone (sustained release/intratympanic injection, ear disorders), Otonomy
Key Synonyms	dexamethasone
Originator Company	Otonomy Inc
Active Companies	Otonomy Inc
Inactive Companies	
Highest Status	Phase 2 Clinical
Active Indications	Meniere disease, Ear disease
Target-based Actions	Glucocorticoid agonist
Other Actions	Steroidal anti-inflammatory
Technologies	Injectable controlled release formulation, Otic formulation, Small molecule therapeutic, Otic gel formulation, Steroid
Last Change Date	21-Apr-2015

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OTO-311

Drug Name	OTO-311
Key Synonyms	gacyclidine
Originator Company	DURECT Corp
Active Companies	Otonomy Inc
Inactive Companies	NeuroSystem Corp, DURECT Corp
Highest Status	Discovery
Active Indications	Tinnitus
Target-based Actions	NMDA receptor antagonist
Other Actions	Analgesic
Technologies	Injectable controlled release formulation, Drug implant, Sustained release formulation, Nanoparticle formulation injectable, Otic formulation, Small molecule therapeutic, Local formulation unspecified
Last Change Date	09-Jan-2015

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