

Auris Medical News Release

April 16, 2013 – Auris Medical secures CHF 47.1 mn Series C financing from Sofinnova Ventures and Sofinnova Partners to advance ground-breaking inner ear therapies through Phase III clinical development

Auris Medical, a company dedicated to the development of novel therapeutics for the treatment of inner ear disorders, announced today the completion of a CHF 47.1 million¹ Series C financing. Two leading venture capital firms, Sofinnova Ventures (Menlo Park, CA USA) and Sofinnova Partners (Paris, France), participated in the financing. The funding will enable Auris Medical to advance its two clinical projects, AM-101 for the treatment of acute tinnitus and AM-111 for the treatment of acute inner ear hearing loss, through Phase III studies and ultimately to market launch. In connection with the fund raising, Jim Healy, MD, PhD, General Partner at Sofinnova Ventures, and Antoine Papiernik, MBA, Managing Partner at Sofinnova Partners, joined Auris Medical's Board of Directors.

"The Series C financing represents an important milestone on our way to bring safe and effective therapies to the many patients suffering world-wide from tinnitus or hearing loss for whom today no proven drug-based treatment options exist", said Thomas Meyer, Auris Medical's founder and Managing Director. "Having established proof of concept in Phase IIb studies, we are now ready to move forward with our clinical development plans. Thanks to this latest financing round our leadership position in the emerging market for inner ear therapeutics will be further strengthened."

"We are impressed with the significant clinical progress that Auris Medical has made towards developing first-in-class therapeutics for two inner ear disorders," commented Jim Healy. "We are pleased to bring our expertise and network to back Auris Medical's team and help them build a successful and global business." Antoine Papiernik stated: "We are thrilled to support Auris Medical's development at this important time in its life. The company has developed a unique set of compounds that could ultimately address an important unmet medical need."

About Auris Medical

Auris Medical is a Swiss biotechnology company developing specific pharmaceutical compounds for the prevention or treatment of inner ear disorders, an area of great unmet medical need. The Company is currently focusing on the development of treatments for acute inner ear tinnitus (AM-101) and for acute inner ear hearing loss (AM-111) by way of intratympanic injection with biocompatible gel formulations. AM-101 contains a small molecule NMDA receptor antagonist. In a Phase IIb clinical trial the treatment showed a statistically significant reduction in tinnitus loudness and several other outcomes in patients suffering from acute tinnitus with established cochlear origin. AM-111 contains a cell-permeable peptide that selectively blocks JNK signalling involved in apoptosis and inflammation. A recent Phase IIb clinical trial demonstrated a statistically significant improvement in the hearing and speech discrimination of patients with severe to profound hearing loss. In addition, Auris Medical is pursuing some early-stage research and development projects.

¹ About USD 50.4 mn / EUR 38.6 mn at current exchange rates

About Sofinnova Ventures

Sofinnova Ventures has over 40 years of experience building healthcare companies into market leaders. With USD 1.4 bn in committed capital, the firm applies capital and expertise to take companies from inception to exit. Sofinnova closed its life science-focused USD 440 mn fund, SVP VIII, in late 2011. The firm's investment team of MDs and PhDs has significant scientific, operational and strategic experience, and specializes in financing later stage clinical products and growth companies. Our team partners with entrepreneurs to address patients' unmet medical needs. Sofinnova Ventures has offices in Menlo Park and La Jolla, California.

For more information, please visit www.sofinnova.com.

About Sofinnova Partners

Sofinnova Partners is an independent venture capital firm based in Paris, France. For 40 years, the firm has backed nearly 500 companies at different stages of their development – pure creations, spin-offs, as well as turnaround situations – and worked alongside Europe's key entrepreneurs in the Life Sciences industry. With EUR 1.3 bn of funds under management, Sofinnova Partners has created market leaders with its experienced team and hands-on approach in building portfolio companies through to exit.

For more information, please visit www.sofinnova.fr.

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