August 2, 2017

Tetraphase Pharmaceuticals Reports Second Quarter 2017 Financial Results and Highlights Recent Achievements

WATERTOWN, Mass., Aug. 02, 2017 (GLOBE NEWSWIRE) -- Tetraphase Pharmaceuticals, Inc. (NASDAQ:TTPH), a clinical-stage biopharmaceutical company developing novel antibiotics to treat life-threatening multidrug-resistant (MDR) infections, today reported financial results for the second quarter ended June 30, 2017 and provided an overview of recent achievements.

"Following the recently reported positive phase 3 data from the IGNITE4 clinical trial, we now have two successfully completed phase 3 clinical trials evaluating IV eravacycline in complicated intra-abdominal infections (cIAI). We remain focused on the execution of many significant upcoming milestones for the company, including a Marketing Authorization Application (MAA) to the European Medicines Agency (EMA) this quarter and a New Drug Application (NDA) submission to the U.S. Food and Drug Administration (FDA) in the first quarter of 2018 for IV eravacycline in cIAI," said Guy Macdonald, President and Chief Executive Officer of Tetraphase. "We are pleased to see enrollment progressing well in the phase 3 IGNITE3 study in complicated urinary tract infections (cUTI), and we look forward to completing enrollment in that study early in the fourth quarter of 2017. If successful, the IGNITE3 data will support a future supplemental NDA filing for once-daily IV eravacycline in cUTI."

"In late July, we strengthened the balance sheet through a public offering of common stock, the gross proceeds of which are $65 million and which will allow us to prepare for the commercial launch of eravacycline. Finally, our phase 1 clinical programs continue to advance. We plan to provide an update to our oral eravacycline development program later this quarter, and we anticipate completion of multiple-ascending dose studies for TP-271 and TP-6076 this year," Mr. Macdonald concluded.

Second Quarter and Recent Highlights

- Announced positive top-line results from IGNITE4, the Company's phase 3 clinical trial evaluating the efficacy and safety of twice-daily intravenous (IV) eravacycline compared to meropenem for the treatment of patients with complicated intra-abdominal infections (cIAI). The results of IGNITE4, which enrolled 500 patients, demonstrated statistical non-inferiority of eravacycline to meropenem for the primary efficacy endpoint of clinical response at the test-of-cure (TOC) visit.
- Presented data at ASM Microbe 2017 including additional supportive data generated for eravacycline demonstrating consistent potency against drug-resistant bacteria in ongoing global surveillance studies and positive data from phase 1 single-ascending dose studies for its two pipeline programs, TP-6076 and TP-271.
- Successfully completed a public offering of 10,000,000 shares of common stock with gross proceeds totaling $65 million.

Second Quarter 2017 Financial Results
As of June 30, 2017, Tetraphase had cash and cash equivalents of $118.2 million and 40.0 million shares outstanding. The company expects that its cash and cash equivalents, proceeds from the July public offering, as well as expected revenue from its U.S. government awards, will be sufficient to fund operations into early 2019.

Revenues during the second quarter of 2017 were $1.6 million compared to $1.2 million for the same period in 2016. Revenues for each period consisted of contract and grant revenue under the Company's U.S. government awards for the development of Tetraphase compounds for the treatment of diseases caused by bacterial biothreat pathogens and for certain infections caused by life-threatening multidrug-resistant bacteria.

Research and development (R&D) expenses for the second quarter of 2017 were $28.5 million compared to $13.7 million for the same period in 2016. The increase in R&D expenses was primarily due to conduct of our IGNITE3 and IGNITE4 phase 3 clinical trials.

General and administrative (G&A) expenses for the second quarter of 2017 were $5.1 million compared to $4.8 million for the same period in 2016.

For the second quarter of 2017, Tetraphase reported a net loss of $31.8 million, or $0.83 per share, compared to a net loss of $17.2 million, or $0.47 per share, for the same period in 2016.

About Tetraphase Pharmaceuticals, Inc.
Tetraphase is a clinical-stage biopharmaceutical company using its proprietary chemistry technology to create novel antibiotics for serious and life-threatening bacterial infections, including those caused by many of the multidrug-resistant (MDR) bacteria highlighted as urgent public health threats by the CDC. Tetraphase has created more than 3,000 novel tetracycline analogs using its proprietary technology platform. Tetraphase's pipeline includes three antibiotic clinical candidates: eravacycline, which is in phase 3 clinical trials, and TP-271 and TP-6076, which are in phase 1 clinical trials. Please visit www.tphase.com for more company information.

Forward-Looking Statements
Any statements in this press release about our future expectations, plans and prospects, including statements regarding our strategy, future operations, prospects, plans and objectives, and other statements containing the words "anticipates," "believes," "expects," "plans," "will" and similar expressions, constitute forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including: whether results obtained in previous clinical trials will be indicative of results obtained in future clinical trials; whether eravacycline or any other clinical candidate will advance through the clinical trial process on a timely basis or at all; whether the results of the Company's development efforts will warrant regulatory submission and whether any such submissions will receive approval from the United States Food and Drug Administration or equivalent foreign regulatory agencies; whether, if any clinical candidate obtains approval, it will be successfully distributed and marketed; and other factors discussed in the "Risk Factors" section of our quarterly report on Form 10-Q, filed with the Securities and Exchange Commission on August 2, 2017. In addition, the forward-looking statements included in this press release represent our views as of August 2, 2017. We anticipate that subsequent events and developments will cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we specifically disclaim any obligation to do so.

Tetraphase Pharmaceuticals, Inc.
Condensed Consolidated Statements of Operations (Unaudited)
(In thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Revenues	$ 1,586	$ 1,243	$ 3,071	$ 3,205
Operating expenses				
Research and development	28,513	13,746	54,460	27,269
General and administrative	5,065	4,759	10,198	10,012
Total operating expenses	33,578	18,505	64,658	37,281
Loss from operations	(31,992)	(17,262)	(61,587)	(34,076)
Other income (expense)				
Other income (expense), net	181	94	318	167
Net loss	$(31,811)	$(17,168)	$(61,269)	$(33,909)
Net loss per share-basic and diluted	$ (0.83)	$ (0.47)	$ (1.63)	$ (0.93)
Weighted-average number of common shares used in net loss per share applicable to common stockholders-basic and diluted	38,273	36,629	37,686	36,614

Tetraphase Pharmaceuticals, Inc.
Condensed Consolidated Balance Sheets (unaudited)
(In thousands)

	June 30, 2017	December 31, 2016
Assets		
Cash and cash equivalents	$118,214	$ 142,086
Accounts receivable	2,682	1,789
Prepaid expenses and other current assets	5,117	6,582

Property and equipment, net	1,529	1,054
Other assets, noncurrent	199	199
Total assets	$127,741	$ 151,710
Liabilities and Stockholders' equity		
Accounts payable and accrued expenses	$ 19,042	$ 10,240
Total deferred revenue	1,548	1,255
Other liabilities, noncurrent	134	162
Total stockholders' equity	107,017	140,053
Total liabilities and stockholders' equity	$127,741	$ 151,710

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