

**FOR IMMEDIATE RELEASE**

**VIROBAY COMPLETES \$8 MILLION SERIES B PREFERRED STOCK FINANCING**

**MENLO PARK, Calif. – July 16, 2014** – Virobay, Inc., a clinical stage pharmaceutical company with a platform of cathepsin protease inhibitors being developed for the treatment of neuropathic pain, autoimmune disease and fibrosis, today announced the closing of an expanded Series B second tranche financing of \$8.0 million. Including this recent \$8 million investment, Virobay has raised an aggregate of \$18 million in two tranches of the Series B financing. The first tranche was drawn in 2010. Participants in the second tranche transaction include a syndicate of existing investors plus Perceptive Advisors, a dedicated healthcare fund. Existing investors include TPG Biotechnology Partners, Alta Partners, Sutter Hill Ventures and Abbvie, Inc. Additional terms of the financing were not disclosed.

Virobay expects to use proceeds from this offering to advance its clinical programs forward, specifically the clinical development of its lead product candidate, VBY-036, for the treatment of neuropathic pain.

“We are pleased that Perceptive Advisors joined our distinguished list of investors, and in addition, we appreciate the continued support of our existing investors,” commented Dr. Robert Booth, President and Chief Executive Officer of Virobay.

**About Virobay**

Virobay is focused on the development and commercialization of novel drugs through the utilization of small molecule cysteine proteases inhibitors, a diverse class of enzyme proteases, for a variety of conditions, including neuropathic pain, autoimmune diseases and fibrosis. The foundation of Virobay’s proprietary cathepsin platform and the Virobay management team were spun-out from Celera Genomics, which was then a leader in cathepsin research. Virobay’s clinical pipeline currently includes product candidates in neuropathic pain, dermatology, autoimmune disease and fibrosis. For more information please visit our website: [www.virobayinc.com](http://www.virobayinc.com).

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