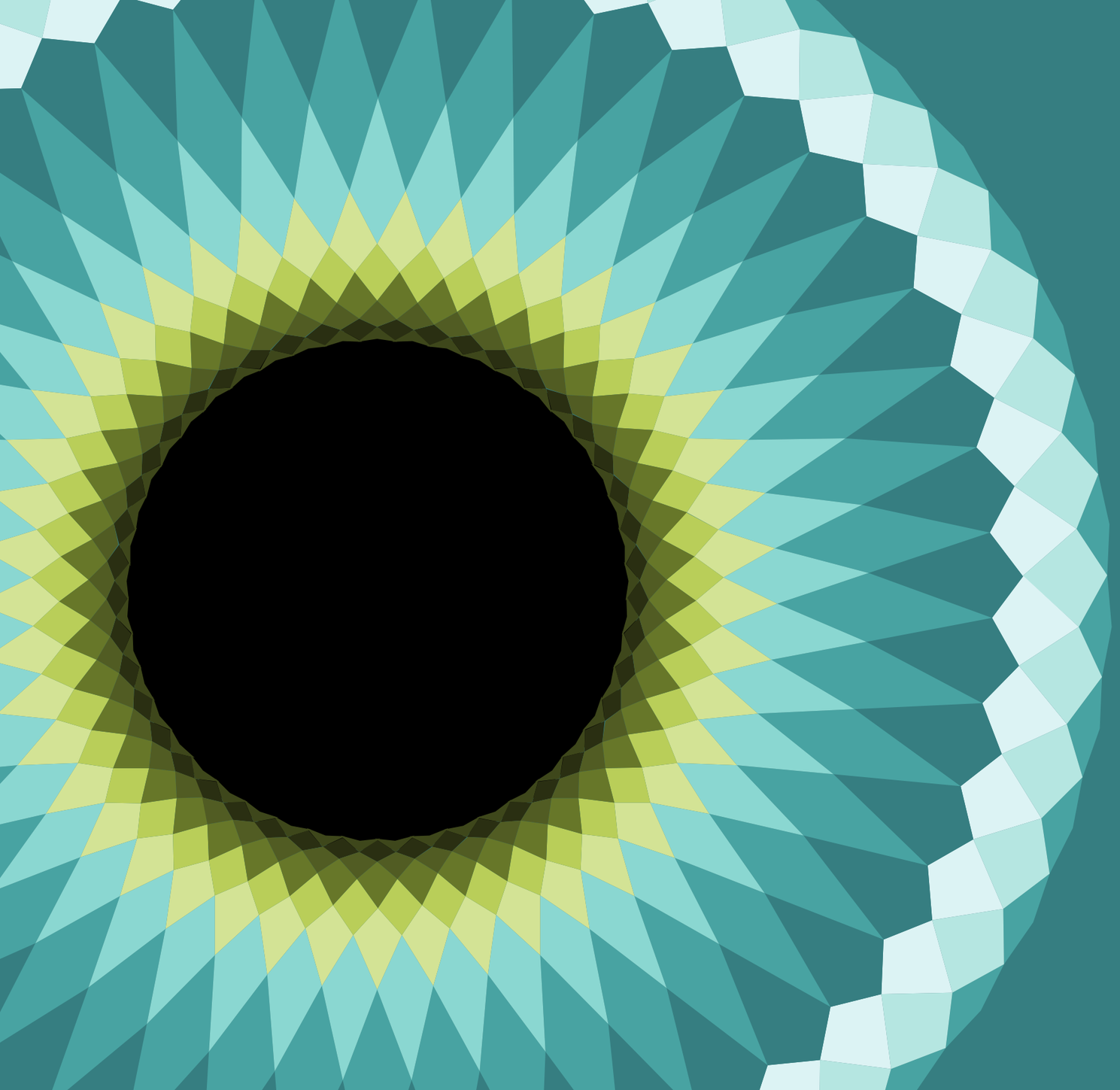

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*Transforming Glaucoma Therapy*

January 2019

# Disclaimer

All statements other than statements of historical facts included in this presentation that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. Although we believe that we have a reasonable basis for forward-looking statements contained herein, we caution you that they are based on current expectations about future events affecting us and are subject to risks, uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control, that may cause our actual results to differ materially from those expressed or implied by forward-looking statements in this presentation. These potential risks and uncertainties include, without limitation, uncertainties about our ability to maintain profitability; our dependence on the success and market acceptance of the *iStent*®; our ability to leverage our sales and marketing infrastructure to increase market penetration and acceptance both in the United States and internationally of our products; our dependence on a limited number of third-party suppliers, some of which are single-source, for components of our products; the occurrence of a crippling accident, natural disaster or other disruption at our primary facility, which may materially affect our manufacturing capacity and operations; maintaining adequate coverage or reimbursement by third-party payors for procedures using the *iStent* or other products in development; our ability to properly train, and gain acceptance and trust from, ophthalmic surgeons in the use of our products; our ability to successfully develop and commercialize additional products; our ability to compete effectively in the highly competitive and rapidly changing medical device industry and against current and future competitors (including MIGS competitors) that are large public companies or divisions of publicly traded companies that have competitive advantages; the timing, effect and expense of navigating different regulatory approval processes as we develop additional products and penetrate foreign markets; the impact of any product liability claims against us and any related litigation; the effect of the extensive and increasing federal and state regulation in the healthcare industry on us and our suppliers; the lengthy and expensive clinical trial process and the uncertainty of outcomes from any particular clinical trial; our ability to protect, and the expense and time-consuming nature of protecting, our intellectual property against third parties and competitors that could develop and commercialize similar or identical products; the impact of any claims against us of infringement or misappropriation of third party intellectual property rights and any related litigation; and the market's perception of our limited operating history as a public company. These and other known risks, uncertainties and factors are described in detail under the caption "Risk Factors" and elsewhere in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for 2017 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2018. Our filings with the Securities and Exchange Commission are available in the Investor Section of our website at www.glaukos.com or at www.sec.gov. In addition, information about the risks and benefits of our products is available on our website at www.glaukos.gov. All forward-looking statements included in this press release are expressly qualified in their entirety by the foregoing cautionary statements. You are cautioned not to place undue reliance on the forward-looking statements in this press release, which speak only as of the date hereof. We do not undertake any obligation to update, amend or clarify these forward-looking statements whether as a result of new information, future events or otherwise, except as may be required under applicable securities law.

# Our Mission and Long-term Goal

## We are transforming glaucoma therapy…

**OUR MISSION TODAY**

To pioneer and lead the global glaucoma market with **micro-scale injectable therapies** that advance the standard-of-care and enrich the lives and treatment alternatives for **glaucoma** patients worldwide.

## …and transitioning Glaukos into an ophthalmic pharma/device leader.

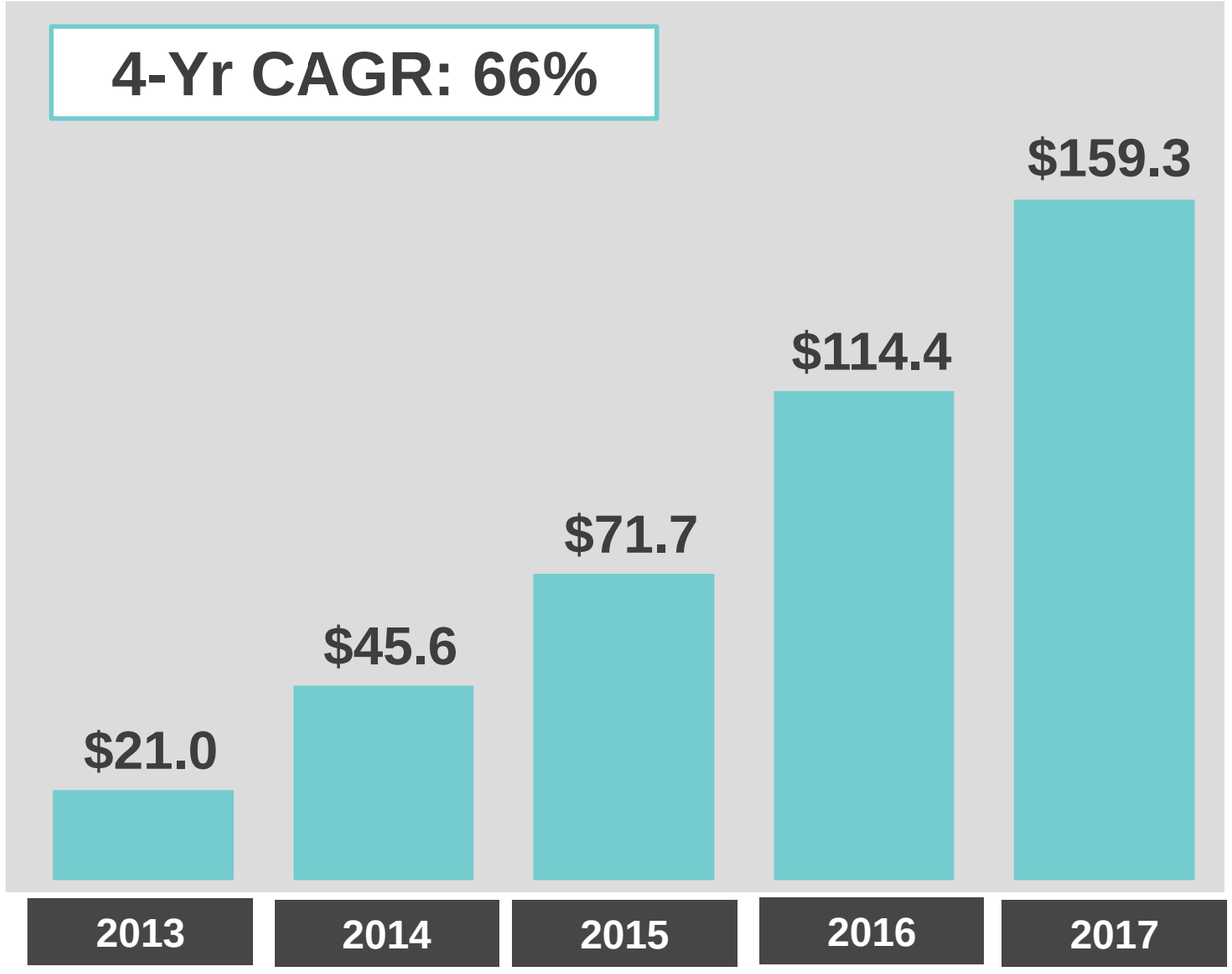
**OUR LONG-TERM STRATEGIC GOAL**

To lead the global ophthalmic market forward by building robust **sustained pharmaceutical, surgical and diagnostic platforms** that provide drop-less approaches for effectively managing **glaucoma and other ocular diseases**.

# We've Made Tremendous Progress Thus Far…

## Total Net Sales (in millions)




**$175-177M**

**2018 Revenue Guidance, Provided 11/7/2018**

**86%**

**Q3 2018 Gross Margin**

**$138M**

**Cash & Short-Term Equivalents[1]**

*1 As of 9/30/2018*

# We've Made Tremendous Progress Thus Far…

**+500K**

***iStents*, *iStent injects* implanted globally**

**17**

**Countries with direct Glaukos sales operations**

**+200**

**Issued, licensed or pending patents**

**97**

**Articles in peer-reviewed publications**

| Key Metrics | 6/30/15 | 9/30/18 | % Growth |
|---|---|---|---|
| Employees worldwide | 139 | 410 | 195% |
| Commercial sales personnel worldwide | 65 | 183 | 182% |

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# …But We Are Just Beginning Our Long-Term Growth Story

**$5B+**
Size of global glaucoma market served

**8.2M**
Est. US OHT/POAG diagnosed and treated eyes

**4**
New products being evaluated by FDA

**29%**
2018 revenue invested in R&D[1]

**30+**
Scientists, engineers focused on pipeline development

## Strategic Investments to Stimulate and Support Our Growth

- Optimizing worldwide Clinical & Regulatory structure
- Upgrading global systems and technology infrastructure
- Establishing new HQ facilities
- Growing global sales force and market access teams
- Evaluating new international markets
- Expanding size and depth of R&D teams
- Focusing R&D on early-stage new product development, novel drug formulations that leverage *iDose*™ platform
- Investing in state-of-the-art technical equipment
- Enhancing manufacturing efficiencies

*1 As of 9/30/2018*

# Major 2018 Accomplishments by Objective

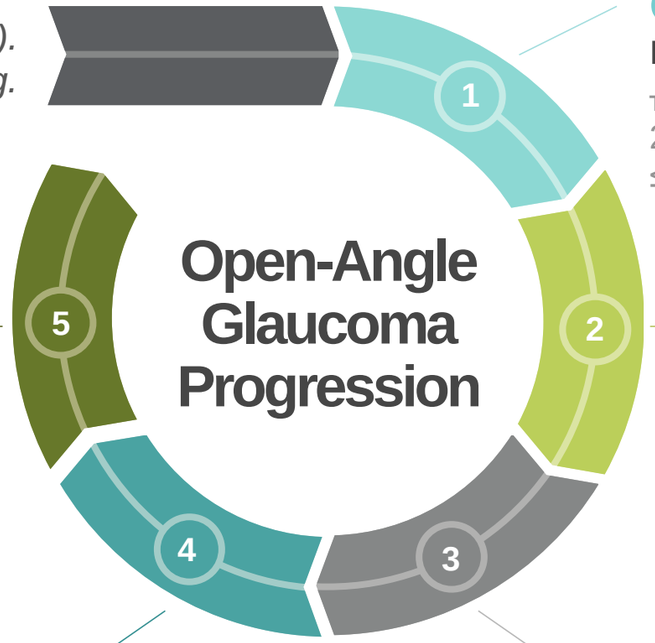
| | |
|---|---|
| **Obtain FDA approval and commence US commercial launch of *iStent inject*®** | ✓ Received *iStent inject* approval in June, approximately six months following PMA submission<br>✓ Executed premier *iStent inject* launch in September, focused on facile procedure, predictable performance and favorable safety profile; strong real-world clinical performance reported |
| **Begin patient enrollment of key pivotal studies** | ✓ Initiated Phase III studies for *iDose Travoprost*<br>✓ Secured early FDA 510(k) IDE and initiated study for *iStent infinite*™ |
| **Drive increased penetration in our international markets** | ✓ Achieved 60% YoY international revenue growth[1]<br>✓ Secured new regulatory approvals and reimbursement in key international markets |
| **Expand pharmaceutical capabilities through continued investment** | ✓ Implemented significant Glaukos Pharma team expansion<br>✓ Initiated pharmaceutical development agreement with D. Western to explore Rho-kinase (ROCK) inhibitors for *iDose* delivery system |

*1 For nine months ended 9/30/2018 vs. same period in 2017*

# Novel Surgical & Pharmaceutical Glaucoma Therapy

# Current OAG Treatment Algorithm

*IOP is measured in millimeters of mercury (mmHg).*
*Normal IOP in healthy eyes ranges from 10-21 mmHg.*




## Ocular Hypertension

IOP of 21-30 mmHg

**Target IOP**
20% ↓ from baseline; ≤ 18 mmHg

**Treatment**
0-1 med

## Mild OAG

IOP of 25-30 mmHg with minor optic nerve damage and visual field loss

**Target IOP**
25% ↓ from baseline; ≤ 18 mmHg

**Treatment**
~ 1 med, laser, MIGS

## Moderate OAG

IOP of > 30 mmHg with moderate optic nerve damage and visual field loss

**Target IOP**
30% ↓ from baseline; ≤ 15 mmHg

**Treatment**
~ 2 meds, laser, MIGS

## Advanced OAG

Uncontrolled IOP with significant optic nerve damage and visual field loss

**Target IOP**
35% ↓ from baseline; < 15 mmHg

**Treatment**
~ 3 meds, filtering surgery, tube shunt

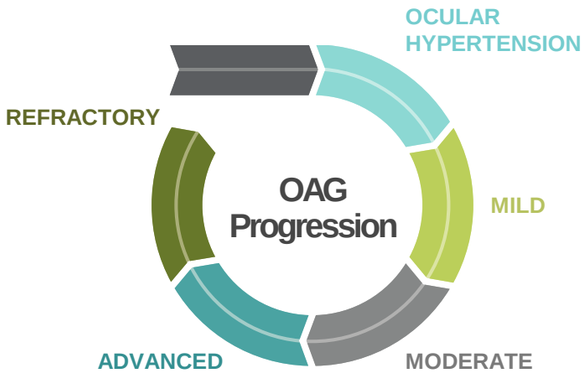
## Refractory OAG

Uncontrolled IOP with severe optic nerve damage and visual field loss

**Target IOP**
35% ↓ from baseline; < 15 mmHg (ideally ~ 12 mmHg)

**Treatment**
3+ meds, filtering surgery, tube shunt

# Portfolio of Micro-Scale Injectable Therapy




**Addressing full range of glaucoma disease states and progression**

*iStent SA, iStent Supra, iStent infinite and iDose are not approved by the FDA.*

iDose™ TRAVOPROST

Injectable drug delivery implant; sustained drug therapy for extended periods

Envision use alone or in combination with other MIGS devices

OCULAR HYPERTENSION | MILD | MODERATE | ADVANCED | REFRACTORY

iStent®

Single stent therapy for combo-cataract procedures

iStent inject®

Injectable 2-stent therapy for combo-cataract procedures

iStent® SA

Injectable 2-stent therapy for standalone procedures

iStent SUPRA®

Accesses secondary outflow pathway; envision use primarily in combination with other MIGS devices

iStent infinite™

Injectable 3-stent therapy for standalone procedures

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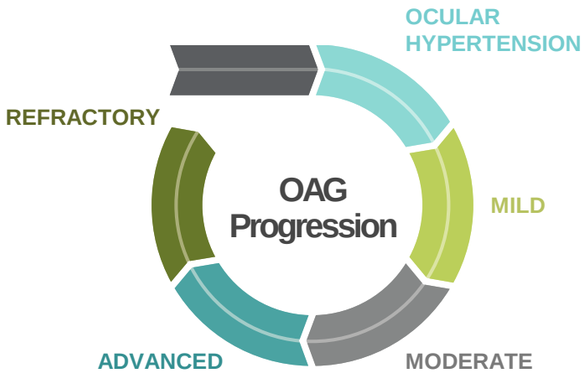
# 5 in 5: Estimated Cadence of Major New US Product Introductions




**Addressing full range of glaucoma disease states and progression**

iDose™ TRAVOPROST — 2021-22

OCULAR HYPERTENSION | MILD | MODERATE | ADVANCED | REFRACTORY

iStent® — 2012

iStent inject® — 2018

iStent® SA — 2023

iStent® SUPRA — 2020

iStent infinite™ — 2020-21

*iStent SA, iStent Supra, iStent infinite and iDose are not approved by the FDA.*

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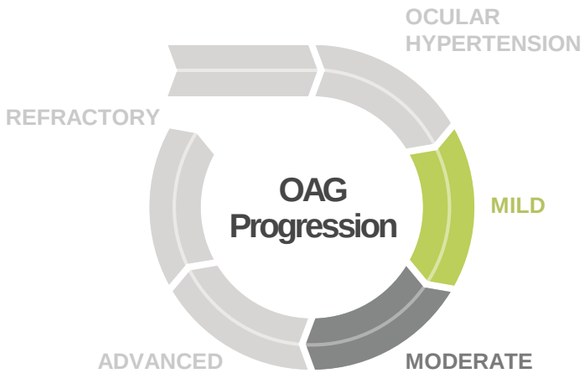
# *iStent inject*: First-of-a-Kind Multi-Stent System




iStent inject®

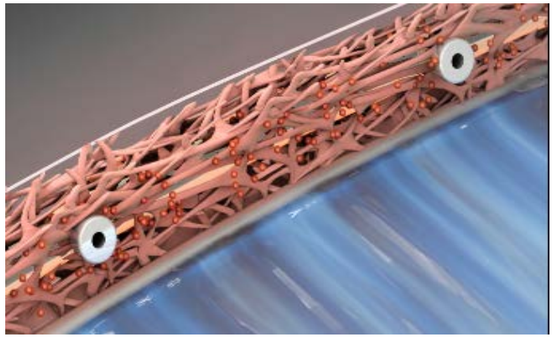
Two multi-directional, titanium stents preloaded into auto injection system

Designed to deliver access to multiple collector channels and restore natural outflow through the conventional pathway

Significant IOP reduction across a wide range of clinical studies

Elegant and precise *ab interno* procedure; leaves natural anatomy intact and spares conjunctival tissue

Postoperative care profile similar to cataract surgery



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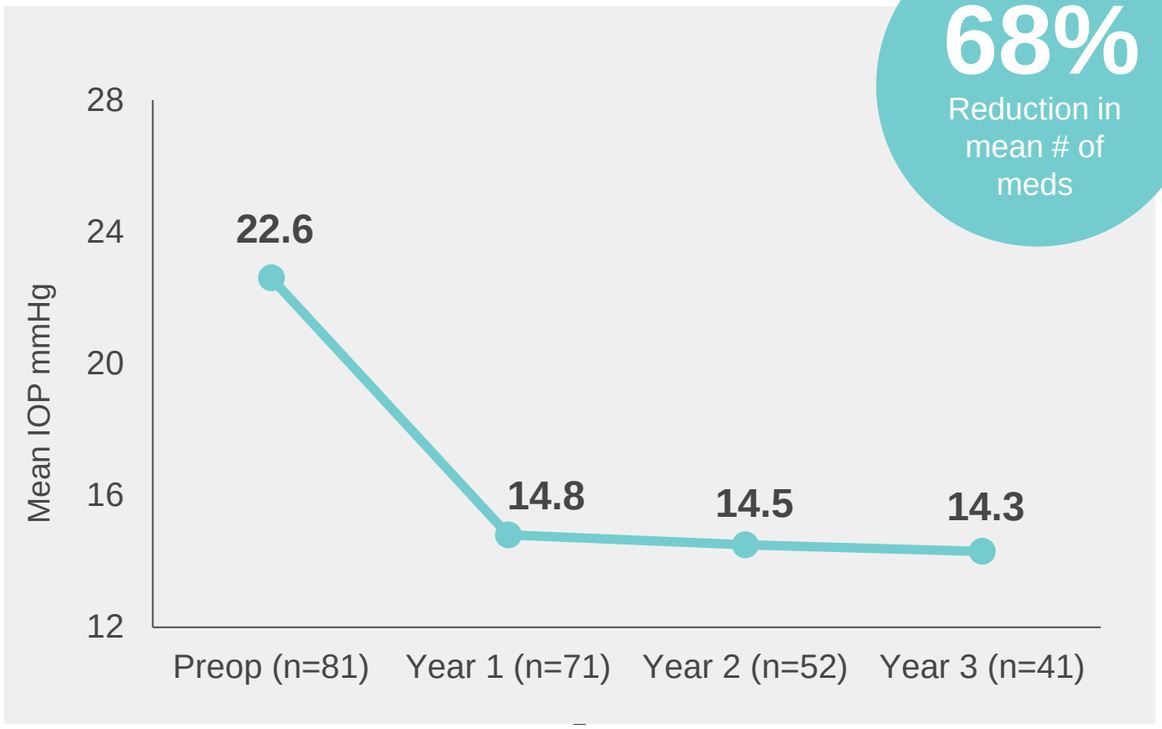
# 29 Peer-Reviewed Publications on *iStent inject* or Multiple *iStent*® Therapy

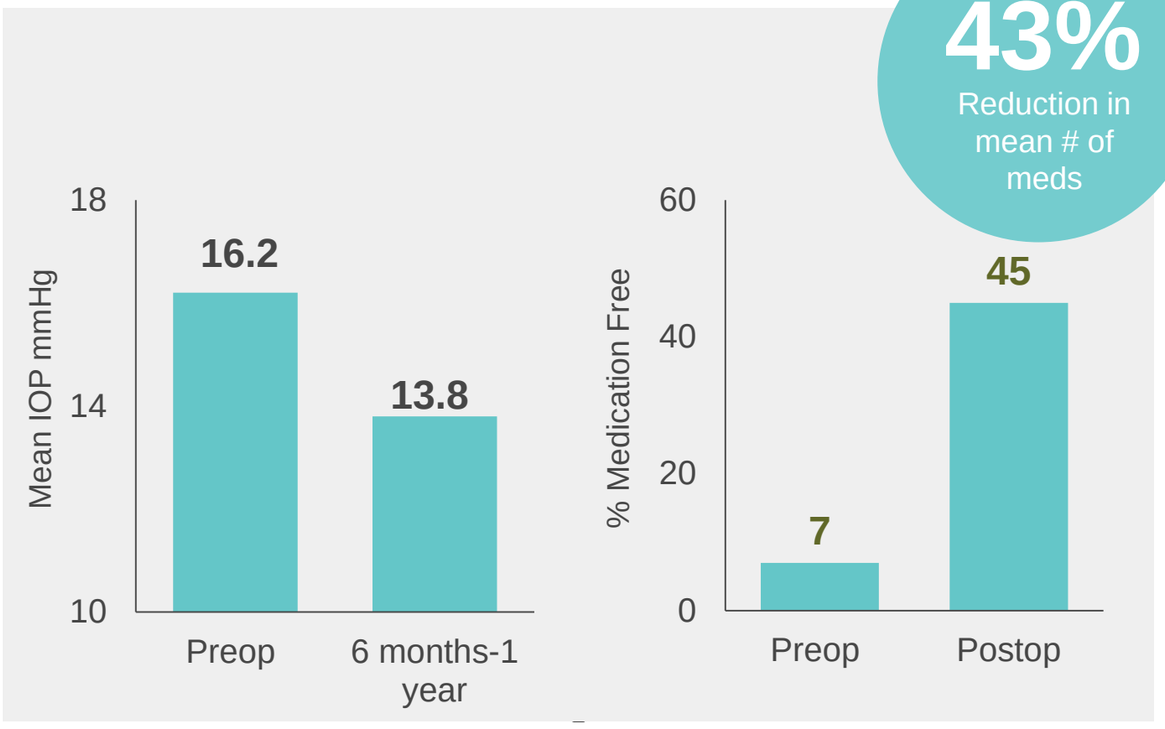
## *iStent inject* + Cataract Surgery




Consecutive case series study in primarily OAG eyes; 81 implanted with *iStent inject* in combination with cataract surgery

*Hengerer F. Ophthalmology & Therapy December 2018*

## *iStent inject* + Cataract Surgery




Retrospective, single-site case series of 179 eyes with varying glaucoma severity and concomitant cataract surgery

*Harasymowycz, P. ASCRS 2018*

# *iStent inject*: Successful Launch Continues

Commercially available in US, EU, Australia, Brazil, Canada

0191T consistently reimbursed; 0376 add-on code represents professional fee upside


**American Academy of Ophthalmology – October 2018**

# *iStent inject*: Recent Surgeon Observations

# *iStent inject* vs. Competition

iStent inject®

Smallest device known to be implanted in the human body, measuring 360 µm x 230 µm

Part of market-expanding portfolio from MIGS pioneer

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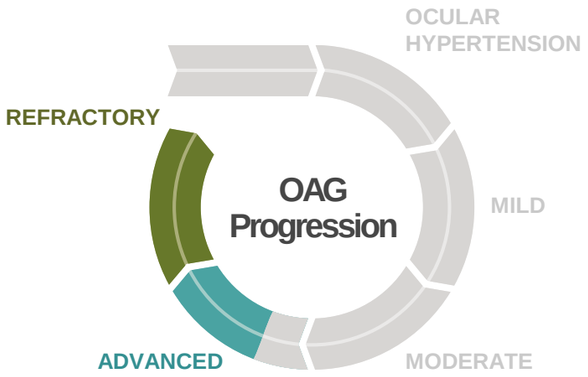
# MIGS Standalone Solution for Advanced and Refractory OAG




*iStent infinite is not approved by the FDA*

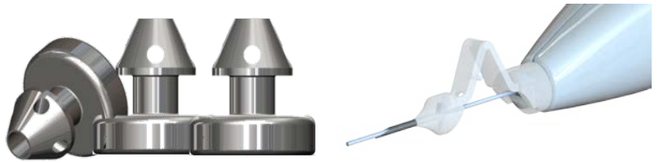
iStent infinite™

Three heparin-coated trabecular bypass stents, preloaded into auto injection system

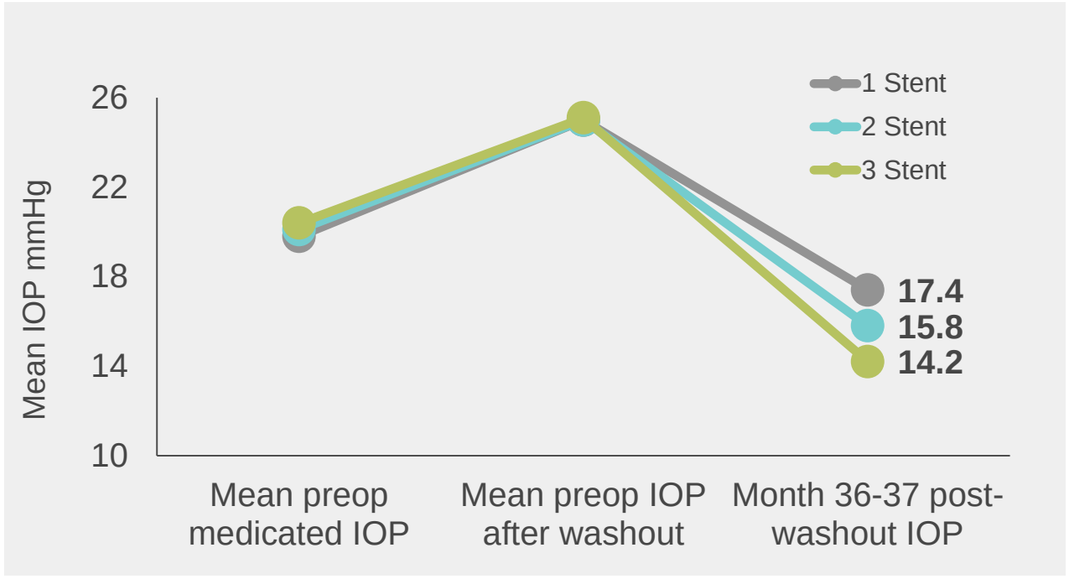
Enhanced insertion system provides unlimited activations and smooth implantation of each stent across 5-6 clock hours of Schlemm's canal

Less invasive, faster recovery and fewer complications than conventional late-stage procedures; no bleb formation

Currently enrolling patients in clinical trial to support 510(k) submission



## Titratable Stent Therapy




International study of OAG patients (n=119) with unmedicated IOP of 22-38 mmHg; randomized to receive 1, 2 or 3 stents in standalone procedure; follow-up to continue for 5 years

*Katz LJ et al Clinical Ophthalmology 2018*

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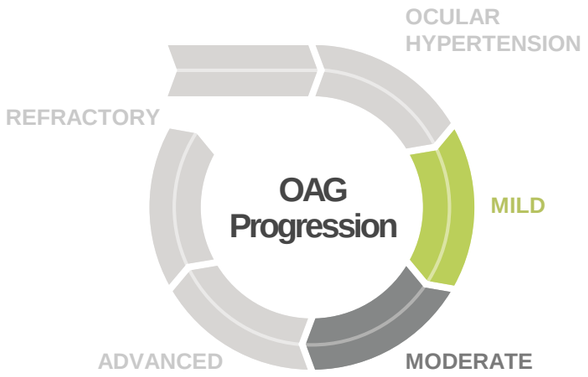
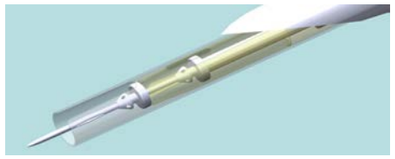
# Standalone 2-Stent Therapy for Mild to Moderate OAG



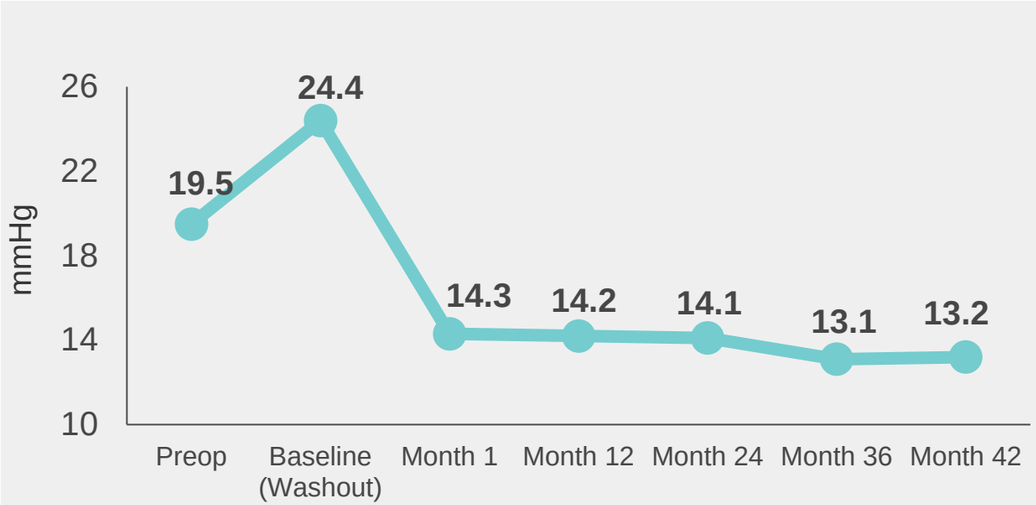

iStent® SA

Two heparin-coated titanium stents, preloaded into auto injection system

Ability to enter the eye once to implant both stents in straightforward click-and-release motion



## 2 Standalone Stents




International, prospective study; all patients (n=57) on 1 preoperative glaucoma medication; at 42 months, 95% of eyes remained medication free

*Lindstrom R ASCRS 2018*

*iStent SA is not approved by the FDA*

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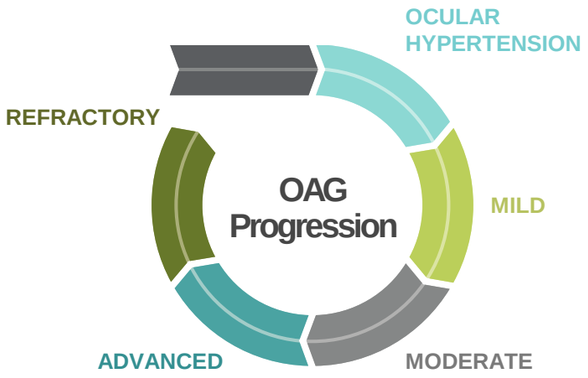
# *iDose Travoprost*: First-of-a-Kind Intraocular Drug Delivery Device




*iDose Travoprost is an unapproved drug and limited by US law to investigational use*

iDose™ TRAVOPROST

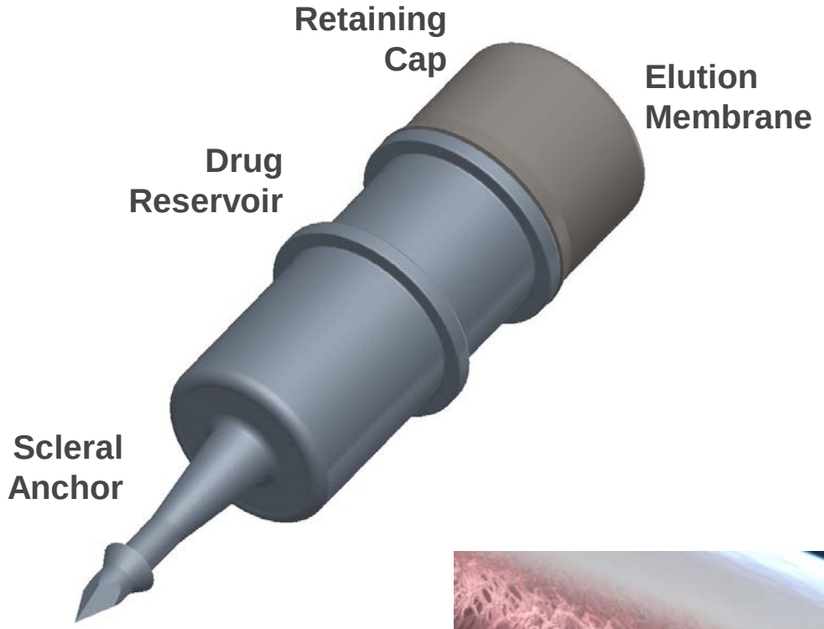
Titanium implant (1.8 mm x 0.5 mm) designed for continuous drug delivery directly into anterior chamber

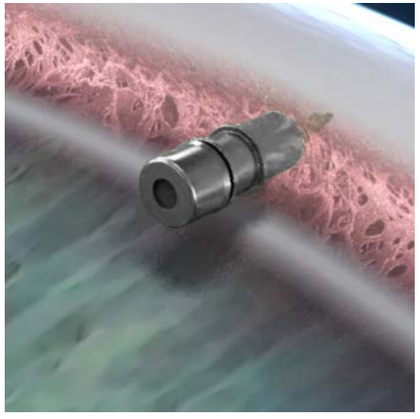
Filled with proprietary, novel and uber-potent formulation of travoprost; membrane-controlled Fickian elution; zero-order rates demonstrated *in vitro* and *in vivo*

Elegant and facile injectable procedure; bypassing cornea allows for micro-elution rates to achieve therapeutic index

Anchor keeps device in place and facilitates straightforward exchange upon drug depletion

Currently enrolling OHT – moderate OAG patients in Phase III clinical trials



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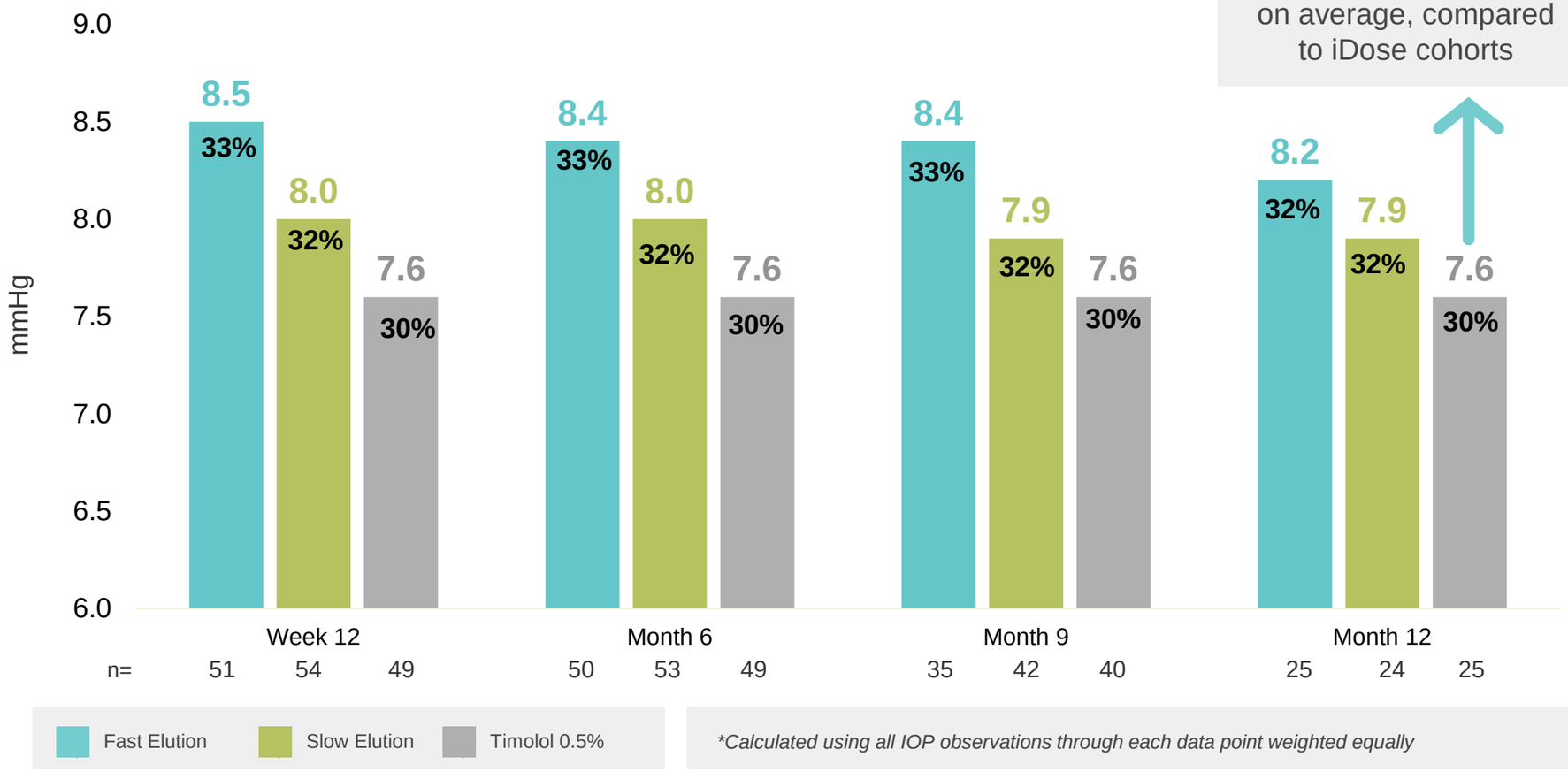
# *iDose Travoprost* US Phase II: Preliminary Efficacy Results

Average IOP reductions through Month 12 ranging from 7.9 to 8.5 mmHg in the implant arms

Represents 32-33% reduction in the implant arms

## Average IOP Reductions from Baseline through Month 12*




Timolol group required 31% more medications on average, compared to iDose cohorts

*Calculated using all IOP observations through each data point weighted equally

*iDose Travoprost is an unapproved drug and limited by US law to investigational use*

# *iDose Travoprost*: Understanding Need for Alternative to Topical Medications

Patient non-adherence to topical glaucoma medications is ubiquitous

## Key Non-Adherence Statistics[1]

**10-25%**
of newly prescribed patients don't refill 2nd prescription

**40-60%**
of newly prescribed patients are still taking their meds at end of Year 1

**70-75%**
rate of compliance reported for "compliant" patients

## Key Reason for Non-Adherence[1]

Complex dosing regimens

Cost and forgetfulness

Difficulty instilling drops, especially for elderly patients

Adverse side effects (hyperemia, etc.) and/or intolerance with topical medications

Inconvenience and/or misunderstanding about the need

## Value of Adherence to Therapy[2]

Lowering IOP is only proven glaucoma treatment

Low IOP is associated with reduced progression of optic nerve damage and visual field defect, per multiple studies

Studies show that patients with poor medication adherence have worse visual field defect severity

*1 Quigley HA Glaucoma: What Every Patient Should Know 2011; Friedman DS et al Invest Ophthalmol Vis Sci. 2007; Glaucoma Research Foundation; Market Scope*
*2 AGIS Investigators Am J Ophthalmol. 2000; Leske MC et al Arch Ophthalmol. 2003; Blalock S et al Ophthalmology 2011; Olthhoff et al Ophthalmology 2005*

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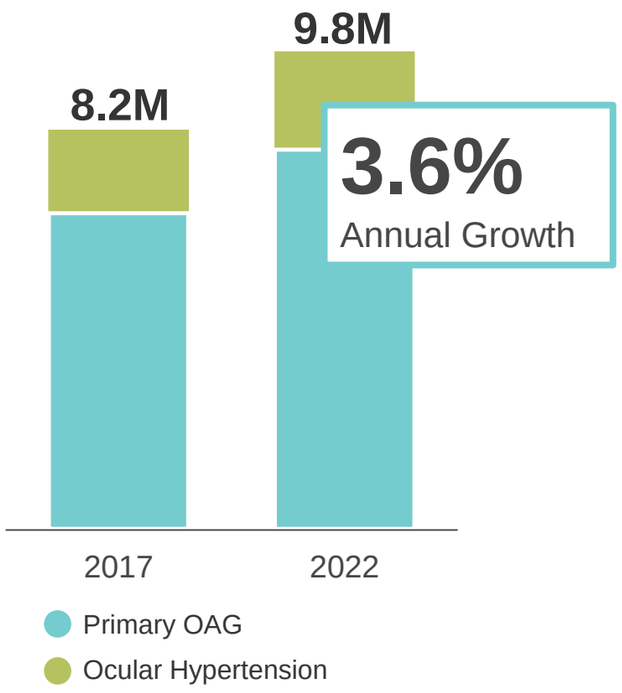
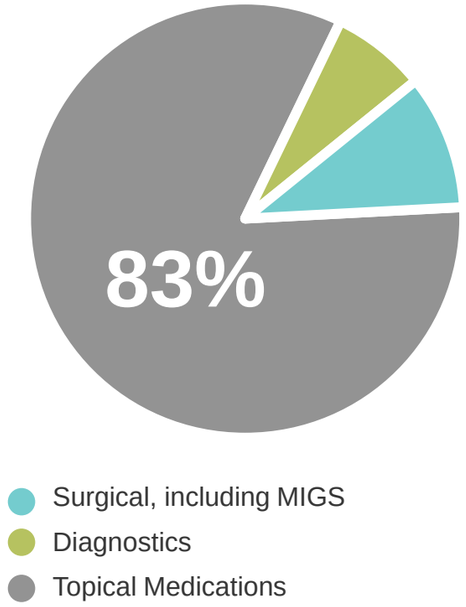
# *iDose Travoprost*: Understanding the US Glaucoma Pharmaceutical Market

## Diagnosed and Treated Population Projections (eyes)



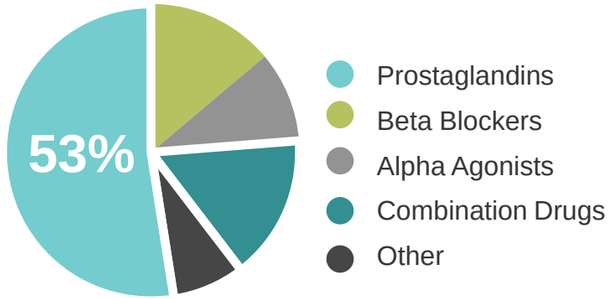

*Source: Company Estimates*

## Topical Pharmaceuticals Dominate the Market

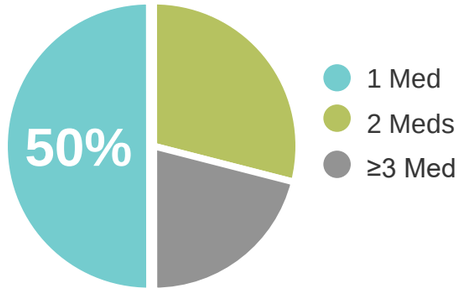



*Source: Market Scope*

## Prostaglandin Analogs Are Most Common First-Line Therapy




## Patients Frequently Require Multiple Medications




**37M** = **$2.2B**

Est. Rx units sold

Est. annual revenue

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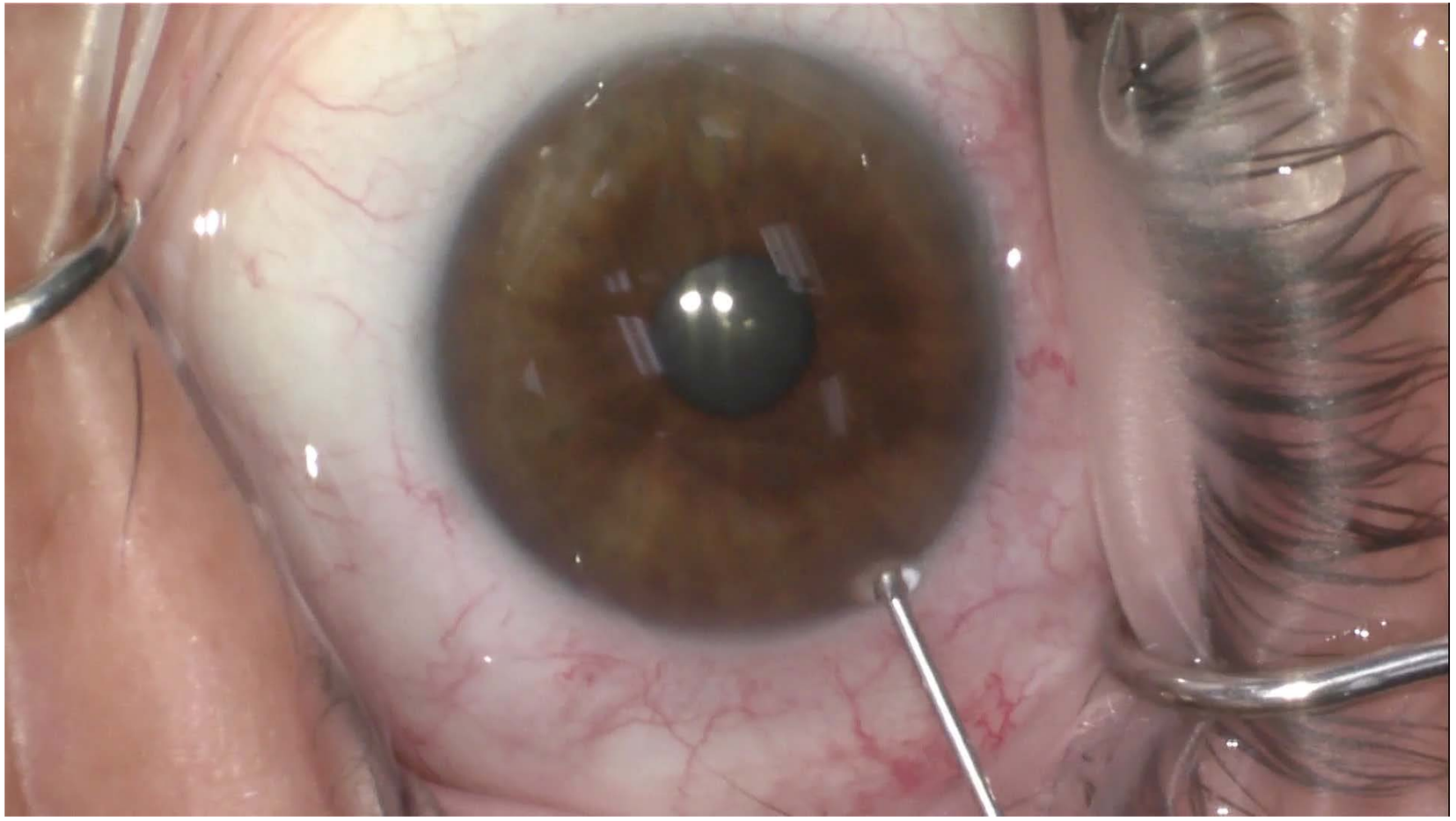
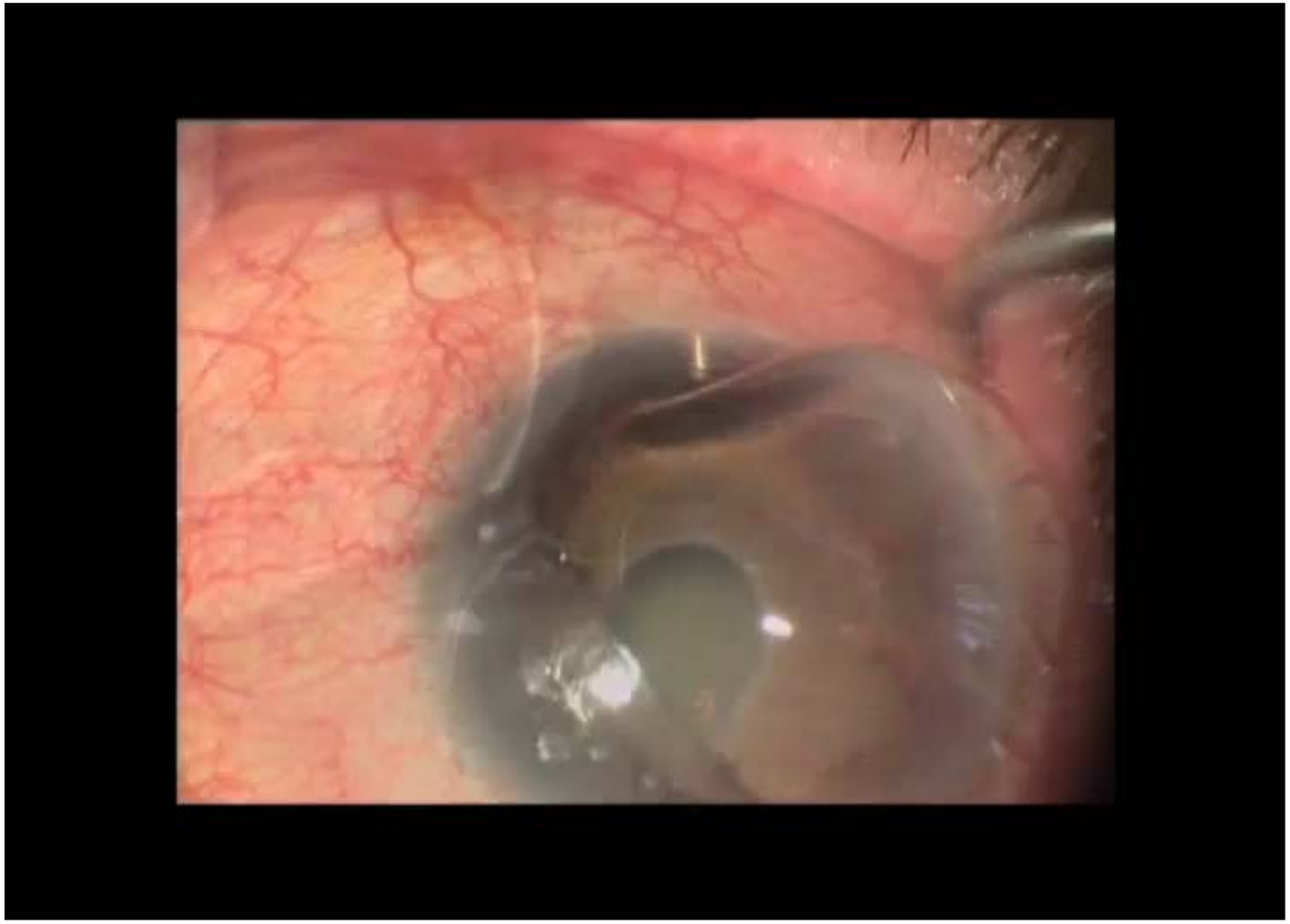
# *iDose Travoprost* Procedure



*iDose Travoprost is an unapproved drug and limited by US law to investigational use*

# *iDose Travoprost* Exchange (Removal) Procedure



*iDose Travoprost is an unapproved drug and limited by US law to investigational use*

# Strategy for Expanding Our Micro-Scale Rx Injectable Therapy Potential

## Understanding drug characteristics and predictability for delivery via *iDose* system

- *Small-molecule APIs, high potency, low aqueous solubility*
- *Receptor does not lose sensitivity during long-term dosing*
- *Potential for reduced side effects vs. topical delivery*
- *Molecular structure chemically stable over time*


## Leverage Core Competencies

Leveraging unique expertise in micro-mechanical design, assembly and filling processes

## Build Seasoned Team

Building seasoned ocular drug delivery team of chemists, scientists, engineers

Focused on early-stage product development, novel sustained pharmaceutical systems, platform optimization

DWTI

D.WESTERN THERAPEUTICS INSTITUTE

## Implement ROCK Inhibitor Collaboration

Preeminent ROCK inhibitor research organization

Ability to access DWTI's ROCK inhibitor compound library and potential new compounds

Certain exclusive rights to develop novel products using compounds



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# Potentially Expanding Our Annual Market Opportunity 7x+

OHT/POAG prevalence: ~18M eyes

8.2M eyes diagnosed and treated

Growing 3.5% annually

33% of standalone OHT/POAG population is pseudophakic

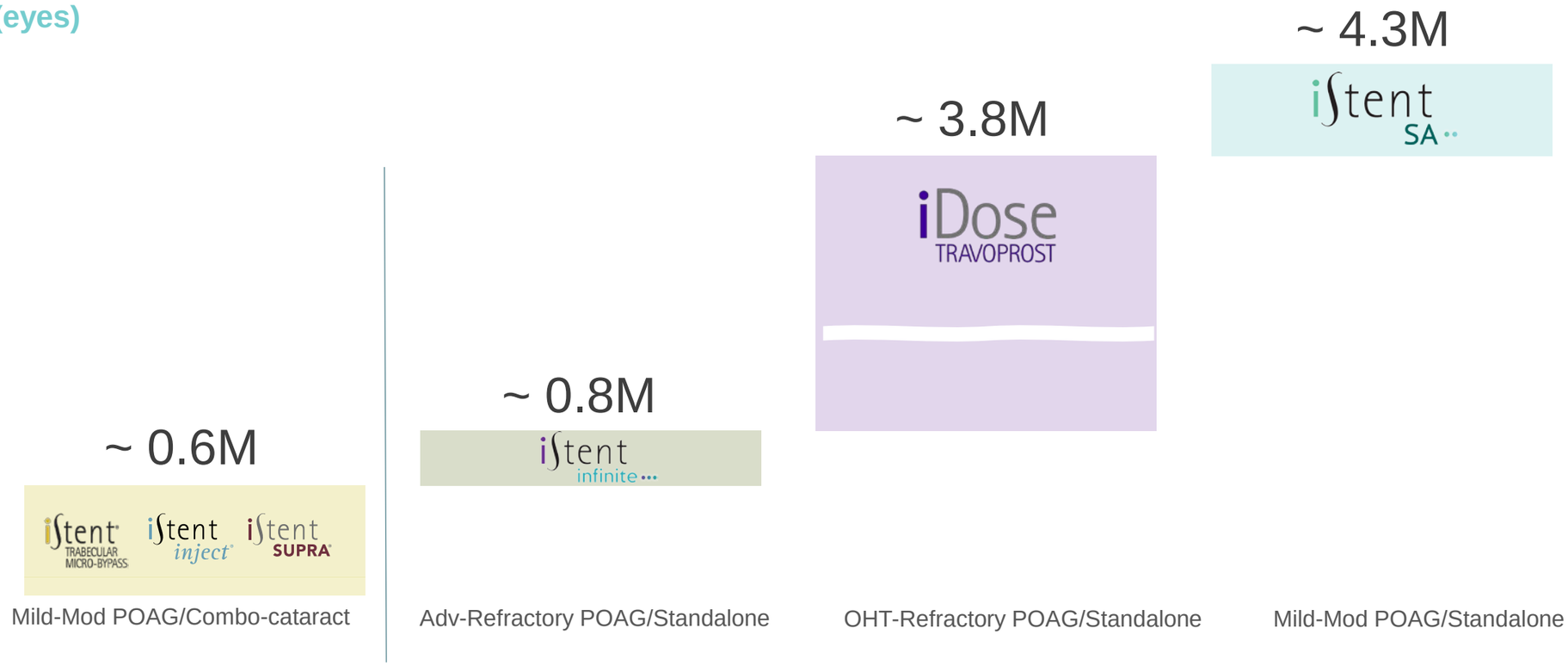
Combination therapy drives more opportunity for Glaukos portfolio

Total global opportunity

**2x**

## US Annual Opportunity*

**(eyes)**




| | | | |
|---|---|---|---|
| Total Dx & Treated Prevalence (eyes) | 2.4M | 8.4M | 11.1M |
| Total Prevalence (eyes) | 2.8M | 17.3M | 21.7M |

** 2017 market opportunity; based on Glaukos algorithm of physician preference and combination therapy utilization; assumes full product portfolio availability for physician*

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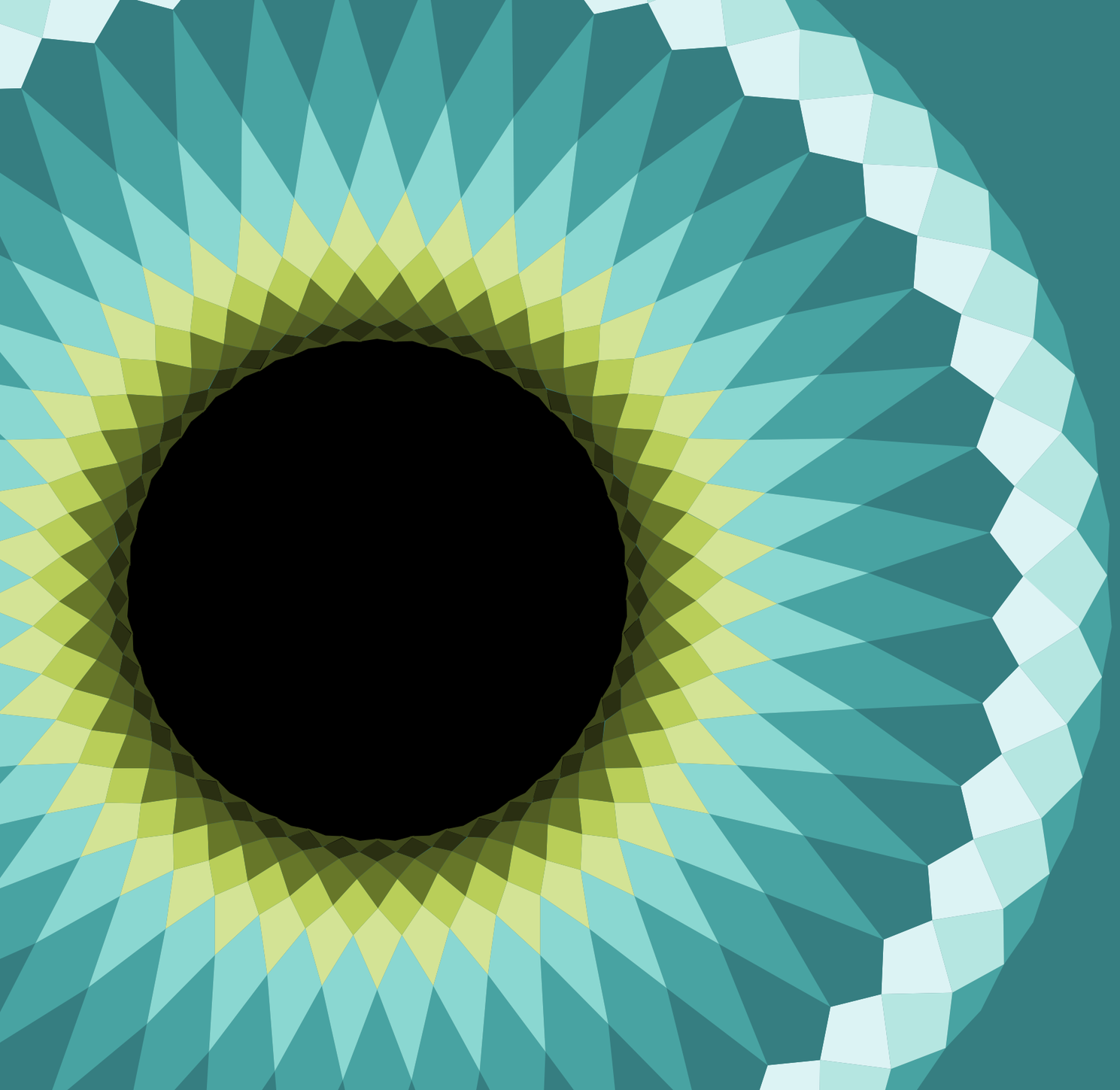
# Glaukos: Transitioning into Ophthalmic Pharma/Device Leader


**Delivering novel glaucoma therapy across multiple technology platforms**

- Delivering novel solutions that address important unmet clinical needs in large and growing markets
- Strengthening position as global MIGS leader with successful US launch of *iStent inject*
- Advancing solid cadence of market-expanding pharma and surgical product introductions over next 5+ years
- Investing strategically across all aspects of business to stimulate and support long-term growth
- Building three distinct and complementary technology platforms to transform glaucoma therapy



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*Transforming Glaucoma Therapy*