

August 17, 2015

Immune Pharmaceuticals Announces Corporate Update; Second Quarter 2015 Financial Results and Highlights and Conference Call Details

NEW YORK, Aug. 17, 2015 /PRNewswire/ -- Immune Pharmaceuticals, Inc. (NASDAQ: IMNP) ("Immune" or the "Company") announces corporate update and financial results for second quarter and six months ended June 30, 2015.

Second Quarter 2015; Recent Highlights and Upcoming Milestones

The Company made progress during the second quarter of 2015 in executing its business plan as well as closing, after the end of the quarter, on a significant financing of up to \$21.5 million in gross proceeds, as previously announced on July 29, 2015.

"We believe that Immune's recent announcement on securing these financings will provide the resources needed to allow completion of our recently initiated Phase II clinical trials of Bertilimumab, a first in class monoclonal antibody, for the treatment of Bullous Pemphigoid and Ulcerative Colitis, and the initiation of pilot studies for additional indications such as Crohn's disease, NASH, and severe asthma," stated Dr. Daniel Teper, chief executive officer of Immune.

"We anticipate that these financings will cover the next 18 months of operating costs and help execute our strategy to expand our immuno-dermatology franchise with the topical nano-formulated Cyclosporine A for the treatment of atopic dermatitis and psoriasis," continued Dr. Teper.

Recent Highlights

- Immune Pharmaceuticals secures financings of up to \$21.5 million in gross proceeds from institutional investors
- Immune Initiates Phase II clinical trials with Bertilimumab in Ulcerative Colitis and Bullous Pemphigoid
- Immune expands immuno-dermatology development portfolio with topical nano-formulated Cyclosporine A
- Immune announced a partnership with STC Biologics for the development of an HER-2 targeted NanomAb towards the submission of Investigational New Drug (IND) application to the U.S. FDA
- Immune Pharmaceuticals Signs License & Research Agreement for AmiKet™ Nano

Upcoming Milestones and 2015 Priorities

Immune expects to build shareholder value by achieving key strategic objectives

including:

- Ongoing patient enrollment process for Phase II in Bullous Pemphigoid (BP) and Ulcerative Colitis (UC) with Bertilimumab
- Top line results and Orphan Designation for Bertilimumab in BP
- Continuing partnering activities of non-core assets with focus on Amiket
- Submission of Investigational New Drug (IND) application to the U.S. FDA for Bertilimumab in multiple indications

Second Quarter 2015 Financial Results

Immune reported a net loss attributable to common stockholders of \$2.9 million or \$0.12 per share, for the second quarter of 2015 compared to a loss attributable to common stockholders of \$0.4 million or \$0.03 per share, for the second quarter of 2014. The increase in the net loss was due to a non-recurring derivative liability income of \$3.5 million that was recorded in the second quarter of 2014, which offset the loss from operations. Excluding the impact of the non-operating income of \$3.5 million, the net loss would have been \$3.9 million in the second quarter of 2014.

Research and development expenses increased by \$0.1 million during the three-month period ended June 30, 2015 to \$1.1 million compared with \$1.0 million during the three month period ended June 30, 2014.

General and administrative expenses decreased by \$0.4 million during the three month period ended June 30, 2015 to \$1.7 million, compared with \$2.0 million during the three month period ended June 30, 2014.

As of June 30, 2015, the Company had 25.2 million common shares outstanding. Following the exchange and conversion of the preferred equity in July 2015, the Company had 27.1 million common shares outstanding.

The Company's Quarterly Report on Form 10-Q for the second quarter ended June 30, 2015 has been filed with the SEC.

Conference Call

Immune will host its first quarterly conference call and corporate update this morning, Monday, August 17, 2015 at 8am EDT. Domestic callers (toll-free US and Canada) may dial (866) 373-3402 and International callers dial (201) 689-7825. A live and recorded audio webcast will be available by visiting the Company's website at www.immunepharmaceuticals.com

**IMMUNE PHARMACEUTICALS INC. CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SECOND QUARTER AND SIX MONTHS ENDED 2015
(in thousands, except per share amounts)**

Immune Pharmaceuticals Inc.
Condensed Consolidated Balance Sheets
(In thousands, except share and per share amounts)

June 30,
2015
(Unaudited)

December 31,
2014

ASSETS

Current assets

Cash and cash equivalents	\$1,397	\$ 6,767
Restricted cash	61	21
Other current assets	161	99
Total current assets	1,619	6,887
Property and equipment, net	60	41
In-process research and development acquired	27,500	27,500
Intangible assets, net	3,263	3,415
Security deposits	132	21
Total assets	\$32,574	\$ 37,864

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities

Accounts payable	\$2,984	\$ 1,243
Accrued expenses	2,096	4,133
Due to related parties	30	30
Notes and loans payable, current portion	2,443	2,011
Total current liabilities	7,553	7,417
Grants payable	469	469
Notes and loans payable, net of current portion	164	1,564
Deferred tax liability	10,870	10,870
Total liabilities	19,056	20,320

Commitments and contingencies

Stockholders' Equity

Series C Preferred stock, par value \$0.0001; 15,000 shares authorized, 4,320 shares available for issuance, 2,318 and 2,832 shares issued and outstanding, as of June 30, 2015 and December 31, 2014, respectively	672	821
Undesignated preferred stock, par value \$0.0001; 4,985,000 shares authorized, 4,981,935 shares available for issuance, none issued and outstanding, as of June 30, 2015 and December 31, 2014, respectively	-	-
Common stock, \$0.0001 par value; authorized 225,000,000 shares; 25,201,672 and 23,975,358 shares issued and outstanding at June 30, 2015 and December 31, 2014, respectively	3	2

Additional paid-in capital	65,105	62,550
Accumulated deficit	(52,262)	(45,829)
Total stockholders' equity	13,518	17,544
Total liabilities and stockholders' equity	\$32,574	\$ 37,864

Immune Pharmaceuticals Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(In thousands, except share and per share amounts)

Three Months Ended June 30, Six Months Ended June 30,

	2015	2014	2015	2014
Revenue:				
Licensing and other revenue \$-		\$-	-	2
Costs and expenses:				
Research and development	1,126	986	2,277	1,324
General and administrative	1,682	2,035	3,984	4,576
Total costs and expenses	2,808	3,021	6,261	5,900
Loss from operations	(2,808)	(3,021)	(6,261)	(5,898)

**Non-operating income
(expense):**

Interest expense	(65)	(116)	(166)	(268)
Derivative liability income	-	3,527	-	1,844
Other expense, net	(3)	(130)	(6)	(197)
Total non-operating income (expense)	(68)	3,281	(172)	1,379
Net income (loss) before income taxes	(2,876)	260	(6,433)	(4,519)
Income tax expense	-	-	-	—
Net income (loss)	\$(2,876)	\$260	(6,433)	(4,519)
Series C Preferred dividend	(55)	-	(114)	-
Deemed dividend	-	(672)	(1,701)	(720)
Net loss attributable to common stockholders	\$(2,931)	\$(412)	(8,248)	(5,239)
Basic and diluted net loss per common share	\$(0.12)	\$(0.03)	(0.34)	(0.37)

Weighted average number of
common stock outstanding
used in computing net loss
per common share:

Basic and diluted net loss per common share:	24,722,980	14,470,523	24,522,788	14,108,675
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About Immune Pharmaceuticals

Immune Pharmaceuticals Inc. applies a personalized approach to treating and, developing novel, highly-targeted antibody therapeutics to improve the lives of patients with inflammatory diseases and cancer. The Company's lead product candidate, Bertilimumab, is in clinical development for moderate to severe ulcerative colitis as well as for bullous pemphigoid, an orphan auto-immune dermatological condition. The Company recently expanded its portfolio in immuno-dermatology, topical nano-formulated Cyclosporine A (CsA) for the treatment of psoriasis and atopic dermatitis. Immune's pipeline also includes NanomAbs®, antibody nanoparticle conjugates, for the targeted delivery of chemotherapeutics. Other indications planned for development include Crohn's disease, severe asthma and NASH (liver disease).

For more information, visit Immune's website at www.immunepharmaceuticals.com

Forward-Looking Statements

This news release and any oral statements made with respect to the information contained in this news release contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. You are urged to consider statements that include the words "may," "will," "would," "could," "should," "believes," "estimates," "projects," "potential," "expects," "plans," "anticipates," "intends," "continues," "forecast," "designed," "goal" or the negative of those words or other comparable words to be uncertain and forward-looking. Such forward-looking statements include statements that express plans, anticipation, intent, contingency, goals, targets, future development and are otherwise not statements of historical fact. These statements are based on our current expectations and are subject to risks and uncertainties that could cause actual results or developments to be materially different from historical results or from any future results expressed or implied by such forward-looking statements. Factors that may cause actual results or developments to differ materially include, but not limited to: the risks associated with the adequacy of our existing cash resources and our ability to continue as a going concern; the risks associated with our ability to continue to meet our obligations under our existing debt agreements; the risk that clinical trials for Bertilimumab or AmiKet will not be successful; the risk that Bertilimumab, AmiKet or compounds arising from our NanomAbs program will not receive regulatory approval or achieve significant commercial success; the risk that we will not be able to find a partner to help conduct the Phase III trials for AmiKet on attractive terms, on a timely basis or at all; the risk that our other product candidates that appeared promising in early research and clinical trials do not demonstrate safety and/or efficacy in larger- scale or later-stage clinical trials; the risk that we will not obtain approval to market any of our product candidates; the risks associated with dependence upon key personnel; the risks associated with reliance on collaborative partners and others for further clinical trials, development, manufacturing and commercialization of our product candidates; the cost, delays and uncertainties associated with our scientific research, product development, clinical trials and regulatory

approval process; our history of operating losses since our inception; the highly competitive nature of our business; risks associated with litigation; and risks associated with our ability to protect our intellectual property. These factors and other material risks are more fully discussed in our periodic reports, including our reports on Forms 8-K, 10-Q and 10-K and other filings with the U.S. Securities and Exchange Commission. You are urged to carefully review and consider the disclosures found in our filings, which are available at www.sec.gov or at www.immunepharmaceuticals.com. You are cautioned not to place undue reliance on any forward-looking statements, any of which could turn out to be wrong due to inaccurate assumptions, unknown risks or uncertainties or other risk factors. We expressly disclaim any obligation to publicly update any forward looking statements contained herein, whether as a result of new information, future events or otherwise, except as required by law.

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