March 18, 2015

Capricor Therapeutics Reports Fourth Quarter and Full Year 2014 Financial & Business Highlights

Conference Call Scheduled for Wednesday, March 18, 2015 (4:30 p.m. EDT)

LOS ANGELES, March 18, 2015 (GLOBE NEWSWIRE) --Capricor Therapeutics, Inc. (Nasdaq:CAPR), a biotechnology company focused on developing novel therapeutics for the treatment of cardiovascular diseases, today provided a business and financial update for the fourth quarter and full year ended December 31, 2014.

Fourth Quarter and Recent Operational Highlights

- Uplisted trading of Capricor common stock to the Nasdaq Capital Market effective March 9, 2015
- Initiated patient enrollment of a dose-ranging Phase II clinical trial of Cenderitide to evaluate the safety and feasibility of delivering the drug via a subcutaneous drug delivery patch pump in up to 14 patients with stable, chronic heart failure
- Announced plans to pursue a clinical program using CAP-1002 for the treatment of Duchenne muscular dystrophy
- Presented positive one-year Phase I safety results of the ALLSTAR (**All**ogeneic Heart **St**em Cells to **A**chieve Myocardial **R**egeneration) clinical trial, which indicated that intracoronary injection of CAP-1002 to achieve myocardial regeneration in patients with left-ventricular dysfunction who have had an anterior myocardial infarction appeared to be safe, with no deaths, no acute myocarditis and no major adverse cardiac events
- Initiated the DYNAMIC trial (**D**ilated cardiom**Y**opathy i**N**tervention with **A**llogeneic **M**yocard**I**ally-regenerative **C**ells) to evaluate CAP-1002 in patients with advanced heart failure; the trial is funded in part through an approximate $3 million grant from the National Institutes of Health (NIH)
- Entered into a research support agreement with Insulet Corporation using Insulet's drug delivery system based on the OmniPod® insulin management system
- Announced acquisition from Medtronic, Inc. of intellectual property rights to natriuretic peptides relating to the formulation and pump delivery of natriuretic peptides
- A late-breaking basic science poster was presented on positive pre-clinical data for Cardiosphere-Derived Cells (CDCs) on Duchenne muscular dystrophy cardiomyopathy at the American Heart Association Scientific Sessions
- Raised approximately $17.0 million in two private placements of common stock
- Appointed Thomas Copmann, Ph.D., as Vice President of Regulatory Affairs and Drug Development

"2014 and early 2015 was a very exciting and busy period for the company," said Linda Marbán, Ph.D., Chief Executive Officer of Capricor. "We initiated a Phase II trial of Cenderitide using Insulet's OmniPod® technology drug delivery system to begin our clinical development program aimed to treat outpatient and ambulatory heart failure patients. We also initiated the DYNAMIC clinical trial of our allogeneic CDC therapy for advanced heart failure patients. Lastly, on the product development side, we announced plans to treat Duchenne muscular dystrophy associated cardiomyopathy with our CDC therapy. Finally, regarding the capital markets, our common stock was uplisted to the Nasdaq Capital Market to enhance trading liquidity and stock visibility and we secured approximately $17M in additional capital to fuel our clinical development programs and corporate operations."

Upcoming Clinical Development Milestones

CDCs (Cardiosphere-Derived Cells)

- 1H15: Submit IND for DMD-associated cardiomyopathy
- 1H15: DYNAMIC clinical trial enrollment completion
- 2H15: Report initial DYNAMIC top-line results
- 2H15: Initiate HOPE-DUCHENNE clinical trial to treat DMD-associated cardiomyopathy
- 4Q16-1Q17: ALLSTAR Phase II top-line data

Cenderitide (Natriuretic Peptide)

- 1H15: Cenderitide clinical trial enrollment completion
- 2H15: Report initial Cenderitide top-line results
- 2H15: Announce clinical development program for natriuretic peptides

Results of Operations for the fiscal years ended December 31, 2014 and 2013

As of December 31, 2014, the Company had cash, cash equivalents and marketable securities totaling approximately $8.0 million, plus approximately $3.0 million restricted cash from the Company's California Institute for Regenerative Medicine (CIRM) loan award, totaling approximately $11.0 million. These amounts represent increases from the approximate $1.7 million in cash, cash equivalents and marketable securities and the approximate $1.4 million restricted cash from the CIRM loan award, each as of December 31, 2013. This increase in 2014 was primarily attributable to the $12.5 million upfront payment received by the Company related to the Company's previously announced Collaboration Agreement and Exclusive License Option with Janssen Biotech, Inc.

For the year ended December 31, 2014, the Company reported a net loss of $6.2 million or $0.53 per basic and diluted share. General and administrative expenses for the years ended December 31, 2014 and 2013 were $3.0 million and $2.2 million, respectively. The increase is primarily attributable to increases in compensation costs, professional fees and stock based compensation costs. Research and development expenses for the years ended December 31, 2014 and 2013 were $7.8 million and $5.2 million, respectively. The increase is primarily due to increased clinical development activities associated with CAP-1002 as well as increased expenses related to our Janssen CMC and process development work.

Conference Call

Capricor management will hold a conference call on Wednesday, March 18, 2015, at 4:30 p.m. EDT. The live call may be accessed by dialing +1-877-407-4018 for domestic callers and +1-201-689-8471 for international callers. Access to the live webcast can be found at http://public.viavid.com/index.php?id=113578. Additionally, conference call details and a link to the replay of the webcast to be archived for 90 days will be available at http://capricor.com/news/events/.

About Capricor Therapeutics

Capricor Therapeutics, Inc. (CAPR), a publicly traded biotechnology company, is focused on the development of novel therapeutics to prevent and treat heart disease. The Company has two leading product candidates: CAP-1002 and Cenderitide. The Company was formed through the November 2013 merger between Capricor, Inc., a privately held company whose mission is to improve the treatment of heart disease by commercializing cardiac stem cell therapies for patients, and Nile Therapeutics, Inc., a clinical-stage biopharmaceutical company developing innovative products for the treatment of cardiovascular diseases. For additional information, visit www.capricor.com.

Cautionary Note Regarding Forward-Looking Statements

Statements in this press release regarding the efficacy, safety, and intended utilization of Capricor's product candidates; the conduct, size, timing and results of discovery efforts and clinical trials; scope, duration, validity and enforceability of intellectual property rights; plans regarding regulatory filings, future research and clinical trials; plans regarding current and future collaborative activities and the ownership of commercial rights; future royalty streams, and any other statements about Capricor's management team's future expectations, beliefs, goals, plans or prospects constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that are not statements of historical fact (including statements containing the words "believes," "plans," "could," "anticipates," "expects," "estimates," "should," "target," "will," "would" and similar expressions) should also be considered to be forward-looking statements. There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements. More information about these and other risks that may impact our business are set forth in our Annual Report on Form 10-K for the year ended December 31, 2014, as filed with the Securities and Exchange Commission on March 16, 2015, and in our Registration Statement on Form S-1, as filed with the Securities and Exchange Commission on March 6, 2015. All forward-looking statements in this press release are based on information available to us as of the date hereof, and we assume no obligation to update these forward-looking statements.

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