

August 14, 2012



Boston Therapeutics Reports Second Quarter and Six Months 2012 Financial Results

Initiated launch of SUGARDOWN(R) in the U.S. at the Endocrinology Annual Meeting; SUGARDOWN(R) Sales Increased 845% in the First Half of 2012; Completed Patient Enrollment for Phase II PAZ320 Clinical Trial; Advance Pharmaceutical Invested \$500,000 in the Second Quarter of 2012

MANCHESTER, NH -- (MARKETWIRE) -- 08/14/12 -- Boston Therapeutics, Inc. (OTCQB: BTHE) (OTCBB: BTHE) ("Boston Therapeutics" or "the Company"), a developer of complex carbohydrate therapeutics to treat diabetes and inflammatory diseases, today announced financial results for the three and six months ended June 30, 2012. These results are included in the Company's Quarterly Report on Form 10-Q, which has been filed with the SEC.

"We are pleased with the recent progress in our businesses," said David Platt, Ph.D., Chairman and Chief Executive Officer of Boston Therapeutics. "The additional financing we received from an affiliate of our Hong Kong based distribution partner, Advance Pharmaceutical, provides us with capital to help fund our research and development efforts while we build our sales pipeline for SUGARDOWN® both domestically and internationally. The Phase II clinical trials for PAZ320 are on schedule and the results are promising. With additional testing, we believe that PAZ320 will be an effective treatment for millions of people who have high blood sugar and diabetes."

Three and Six Months ended June 30, 2012 Financial Results

Revenue for the three and six month periods ended June 30, 2012 totaled \$2,376 and \$21,230, respectively, compared to \$1,767 and \$2,247, respectively, for the same periods in the prior year, an increase of \$609 and \$18,983, respectively. Revenues for both periods were generated from the sale of SUGARDOWN® while the increase was primarily attributable to increased distribution through a new reseller.

Cost of goods sold for the three and six month periods ended June 30, 2012 were \$4,162 and \$31,757, respectively, compared to \$1,287 and \$2,250, respectively, for the same period in the prior year, an increase of \$2,875 and \$29,507, respectively. The increases were primarily attributable to higher labor, shipping, fulfillment and materials costs to manufacture SUGARDOWN® in addition to costs associated with scaling production for additional sales.

Research and development expense for the three and six month periods ended June 30,

2012 was \$67,924 and \$119,552, respectively, compared to \$16,072 and \$33,211, respectively, for the same period in the prior year, an increase of \$51,852 and \$86,341, respectively. Costs associated with the clinical trial of PAZ320 accounted for approximately \$52,000 of the increase, with the remainder being attributable to ongoing development of SUGARDOWN®.

Sales and marketing expenses were \$66,898 and \$134,078, respectively, for the three and six month periods ended June 30, 2012 compared to \$1,542 and \$1,997, respectively, for the same periods in the prior year, an increase of \$65,356 and \$132,081, respectively. The increase was primarily attributable to higher advertising and promotion expenses related to SUGARDOWN®.

General and administrative expense for the three and six month periods ended June 30, 2012 was \$139,435 and \$263,971, respectively, compared to \$75,459 and \$150,295, respectively, for the same periods in the prior year, an increase of \$63,976 and \$113,676, respectively. These increases were primarily attributable to increased legal and accounting fees associated with SEC filings and quarterly financial statement preparation for the Company in addition to increased payroll and stock based compensation expenses.

The Company had a net loss of \$281,989, or \$0.02 per share, for the three months ended June 30, 2012 and a net loss of \$539,394, or \$0.03 per share, for the six months ended June 30, 2012. The weighted average diluted shares outstanding for the three and six month periods ended June 30, 2012 were 16,287,381 and 16,255,293, respectively.

Boston Therapeutics had a cash balance of \$417,510 at June 30, 2012, compared to \$225,995 as of December 31, 2011, primarily attributable to a private placement of common stock totaling \$500,000 completed in June 2012. Shareholders' equity totaled \$549,167 at June 30, 2012, compared to \$424,695 at December 31, 2011, an increase of \$124,472.

Business Highlights

In late June, the Company initiated the launch of SUGARDOWN®, a non-systemic, chewable tablet to moderate post-meal blood glucose, at the Endocrinology Annual Meeting and Expo in Houston on June 23rd to 26th. Chairman and CEO Dr. David Platt discussed the details of the science and the benefits of SUGARDOWN®. The Company has started to ship initial orders of SUGARDOWN®.

The Company completed enrollment of patients with Type 2 diabetes for its Phase II PAZ320 clinical trial in June 2012. PAZ320 is a non-systemic chewable complex carbohydrate-based compound designed to reduce post-meal elevation of blood glucose. Boston Therapeutics announced in April 2012 that interim data analysis of the Phase II clinical trials indicated no serious adverse events from 24 patients with Type II diabetes who took PAZ320. The subsequent tests will evaluate the safety and efficacy of PAZ320 when added to oral agents or insulin in patients with Type 2 diabetes. The Company expects to report Phase II results by September 2012.

About Boston Therapeutics, Inc.

Boston Therapeutics, headquartered in Manchester, NH, (OTCQB: BTHE) (OTCBB: BTHE) is a leader in the field of complex carbohydrates. The Company's initial product pipeline is

focused on developing and commercializing therapeutic molecules for diabetes: SUGARDOWN®, a non-systemic chewable complex carbohydrate dietary supplement designed to moderate post-meal blood glucose; PAZ320, a non-systemic chewable therapeutic compound designed to reduce post-meal glucose elevation, and IPOXYN™, an injectable anti-hypoxia drug specifically designed to treat lower limb ischemia associated with diabetes. More information is available at www.bostonti.com.

Forward-Looking Statements

The Company's views as of the date of this press release should not be relied upon to represent the Company's views as of a subsequent date. While the Company anticipates that subsequent events may cause the Company's views to change, the Company disclaims any obligation to update such forward-looking statements.

More information about those risks and uncertainties is contained and discussed in the Company's most recent quarterly or annual report and in the Company's other reports filed with the Securities and Exchange Commission. The forward-looking statements represent the Company's views as of the date of this press release and should not be relied upon to represent the Company's views as of a subsequent date. While the Company anticipates that subsequent events may cause the Company's views to change, the Company disclaims any obligation to update such forward-looking statements.

-Financial tables follow-

Boston Therapeutics, Inc. **(Formerly Avanyx Therapeutics, Inc.)**

(A Development Stage Company)

Balance Sheets (Unaudited)

June 30, 2012 and December 31, 2011

	<u>June 30, 2012</u>	<u>December 31, 2011</u>
ASSETS		
Cash	\$ 417,510	\$ 225,995
Prepaid expenses	5,495	5,331
Inventory, net	24,726	23,596
Total current assets	<u>447,731</u>	<u>254,922</u>
Property and equipment, net	4,297	-
Intangible assets	792,857	825,000
Goodwill	69,782	69,782
Other assets	2,125	-
Total assets	<u>\$ 1,316,792</u>	<u>\$ 1,149,704</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Accounts payable	\$	335,954	\$	341,873
Accrued expenses and other current liabilities		133,851		125,316
Total current liabilities		469,805		467,189
Advances - related parties		297,820		257,820
Total liabilities		767,625		725,009
COMMITMENTS AND CONTINGENCIES				
Stockholders' equity:				
Preferred stock, \$0.001 par value, 5,000,000 shares authorized, none issued and outstanding		-		-
Common stock, \$0.001 par value, 100,000,000 shares authorized, 17,348,206 and 16,223,206 shares issued and outstanding at June 30, 2012 and December 31, 2011		17,348		16,223
Additional paid-in capital		2,284,497		1,621,756
Deficit accumulated during the development stage		(1,752,678)		(1,213,284)
Total stockholders' equity		549,167		424,695
Total liabilities and stockholders' equity	\$	1,316,792	\$	1,149,704

Boston Therapeutics, Inc.

(Formerly Avanyx Therapeutics, Inc.)

(A Development Stage Company)

Statements of Operations (Unaudited)

For the Three and Six Month Periods Ended June 30, 2012 and 2011

and the Period from Inception (August 24, 2009) through June 30, 2012

	<i>For the Three Months Ended</i>		<i>For the Six Months Ended</i>		<i>Period from Inception (August 24, 2009) to</i>
	<i>June 30, 2012</i>	<i>June 30, 2011</i>	<i>June 30, 2012</i>	<i>June 30, 2011</i>	<i>June 30, 2012</i>
Revenue	\$ 2,376	\$ 1,767	\$ 21,230	\$ 2,247	\$ 25,770
Cost of goods sold	4,162	1,287	31,757	2,250	38,530
Gross margin	(1,786)	480	(10,527)	(3)	(12,760)
Operating expenses:					
Research and development	67,924	16,072	119,552	33,211	324,600
Sales and marketing	66,898	1,542	134,078	1,997	344,271

General and administrative	<u>139,435</u>	<u>75,459</u>	<u>263,971</u>	<u>150,295</u>	<u>1,036,109</u>
Total operating expenses	<u>274,257</u>	<u>93,073</u>	<u>517,601</u>	<u>185,503</u>	<u>1,704,980</u>
Operating loss	(276,043)	(92,593)	(528,128)	(185,506)	(1,717,740)
Interest expense	(4,178)	(4,104)	(8,356)	(7,210)	(32,028)
Foreign currency loss	<u>(1,768)</u>	<u>-</u>	<u>(2,910)</u>	<u>-</u>	<u>(2,910)</u>
Net loss	<u>\$ (281,989)</u>	<u>\$ (96,697)</u>	<u>\$ (539,394)</u>	<u>\$ (192,716)</u>	<u>\$ (1,752,678)</u>
Net loss per share - basic and diluted	\$ (0.02)	\$ (0.01)	\$ (0.03)	\$ (0.01)	
Weighted average shares outstanding basic and diluted	16,287,381	14,264,914	16,255,293	14,153,075	

Boston Therapeutics, Inc.

(Formerly Avanyx Therapeutics, Inc.)

(A Development Stage Company)

Statements of Cash Flows (Unaudited)

For the Six Month Periods Ended June 30, 2012 and 2011

and the Period from Inception (August 24, 2009) through June 30, 2012

	<i>For the Six Months Ended</i>		<i>Period from Inception (August 24, 2009) to</i>
	<i>June 30, 2012</i>	<i>June 30, 2011</i>	<i>June 30, 2012</i>
Cash flows from operating activities:			
Net loss	\$ (539,394)	\$ (192,716)	\$ (1,752,678)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization of intangible assets	32,143	32,143	107,143
Stock based compensation	116,866	13,118	266,715
Issuance of common stock for consulting services	25,000	-	70,250
Changes in:			

Inventory	(1,130)	(10,280)	(20,356)
Prepaid expenses	(164)	18	(2,578)
Other assets	(2,125)	-	(2,125)
Accounts payable	(5,919)	157,046	335,954
Accrued expenses	8,535	(154,112)	87,032
Net cash used in operating activities	<u>(366,188)</u>	<u>(154,783)</u>	<u>(910,643)</u>
Cash flows from investing activities:			
Purchase of property and equipment	(4,297)	-	(4,297)
Net cash acquired in acquisition of Boston Therapeutics, Inc.	-	-	8,397
Net cash (used in) provided by investing activities	<u>(4,297)</u>	<u>-</u>	<u>4,100</u>
Cash flows from financing activities			
Proceeds from advances - related parties	40,000	80,000	237,820
Proceeds from issuance of common stock - related parties	-	-	21,236
Proceeds from issuance of common stock	522,000	500,000	1,064,997
Net cash provided by financing activities	<u>562,000</u>	<u>580,000</u>	<u>1,324,053</u>
Net increase in cash and cash equivalents	191,515	425,217	417,510
Cash and cash equivalents, beginning of period	225,995	15,193	-
Cash and cash equivalents, end of period	<u>\$ 417,510</u>	<u>\$ 440,410</u>	<u>\$ 417,510</u>

Supplemental disclosure of cash flow information:

Cash paid during the period for:

Interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Income taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Acquisition of Boston Therapeutics, Inc.:			
Fair value of assets acquired	\$ -	\$ -	\$ 985,466
Assumed liabilities	-	-	(106,819)
Fair value of common stock issued	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 878,647</u>
Subscription receivable	<u>\$ -</u>	<u>\$ 8,867</u>	<u>\$ 8,867</u>

Contact:

Boston Therapeutics, Inc.
Anthony Squeglia

Phone: 603-935-9799

Email anthony.squeglia@bostonti.com

www.bostonti.com

Investor Relations:

MZ Group

Scott Powell

Senior Vice President

Phone: 212-301-7130

Email: scott.powell@mzgroup.us

Web: www.mz-ir.com