

May 20, 2015



# Boston Therapeutics, Inc. Reports First Quarter Results and Provides Corporate Update

MANCHESTER, NH -- (Marketwired) -- 05/20/15 -- Boston Therapeutics, Inc. (OTCQB: BTHE), a leading developer of compounds that enable people to manage their blood glucose using complex carbohydrate chemistry, today reported its financial results for the first quarter and three months ended March 31, 2015 and provided a corporate update.

David Platt, Ph.D., Chief Executive Officer, Boston Therapeutics, said, "We have made progress in the development of our lead therapeutic candidate, BTI-320. We received results from clinical trials that gave us important information for guiding our pending clinical program."

## ***Business and Clinical Highlights for the First Quarter 2015 and Subsequent Developments:***

- Raised approximately \$432,000 of net proceeds in March 2015 as a short-term strategy to improve cash flow and to bridge to a more strategic, long-term financing and/or significant revenue growth.
- Expanded the authorized territories of the licensing and marketing agreement between Boston Therapeutics and Advance Pharmaceutical Company, Ltd., (APC), via its subsidiary Sugardown Company Ltd. (SDCL) of Hong Kong to include Japan. The territory expansion comes as a result of the continued regulatory filings and marketing clearance authorizations that are being granted as APC continues its market registration expansion.
- APC received a signed certificate from the Department of Health to initiate a clinical trial at the Chinese University of Hong Kong to evaluate SUGARDOWN® in subjects that are pre-diabetic.
- Two trials are ongoing and continue to recruit patients. The results from the Sydney University trial showed consumption of SUGARDOWN® tablets prior to sugary beverages was found to significantly reduce the postprandial glucose, fructose and insulin responses to the sugary soft drink beverage. Every subject had a reduction response. Specifically, two SUGARDOWN® tablets were found to reduce glucose and fructose levels by up to a total of 40% and insulin levels by up to 18%. This new data, which includes fructose levels, showed there was an average reduction in glycemic index (GI) of approximately 10% following soft drink consumption with two SUGARDOWN® tablets.

"These study results provide additional support that BTI-320 and SUGARDOWN® can

be effective in reducing a wide range of sugars, including maltose, sucrose, lactose, glucose, fructose and insulin levels when consumed with sugary beverages. The consumption of sugary soft drink beverages can lead to a wide range of health problems that affect the body's total glycemic index, including obesity, type 2 diabetes and fatty liver disease. We now have valid data on BTI-320 and SUGARDOWN® effects with sugary beverages and solid food, which are supportive of their benefits as they help manage blood sugar.

"BTI-320 is designed as preventative medicine for people who are pre-diabetic and need to manage their blood sugar as well as for people with type 2 diabetes. We believe we are the only company to develop a safe, non-toxic compound to manage blood sugar non systemically," said Dr. Platt.

### ***Financial Results for the First Quarter Ended March 31, 2015:***

- Revenue for the first quarter ended March 31, 2015 was \$51,329 compared to revenue of \$43,827 for the first quarter ended March 31, 2014. The increase is primarily related to revenue generated through our marketing partnership with Benchworks SD, LLC.
- Gross margin for the first quarter ended March 31, 2015 was \$19,219 compared to a gross margin deficit of \$10,731 for the first quarter ended March 31, 2014. The increase is primarily related to a one-time material cost charge and higher fulfillment charges that resulted in a gross margin deficit for the first quarter ended March 31, 2014.
- Research and development expense for the first quarter ended March 31, 2015 was \$205,419 compared to \$269,434 for the first quarter ended March 31, 2014. The decrease is primarily related to approximately \$124,000 of expenses with the Company's Phase IIb clinical trial incurred in the first quarter ended March 31, 2014 for which the trial concluded in September 2014, offset by increases of \$38,000 in non-cash stock based compensation incurred in the first quarter ended March 31, 2015 for options granted and approximately \$24,000 in increased payroll and payroll related expenses related to one additional employee.
- Sales and marketing expense for the first quarter ended March 31, 2015 was \$32,751 compared to \$172,735 for the first quarter ended March 31, 2014. The decrease for the first quarter ended March 31, 2015 is primarily related to approximately \$92,000 in fees paid to a healthcare marketing company in the first quarter ended March 31, 2014, whose agreement was terminated subsequent to March 31, 2014. Additionally, trade show and associated travel expenses decreased approximately \$23,000 due to the Company's initiatives to reduce costs. Payroll and payroll related benefits also decreased approximately \$21,000 due to the reduction of one employee.
- General and administrative expense for the first quarter ended March 31, 2015 was \$515,922 compared to \$1,105,230 for the first quarter ended March 31, 2014. Non-cash stock-based compensation expense decreased approximately \$333,000 primarily due to fully vested options granted at a higher market price in the first quarter ended March 31, 2014 than those granted during the first quarter ended March 31, 2015. Accounting, financial and legal professional fees decreased approximately \$103,000

primarily related to a reduction in legal expenses associated with the indemnification of Dr. Platt's legal fees in the first quarter ended March 31, 2014 and management's cost reduction initiatives. The Company's cost reduction initiatives also resulted in a reduction of approximately \$100,000 of consulting and professional services. Payroll and payroll related expense decreased approximately \$37,000 primarily due to the resignation of the Company's former President in June 2014.

- Net loss for the first quarter ended March 31, 2015 was \$676,287 or \$0.02 per share, compared with a net loss of \$1,566,423 or \$0.04 per share in the prior year's first quarter. As of March 31, 2015, there were 38.6 million weighted average shares outstanding, compared with 37.5 million weighted average shares outstanding as of March 31, 2014.

Boston Therapeutics believes its cash resources will be sufficient to fund planned operations into June 2015. The Company is seeking additional capital through private placements, public offerings, private debt or equity financings but there can be no assurance that the Company will be able to raise necessary funding. Without such additional capital, the Company may be required to curtail or cease operations.

### ***About Boston Therapeutics, Inc.***

Boston Therapeutics, Inc., headquartered in Manchester, NH, (OTCQB: BTHE) is an innovator in designing compounds using complex carbohydrate chemistry. The company's product pipeline is focused on developing and commercializing therapeutic molecules that address diabetes and inflammatory diseases, including: BTI-320, a non-systemic therapeutic compound designed to reduce post-meal glucose elevation, and IPOXYN, an injectable anti-necrosis drug specifically designed to treat lower limb ischemia associated with diabetes. The company also produces and sells SUGARDOWN®, a non-systemic complex carbohydrate-based dietary food supplement designed to support healthy blood glucose. More information is available at [www.bostonti.com](http://www.bostonti.com).

### ***Cautionary Note Regarding Forward Looking Statements***

This press release contains, in addition to historical information, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to future events or future financial performance, and use words such as "may," "estimate," "could," "expect" and others. They are based on our current expectations and are subject to factors and uncertainties which could cause actual results to differ materially from those described in the statements. Factors that could cause our actual performance to differ materially from those discussed in the forward-looking statements include, among others, that our plans, expectations and goals regarding the clinical trials are subject to factors beyond our control and provide no assurance of FDA approval of any of our future drug development plans. Our clinical trials may not produce positive results in a timely fashion, if at all, and any necessary changes during the course of the trial could prove time consuming and costly. We may have difficulty in enrolling candidates for testing, which would affect our estimates regarding timing, and we may not be able to achieve the desired results. Any significant delays or unanticipated costs in any subsequent drug trial could delay obtaining meaningful results from Phase II studies and/or preparing for Phase III studies with the current cash on hand.

Upon receipt of FDA approval, we may face competition with other drugs and treatments that are currently approved or those that are currently in development, which could have an adverse effect on our ability to achieve revenues from our approved products. Plans regarding development, approval and marketing of any of our compounds, including BTI-320, are subject to change at any time based on the changing needs of our company as determined by management and regulatory agencies. We have incurred operating losses since our inception, and our ability to successfully develop and market drugs may be affected by our ability to manage costs and finance our continuing operations. For a discussion of additional risk and other factors affecting our business, see our Annual Report on Form 10-K for the year ended December 31, 2014, and our subsequent filings with the SEC. You should not place undue reliance on forward-looking statements, and actual results may differ materially from the results anticipated in our forward-looking statements. Although subsequent events may cause our views to change, we disclaim any obligation to update forward-looking statements.

***Boston Therapeutics, Inc.***  
***Condensed Statements of Operations (Unaudited)***

	<b><i>Three Months Ended March 31,</i></b>	
	<b><i>2015</i></b>	<b><i>2014</i></b>
Revenue	\$ 51,329	\$ 43,827
Cost of goods sold	32,110	54,558
Gross margin (deficit)	19,219	(10,731)
Operating expenses:		
Research and development	205,419	269,434
Sales and marketing	32,751	172,735
General and administrative	515,922	1,105,230
Total operating expenses	754,092	1,547,399
Operating loss	(734,873)	(1,558,130)
Interest expense	(17,488)	(4,728)
Other expense	(4,999)	(2,940)
Reduction of interest payable	82,355	-
Change in fair value of warrant liability	9,800	-
Change in fair value of derivative liabilities	(11,372)	-
Foreign currency gain (loss)	290	(625)
Net loss	\$ (676,287)	\$ (1,566,423)
Net loss per share - basic and diluted	\$ (0.02)	\$ (0.04)
Weighted average shares outstanding basic and diluted	38,564,915	37,451,156

***Boston Therapeutics, Inc.***  
***Balance Sheet Data***

	<b><i>March 31, 2015</i></b>	<b><i>December 31, 2014</i></b>
Cash and cash equivalents	\$ 220,318	\$ 157,278
Working capital	\$ (595,308)	\$ (345,984)
Total assets	\$ 1,235,122	\$ 1,163,122
Total stockholders' (deficit) equity	\$ (264,241)	\$ 74,663

**Contact:**

Boston Therapeutics, Inc.

Anthony Squeglia

Chief Financial Officer

Phone: 603-935-9799

Email: [anthony.squeglia@bostonti.com](mailto:anthony.squeglia@bostonti.com)

[www.bostonti.com](http://www.bostonti.com)

Source: Boston Therapeutics