August 10, 2012

Titan Pharmaceuticals Announces Second Quarter 2012 Financial Results

Titan Management Team to Host Conference Call August 14 at 1 p.m. ET / 10 a.m. PT

SOUTH SAN FRANCISCO, CA -- (Marketwire) -- 08/10/12 -- Titan Pharmaceuticals, Inc. (OTCBB: TTNP) today reported financial results for the second quarter ended June 30, 2012.

Total revenues for the second quarter were approximately $1.4 million, compared to approximately $0.7 million for the comparable period in 2011. Second quarter 2012 revenues consisted of royalties on net sales of Fanapt®, which will be paid by Titan to Deerfield Management Company L.P. in accordance with the terms of the agreements entered into during 2011.

Total operating expenses for second quarter 2012 were approximately $3.1 million, compared with approximately $4.9 million for the second quarter 2011, and consisted largely of research and development (R&D) expenses of approximately $2.0 million, compared to approximately $3.9 million for the comparable period in 2011. This decrease, which was primarily in external R&D expenses, was a result of the completion of the Phase 3 clinical trials of Probuphine™ last year. General and administrative (G&A) expenses totaled approximately $1.1 million, compared to approximately $0.9 million for the second quarter 2011. The increase in G&A expenses was primarily related to increases in consulting and professional fees of approximately $0.3 million.

Net loss applicable to common stockholders for the second quarter 2012 was approximately $1.7 million, or approximately $0.03 per share, compared to a net loss of approximately $7.0 million, or approximately $0.12 per share, for the comparable period in 2011. Our net loss for the six-month period ended June 30, 2012 was approximately $6.9 million, or approximately $0.11 per share, compared to a net loss of approximately $11.5 million, or approximately $0.19 per share, for the comparable period in 2011.

At June 30, 2012, Titan had cash and cash equivalents of approximately $4.1 million, compared to approximately $5.4 million at December 31, 2011. We believe that our working capital at June 30, 2012 is sufficient to sustain our planned operations into October of 2012, which, as a result of a delay in completion of the commercial scale production line for Probuphine during the past month, is also our current time frame for submitting the New Drug Application (NDA) for Probuphine in the treatment of opioid dependence. Our goal is to establish a partnership for the potential commercialization of Probuphine prior to the submission of the NDA, and our progress to date is on track for meeting this objective. However, we are evaluating options available to us for additional capital, if needed, to

ensure continued progress with the NDA submission and the regulatory review process.

"We are continuing to make good progress in our ongoing licensing discussions and are in the process of negotiating the agreements for a strategic partnership for the development and commercialization of Probuphine," said Sunil Bhonsle, President of Titan Pharmaceuticals. "We also continue to make important progress in the preparation of our NDA for Probuphine, and this month we expect to manufacture the first commercial scale batch in the new production facility. Once all the test data are available, we will complete the NDA for submission to the FDA. The Titan team, our manufacturing contractors and our network of consultants are all working diligently toward achieving our ultimate goal -- to bring this novel treatment option for opioid dependence to patients."

Probuphine: Program Update
Probuphine™ is a novel formulation of buprenorphine, capable of delivering continuous and persistent, around the clock blood levels of the medicine for six months following a single treatment, enhancing patient compliance and retention. The safety and effectiveness of treatment with Probuphine has been demonstrated in several clinical studies conducted to date, including a 163-patient placebo-controlled study which demonstrated clinically meaningful and statistically significant treatment with Probuphine over a 24-week period and was published in the Journal of the American Medical Association (JAMA), and a confirmatory study of 287 patients that showed statistically significant efficacy versus placebo and non-inferiority with a currently marketed sublingual formulation of buprenorphine, Suboxone®. In December 2011, Titan announced the regulatory guidance received from the FDA following the pre-NDA meeting, which confirmed that the data generated from the Probuphine clinical studies already completed and in process would be sufficient for submission of the NDA via the 505(b)(2) pathway and no new additional clinical testing was necessary. Additionally, the FDA provided clear guidance on the requirements for the Chemistry, Manufacturing, Controls (CMC) section of the NDA as well as submission requirements for the NDA to be considered for a Priority Review.

Earlier this year, Titan also announced the results of an open-label, six-month safety re-treatment study (PRO-811) of patients with opioid dependence who previously completed a full six months of treatment in Titan's confirmatory Phase 3 clinical trial of Probuphine. In the 85 patients enrolled in this re-treatment study, Probuphine was shown to be well-tolerated, including the implant insertion and removal procedures, with a low incidence of adverse events and an overall safety profile similar to that observed in the Phase 3 confirmatory trial.

The analytical testing required to complete the CMC section of the NDA is progressing satisfactorily and the new facility is complete. However, the commercial scale production equipment has taken longer than expected to be fully qualified and Titan anticipates the first batch demonstrating commercial scale production capability will be produced in the second half of August. Demonstration of commercial scale production capability is a requirement prior to submission of the NDA, which is now expected to occur in October 2012 in order to allow sufficient time to incorporate the final test results into the NDA.

Upcoming Presentations

- California Society of Addiction Medicine, San Francisco, September 5, 2012: "Advanced Topics in the Clinical Use of Buprenorphine" will be presented by Walter Ling, M.D. Professor of Psychiatry and Director, Integrated Substance Abuse

Programs at the David Geffen School of Medicine at UCLA

- International Society of Addiction Medicine (ISAM), Geneva, Switzerland, October 16, 2012: "Twelve Month Outcomes with Buprenorphine Implants for Opioid Dependence" will be presented by Genie Bailey, M.D., practicing psychiatrist, and Katherine L. Beebe, Ph.D., Executive Vice President and Chief Development Officer of Titan

- American Academy of Addiction Psychiatry, Aventura, Florida, December 8, 2012: "Long-Term Treatment of Opioid Dependence with Buprenorphine Implants" will be presented by Dr. Bailey

ProNeura™ Technology
Probuphine is the first product to utilize our proprietary, long-term drug delivery technology, ProNeura, which has the potential to be used in developing products for the treatment of other chronic conditions. On July 9, 2012, we announced that we had successfully completed preclinical investigation into the feasibility of a long-term, round-the-clock, non-fluctuating dopamine agonist treatment for Parkinson's disease, where maintaining stable, round-the-clock blood levels of dopamine agonists may benefit the patient and improve medical outcomes. Titan has been issued patents covering certain dopamine agonist implants in Europe, Japan, Australia, Canada, South Korea, Mexico, New Zealand, South Africa, and Hong Kong, while prosecution of the patent application continues in the U.S., Israel, India and China.

Conference Call
Titan management will host a live conference call at 1 p.m. ET / 10 a.m. PT on Tuesday, August 14, 2012 to provide the Company's financial results as of June 30, 2012 and discuss its Phase 3 Probuphine program. Participating on the call will be Mr. Bhonsle, Marc Rubin, M.D., Executive Chairman, Dr. Beebe and Brian Crowley, Vice President of Finance.

The live webcast of the call may be accessed by visiting the Titan website at www.titanpharm.com. The call can also be accessed by dialing 888-726-2418, Participant code: 2443039 five minutes prior to the start time. A replay of the call will be available on the Company website approximately two hours after completion of the call and will be archived for two weeks.

About Titan Pharmaceuticals
For information concerning Titan Pharmaceuticals, Inc., please visit the Company's website at www.titanpharm.com.

The press release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such statements include, but are not limited to, any statements relating to the Company's development program and any other statements that are not historical facts. Such statements involve risks and uncertainties, including, but not limited to, those risks and uncertainties relating to difficulties or delays in development, testing, regulatory approval, production and marketing of the Company's drug candidates, adverse side effects or inadequate therapeutic efficacy of the Company's drug candidates that could slow or prevent product development or commercialization, the uncertainty of patent protection for the Company's intellectual property or trade secrets, and the Company's ability to obtain additional financing. Such statements are based on management's current expectations, but

actual results may differ materially due to various factors, including those risks and uncertainties mentioned or referred to in this press release.

TITAN PHARMACEUTICALS, INC.
CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except per share amount)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Revenue:				
Royalty revenue	$ 1,360	$ 602	$ 2,588	$ 1,318
Grant revenue	-	93	42	325
Total revenue	1,360	695	2,630	1,643
Operating expense:				
Research and development	1,973	3,947	5,042	7,685
General and administrative	1,126	948	2,859	1,741
Total operating expense	3,099	4,895	7,901	9,426
Loss from operations	(1,739)	(4,200)	(5,271)	(7,783)
Other income (expense), net	15	(2,789)	(1,616)	(3,718)
Net loss and comprehensive loss applicable tocommon stockholders	$ (1,724)	$ (6,989)	$ (6,887)	$ (11,501)
Basic and diluted net loss per share	$ (0.03)	$ (0.12)	$ (0.11)	$ (0.19)
Weighted average shares used in computingbasic and diluted net loss per share	64,984	59,276	62,185	59,255

CONDENSED BALANCE SHEETS
(in thousands)
(unaudited)

	June 30, 2012	December 31, 2011
Assets		
Cash	$ 4,104	$ 5,406
Receivables	3,910	3,720
Prepaid expenses and other current assets	805	836
Total current assets	8,819	9,962
Furniture and equipment, net	1,235	255

	$ 10,054	$ 10,217
Liabilities and Stockholders' Deficit		
Current liabilities	$ 9,464	$ 5,123
Warrant liabilities	4,073	3,611
Royalty liability	9,849	9,309
Long-term debt	9,663	12,253
Stockholders' deficit	(22,995)	(20,079)
	$ 10,054	$ 10,217

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