November 13, 2014

Titan Pharmaceuticals Announces Third Quarter 2014 Financial Results

Titan Management Team to Host Conference Call Nov. 14 at 11 a.m. EST

SOUTH SAN FRANCISCO, CA -- (Marketwired) -- 11/13/14 -- Titan Pharmaceuticals, Inc. (OTCBB: TTNP), a specialty pharmaceutical company developing proprietary therapeutics for the treatment of select chronic diseases utilizing its ProNeura™ long-term drug delivery technology, today reported financial results for the third quarter ended Sept. 30, 2014.

Titan generated total revenue in the third quarter of 2014 of approximately $0.9 million, compared with approximately $2.2 million in the third quarter of 2013. Revenue earned during the quarters ended Sept. 30, 2014 and 2013 reflects the amortization of the upfront license fee received from development and commercialization partner Braeburn Pharmaceuticals in December 2012.

Total operating expenses for the quarter ended Sept. 30, 2014 were approximately $1.6 million, compared with approximately $2.3 million in the same quarter in 2013. These expenses consisted of research and development (R&D) expenses of approximately $0.8 million, compared with approximately $1.7 million in the third quarter of 2013, a decrease of approximately $0.9 million or 53 percent. The decrease in R&D expenses was due to lower external R&D expenses related to the Probuphine® product development program, as Titan's partner Braeburn is responsible for expenses related to the ongoing clinical study and resubmission of the Probuphine new drug application (NDA).

General and administrative (G&A) expenses for the third quarter of 2014 were approximately $0.9 million, compared with approximately $0.6 million in the same period in 2013, an increase of approximately $0.3 million or 50 percent. The increased G&A expenses for the third quarter of 2014 were primarily related to increases in legal and consulting fees, Board fees, depreciation expense and non-cash stock compensation and employee-related costs.

Net other income for the third quarter of 2014 was approximately $1.5 million, which was primarily related to non-cash gains on changes in the fair value of warrants. This compares to net other expense of approximately $1.0 million in the same quarter in 2013, which was primarily related to non-cash losses on changes in the fair value of warrants. Net income for the third quarter of 2014 was approximately $0.7 million, or approximately $0.01 per share, compared with a net loss of approximately $1.1 million, or approximately $0.01 per share in the third quarter in 2013.

At Sept. 30, 2014, Titan had approximately $7.5 million in cash. On Oct. 8, 2014 Titan closed a public offering of 21,000,000 units at an offering price of $0.50 per unit, raising net proceeds of approximately $9.6 million. These funds, together with the cash on hand at Sept. 30, 2014, are sufficient to support Titan's planned operations into the fourth quarter of

2016.

"During the quarter, patient enrollment in the Phase 3 study of Probuphine for the maintenance treatment of opioid dependence surpassed the halfway mark. We are extremely pleased with this progress and Braeburn expects full enrollment in a few weeks with trial completion on schedule for the middle of 2015, followed by resubmission of the NDA later in the year," said Titan Pharmaceuticals President Sunil Bhonsle. "Additionally, we are particularly looking forward to working with experts to develop ProNeura for Parkinson's disease, as well as for other select chronic diseases for which the long-term, continuous delivery of medication could offer safety and efficacy benefits. Our goal is to complete the non-clinical work necessary for filing an investigational new drug application (IND) in the Parkinson's product development program and be ready to commence the initial proof of concept clinical study in the first half of 2016, following potential approval of Probuphine."

"With Probuphine advancing through the regulatory process and a strong cash position due to our recent financing, Titan is well positioned to potentially generate additional value for the company," said Marc Rubin, M.D., executive chairman. "In the third quarter, Titan began to take the necessary steps to add new members to our board of directors and earlier in the week we welcomed life sciences industry veterans Joseph A. Akers and James McNab Jr. to our board. Their expertise in corporate development, finance and governance are ideally suited to advancing Titan to its next stage of development."

Conference Call

Titan Pharmaceuticals, Inc. (OTCBB: TTNP) will host a live conference call at 11 a.m. EST / 8 a.m. EST on Friday, Nov. 14, 2014 to discuss the company's financial results as of Sept. 30, 2014. The call will be hosted by Sunil Bhonsle, president; Katherine Glassman Beebe, Ph.D., executive vice president and chief development officer; Brian Crowley, vice president of finance, and Marc Rubin, M.D., executive chairman.

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 *888-481-2844*, participant code 9367783 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

Titan Pharmaceuticals Inc. (OTCBB: TTNP), based in South San Francisco, CA, is a specialty pharmaceutical company developing proprietary therapeutics primarily for the treatment of serious medical disorders for which steady state delivery of a drug has the potential to provide an efficacy and/or safety benefit. The company's lead product candidate is Probuphine®, a novel and long-acting formulation of buprenorphine for the long-term maintenance treatment of opioid dependence. Probuphine employs Titan's proprietary drug delivery system ProNeura™, which is capable of delivering sustained, consistent levels of medication for six months or longer. Titan has granted North American commercial rights for Probuphine to Braeburn Pharmaceuticals. If approved, Probuphine would be the first and only commercialized treatment of opioid dependence to provide continuous, around-the-clock blood levels of buprenorphine for six months following a single procedure. The ProNeura technology has the potential to be used in developing products for treating other chronic conditions, such as Parkinson's disease, where maintaining consistent blood levels

of a dopamine agonist may benefit the patient and improve medical outcomes. For more information about Titan, please visit www.titanpharm.com.

This 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 our product development programs and any other statements that are not historical facts. Such statements involve risks and uncertainties that could negatively affect our business, operating results, financial condition and stock price. Factors that could cause actual results to differ materially from management's current expectations include those risks and uncertainties relating to the regulatory approval process, the development, testing, production and marketing of our drug candidates, patent and intellectual property matters and strategic agreements and relationships. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations or any changes in events, conditions or circumstances on which any such statement is based, except as required by law.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Revenue:				
License revenue	$ 911	$ 2,198	$ 2,734	$ 8,146
Royalty revenue	-	-	-	1,424
Total revenue	911	2,198	2,734	9,570
Operating expense:				
Research and development	782	1,679	2,480	7,380
General and administrative	867	647	2,476	2,439
Total operating expense	1,649	2,326	4,956	9,819
Loss from operations	(738)	(128)	(2,222)	(249)
Other income (expense), net	1,454	(1,017)	292	10,169
Net income (loss) and comprehensive income (loss)	$ 716	$ (1,145)	$ (1,930)	$ 9,920
Basic net income (loss) per share	$ 0.01	$ (0.01)	$ (0.02)	$ 0.12
Diluted net income (loss) per share	$ (0.01)	$ -	$ (0.03)	$ 0.11

Weighted average shares used in computing basic net income (loss) per share	88,998	82,544	88,975	81,125
Weighted average shares used in computing diluted net income (loss) per share	89,368	82,544	89,284	81,832

CONDENSED BALANCE SHEETS
(in thousands)
(unaudited)

	September 30, 2014	***December 31, 2013***
Assets		
Cash	$ 7,450	$ 11,798
Receivables	4,143	4,818
Prepaid expenses and other current assets	266	204
Total current assets	11,859	16,820
Property and equipment, net	1,357	1,603
	$ 13,216	$ 18,423
Liabilities and Stockholders' Equity		
Current liabilities	$ 7,461	$ 10,846
Warrant liabilities	1,504	1,817
Stockholders' equity	4,251	5,760
	$ 13,216	$ 18,423

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