November 9, 2016

Titan Pharmaceuticals Reports Third Quarter 2016 Financial Results

Titan Management Team to Host Conference Call at 4:15 p.m. EST / 1:15 p.m. PST

SOUTH SAN FRANCISCO, CA -- (Marketwired) -- 11/09/16 -- Titan Pharmaceuticals, Inc. (NASDAQ: TTNP), a company developing proprietary therapeutics for the treatment of select chronic diseases utilizing its ProNeura™ long-term, continuous drug delivery platform, today reported financial results for the third quarter ended Sept. 30, 2016.

Titan reported $26,000 in license revenue for the third quarter of 2016, compared with no revenue for the comparable quarter in 2015. License revenue in the third quarter of 2016 included recognition of royalties earned on net sales of Probuphine® by Titan's development and commercialization partner Braeburn Pharmaceuticals. Probuphine was approved by the U.S. Food and Drug Administration (FDA) in May 2016. During this last quarter, in keeping with its planned methodical product launch, Braeburn has focused primarily on two key activities: training and certifying healthcare providers and obtaining third-party payor coverage for treatment with Probuphine.

Total operating expenses, consisting primarily of research and development (R&D) expenses and general and administrative (G&A) expenses, were approximately $2.6 million in the third quarter of 2016, compared with approximately $1.8 million in the third quarter of 2015.

R&D expenses for the quarter ended Sept. 30, 2016 were approximately $1.6 million, compared with approximately $1.0 million for the same period in 2015, an increase of approximately $0.6 million. The increase in R&D costs was primarily a result of increases in external R&D expenses related to the support of ProNeura product development programs, and increases in employee-related expenses and other R&D expenses. These expenses were partially offset by the reimbursement by Braeburn of approximately $0.4 million of Probuphine-related expenses.

G&A expenses for the third quarter 2016 were approximately $1.1 million, compared with approximately $0.8 million for the same quarter in 2015, an increase of approximately $0.3 million. The increase in G&A expenses was primarily related to increases in non-cash stock compensation, employee related costs and professional fees.

Net loss for the quarter ended Sept. 30, 2016 was approximately $2.6 million, or approximately $0.12 per share, compared with a net loss of approximately $1.8 million, or approximately $0.09 per share for the comparable quarter in 2015.

At Sept. 30, 2016, Titan had cash of approximately $16.5 million, which the company believes is sufficient to fund operations into early 2018. In September 2016, Titan entered into an agreement with Cantor Fitzgerald & Co. to enable the company to sell up to $20 million of shares in an at-the-market offering (the "ATM"). To date, Titan has elected not to sell any shares pursuant to the ATM, given the company's current financial position and the market price of its stock.

Probuphine Launch Highlights

- To date, Braeburn has trained and certified more than 2,400 health care providers from all 50 states and Puerto Rico to provide Probuphine to their patients. Braeburn continues to provide direct support to these health care providers to identify eligible patients and enable initiation of treatment with Probuphine.
- Braeburn has been successful in obtaining third-party payor coverage for Probuphine from large and regional insurance companies, as well as coverage under Medicare, Medicaid and the Veterans Administration plans.
- While Probuphine is gaining strong early acceptance by the medical community, the paperwork required to be reviewed from initiation to final treatment is currently time-consuming, resulting in a longer-than-desired sales cycle. Braeburn is devoting resources to streamline the process and minimize delays.
- Braeburn is planning for a full-scale commercial launch of Probuphine with a fully-deployed field force of about 60 addiction sales representatives, clinical educators, and national account executives.

Business Highlights

- In October, Probuphine was recognized as one of the "12 Most Important Innovations of the Year" in the Health category in Popular Science's annual "Best of What's New" issue.
- In October, three Probuphine presentations were featured at the International Society of Addiction Medicine (ISAM) annual meeting in Montreal. These included a description of the Probuphine REMS program that was implemented to train and certify healthcare providers to prescribe and implant Probuphine; an evaluation of buprenorphine implants, extended-release injectable naltrexone and sublingual buprenorphine in a Markov model demonstrating buprenorphine implants to have clinical and economic benefits in clinically stable adults with opioid dependence; and an encore presentation of Probuphine pivotal trial results.

"We are very pleased with the progress Braeburn has made in training health care providers to provide Probuphine to their patients, and in rapidly obtaining third-party payor coverage," said Titan President and CEO Sunil Bhonsle. "We believe that these efforts along with Braeburn's aggressive commercialization plans lay a strong foundation for the increasing adoption of Probuphine. While this positive activity was not fully reflected in our third quarter financial results due to the current lag times between ordering of implants and the shipment of product, we look forward to increasing revenues from Probuphine as Braeburn's commercialization efforts bear fruit. Our current cash position is strong, and we remain well positioned to advance our ProNeura-based product portfolio."

Marc Rubin, M.D., executive chairman of Titan, added, "The board is very enthusiastic

about the launch of Probuphine and the prospects of Titan's product pipeline. The non-clinical studies in support of the investigational new drug application (IND) for our ropinirole implant for Parkinson's disease are now completed and the reports are being finalized. We expect to file the IND by the end of this year or early January 2017. Additionally, we are preparing for a pre-IND meeting with the FDA for our T-3 implant product candidate and hope to receive feedback from the FDA and commence non-clinical studies early next year."

Conference Call
Titan management will host a live conference call at 1:15 p.m. PST / 4:15 p.m. EST on Wednesday, Nov. 9, 2016 to discuss the company's financial results for the third quarter ended Sept. 30, 2016 and to provide an update on the ongoing product development plans. The call will be hosted by Sunil Bhonsle, president and CEO; Kate 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 888-203-7667, participant passcode 1553379, 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. (NASDAQ: TTNP), based in South San Francisco, CA, is developing proprietary therapeutics primarily for the treatment of serious medical disorders. The company's lead product 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 three months or longer. Titan has granted commercial rights in the U.S. and Canada for Probuphine to Braeburn Pharmaceuticals. Approved by the U.S. Food and Drug Administration in May 2016, Probuphine is 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 and hypothyroidism, where maintaining consistent, around-the-clock blood levels of medication 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,***	
	2016	***2015***	***2016***	***2015***
Revenue:				
License revenue	$ 26	$ -	$ 15,030	$ 1,671
Total revenue	26	-	15,030	1,671
Operating expense:				
Research and development	1,590	1,010	4,036	3,540
General and administrative	1,052	792	3,397	2,640
Total operating expense	2,642	1,802	7,433	6,180
Income (loss) from operations	(2,616)	(1,802)	7,597	(4,509)
Other expense, net	(4)	(5)	(135)	(4,476)
Net Income (loss) and comprehensive income (loss)	$ (2,620)	$ (1,807)	$ 7,462	$ (8,985)
Basic net income (loss) per share	$ (0.12)	$ (0.09)	$ 0.36	$ (0.45)
Diluted net income (loss) per share	$ (0.12)	$ (0.09)	$ 0.35	$ (0.45)
Weighted average shares used in computing basic net income (loss) per share	21,199	20,060	20,591	20,050
Weighted average shares used in computing diluted net income (loss) per share	21,199	20,060	21,447	20,050

CONDENSED BALANCE SHEETS
(in thousands)
(unaudited)

	September 30, 2016	***December 31, 2015***

Assets		
Cash	$ 16,489	$ 7,857
Receivables	5,908	4,213
Prepaid expenses and other current assets	278	174
Total current assets	22,675	12,244
Furniture and equipment, net	860	1,043
Total assets	$ 23,535	$ 13,287
Liabilities and Stockholders' Equity		
Current liabilities	$ 6,718	$ 4,853
Warrant liabilities	1,555	1,444
Stockholders' equity	15,262	6,990
Total liabilities and stockholders' equity	$ 23,535	$ 13,287

Contact:
Titan Pharmaceuticals, Inc.
Sunil Bhonsle
President and CEO
(650) 244-4990

Investors:
Stephen Kilmer
(650) 989-2215
skilmer@titanpharm.com

Media:
Susan Thomas
(650) 989-2216
sthomas@titanpharm.com

Source: Titan Pharmaceuticals, Inc.