



Imprimis Pharmaceuticals Accelerates Profitability Timeline by Implementing Expense Reduction Program

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SAN DIEGO, Sept. 26, 2016 /PRNewswire/ -- Imprimis Pharmaceuticals, Inc. (NASDAQ: IMMY), a pharmaceutical company focused on the production and dispensing of high quality innovative compounded medications, today announced that it has implemented an expense reduction program to better leverage the company's state-of-the-art drug production infrastructure, eliminate redundant expenses and enable near term profitability without hindering growth plans.



Following recent company-wide improvements in technology integration, production automation, quality systems and supply chain efficiencies, the company has ceased operations at its Texas facility and implemented an 8% reduction in total headcount. The company will leverage recent investments made to its New Jersey facility, including new production processes and filling and labeling automation, to offset previously planned production in Texas. These actions are expected to streamline Imprimis' operations and reduce expected cash based expenses by nearly \$3 million annually without impacting the company's growth plans. Imprimis is currently exploring alternatives for use of the Texas facility, but estimates it will incur total restructuring costs of approximately \$0.6 million under the plan, the majority of which is expected to be non-cash based expenses and incurred in the third quarter of this year.

Imprimis plans to register its recently constructed New Jersey facility with the U.S. Food and Drug Administration (FDA) as a 503B outsourcing facility later this year following successful completion of qualification of the facility and equipment, stability studies for key formulations and other quality assurance related activities. The company believes recent investments made to its New Jersey facility, along with production capacity in Irvine, California and Folcroft, Pennsylvania, will support long-term plans of achieving nine figure annual sales revenues.

Mark L. Baum, Chief Executive Officer of Imprimis, stated, "We continue to experience strong growth in several important markets, including those for new products we have recently brought to market; however, the time has come to discipline our expenses and commit ourselves to moving towards profitability. As we experience continued top line growth, improving margins and now a reduction in expenses, this plan efficiently utilizes our considerable sterile and non-sterile production and dispensing capacity on both coasts and ensures our commitment to advancing our vision of delivering innovative medicines at accessible prices, while generating a strong return to our shareholders."

About Imprimis Pharmaceuticals

Imprimis Pharmaceuticals, Inc. (NASDAQ: IMMY) is a pharmaceutical company dedicated to producing and dispensing high quality innovative compounded medications in all 50 states. The company's unique business model drives patient access and affordability to many critical medicines. Headquartered in San Diego, California, Imprimis owns and operates three dispensing facilities located in California New Jersey and Pennsylvania. For more information about Imprimis, please visit the corporate website at www.ImprimisRx.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Any statements in this release that are not historical facts may be considered such "forward looking statements." Forward-looking statements are based on management's current expectations and are subject to risks and uncertainties which may cause results to differ materially and adversely from the statements contained herein. Some of the potential risks and uncertainties that

could cause actual results to differ from those predicted include our ability to make commercially available our compounded formulations and technologies in a timely manner or at all; physician interest in prescribing our formulations; risks related to our compounding pharmacy operations; our ability to enter into other strategic alliances, including arrangements with pharmacies, physicians and healthcare organizations for the development and distribution of our formulations; our ability to obtain intellectual property protection for our assets; our ability to accurately estimate our expenses and cash burn, and raise additional funds when necessary; risks related to research and development activities; the projected size of the potential market for our technologies and formulations; unexpected new data, safety and technical issues; regulatory and market developments impacting compounding pharmacies, outsourcing facilities and the pharmaceutical industry; competition; and market conditions. These and additional risks and uncertainties are more fully described in Imprimis' filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q. Such documents may be read free of charge on the SEC's web site at www.sec.gov. Undue reliance should not be placed on forward looking statements, which speak only as of the date they are made. Except as required by law, Imprimis undertakes no obligation to update any forward looking statements to reflect new information, events or circumstances after the date they are made, or to reflect the occurrence of unanticipated events.

All Imprimis compounded formulations may only be prescribed pursuant to a physician prescription for an individually identified patient consistent with federal and state laws governing compounded drug formulations.

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