



GeoPharma Announces Corporate Restructuring and Third Quarter Earnings Release Date

LARGO, Fla., Jan 13, 2009 (GlobeNewswire via COMTEX News Network) -- GeoPharma, Inc. (Nasdaq:GORX) (the "Company") announced today a strategic restructuring plan that is intended to improve its financial performance by consolidating operations, reducing head count and lowering SG&A. The plan will allow the Company to maintain the focus of its core businesses and is directly in line with the Company's goal of achieving a return to profitability.

The plan includes a consolidation of GeoPharma's distribution segment by trimming the number of warehouse locations from five locations into three by closing the Dallas, Texas and the Cranston, Rhode Island locations. The accounts previously serviced by the Dallas hub will be maintained utilizing the Henderson, Nevada location. The Rhode Island accounts will be serviced by their existing drivers with support maintained by the Scranton, Pennsylvania location. "We anticipate that the closing of these two facilities will yield significant benefits for the Company without sacrificing the quality of service our customers have become accustomed to in dealing with us," stated Bob O'Leary Sports Science Chief Operating Officer Joe Mies. "Our projections under the new model have been conservatively realistic with regards to the maintenance of our premier and priority accounts from which we derive the bulk of our business. The benefits of closing these facilities far outweigh the potential downside as we project an immediate and meaningful positive impact for net income in our division for the March ended quarter and in the fiscal year to come." The closing of the Texas facility was implemented on December 3, 2008 and the Rhode Island facility occurred on January 9, 2009.

The restructuring initiative also includes a renegotiation of the Company's shipping contracts as well as an immediate discontinuation of any business expenditures that are not visibly commensurate with a reconcilable amount of sales or other net benefit to the Company.

Additionally, Company management is examining its debt structure to see if their monetary obligations can be reconfigured in a more advantageous manner. These options include, but are not limited to, the settling of prior obligations, replacement of current debt, and/or refinancing.

Furthermore, in an effort to showcase their commitment to reducing expenses and returning the Company to profitability, all of the Company's officers are taking an immediate pay reduction for the foreseeable future.

"The Company is serious about delivering bottom line returns for its shareholders," said GeoPharma Sr. VP/CFO Carol Dore-Falcone. "Certain milestones, both financial and operational, in the Company's business plan have taken much longer than expected. Accordingly, the marketplace is clamoring for an understanding of our action plan and we have heeded that call. The company has isolated approximately 1.1 million dollars in savings per quarter applicable as of January 1, 2009 the effect of these changes will be recognized in our fiscal year 2009 4th quarter that ends on March 31, 2009. The company is determined to further streamline operational efficiency during this difficult time. On a going forward basis, we remain confident that several of our near term business objectives are within arm's length. We look forward to sharing new developments in the months to come as well as a thorough discussion of the Company's plans and progress when we report our fiscal year 2009 3rd quarter on February 11, 2009."

ABOUT GEOPHARMA, INC.:

GeoPharma, Inc. is a rapidly growing Bio/Pharma company with a diversified business model participating in 3 main market segments: Specialty Pharma, Manufacturing, and Distribution. The Specialty Pharma division specializes in the formulation of generic drugs for human and veterinary usage and the development of medical devices used by oncologists and other medical professionals. The Manufacturing and Distribution divisions, manufacture, package, and distribute generic drugs, nutraceuticals, cosmetics, and functional food products for companies worldwide.

For further information visit the GeoPharma website at www.geopharmainc.com.

The GeoPharma, Inc. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=5384>

FORWARD LOOKING STATEMENTS

This press release may contain statements, which constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including those regarding the company and its subsidiaries' expectations, intentions, strategies and beliefs pertaining to future performance. All statements contained herein are based upon information available to the company's management as of the date hereof, and actual results may vary based upon future events, both within and without management's control. Important factors that could cause such differences are described in the company's periodic filings with the Securities and Exchange Commission.

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