



## GeoPharma Announces Fiscal Year 2009 Third Quarter Earnings

LARGO, Fla., Feb 11, 2009 (GlobeNewswire via COMTEX News Network) -- GeoPharma, Inc. (Nasdaq:GORX) (the "Company") announced its fiscal year 2009 third quarter results for the period ended December 31, 2008, reporting revenues of \$13,112,972 for the quarter representing a decrease of approximately 28% versus the same period a year ago. Revenues for the nine month period ended December 31, 2008 were \$49,178,027 representing an increase of 58% as compared to the nine month period ended December 31, 2007.

Commenting on the quarter, GeoPharma CEO Mihir Taneja stated, "Although many challenges in our business have persisted through the first nine months of our fiscal year, several restructuring initiatives, the addition of new manufacturing contracts and the emergence of our pharmaceutical business lend us confidence we will end the 2009 fiscal year on a high note."

### Q3 Financial Summary

- Total revenues for the third quarter ended December 31, 2008 were \$13,112,972.
- Total revenues for the nine months ended December 31, 2008 were \$49,178,027, an increase of 58% over the nine months ended December 31, 2007.
- Distribution revenues for the nine months ended December 31, 2008 were \$33,116,852, an increase of 129% over the nine months ended December 31, 2007.
- Pharmaceutical revenues for the nine months ended December 31, 2008 were \$1,162,405, an increase of 2722% over the nine months ended December 31, 2007.
- Gross profits for the nine months ended December 31, 2008 were \$8,725,857, an increase of 38% when compared to gross profits for the nine months ended December 31, 2007.
- Net loss for the three months ended December 31, 2008 was (\$4,446,388) or (\$.26) per share.
- Selling, general and administrative expenses, exclusive of depreciation and amortization, were \$5,612,315 for the quarter ended December 31, 2008.
- Research and development ("R&D") expenditures for the three months ended December 31, 2008 totaled \$307,638, all of which was charged as an expense to operations as compared to \$309,850 of R&D expense for the three months ended December 2007.

GeoPharma Sr. VP/CFO Carol Dore-Falcone, commenting on the results, stated, "The Company is excited about the future, the newest rounds of cost cuts coupled with the money received for a percentage of our ovarian cancer unit as well as the firm belief we will be producing more products in our Pharma segment shortly gives us great optimism. It is our hope to achieve break even on a cash basis in the final quarter of the 2009 fiscal year ending March 31, 2009 and to see continued

improvements in our financial results thereafter."

GeoPharma will host a conference call to discuss the results on Wednesday, February 11, 2009 at 4:35 p.m. (ET). The conference call will be hosted by GeoPharma, Inc. CEO Mihir Taneja and Sr. VP/CFO Carol Dore-Falcone. Participants may dial in before the call to register. The dial in number for participants is 1-877-718-5095 and 1-719-325-4815 for international callers. The Conference Confirmation code is 6546406.

Interested parties may also listen via the internet at: <http://gorx.client.shareholder.com/>

Replay of the call will be available from 7:35 p.m. ET on the night of February 11th until Midnight, Wednesday, February 25th. The Replay of the call may be heard by dialing 1-888-203-1112 or 1-719-457-0820 for international callers. The Replay Pass Code is 6546406.

#### 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.

#### 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.

#### GEOPHARMA, INC. AND SUBSIDIARIES

#### CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2008	2007	2008	2007
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenues:				
Distribution	\$ 8,527,211	\$11,217,987	\$ 33,116,852	\$14,435,258
Manufacturing	4,081,800	7,019,351	14,898,770	16,601,874
Pharmaceutical	503,961	--	1,162,405	41,188
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Total revenues	\$13,112,972	\$18,237,338	\$ 49,178,027	\$31,078,320
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Cost of goods sold:				
Distribution	7,050,357	9,042,503	26,856,387	10,779,944
Manufacturing (excluding depreciation and amortization				

presented				
below)	2,865,372	4,790,637	10,535,463	11,578,661
Pharmaceutical	946,836	828,743	3,060,320	2,402,125
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Total cost of				
goods sold	\$10,862,565	\$14,661,883	\$ 40,452,170	\$24,760,730
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Gross profit:				
Distribution	1,476,854	2,175,484	6,260,465	3,655,314
Manufacturing	1,216,428	2,228,714	4,363,307	5,023,213
Pharmaceutical	(442,875)	(828,743)	(1,897,915)	(2,360,937)
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Total gross				
profit	\$ 2,250,407	\$ 3,575,455	\$ 8,725,857	\$ 6,317,590
	-----	-----	-----	-----
Selling,				
general and				
administrative				
expenses:				
Selling,				
general and				
administrat-				
ive expenses	5,244,248	5,100,221	16,991,035	11,406,989
Stock				
compensation				
expense	368,067	266,658	1,042,484	687,495
Depreciation				
and				
amortization	728,140	487,050	2,121,152	1,306,409
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Total selling,				
general and				
administrat-				
ive expenses	\$ 6,340,455	\$ 5,853,929	\$ 20,154,671	\$13,400,893
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Operating income				
(loss) before				
other income				
and expense,				
minority				
interest,				
income taxes				
and				
discontinued				
operations	\$(4,090,048)	\$(2,278,474)	\$(11,428,814)	\$(7,083,303)
Other income				
(expense), net:				
Interest				
income				
(expense),				
net	(537,170)	(240,311)	(1,516,405)	(313,277)
Other income				
(expense),				
net	6,346	10,793	20,176	11,318
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Total other income (expense), net	\$ (530,824)	\$ (229,518)	\$ (1,496,229)	\$ (301,959)
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Income (loss) before minority interest, income taxes and discontinued operations	\$(4,620,872)	\$(2,507,992)	\$(12,925,043)	\$(7,385,262)
Minority interest benefit (expense)	153,885	202,495	524,309	644,951
Income tax benefit (expense)	158,300	729,951	1,776,200	2,415,353
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Net income (loss) from continuing operations	\$(4,308,687)	\$(1,575,546)	\$(10,624,534)	\$(4,324,958)
Discontinued operations:				
Revenues: PBM	\$ --	\$ --	\$ --	\$ 2,925,139
Cost of goods sold: PBM	--	--	--	2,904,274
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Gross profit: PBM	\$ --	\$ --	\$ --	\$ 20,865
Selling, general and administrat- ive expenses: PBM	--	--	--	20,785
PBM segment exit income (expense)	--	--	--	8,300
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Discontinued operations net income (net of income tax)	\$ --	\$ --	\$ --	\$ 8,380
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Net income (loss)	\$(4,308,687)	\$(1,575,546)	\$(10,624,534)	\$(4,316,578)
Preferred stock dividends	137,701	100,001	425,001	308,336
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Net income (loss) available to common				

shareholders	\$(4,446,388)	\$(1,675,547)	\$(11,049,535)	\$(4,624,914)
	=====	=====	=====	=====
Basic income (loss) per share	\$ (0.26)	\$ (0.12)	\$ (0.63)	\$ (0.39)
	=====	=====	=====	=====
Basic weighted average number of common shares outstanding	17,102,350	13,805,912	17,535,036	11,967,112
	=====	=====	=====	=====
Diluted income (loss) per share	\$ (0.26)	\$ (0.12)	\$ (0.63)	\$ (0.39)
	=====	=====	=====	=====
Diluted weighted average number of common shares outstanding	17,102,350	13,805,912	17,535,036	11,967,112
	=====	=====	=====	=====
Basic and diluted discontinued operations earnings per share	\$ --	\$ --	\$ --	\$ --
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