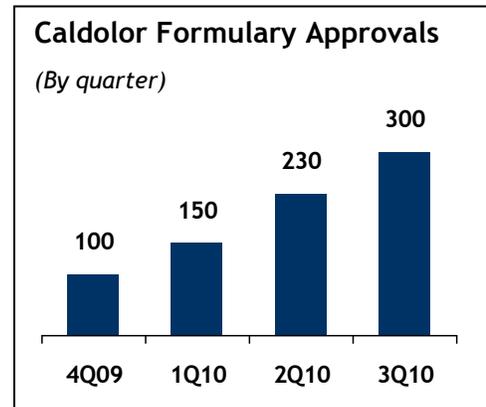


## MESSAGE FROM THE CEO

We have completed our third quarter for 2010, and I'd like to provide a summary of Cumberland's results as well as an update on the Company's current position and long-term plans. We had a strong third quarter that exceeded our projections and beat analysts' expectations at both the top and bottom line. Wall Street expected \$11 million in revenue for the quarter and we delivered more than \$12 million, driven by 25% growth in revenue from Acetadote® over the prior year. Earnings per share came in at \$0.05 versus analysts' consensus estimate of \$0.01 per share. Based on this strong performance, we raised our full-year revenue guidance for 2010 to a new range of \$43 - \$45 million.

A primary focus for Cumberland in 2010 is driving formulary approval and stocking for Caldolor®, our new injectable ibuprofen product. Since launching Caldolor in late 2009, we have been diligently working to have the product stocked at as many of our target facilities as possible ahead of anticipated competition. We believe this is important because hospital Pharmacy and Therapeutics Committees are becoming increasingly discriminating when evaluating new products against those already approved for use in their facilities. We want Caldolor to be placed on formulary at as many facilities as possible prior to competitors entering the marketplace to secure our place on those formularies. In the third quarter, we grew the number of facilities stocking Caldolor from 230 to 300, moving us closer to our immediate goal of 500 stocked facilities. We are also preparing for a shift in sales efforts to drive expanded use of the product through promotion to a larger target audience within hospitals in 2011.



Acetadote, our injectable antidote for acetaminophen poisoning, had a newsworthy third quarter beyond the aforementioned growth in revenue. We filed a supplemental New Drug Application (sNDA) to pursue FDA approval for a new, second generation formulation of Acetadote during the quarter. This application is a result of both the FDA's and Cumberland's commitment to further improve upon existing formulations where possible, and we expect an agency response to the sNDA by early January. We also supported ongoing FDA review of our sNDA for a new indication for Acetadote to treat patients with acute liver failure not caused by acetaminophen. If approved, Acetadote would be labeled to treat an important new patient population for which liver transplantation is often the only remedy. We are expecting a response from the FDA on this potential new indication in December. Importantly, both applications were granted priority, expedited reviews by the FDA and both also play a role in our strategy to provide ongoing support for Acetadote.

Other highlights for the quarter include Cumberland's introduction to international markets with the launch of Acetadote in Australia by our partner Phebra Pty Ltd. We are building a growing network of partners to commercialize our products outside the U.S. and are proud to mark the first of what we intend to be many ex-U.S. launches. During the quarter we also completed the conversion to Cumberland employees of our Field Sales Force, which promotes Kristalose® and Caldolor. We now have two proprietary U.S. sales teams supporting our products, whose interests are directly aligned with those of our Company and shareholders.

In the third quarter, we used excess cash to reduce our term loan debt by 50% from \$12 million to \$6 million and increased our line of credit from \$4 million to \$6 million through an amendment of our senior credit facilities. We expect to achieve a net interest savings by retiring debt with cash that would have earned a lower yield, which will have a positive impact on earnings. We also effectively converted part of that debt into expanded availability on our line of credit, eliminating the cost of carrying that debt while retaining access to the capital for growth. Meanwhile, we have more than \$65 million in cash on hand as of the end of the quarter to continue executing on our growth strategy.

Our plans for growth involve increasing sales of our currently marketed products, expanding markets for these products through new indications, acquiring additional promising products or late-stage candidates, and building a pipeline of early-stage product candidates through CET (Cumberland Emerging Technologies, a subsidiary of Cumberland Pharmaceuticals). We feel fortunate to be financially strong and are well positioned to accomplish these goals.

In closing, I'd like to note that as the pharmaceutical and healthcare industries continue to undergo far-reaching change, we are evolving with them. While Cumberland has successfully developed and introduced products like Acetadote (now stocked in more than 3,000 hospitals) and our management team has an extensive track record of success marketing pharmaceutical products, we remain nimble and quick to react to ever-changing market dynamics. Our strategy to achieve our goals will not look like every other company's, but it is always deliberate and reflective of our experiences and the market environments in which we operate.

On behalf of a hard-working and dedicated Cumberland team, I thank our shareholders and partners for your support and look forward to providing another update on our progress soon.

With best wishes,

A.J. Kazimi  
Chief Executive Officer

November 18, 2010