



Spectrum Pharmaceuticals Reports Fourth Quarter and Year End Financials

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IRVINE, Calif., March 31 /PRNewswire-FirstCall/ -- Spectrum Pharmaceuticals, Inc. (Nasdaq: [SPPI](#) - [News](#)) today reported a net loss for the fourth quarter ended December 31, 2002 of \$3.8 million, or \$(1.89) per share, compared to a net loss of \$9.7 million, or \$(10.71) per share, for the fourth quarter ended December 31, 2001. The fourth quarter 2002 loss includes non-recurring restructuring charges of approximately \$1.7 million and \$350,000 in prepaid costs for oncology drug formulation and development. Excluding these items, the Company's net loss for the fourth quarter of 2002 was approximately \$1.4 million. The decrease in net loss during the fourth quarter principally reflects the reduction in expenses caused by the completion of a large clinical trial in April of 2002 as well as cost reduction efforts implemented upon change in management at the Company during August 2002.

The Company reported a net loss for 2002 of \$17.6 million, compared to a net loss of \$27.8 million in 2001. The decrease in net loss principally reflects the recognition of \$2 million in licensing fees from GPC Biotech, the reduction in expenses caused by the completion of a large clinical trial in April of 2002, as well as cost reduction efforts implemented at the Company.

Revenues increased from \$41,113 in 2001 to \$2,371,387 in 2002. This increase reflects the recognition of a \$2 million licensing fee from GPC Biotech. On September 30, 2002, the Company announced that it had entered into a co-development and licensing agreement with GPC Biotech for Spectrum's prostate cancer drug satraplatin, wherein the Company received \$2 million up-front, and can receive additional licensing and milestone payments totaling \$20 million.

In August 2002, the Company announced and implemented a major restructuring and refocused its development efforts on its anti-cancer drug pipeline. As a result of this restructuring the Company incurred approximately \$3.0 million in non-recurring expenses in the third and fourth quarters of 2002.

For the fourth quarter, research and development expenses decreased from \$7.3 million in 2001 to \$1.3 million in 2002. The decrease in research and development expense reflects a decrease in expenses related to the completion of a large clinical trial in April of this year and two smaller clinical trials in the second quarter, and cost reduction efforts including a major restructuring of the Company in August of 2002. General and administrative expenses decreased from \$2.3 million during the fourth quarter of 2001 to \$0.8 million during the fourth quarter of 2002. The decline principally reflects a decrease in salary and related expenses due to reductions in workforce implemented at the Company during 2002.

Spectrum had cash and equivalents of \$1.6 million on December 31, 2002, and during the first quarter of 2003, the Company raised approximately \$500,000 in cash through the sale of common equity. Shares of common stock outstanding on December 31, 2002 were 2,726,019.

Spectrum Pharmaceuticals' primary focus is to develop in-licensed drugs for the treatment and supportive care of cancer patients. The Company's lead drug, satraplatin, is a phase 3 oral, anti-cancer drug being co-developed with GPC Biotech AG. Elsamitucin, a phase 2 drug, will initially target non-Hodgkin's lymphoma. Neoquin™ is being studied in the treatment of superficial bladder cancer, and may have applications as a radiation sensitizer. The Company is actively working to develop, seek approval for and oversee the marketing of generic drugs in the U.S. Spectrum also has a pipeline of pre-clinical neurological drug candidates for disorders such as attention-deficit hyperactivity disorder, schizophrenia, mild cognitive impairment and pain, which it is actively seeking to out-license or co-develop. For additional information, visit the Company's web site at www.spectrumpharm.com.

This press release may contain forward-looking statements regarding future events and the future performance of Spectrum Pharmaceuticals that involve risks and uncertainties that could cause actual results to differ materially. These risks are described in further detail in the Company's reports filed with the Securities and Exchange Commission.

Summary Statement of Operations - Unaudited

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2002	2001	2002	2001
	(Unaudited)		(Unaudited)	
Revenues	\$152,080	\$24,445	\$2,371,387	\$41,113
Operating expenses:				
Research and development	1,288,589	7,343,430	12,726,499	20,611,119
General and administrative	753,423	2,275,614	4,102,435	7,579,866
Restructuring expenses	1,668,727	--	3,049,815	--
Loss from operations	(3,558,659)	(9,594,599)	(17,507,362)	(28,149,872)
Other (expense) income, net, principally interest	(276,510)	(140,706)	(126,499)	363,505
Minority interest in consolidated Subsidiaries' net loss	--	--	--	(48,453)
Net loss	\$(3,835,169)	\$(9,735,305)	\$(17,633,861)	\$(27,834,820)
Basic and diluted loss per common share	\$(1.89)	\$(10.71)	\$(12.34)	\$(36.50)
Basic and diluted weighted average common shares outstanding	2,024,151	908,781	1,429,380	784,949

Summary Balance Sheets

	December 31,	December 31,
	2002	2001
	(Unaudited)	
Cash, cash equivalents, marketable securities and short-term investments	\$1,578,338	\$7,156,601
Other current assets	992,772	860,236
Total current assets	2,571,110	8,016,837
Property and equipment, net and other assets	882,010	4,808,025
Total assets	\$3,453,120	\$12,824,862
Current liabilities	\$2,521,691	\$5,212,316
Long term liabilities and other	259,077	825,536
Stockholders' equity	672,352	6,787,010
Total liabilities and stockholders' equity	\$3,453,120	\$12,824,862

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