



March 12, 2010

## **PRO-PHARMACEUTICALS REPORTS FULL YEAR and FOURTH QUARTER 2009 FINANCIAL RESULTS**

**Newton, Mass. (March 12, 2010) -- Pro-Pharmaceuticals, Inc. (OTC: PRWP.OB)**, a developer of therapeutics that target Galectin receptors to treat cancer and fibrosis, today reported its financial results for full year and fourth quarter, ended December 31, 2009. These results are included in the Company's Annual Report on Form 10-K which has been filed with the SEC.

"Pro-Pharmaceuticals continues to make progress toward its goal to commercialize DAVANAT®," said Theodore Zucconi, Ph.D., Chief Executive Officer, Pro-Pharmaceuticals. "We plan to initiate a Phase III clinical trial for late stage colorectal cancer patients as soon as we raise sufficient funds. In addition, the Company is actively engaged in discussions with potential partners to distribute DAVANAT® internationally."

For the fourth quarter of 2009, the Company reported a net loss applicable to common stock of \$1.3 million, or (\$0.03) per share, basic and diluted, compared with a net loss of \$0.9 million or (\$0.02) per share for the same period in 2008. For the full year 2009, the Company reported a net loss applicable to common stock of \$9.4 million, or (\$0.20) per share, basic and diluted, with non-cash expenses of approximately \$5.1 million, compared with a net loss of \$3.4 million, or \$(0.07) per share in 2008. The full year 2009 results included \$1.4 million of non-cash expense related to the change in the fair value of warrants compared with \$2.1 million of non-cash income in 2008. The full year 2009 results include a \$2.0 million non-cash expense related to dividends and accretion on the preferred stock compared with \$0.2 million in 2008.

Research and development expense for the fourth quarter of 2009 was \$0.2 million, compared with \$0.3 million for the same period in 2008. The decrease was due primarily to overall lower activity in clinical and pre-clinical programs as a result of cost containment measures. Research and development expense for the full year 2009, was \$1.1 million, compared with \$1.8 million in 2008. The decrease was due primarily to overall lower activity as a result of cost containment measures and decreased salaries and stock-based compensation. Also, during the full year 2008, the Company incurred costs related to the filing of the DAVANAT® Drug Master File with the FDA which were not incurred during 2009.

General and administrative expense for the fourth quarter of 2009 was \$0.9 million, compared with \$0.8 million for the same period in 2008. General and administrative expense for the full year 2009 was \$5.0 million as compared to \$3.6 million for 2008. The increase is due primarily to increased business development efforts, increased stock-based compensation, and the recognition of severance obligations related to the departure of our former Chief Executive Officer.

### **Annual Shareholders Meeting**

The Company's Annual Meeting of Shareholders is scheduled to be held on May 25th at the Company's office in Newton, Massachusetts.

### **About DAVANAT®**

DAVANAT®, the Company's lead product candidate, is a polysaccharide polymer that targets Galectin receptors on cancer cells. Peer-reviewed studies have demonstrated that Galectins affect cell development and play important roles in cancer, including tumor cell survival, angiogenesis, tumor metastasis and give the tumor the ability to evade the immune system. To date, DAVANAT® has been administered to approximately 100 cancer patients. Data from a Phase II trial for end-stage colorectal cancer patients showed that DAVANAT® in combination with 5-FU extended median survival to 6.7 months compared to 4.6 months for best standard of care as determined by the patients' physicians. Clinical trial results also showed that patients experienced fewer serious adverse side effects of the chemotherapy and required less hospitalization, resulting in an improved quality of life.

### **Pro-Pharmaceuticals, Inc.**

Pro-Pharmaceuticals, OTCBB: PRWP, is a pioneer in the field of Galectin therapeutics and is engaged in the discovery, development and commercialization of therapeutics that target Galectin receptors for advanced treatment of cancer and fibrosis. Initially, the product pipeline is focused on increasing the efficacy and decreasing the toxicity of chemotherapy drugs. The Company is headquartered in Newton, Mass. Additional information is available at [www.pro-pharmaceuticals.com](http://www.pro-pharmaceuticals.com).

**FORWARD LOOKING STATEMENTS:** Any statements in this news release about future expectations, plans and prospects for the Company constitute forward-looking statements as defined in the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on management’s current expectations and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those described in such statements. We caution investors that actual results or business conditions may differ materially from those projected or suggested in forward-looking statements as a result of various factors and not place undue reliance on forward-looking statements.

More information about those risks and uncertainties is contained and discussed in the Company’s most recent quarterly or annual report and in the Company’s other reports filed with the Securities and Exchange Commission. The forward-looking statements represent the Company’s views as of the date of this news release and should not be relied upon to represent the Company’s views as of a subsequent date. While the Company anticipates that subsequent events may cause the Company’s views to change, the Company disclaims any obligation to update such forward-looking statements.

DAVANAT is a registered trademark of Pro-Pharmaceuticals.

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