Zogenix Announces Preliminary Fourth Quarter 2012 Gross Product Sales

January 7, 2013

SAN DIEGO, Jan. 7, 2013 (GLOBE NEWSWIRE) -- Zogenix, Inc. (Nasdaq:ZGNX), a pharmaceutical company commercializing and developing products for the treatment of central nervous system disorders and pain, announced today preliminary unaudited gross product sales for the quarter ended December 31, 2012. Zogenix expects to report fourth quarter 2012 gross product sales of approximately $13.5 million on 145,200 units shipped, with unit volume up approximately 9% sequentially from third quarter 2012 and 26% from fourth quarter 2011.

For the full year 2012, Zogenix announced preliminary unaudited net product revenue of approximately $36 million, up approximately 18% over 2011 and slightly below previously issued guidance of $37 million for 2012.

Preliminary unaudited cash and cash equivalents as of December 31, 2012 were approximately $41.2 million.

Roger Hawley, chief executive officer of Zogenix, stated, "In 2012 we continued to drive SUMAVEL DosePro prescription growth and added a new co-promotion partner that provides incremental growth potential in 2013 and beyond. We expect our net product revenue for the year to be slightly below our guidance primarily due to the impact from Hurricane Sandy in the Northeast region. However, we did achieve 9% unit volume growth in the fourth quarter and believe we are well positioned to continue expanding utilization of SUMAVEL DosePro as an important attack specific treatment choice for migraine patients."

Mr. Hawley added, "During the year we also made good progress with our new product initiatives. The December 7th FDA Advisory Committee meeting resulted in a negative vote for Zohydro ER, but we remain engaged with the FDA in our ongoing efforts to gain approval. We remain confident in the benefit/risk balance of Zohydro ER as a new treatment option that addresses unmet medical needs for patients suffering with chronic pain. Separately, we recently announced positive single-dose pharmacokinetic (PK) results from our Phase 1 clinical trial for Relday and the extension of the study to include a 100 mg dose arm, which results we believe will accelerate the development timeline and partnering activities for this new potential treatment option for the long-acting antipsychotic market."

The preliminary estimates discussed above are subject to the completion of financial closing procedures, including final adjustment of allowances for sales returns and discounts, and other developments that may arise between now and the time the financial results for the fourth quarter are finalized, as well as the completion of the audit of the 2012 financial statements. Therefore, actual results may differ materially from these estimates.In addition, the above estimates do not present all information necessary for an understanding of Zogenix's financial condition as of December 31, 2012. Zogenix expects to report full financial results for the fourth quarter and full year ended December 31, 2012 in early March 2013.

About Zogenix

Zogenix, Inc. (Nasdaq:ZGNX), with offices in San Diego and Emeryville, California, is a pharmaceutical company commercializing and developing products for the treatment of central nervous system disorders and pain. Zogenix's first commercial product, SUMAVEL® DosePro® (sumatriptan injection) Needle-free Delivery System, was launched in January 2010 for the acute treatment of migraine and cluster headache. Zogenix's lead investigational product candidate, Zohydro™ ER (hydrocodone bitartrate), is an oral, extended-release formulation of various strengths of hydrocodone, without acetaminophen, intended for administration every 12 hours for around the clock management of moderate to severe chronic pain. In May 2012, Zogenix submitted to the FDA a New Drug Application for Zohydro ER and was assigned a PDUFA target action date of March 1, 2013 by the FDA. Zogenix's second investigational product candidate, Relday™, is a proprietary, long-acting injectable formulation of risperidone for the treatment of schizophrenia; an investigational new drug application was submitted to the FDA in May 2012.

For additional information, please visit www.zogenix.com.

Forward Looking Statements

Zogenix cautions you that statements included in this press release are not a description of historical facts are forward-looking statements. Words such as "believes," "anticipates," "plans," "expects," "indicates," "will," "intends," "potential," "suggests," "assuming," "designed" and similar expressions are intended to identify forward-looking statements. These statements are based on the company's current beliefs and expectations. These forward-looking statements include statements regarding: preliminary financial estimates for the fourth quarter 2012 and full year 2012, as well as Zogenix's cash position as of December 31, 2012; continued expansion of the utilization of SUMAVEL DosePro; acceleration of the development timeline and partnering activities for Relday; and the timing of reporting of full financial results for 2012. The inclusion of forward-looking statements should not be regarded as a representation by Zogenix that any of its plans will be achieved. Actual results may differ from those set forth in this press release due to the risk and uncertainties inherent in Zogenix's business, including, without limitation: risks related to changes in estimated financial amounts based on the completion of financial closing procedures and the audit of the financial statements; the market potential for migraine treatments, and Zogenix's ability to compete within that market; Zogenix's ability to successfully execute its sales and marketing strategy for the commercialization of SUMAVEL DosePro; Zogenix's reliance on Mallinckrodt to co-promote SUMAVEL DosePro; inadequate therapeutic efficacy or unexpected adverse side effects relating to SUMAVEL DosePro that could prevent its ongoing commercialization, or that could result in recalls or product liability claims; the potential for Zohydro ER to receive regulatory approval on a timely basis or at all; the potential for adverse safety findings relating to Zohydro ER or negative publicity concerning opioids in general to delay or prevent regulatory approval or commercialization; the potential for delays associated with any additional data required by the FDA to be submitted by Zogenix in support of the NDA; the ability of Zogenix and its licensors to obtain, maintain and successfully enforce adequate patent and other intellectual property protection of its products and product candidates and the ability to operate its business without infringing the intellectual property rights of others; difficulties in identifying, negotiating and carrying out strategic transactions relating to Zohydro ER and Relday; the inherent risks of clinical development of Relday and Zogenix's dependence on its collaboration with DURECT Corporation to develop Relday; and other risks described in Zogenix's filings with the Securities and Exchange Commission. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and Zogenix undertakes no obligation to revise or update this press release to reflect events or circumstances after the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement. This caution is made under the safe harbor provisions of Section 21E of the Private Securities Litigation Reform Act of 1995.

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