

FOR IMMEDIATE RELEASE

XANODYNE ANNOUNCES RENEWED FOCUS ON PAIN MANAGEMENT MARKET *Focused Strategy Results in Divestiture of Women's Health Asset Lysteda™ to Ferring*

NEWPORT, KY (May 10, 2010) – Xanodyne Pharmaceuticals, Inc., an integrated specialty pharmaceutical company, today announced that it has tightly focused the strategic direction for the company on the pain management market. The company plans to leverage its core expertise in the prescription pain category by developing a range of products that address both the acute and chronic pain prescription segments as well as the over-the-counter pain market.

Xanodyne has nearly a decade-long history as a pain management company with well known brands such as Darvocet-N® (propoxyphene napsylate and acetaminophen), Roxicodone® (oxycodone hydrochloride) and Oramorph® SR (morphine sulfate sustained release). The most recent addition to its focused pain portfolio is Zipsor® (diclofenac potassium) Liquid Filled Capsules, a non-steroidal anti-inflammatory drug (NSAID), approved by FDA in June 2009 for the treatment of mild to moderate acute pain in adults. Diclofenac, the active ingredient in Zipsor, is one of the most widely prescribed NSAIDs in the world.

As a result of the new business strategy, Xanodyne has divested the global rights of its women's health asset, Lysteda™ (tranexamic acid) to Ferring Pharmaceuticals, a global biopharmaceutical company headquartered in Switzerland. Details of the transaction have not been disclosed. Lysteda was approved following a Priority Review by FDA in November 2009 as a first-in-class non-hormonal, oral therapeutic agent indicated specifically for treatment of women suffering from cyclic heavy menstrual bleeding (HMB), also known as menorrhagia.

“We are very excited about the prospects for our strategic focus on the pain management market,” said Natasha Giordano, Xanodyne's Chief Operating Officer. “This tight focus on pain management has many significant and tangible benefits for Xanodyne. By single-mindedly leveraging our core competencies and strong pain brands, we are now positioned to become a leader in the pain category while reducing the commercial risk associated with operating across two disparate categories. In addition, the proceeds from the sale of Lysteda provide us financial flexibility. We are now in a position to continue to invest significantly in the growth and success of Zipsor and our other important life cycle management projects. Additionally, these cash proceeds allow us to aggressively seek in-licensing opportunities in the pain management

category while simultaneously reducing the debt on the company. We anticipate that our commitment to building a sustainable business with competitive and innovative brands will benefit patients suffering with pain for many years to come.”

In September 2009, Xanodyne successfully launched Zipsor with its own specialty sales force. Prescriptions for Zipsor have grown significantly each month since its launch. To leverage this early market success, Xanodyne announced a co-promotion agreement with Ferring in April 2010 (http://xanodyne.com/newsroom_details.asp?NewsId=66), to extend the reach of Zipsor in the United States beyond pain specialists and other selected physicians who are the primary focus of its current sales efforts. These efforts will help Xanodyne to achieve a stronger foothold in the pain management market.

About Zipsor

ZIPSOR (diclofenac potassium) Liquid Filled Capsules, is a new treatment option for relief of mild to moderate acute pain in adults (18 years of age or older).

Important Safety Information

Cardiovascular Risk

Nonsteroidal anti-inflammatory drugs (NSAIDs) may increase the risk of serious cardiovascular (CV) thrombotic events, myocardial infarction, and stroke, which can be fatal. This risk may increase with duration of use. Patients with cardiovascular disease or risk factors for cardiovascular disease may be at greater risk. Zipsor is contraindicated for the treatment of perioperative pain in the setting of coronary artery bypass graft (CABG) surgery.

Gastrointestinal Risk

NSAIDs increase the risk of serious gastrointestinal (GI) adverse reactions including bleeding, ulceration, and perforation of the stomach or intestines, which can be fatal. These events can occur at any time during use and without warning symptoms. Elderly patients are at greater risk for serious gastrointestinal events.

See full Prescribing information for Zipsor at www.Zipsor.com.

About Lysteda

In the clinical trials which were the basis for Lysteda's approval, there was a statistically significant reduction in menstrual blood loss in women who received Lysteda, compared with those taking an inactive tablet (placebo). The most common adverse reactions reported during clinical trials by patients using Lysteda included headache, sinus and nasal symptoms, back pain, abdominal pain, muscle and joint pain, muscle cramps, anemia, and fatigue. Concomitant use of hormonal contraceptives and Lysteda may further exacerbate the increased risk of blood clots, stroke, or heart attack known to be associated with hormonal contraceptives. Therefore, though there are no clinical trial data on the risk of thrombotic events with the concomitant use with hormonal contraceptives, women using hormonal contraception should take Lysteda only if there is a strong medical need, and if the benefit of treatment will outweigh the potential increased risk.

See full Prescribing information for Lysteda at www.Lysteda.com

About Xanodyne Pharmaceuticals, Inc.

Xanodyne, which commenced operations in 2001, is an integrated specialty pharmaceutical company with both development and commercial capabilities focused exclusively on pain management. Xanodyne markets a portfolio of products consisting of prescription pain management pharmaceuticals and a line of prenatal vitamins. Additionally, Xanodyne is advancing its pipeline of product candidates targeted at significant potential segments of the pain management market including chronic and severe pain. For more information visit www.Xanodyne.com.

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Source: Xanodyne Pharmaceuticals, Inc.

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