

PROPHASE LABS, INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)
(unaudited)

	Three Months Ended	
	March 31, 2017	March 31, 2016
Net sales	\$ 771	\$ 1,016
Cost of sales	686	731
Gross profit	85	285
Operating expenses:		
Sales and marketing	115	298
Administration	1,080	1,203
Research and development	34	38
	1,229	1,539
Interest expense, net	(54)	(52)
Loss from continuing operations before income taxes	(1,198)	(1,306)
Income tax benefit from continuing operations	18,123	-
Income (loss) from continuing operations	16,925	(1,306)
Discontinued operations:		
Income (loss) from discontinued operations	1,365	(30)
Gain on sale of discontinued operations, net of taxes	26,349	-
Income (loss) from discontinued operations	27,714	(30)
Net income (loss)	\$ 44,639	\$ (1,336)
Basic earnings (loss) per share:		
Income (loss) from continuing operations	\$0.99	(\$0.08)
Income (loss) from discontinued operations	1.62	-
Net income (loss)	\$2.61	(\$0.08)
Diluted earnings (loss) per share:		
Income (loss) from continuing operations	\$0.95	(\$0.08)
Income (loss) from discontinued operations	1.56	-
Net income (loss)	\$2.51	(\$0.08)
Weighted average common shares outstanding:		
Basic	17,082	17,081
Diluted	17,772	17,081

PROPHASE LABS, INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET DATA
(in thousands)
(unaudited)

	March 31 2017	December 31, 2016
Cash and cash equivalents	\$ 42,800	\$ 441
Accounts receivable	\$ 3,410	\$ 5,770
Inventory	\$ 2,155	\$ 2,736
Total current assets	\$ 49,662	\$ 9,627
Total assets	\$ 57,543	\$ 12,802
Total current liabilities	\$ 6,873	\$ 6,840
Total stockholders' equity	\$ 50,670	\$ 5,962