

## **MERUS LABS INTERNATIONAL INC. ANNOUNCES SECOND QUARTER RESULTS FOR FISCAL 2012**

**Toronto, May 15, 2012 - Merus Labs International Inc. ("Merus" or the "Company")** [TSX: MSL, NASDAQ: MSLI] is pleased to announce today its financial results for the second quarter of fiscal 2012. The results from the second quarter of fiscal 2012, for both revenue and earnings excluding non-cash charges, were in line with management's expectations.

For the three months ended March 31, 2012, the Company reported a net loss of (\$362,684) or (\$0.01) per share, compared with a net loss of (\$6,526,137) or (\$0.81) per share for the same period last year. Included in the current quarter is a non-cash charge for \$1,306,443 relating to share-based compensation. The prior year period also includes a one-time restructuring charge of \$6,061,413.

On a proforma basis, including the acquired entity's results from the beginning of the fiscal period in which the amalgamation occurred, Merus' net income for the six months ended March 31, 2012 was \$955,015 or \$0.04 per share. Also, on a proforma basis, revenue from net product sales for the six months ended March 31, 2012 was \$5,001,167. The per-share calculations are based on fully diluted, weighted average shares outstanding of approximately 24.5 million for the current period, 8.0 million in the prior year, and 24.3 million shares on a pro-forma basis.

Revenue from Vancomycin net product sales for the three months ended March 31, 2012 were \$2.2 million, representing an approximate 24% increase over sales reported by the product's previous owner, for the same period in 2011. Vancomycin product margins and key performance indicators continue to meet management's expectations. In subsequent quarters, the revenues from the recently acquired Factive product, which was acquired late in the second quarter, will augment the Company's revenue base.

The Company completed its amalgamation on December 19, 2011 and consequently, the reported results for the six month period include the revenue and operating expenses of the acquired entity from December 20 through March 31, 2012.

Management's discussion and analysis, containing a full analysis of financial results, is available on EDGAR ([www.sec.gov/edgar.shtml](http://www.sec.gov/edgar.shtml)) and on SEDAR ([www.sedar.com](http://www.sedar.com)).

### **About Merus Labs International Inc.**

Merus is a specialty pharmaceutical company engaged in the acquisition and licensing of pharmaceutical products. The Company utilizes its expertise in the North American

pharmaceutical markets and its access to capital to acquire and license niche branded products in Canada and United States. Merus further enhances the sale and distribution of these products by introduction of a focused marketing and promotion plan.

### **Cautionary Statement**

Certain statements contained in this press release may constitute "forward-looking statements" within the meaning of Section 21E (i) (1) of the United States Securities Exchange Act of 1934. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Merus' actual results to be materially different from any future results expressed or implied by these statements. Such factors include the following: general economic and business conditions, changes in demand for Merus' products, changes in competition, the ability of Merus to integrate acquisitions or complete future acquisitions, interest rate fluctuations, currency exchange rate fluctuations, dependence upon and availability of qualified personnel and changes in government regulation. In light of these and other uncertainties, the forward-looking statements included in this press release should not be regarded as a representation by Merus that Merus' plans and objectives will be achieved. These forward-looking statements speak only as of the date of this press release, and we undertake no obligation to update or revise the statements.

For further information, please call:  
Merus Labs International Inc.

Tel: (416) 593-3725

Or contact our investor relations department at: [info@meruslabs.com](mailto:info@meruslabs.com)