



Contact:

David Waldman or Klea Theoharis
Crescendo Communications, LLC
Email: mlss@crescendo-ir.com
Tel: 212-671-1020

**Milestone Scientific Reports Third Quarter 2015
Financial Results and Provides Business Update**

LIVINGSTON, NJ, November 11, 2015 -- Milestone Scientific Inc. (NYSE: MLSS), a medical R&D company that designs, patents, incubates and commercializes a growing portfolio of innovative injection technologies, today announced financial results for the third quarter ended September 30, 2015 and provided a business update including an update on its minority owned subsidiary which holds the exclusive rights to the epidural and intra-articular (IA) instruments ("Epidural & IA Subsidiary").

Leonard Osser, Chief Executive Officer of Milestone Scientific, stated, "Our revenue and gross profit, reflecting sales of dental instruments and handpieces, increased sequentially versus the second quarter of 2015, but remained unchanged for the third quarter of 2015 compared to the same period last year. We expect to resume year-over-year growth going forward as we implement a number of new sales and marketing initiatives in 2016. Although these initiatives required significant changes in our organization and strategy, we believe it will ultimately enhance our long-term prospects. We experienced a net loss of \$1.6 million, or \$0.07 per share, for the third quarter 2015, which was due to a variety of factors including temporary weakness in dental product sales, expanded sales and marketing initiatives, and increased expenses related to the development of our medical instruments."

Mr. Osser continued, "We remain focused on launching new medical instruments, which we believe will open sizable new markets for the company. As previously announced, our Epidural & IA Subsidiary has commenced its pivotal clinical trial in the U.S., with the aim of verifying the placement of the epidural needle tip in the lumbar epidural space. We are now entering the final stage of our clinical trial that will be in labor and delivery. I am pleased to announce that we recently submitted an abstract to a prestigious American pain management society in advance of their annual meeting in 2016 detailing initial results of our prospective, open labeled, clinical trial assessing the CompuFlo® technology in correctly identifying the epidural space during an epidural procedure. We also recently announced that we submitted initial results of the prospective, open label, clinical trial assessing the CompuFlo® technology in correctly identifying the epidural space during an epidural procedure in obese patients. We believe these submissions will highlight the advantages of our instrument, which, unlike procedures utilizing fluoroscopy, have the added potential benefit of avoiding patient exposure to radiation without compromising procedure safety or efficacy. We expect the clinical trial to be completed later this year. We plan to host an event on November 20th in Miami for a group of leading anesthesiologists and key opinion leaders where we plan to present the interim results from our COMPASS clinical study for the epidural instrument. We look forward to unveiling the initial results of the clinical trials to a group of leading industry experts and the public at large. We are also moving ahead with plans to launch additional instruments, including our Botox, ophthalmic and veterinary instruments, to name a few."

Revenue for the quarter ended September 30, 2015 was \$2.5 million versus \$2.5 million for the quarter ended September 30, 2014. Domestic instrument sales decreased by \$(169,068) in the third quarter of 2015 versus the third quarter of 2014 due to the sell through of instruments purchased at the end of 2014 at the distributor level. In the domestic market, handpiece sales decreased by \$(173,995) in 2015 versus 2014. This decrease in domestic handpiece sales is due to a price increase in January 2015 that is slowly being adopted by our distributor in USA as well as a buy in of handpieces by our distributors in late 2014, in advance of a price increase in January 2015. We have adjusted our training and field support to increase handpiece usage that will translate into increased handpiece sales in the future. International instrument sales increased by \$656,366

in the third quarter of 2015 versus the third quarter of 2014 due to the recognition of Milestone China sales. International handpiece sales decreased by \$(382,648) in the third quarter of 2015 versus the third quarter of 2014 due to international price increases at the beginning of 2015 and a strengthening of the US dollar as compared to the Euro and other currencies throughout the world. This decrease is being addressed by the implementation of a Key Opinion Leader program to increase awareness of the various injections that can be utilized with the WAND/STA instrument to spur increased handpiece usage. Gross profit in the third quarter of 2015 was \$1.7 million or 68% of revenue versus \$1.7 million or 67% of revenue for the same period in 2014. Operating loss for the third quarter of 2015 was \$(835,357) versus operating loss of \$(162,206) in the third quarter of 2014. The \$641,966 or 35% increase in SG&A expenses reflects an increase in expenses for consulting services, corporate marketing, increased payroll and other expenses to support the anticipated growth of the Company. Net loss for the third quarter of 2015 was \$(1,569,202) or \$(0.07) per diluted share, versus net loss of \$(358,490) or \$(0.02) per diluted share in the third quarter of 2014. Net loss for the three months ended September 30, 2015 includes a Loss on Earnings from Medical Joint Venture of \$(590,612) compared to \$(223,834) for the same period last year.

Revenue for the nine months ended September 30, 2015 was \$7.0 million versus \$7.7 million for the nine months ended September 30, 2014. The decrease in revenue of \$(665,943) or 9% was due to a decrease in instruments and handpiece unit sales. In the domestic market, total revenue decreased by \$(1,024,116) to \$2.4 million versus \$3.4 million for the same period in 2014. On the international front, total revenue increased by \$358,173 to \$4.6 million versus \$4.2 million for the same period in 2014. Gross profit for the nine months ended September 30, 2015 was \$4.7 million or 67% of revenue versus \$5.0 million or 66% of revenue for the nine months ended September 30, 2014. Operating loss for the nine months ended September 30, 2015 was \$(2,288,137) versus an income of \$214,548 for the nine months ended September 30, 2014. Net loss for the nine months ended September 30, 2015 was \$(4,061,525), or \$(0.19) per share, versus a loss of \$(333,113), or \$0.00 per share, for the comparable period in 2014. Net loss for the nine months ended September 30, 2015 includes a Loss on Earnings from Medical Joint Venture of \$(1,566,711) compared to \$(567,550) for the same period last year.

Conference Call

Milestone Scientific's executive management team will host a teleconference on Wednesday November 11, 2015 at 4:30 PM Eastern Time to discuss the company's financial results. The conference call can be accessed via telephone by dialing toll free 888-600-4861 and entering the passcode 6421452 or on the company website at www.milestonescientific.com. For those unable to participate at that time, a replay of the call can be accessed by dialing 888-203-1112 and entering the pass code 6421452. The replay will be available for 90 days.

About Milestone Scientific Inc.

Milestone Scientific Inc. (MLSS) is a medical R&D company that designs, patents, incubates and commercializes a growing portfolio of innovative injection technologies. Milestone's computer-controlled systems make injections precise, efficient, and virtually painless. For more information please visit our website: www.milestonescientific.com.

Safe Harbor Statement

This press release contains forward-looking statements regarding the timing and financial impact of Milestone's ability to implement its business plan, expected revenues and future success. These statements involve a number of risks and uncertainties and are based on assumptions involving judgments with respect to future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond Milestone's control. Some of the important factors that could cause actual results to differ materially from those indicated by the forward-looking statements are general economic conditions, failure to achieve expected revenue growth, changes in our operating expenses, adverse patent rulings, FDA or legal developments, competitive pressures, changes in customer and market requirements and standards, and the risk factors detailed from time to time in Milestone's periodic filings with the Securities and Exchange Commission, including without limitation, Milestone's Annual Report for the year ended December 31, 2014. The forward looking statements in this press release are based upon management's reasonable belief as of the date hereof. Milestone undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

(tables follow)

MILESTONE SCIENTIFIC INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Product sales, net	\$ 2,459,958	\$ 2,535,098	\$ 6,996,921	\$ 7,662,864
Cost of products sold	794,285	829,546	2,298,162	2,624,950
Gross profit	<u>1,665,673</u>	<u>1,705,552</u>	<u>4,698,759</u>	<u>5,037,914</u>
Selling, general and administrative expenses	2,480,354	1,838,388	6,969,332	4,749,112
Research and development expenses	20,676	29,370	49,616	74,254
Total operating expenses	<u>2,501,030</u>	<u>1,867,758</u>	<u>7,018,948</u>	<u>4,823,366</u>
(Loss) income from operations	(835,357)	(162,206)	(2,320,189)	214,548
Other income (expenses)	(632)	-	(632)	-
Interest income (expense)	(411)	755	(329)	916
Loss on earnings from Milestone Medical Inc.	(590,612)	(223,834)	(1,566,711)	(567,550)
Income (loss) on earnings from Education Joint Venture	2,343	(2,633)	(5,493)	(10,455)
Loss on earnings from China Joint Venture	(123,083)	29,428	(187,062)	29,428
Total other expenses, net	<u>(712,395)</u>	<u>(196,284)</u>	<u>(1,760,227)</u>	<u>(547,661)</u>
Loss before provision for income taxes	<u>(1,547,752)</u>	<u>(358,490)</u>	<u>(4,080,416)</u>	<u>(333,113)</u>
Provision for Income Tax	<u>(27,105)</u>	<u>—</u>	<u>(40,751)</u>	<u>—</u>
Net Loss	<u>(1,574,857)</u>	<u>(358,490)</u>	<u>(4,121,167)</u>	<u>(333,113)</u>
Net loss attributable to the noncontrolling interests	<u>5,655</u>	<u>—</u>	<u>59,642</u>	<u>—</u>
Net loss attributable to Milestone Scientific Inc.	<u>\$ (1,569,202)</u>	<u>\$ (358,490)</u>	<u>\$ (4,061,525)</u>	<u>\$ (333,113)</u>
Net loss per share applicable to common stockholders—				
Basic	<u>\$ (0.07)</u>	<u>\$ (0.02)</u>	<u>\$ (0.19)</u>	<u>\$ (0)</u>
Diluted	<u>\$ (0.07)</u>	<u>\$ (0.02)</u>	<u>\$ (0.19)</u>	<u>\$ (0)</u>
Weighted average shares outstanding and to be issued—				
Basic	<u>21,418,145</u>	<u>21,189,245</u>	<u>21,375,317</u>	<u>19,621,471</u>
Diluted	<u>21,418,145</u>	<u>21,189,245</u>	<u>21,375,317</u>	<u>19,621,471</u>

MILESTONE SCIENTIFIC INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2015 (Unaudited)	December 31, 2014 (Audited)
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 4,390,783	\$ 10,367,993
Accounts receivable, net of allowance for doubtful accounts of \$5,000 as of September 30, 2015 and December 31, 2014	2,349,347	1,541,478
Due from related party	85,959	—
Note receivable-Milestone Medical Inc	2,000,000	—
Inventories	2,804,906	2,497,099
Advances on contracts	1,211,926	721,197
Prepaid expenses and other current assets	428,570	454,566
Total current assets	13,271,491	15,582,333
Investment in Milestone Medical Inc	—	888,720
Investment in Milestone Education LLC	18,700	24,192
Investment in Milestone China	161,588	348,651
Furniture, fixtures & equipment net of accumulated depreciation of \$437,024 as of September 30, 2015 and \$416,210 as of December 31, 2014	115,616	88,818
Patents, net of accumulated amortization of \$628,953 as of September 30, 2015 and \$576,960 as of December 31, 2014	480,021	530,029
Other assets	17,355	14,685
Total assets	<u>\$ 14,064,771</u>	<u>\$ 17,477,428</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current Liabilities:		
Accounts payable	\$ 780,934	\$ 1,453,908
Accrued expenses and other payables	1,350,853	981,168
Total current liabilities	2,131,787	2,435,076
Commitments and Contingencies		
Stockholders' Equity		
Series A convertible preferred stock, par value \$.001, authorized 5,000,000 shares, 7,000 shares issued and outstanding, respectively	7	7
Common stock, par value \$.001; authorized 50,000,000 shares; 21,478,248 shares issued, 963,451 shares to be issued and 21,444,915 shares outstanding as of September 30, 2015; 21,404,494 shares issued, 974,953 shares to be issued and 21,371,161 shares outstanding as of December 31, 2014	22,442	22,380
Additional paid-in capital	78,016,152	77,504,415
Accumulated deficit	(66,028,987)	(61,967,462)
Treasury stock, at cost, 33,333 shares	(911,516)	(911,516)
Total stockholders' equity	11,098,098	14,647,824
Noncontrolling interest	834,886	394,528
Total Equity	11,932,984	15,042,352
Total liabilities and stockholders' equity	<u>\$ 14,064,771</u>	<u>\$ 17,477,428</u>