

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): May 9, 2003

HALSEY DRUG CO., INC.

695 North Perryville Road, Rockford, Illinois 61107

(815-399-2060)

Incorporated under the
laws of State of New York

Commission File Number
1-10113

I.R.S. Employer
Identification Number
11-0853640

Item 7. Financial Statements and Exhibits.

(c) Exhibits

Exhibit Number - - - - -	Description - - - - -
99.1	Press Release of Halsey Drug Co., Inc. dated May 9, 2003 reporting results for the year ended December 31, 2002.

Item 9. Regulation FD Disclosure.

The Registrant is furnishing under Item 9 of this Current Report on Form 8-K:

(i) Exhibit 99.1 consisting of a copy of the press release issued on May 9, 2003 reporting results for the year ended December 31, 2002.

The statements in this Current Report on Form 8-K, including the exhibits, contain forward-looking statements and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that forward-looking statements involve risk and uncertainties which may affect the Registrant's business prospects, including, economic, competitive, governmental, technological and other factors discussed in filings with the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HALSEY DRUG CO., INC.

By: /s/ Peter A. Clemens

Peter A. Clemens
Vice President & Chief Financial Officer

Date: May 9, 2003

EXHIBIT INDEX

Exhibit
Number

Description

99.1

Press Release of Halsey Drug Co., Inc.
dated May 9, 2003 reporting results
for the forth quarter and year ended
December 31, 2002.

Contact: Halsey Pharmaceuticals
Investor Relations - Peter A. Clemens, Vice President & CFO
(815) 399-2060

FOR IMMEDIATE RELEASE

HALSEY PHARMACEUTICALS REPORTS RESULTS FOR 2002

ROCKFORD, IL, MAY 9, 2003: Halsey Pharmaceuticals (OTC:BB-HDGC) today announced that total revenues for the year ended December 31, 2002 decreased by 52% to \$8,205,000 as compared to \$16,929,000 for 2001. The Company also reported that it had a net loss for the year ended December 31, 2002 of \$59,589,000 or \$3.90 per share, compared with a net loss of \$12,563,000 or \$.84 per share for 2001. Revenues for the year ended December 31, 2001 consisted of \$8,429,000 in product revenues and \$8,500,000 in product development revenues related to the sale of the Company's Abbreviated New Drug Application for Doxycycline Capsules. The product development revenues had a \$.57 per share favorable impact on 2001 reported results. Included in the net loss for 2002 were expenses of approximately \$46,564,000, comprised of \$29,278,000 related to the December, 2002 debt restructuring and financing, \$12,558,000 of amortization of debt discount and private offering costs and \$4,728,000 of interest costs.

Revenues were \$2,053,000 and \$1,675,000 for the quarters ended December 31, 2002 and 2001, respectively, representing an increase of 22.6%. The net loss for the quarter ended December 31, 2002 was \$38,901,000 or \$2.46 per share, compared to the net loss of \$5,958,000 or \$.40 per share for the quarter ended December 31, 2001.

Commenting, Michael Reicher, Chairman & CEO said, "in the fourth quarter on an operating level the Company showed progress in terms of increasing product revenues. We expect this trend to continue in 2003 as the regulatory hurdles to product introductions are cleared and the Company expands its generic product line. Further, we expect to begin to see the results of development efforts relating to certain new products to be introduced to treat pain. Much of the loss for 2002 relates to the cost of recent financings and the amortization of these charges. These are largely non-cash in nature and have no impact on the ongoing operations of the Company. The Company continues to receive the financial support of its primary investors and remains committed to our strategy of developing products to serve the \$5 billion pain management market."

Halsey Pharmaceuticals, together with its subsidiaries, is an emerging pharmaceutical company specializing in innovative drug development.

The statements in this press release are forward looking and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that forward looking statements involve risk and uncertainties which may affect Halsey's business prospects, including economic, competitive, governmental, technological and other factors discussed in filings with the Securities and Exchange Commission.

HALSEY DRUG CO., INC. (D/B/A HALSEY PHARMACEUTICALS)
FINANCIAL HIGHLIGHTS

CONDENSED CONSOLIDATED BALANCE SHEETS
AT DECEMBER 31,
(IN THOUSANDS)

	2002	2001
	----	----
ASSETS		
Current Assets	\$ 12,500	\$ 3,776
Property, Plant and Equipment, Net	5,367	5,998
Other Assets	1,497	1,295
	-----	-----
	\$ 19,364	\$ 11,069
	=====	=====
LIABILITIES & STOCKHOLDERS' EQUITY		
Current Liabilities	6,567	12,052
Long Term Debt, Net	25,065	64,453
Stockholders' Equity (Deficit)	(12,268)	(65,436)
	-----	-----
	\$ 19,364	\$ 11,069
	=====	=====

HALSEY DRUG CO., INC. (D/B/A HALSEY PHARMACEUTICALS)
FINANCIAL HIGHLIGHTS

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT PER SHARE INFORMATION)

	(UNAUDITED) THREE MONTHS ENDED DECEMBER 31,		TWELVE MONTHS ENDED DECEMBER 31,	
	2002 ----	2001 ----	2002 ----	2001 ----
Net Product Revenues	\$ 2,053	\$ 1,675	\$ 8,205	\$ 16,929
Operating Costs				
Cost of Manufacturing	3,163	3,353	12,535	14,857
Research and Development	356	401	1,517	1,327
Selling, General and Administrative Expenses	1,744	1,945	7,216	6,616
Plant Shutdown Costs	(6)	68	(126)	68
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Loss From Operations	(3,204)	(4,092)	(12,937)	(5,939)
Other Income (Expense)				
- - - - -				
Interest Expense	(1,320)	(959)	(4,728)	(3,913)
Interest Income	5	5	15	69
Amortization of Deferred Debt Discount and Private Offering Costs	(4,996)	(757)	(12,558)	(2,591)
Loss on Extinguishment of Debt	(29,278)	--	(29,278)	--
Investment in Joint Venture	--	(157)	--	(202)
Other	(108)	2	(103)	13
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Net Loss	<u><u>\$ (38,901)</u></u>	<u><u>\$ (5,958)</u></u>	<u><u>\$ (59,589)</u></u>	<u><u>\$ (12,563)</u></u>
Net Loss Per Common Share	<u><u>\$ (2.45)</u></u>	<u><u>\$ (0.40)</u></u>	<u><u>\$ (3.90)</u></u>	<u><u>\$ (0.84)</u></u>
Weighted Average Number of Outstanding Shares	<u><u>15,844</u></u>	<u><u>15,063</u></u>	<u><u>15,262</u></u>	<u><u>15,021</u></u>