



## MannKind Announces Proposed Offering of Common Stock and Related Share Lending Arrangement

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VALENCIA, Calif., Aug 16, 2010 (BUSINESS WIRE) --

**MannKind Corporation (Nasdaq: MNKD)** today announced the commencement of an offering of up to 8,000,000 shares of its common stock. The common stock being offered represent shares of MannKind common stock that MannKind will lend to Bank of America, N.A. Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), an affiliate of Bank of America, is acting as sole book-running manager for the offering.

In connection with the common stock offering, MannKind will enter into a share lending agreement with Bank of America, pursuant to which MannKind will lend shares to Bank of America. Merrill Lynch intends to sell the borrowed shares in the common stock offering and to use the resulting short position to facilitate short sales and privately negotiated derivative transactions by which the investors in a concurrent private offering of \$100 million aggregate principal amount of MannKind's Senior Convertible Notes due 2015 (or \$115 million if the initial purchasers exercise their over-allotment option in full), which is being made only to qualified institutional buyers, may hedge their investment in the notes. MannKind will not receive any proceeds from the offering but will receive a nominal one-time loan fee. Bank of America will be required to return the borrowed shares pursuant to the terms of the lending agreement.

A prospectus supplement relating to the offering of MannKind common stock will be filed with the Securities and Exchange Commission (the "SEC"). Copies of the prospectus and the related preliminary prospectus supplement can be obtained from BofA Merrill Lynch, 4 World Financial Center, New York, NY 10080, Attn: Prospectus Department or by e-mail at [dq.prospectus\\_requests@baml.com](mailto:dq.prospectus_requests@baml.com).

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the securities described in this press release in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

#### Forward-Looking Statements

This press release contains forward-looking statements, including statements related to MannKind's public offering of common stock, MannKind's proposed lending of shares to Bank of America, the use of the borrowed shares to facilitate other transactions, the future return of the borrowed shares to MannKind and MannKind's receipt of a nominal lending fee in the offering. Words such as "expects", "intend", "will", "could", "propose" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon MannKind's current expectations. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation, risks related to the consummation of the common stock offering, the underwriter's consummation of its obligations to purchase shares in the offering, whether MannKind will be able to satisfy its conditions to close the sale of shares in the offering, whether the borrowed shares will be used for the purposes that MannKind expects, whether Bank of America will return the borrowed shares to MannKind as required under the share lending agreement, the progress, timing and results of clinical trials, difficulties or delays in seeking or obtaining regulatory approval, the manufacture of AFREZZA, competition from other pharmaceutical or biotechnology companies, MannKind's ability to enter into any collaborations or strategic partnerships, intellectual property matters and stock price volatility. The foregoing list sets forth some, but not all, of the factors that could affect MannKind's ability to achieve results described in any forward-looking statements. For additional information about risks and uncertainties MannKind faces and a discussion of MannKind's financial statements and footnotes, see documents MannKind files with the Securities and Exchange Commission, including MannKind's most recent annual report on Form 10-K and quarterly report on Form 10-Q and other filings with the Securities and Exchange Commission. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement, and MannKind undertakes no obligation and expressly disclaims any duty to revise or update any forward-looking statements to reflect events or circumstances after the date of this press release.

SOURCE: MannKind Corporation

MannKind Corporation

Matthew Pfeffer

Corporate Vice President and Chief Financial Officer

661-775-5300

[mpfeffer@mannkindcorp.com](mailto:mpfeffer@mannkindcorp.com)