



MannKind Corporation Reports Fourth Quarter and Full Year 2007 Financial Results

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VALENCIA, Calif., March 4 /PRNewswire-FirstCall/ -- MannKind Corporation (Nasdaq: MNKD) today reported financial results for the fourth quarter and year ended December 31, 2007.

For the fourth quarter of 2007, total operating expenses were \$79.1 million, compared to \$71.8 million for the fourth quarter of 2006. Research and development (R&D) expenses increased by \$7.0 million to \$66.8 million for the fourth quarter of 2007 compared to the fourth quarter of 2006, primarily due to increased manufacturing costs (including clinical supplies) for Technosphere Insulin, offset in part by lower purchased services in the associated clinical development program. General and administrative (G&A) expenses increased by \$0.3 million to \$12.3 million for the fourth quarter of 2007 compared to the fourth quarter of 2006.

The net loss applicable to common stockholders for the fourth quarter of 2007 was \$75.0 million, or \$0.75 per share based on 99.6 million weighted average shares outstanding, compared with a net loss applicable to common stockholders of \$71.3 million, or \$1.30 per share based on 54.7 million weighted average shares outstanding, for the fourth quarter of 2006.

For the year ended December 31, 2007, total operating expenses were \$307.4 million, compared with \$233.8 million for 2006. R&D expenses were \$256.8 million in 2007, up \$65.0 million from 2006, primarily related to increases in manufacturing costs (including clinical supplies) for Technosphere Insulin and associated clinical development program expenses. G&A expenses increased by \$8.5 million to \$50.5 million for 2007 as compared to 2006 primarily due to costs associated with an increased number of employees and increased professional fees. The total number of employees increased from 545 at the end of 2006 to 609 at the end of 2007.

The net loss applicable to common stockholders for 2007 was \$293.2 million, or \$3.66 per share based on 80.0 million weighted average shares outstanding, compared with a net loss applicable to common stockholders of \$230.5 million, or \$4.52 per share based on 51.0 million weighted averages shares outstanding for 2006. The number of common shares outstanding at December 31, 2007 was 101,380,823.

Cash, cash equivalents and marketable securities were \$368.3 million at December 31, 2007, \$204.2 million at September 30, 2007, and \$436.5 million at December 31, 2006. On October 5, 2007, the Company received \$250 million in gross proceeds from its self managed registered direct offering of approximately 27 million shares of common stock.

"During this past year, we made excellent progress toward our goal of bringing Technosphere Insulin to market," stated Alfred Mann, Chairman and Chief Executive Officer. "It is clear that in today's environment, to be successful a new therapy must provide a differentiated safety and efficacy profile over existing therapies. We believe that Technosphere Insulin's unique ability to more closely match the normal pattern of insulin secretion following a meal will differentiate our product from other insulins, including rapid-acting analogs and long-acting analogs. Our Technosphere platform now includes MKC-253 (GLP-1), which in a recent Phase 1 trial demonstrated remarkable pharmacokinetics and a highly favorable safety profile. I am proud of what our team is accomplishing and I remain committed to seeing that these innovative products are made available to patients who desperately need improved therapeutic options."

Conference Call

MannKind management will host a conference call to discuss these results today at 9:00 a.m. ET. To participate in the call, please dial (888) 566-5775 or (210) 234-0004. To listen to the call via the internet, please visit <http://www.mannkindcorp.com>. The web site replay will be available for 14 days. A telephone replay will be accessible for approximately 14 days following completion of the call by dialing (866) 396-7637 or (203) 369-0522.

Presenting from the Company will be:

- Chairman and Chief Executive Officer Alfred Mann
- President and Chief Operating Officer Hakan Edstrom
- Corporate Vice President and Chief Financial Officer Dick Anderson
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Corporate Vice President and Chief Scientific Officer Peter Richardson

About MannKind Corporation

MannKind Corporation (Nasdaq: MNKD) focuses on the discovery, development and commercialization of therapeutic products for diseases such as diabetes and cancer. Its lead product, the Technosphere[®] Insulin System, is currently in Phase 3 clinical trials in the United States, Europe and Latin America to study its safety and efficacy in the treatment of diabetes. For more information on MannKind Corporation and its technology, visit <http://www.mannkindcorp.com>.

Forward-Looking Statements

This press release contains forward-looking statements, including statements related to differentiating Technosphere Insulin from other insulins. Words such as "believes," "anticipates," "plans," "expects," "intend," "will," "goal," "potential" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon MannKind's current expectations and involve risks and uncertainties. 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 progress, timing and results of clinical trials, difficulties or delays in seeking or obtaining regulatory approval, and other risks detailed in MannKind's filings with the Securities and Exchange Commission, including the Annual Report on Form 10-K for the year ended December 31, 2006 and periodic reports on Form 10-Q and Form 8-K. 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 to revise or update any forward-looking statements to reflect events or circumstances after the date of this press release.

(Tables to follow)

MannKind Corporation
Consolidated Statements of Operations
(Unaudited) □

(In thousands, except per share amounts)	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2007	2006	2007	2006
Revenue	\$-	\$-	\$10	\$100
Operating expenses:				
Research and development	66,751	59,740	256,844	191,796
General and administrative	12,316	12,058	50,523	42,001
Total operating expenses	79,067	71,798	307,367	233,797
Loss from operations	(79,067)	(71,798)	(307,357)	(233,697)
Other (expense) / income	(355)	48	(197)	208
Interest expense on note payable to principal stockholder	-	(822)	-	(1,511)
Interest expense on convertible debt	(584)	(222)	(3,408)	(222)
Interest income	4,996	1,526	17,775	4,679
Loss before provision for income taxes	(75,010)	(71,268)	(293,187)	(230,543)
Income taxes	(3)	-	(3)	(5)
Net loss applicable to common stockholders	\$ (75,013)	\$ (71,268)	\$ (293,190)	\$ (230,548)
Net loss per share applicable to common stockholders - basic and diluted	\$ (0.75)	\$ (1.30)	\$ (3.66)	\$ (4.52)

Shares used to compute basic and diluted net loss per share applicable to common stockholders	99,605	54,684	80,038	50,970
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MannKind Corporation
Condensed Balance Sheet
(Unaudited) □
(in thousands)

Assets	December 31, 2007	December 31, 2006
Current assets:		
Cash and cash equivalents	\$368,285	\$319,555
Marketable securities	-	116,924
State research and development tax credit exchange receivable -- current	831	2,418
Prepaid expenses and other current assets	9,596	10,650
Total current assets	378,712	449,547
Property and equipment -- net	162,683	88,328
State research and development tax credit exchange receivable -- net of current portion	1,500	1,500
Other assets	548	362
Total	\$543,443	\$539,737
Liabilities and Stockholders' Equity		
Current liabilities	\$67,558	\$44,959
Other liabilities	24	24
Senior convertible notes	111,761	111,267
Stockholders' equity	364,100	383,487
Total	\$543,443	\$539,737

SOURCE MannKind Corporation

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