



MannKind Corporation Reports Second Quarter Financial Results

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VALENCIA, Calif., Aug. 9 /PRNewswire-FirstCall/ -- MannKind Corporation (Nasdaq: MNKD) today reported financial results for the second quarter ended June 30, 2007.

For the second quarter of 2007, total operating expenses were \$75.4 million, compared to \$55.8 million for the second quarter of 2006. A substantial portion of this increase was attributed to increased research and development (R&D) expenses which totaled \$61.5 million for this quarter compared to \$45.3 million for the same quarter in 2006. These increased R&D costs were associated with the Company's expanded clinical development program and the associated manufacturing costs for Technosphere[®] Insulin. General and administrative (G&A) expenses increased by \$3.5 million to \$13.9 million for the second quarter of 2007 compared to the second quarter of 2006. This increase was due primarily to employee-related expenses and professional fees.

For the first six months of 2007, operating expenses totaled \$152.7 million, compared to \$100.9 million in the first half of 2006. R&D expenses were \$125.3 million, up \$44.0 million as compared to the first half of 2006, again primarily related to the Company's expanded clinical development program and the associated manufacturing costs for Technosphere[®] Insulin. G&A expenses increased by \$7.9 million to \$27.5 million for the first half of 2007 primarily related to increased employee-related costs and professional fees.

The net loss for the second quarter of 2007 was \$72.0 million, or \$0.98 per share, based on 73.4 million weighted average shares outstanding. This compares to a net loss of \$54.8 million, or \$1.10 per share, based on 49.6 million weighted average shares outstanding for the second quarter of 2006.

The net loss for the first half of 2007 was \$145.1 million, or \$1.98 per share based on 73.4 million shares outstanding, compared with a net loss of \$98.3 million, or \$1.98 per share based on 49.7 million shares outstanding, for the first half of 2006.

Cash, cash equivalents and marketable securities were \$284.0 million at June 30, 2007, \$365.6 million at March 31, 2007, and \$436.5 million at December 31, 2006.

MannKind announced that it filed a shelf registration statement today. The registration statement, once it is declared effective, is intended to provide the Company with additional financing flexibility if and when deemed appropriate.

Conference Call

MannKind management will host a conference call to discuss these results today at 5:00 p.m. Eastern Time. To participate in the call please dial (888) 730-9140 or (210) 234-0008. To listen to the call via the Internet please visit <http://www.mannkindcorp.com>. The web site replay will be available for fourteen days. A telephone replay will be accessible for approximately 14 days following completion of the call by dialing (800) 756-6235 or (402) 998-0454 and entering conference number 1536761.

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

About MannKind Corporation

MannKind Corporation (Nasdaq: MNKD) focuses on the discovery, development and commercialization of therapeutic products for patients with 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>.

(Tables to follow)

(in thousands, except per share amounts)

	Three Months Ended		Six Months Ended	
	June 30, 2007	June 30, 2006	June 30, 2007	June 30, 2006
Revenue	\$ --	\$ --	\$10	\$100
Operating expenses:				
Research and development	61,480	45,321	125,268	81,271
General and administrative	13,913	10,456	27,463	19,594
Total operating expenses	75,393	55,777	152,731	100,865
Loss from operations	(75,393)	(55,777)	(152,721)	(100,765)
Other income	44	59	96	109
Interest expense on senior convertible notes	(901)	--	(2,046)	--
Interest income	4,261	971	9,541	2,351
Loss before provision for income taxes	(71,989)	(54,747)	(145,130)	(98,305)
Income taxes	--	(4)	--	(5)
Net loss	\$ (71,989)	\$ (54,751)	\$ (145,130)	\$ (98,310)
Net loss - basic and diluted	\$ (0.98)	\$ (1.10)	\$ (1.98)	\$ (1.98)
Shares used to compute basic and diluted net loss per share	73,421	49,638	73,405	49,712

MannKind Corporation
Condensed Balance Sheet
(Unaudited) □
(in thousands)

	June 30, 2007	December 31, 2006
Assets		
Current assets:		
Cash and cash equivalents	\$216,429	\$ 319,555
Marketable securities	67,599	116,924
State research and development tax credit exchange receivable - current	3,918	2,418
Prepaid expenses and other current assets	10,664	10,650
Total current assets	298,610	449,547
Property and equipment - net	118,331	88,328
State research and development tax credit exchange receivable - net of current portion	750	1,500
Other assets	546	362
Total	\$418,237	\$539,737
Liabilities and Stockholders' Equity		

Current liabilities	\$58,411	\$44,959
Other liabilities	24	24
Senior convertible notes	111,523	111,267
Stockholders' equity	248,279	383,487
Total	\$418,237	\$539,737

SOURCE MannKind Corporation

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