



## **Manhattan Pharmaceuticals, Inc. Announces Reverse Stock Split**

### **Shares Will Begin Trading on a Post Split Basis on July 14, 2011**

NEW YORK, July 13, 2011 (GLOBE NEWSWIRE) -- Manhattan Pharmaceuticals, Inc. (OTCBB:MHAN) previously announced on Form 8-K that the Company's Certificate of Amendment to its Certificate of Incorporation (the "Amendment") to implement a 1-for-50 reverse stock split of its common stock, \$0.001 par value per share (the "Common Stock") became effective on June 24, 2011 (the "Effective Time"). The split-adjusted shares of the Company's Common Stock will begin trading on the OTCBB on July 14, 2011 under the symbol "MHAND," with a "D" added for 20 trading days to signify that the reverse stock split has occurred. A new CUSIP number has been assigned to the Company's Common Stock as a result of the reverse split.

The Amendment did not change the par value of the Company's Common Stock, which remains at \$0.001 per share, or the number of shares of common stock the Company is authorized to issue, which remains at 500,000,000 shares. At the Company's Annual Meeting of Stockholders held on May 20, 2011, the Company's stockholders approved a proposal authorizing the Company's Board of Directors (the "Board"), at its discretion, to amend the Company's Amended and Restated Certificate of Incorporation, as amended (the "Certificate of Incorporation"), to effect a reverse stock split of the Company's issued and outstanding shares of common stock, par value \$0.001 per share, within the range of 1-for-25 and 1-for-50, inclusive, without further approval or authorization of the Company's stockholders if the Board determines in the future that such a reverse stock split is in the best interests of the stockholders. This 1-for-50 reverse stock split was approved by the Company's Board of Director pursuant to such stockholder authorization.

#### Details of the Reverse Split

At the Effective Time, immediately and without further action by Manhattan's stockholders, every fifty (50) shares of Manhattan's pre-split Common Stock, par value \$0.001 per share, will automatically be converted into one (1) share of post-split Common Stock, par value \$0.001 per share. Accordingly, the Company's approximately 129.8 million pre-split shares of common stock outstanding will be combined into approximately 2.6 million post-split shares outstanding. The reverse stock split affects all issued and outstanding shares of the Company's Common Stock immediately prior to the Effective Time of the reverse stock split. In addition, proportional adjustments will be made to the Company's equity awards, outstanding warrants and convertible notes.

Continental Stock Transfer and Trust Company, Manhattan's transfer agent, will act as exchange agent for the exchange. Stockholders will receive forms and notices to exchange their existing shares for new shares from the exchange agent or their broker. No fractional shares will be issued. Stockholders who otherwise would be entitled to receive fractional shares because they hold a number of shares not evenly divisible by 50, will automatically receive one whole share of Common Stock in lieu of the fractional share.

#### **About Manhattan Pharmaceuticals, Inc.**

Manhattan Pharmaceuticals, Inc. is a specialty healthcare product company focused on the development and commercialization of innovative treatments for underserved patient populations. The company is currently focused on two programs: AST-726, a nasally delivered vitamin B12 remediation treatment, and AST-915, an orally delivered product candidate for the treatment of essential tremor.

#### **Note Regarding Forward-Looking Statements**

*This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties that could cause Manhattan Pharmaceuticals, Inc.'s actual results to differ materially from the anticipated results and expectations expressed in these forward-looking statements. These statements are often, but not always, made through the use of words or phrases such as "intends," "anticipates," "expects," "plans," "believes," "intends," "will," and similar words or phrases. These statements are based on Manhattan Pharmaceuticals, Inc.'s current expectations, forecasts and assumptions, which are subject to risks and uncertainties, which could cause actual outcomes and results to differ materially from these statements. Among other things, that any clinical study will be completed or will return positive results. Other risks that may affect forward-looking information contained in this press release include the company's extremely limited capital resources, the risk that the results of clinical trials may not support the company's or its joint venture's claims, the risk that the company's product candidates may not achieve market acceptance in North America or elsewhere, the company's reliance on third-party researchers to develop its product candidates, availability of patent protection, the risk that sufficient capital may not be available to develop and commercialize the company's product candidates, and the company's lack of experience in developing and commercializing pharmaceutical products. Additional risks are described in the*

*company's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2010. Manhattan Pharmaceuticals, Inc. assumes no obligation to update these statements, whether as a result of new information, future events, or otherwise, except as required by law.*

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