Manhattan Pharmaceuticals Provides Update on Clinical Pipeline

- **Preliminary Phase 3 European clinical results for Altoderm™ expected 3Q07**
- **Phase 2a clinical study for topical PTH (1-34) expected to commence 2H07**
- **Regulatory discussions expected 2H07 for Altoderm™, Altolyn™ and Hedrin™**
- **Management discussion call to be held Tuesday, July 10, 2007 at 8:30 AM ET**

NEW YORK, July 10 /PRNewswire-FirstCall/ -- Manhattan Pharmaceuticals, Inc. (Amex: MHA - News) today provided an update regarding the company's pipeline. As announced yesterday, the company intends to continue with the advancement of its four clinical stage product candidates, and the exploration of other opportunities in the areas of dermatology/immunology and endocrine/metabolic disorders. The four product candidates include topical PTH (1-34) for psoriasis, as well as Altoderm™ for atopic dermatitis (eczema), Altolyn™ for mastocytosis, and Hedrin™ for head lice.

Topical PTH (1-34) -- Manhattan Pharmaceuticals is developing topical PTH (1-34) for the treatment of psoriasis. Approximately 4.5 million Americans suffer from psoriasis creating a potential U.S. market of approximately $400 million for topical therapies. The company is currently conducting preclinical studies on its improved topical formulation for PTH (1-34) and intends to submit a corporate investigational new drug application (IND) in the third quarter of 2007. Pending the outcome of that IND submission, the company intends to initiate a randomized, double-blind, placebo-controlled Phase 2a clinical trial in 2H07. In addition, the company has filed new patent applications in the U.S. with respect to the product.

Altoderm™-- In April 2007, Manhattan Pharmaceuticals acquired the North American rights to develop and commercialize Altoderm for the treatment of atopic dermatitis, or "eczema." Eczema represents a major potential market opportunity. According to the National Institutes of Health, 15 million Americans suffering from the condition, and insurance companies spending more than $1 billion annually for treatment. Altoderm is presently being studied in an ongoing Phase 3 clinical trial being conducted in Europe by Thornton & Ross Limited. Preliminary data from this European study are expected in 3Q07. Altoderm previously completed a randomized, double-blind, placebo-controlled, parallel-group, Phase 3 clinical study in the United Kingdom (UK). The results of that study were published in the British Journal of Dermatology in February 2005. These studies have been conducted according to UK regulatory requirements and are expected to be submitted to the UK authorities in pursuit of marketing authorization. Manhattan Pharmaceuticals is presently preparing to meet with the United States Food and Drug Administration (FDA) to determine the regulatory pathway for Altoderm in the U.S. The company expects this meeting to take place in 2H07.

Altolyn™-- In April 2007, Manhattan Pharmaceuticals acquired the North American rights to develop and commercialize Altolyn for the treatment of mastocytosis. The company believes that Altolyn may be a candidate for an accelerated 505(b)2 regulatory pathway or orphan drug designation in this indication. Early UK clinical experience also suggests that Altolyn may have potential for patients with food allergy and gastrointestinal functional disorders. The company is presently preparing to meet with the FDA to discuss these possibilities and any additional regulatory considerations for Altolyn in the U.S. The company expects this meeting to take place in 2H07.

Hedrin™-- In June 2007, Manhattan Pharmaceuticals acquired the North American rights to develop and commercialize Hedrin, a non-insecticide product candidate for the treatment of head lice. According to the American Academy of Pediatrics, an estimated 6 to 12 million Americans are infested with head lice each year. Hedrin is currently marketed in Europe and in the UK, and according to market research firm Information Resources, Inc., has recently achieved significant market share (greater than or equal to 40%) in certain European countries. Manhattan Pharmaceuticals is presently preparing to meet with the FDA to determine the regulatory pathway for Hedrin in the U.S. The company expects this meeting to take place in 2H07.

In addition to these programs, Manhattan Pharmaceuticals will continue to explore other opportunities in the areas of endocrine and metabolic disorders.

On July 9, 2007, Manhattan Pharmaceuticals announced the company has discontinued development of oral Oleoyl-estrone for the treatment of common obesity and morbid obesity due to the compound's failure to demonstrate statistical and clinically meaningful weight loss in recently completed Phase 2a clinical trials. The company also reported that it intends to pursue appropriate outlicensing opportunities for Propofol Lingual Spray for pre-procedural sedation.

Management Discussion Call and Webcast

Manhattan Pharmaceuticals will hold a management discussion call and webcast to describe the OE results in further detail, and to discuss the advancement of its four clinical stage product candidates at 8:30 AM ET on Tuesday, July 10, 2007. To access the call, please dial 800.289.0468 (domestic) or 913.981.5517 (international) five minutes prior to the start time. A replay of the call will be available approximately 2 hours following the event and will last until Friday, July 13, 2007 at 6:00 PM ET. To access a replay, please dial 888.203.1112 (domestic) or 719.457.0820 (international), and provide the pass code 1451123. To access the live audio webcast please visit the "Investors & Media" section of the company's website located at http://www.manhattanpharma.com. An archived webcast will be available on the website approximately 2 hours after the event and will be available in the archive until Friday, July 13, 2007 at 6:00 PM ET.

About Manhattan Pharmaceuticals, Inc.

Manhattan Pharmaceuticals, Inc., (Amex: MHA - News) is a clinical-stage pharmaceutical company that acquires and develops novel, high-value drug candidates primarily in the areas of dermatologic/immunologic and endocrine/metabolic disease disorders. With a pipeline consisting of four clinical-stage product candidates, Manhattan Pharmaceuticals is developing potential therapeutics for large, underserved patient populations seeking superior treatments for conditions including psoriasis, atopic dermatitis (eczema), mastocytosis, and head lice. Please visit our new corporate website at http://www.manhattanpharma.com for more information.

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 Pharmaceutical'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 "anticipates," "expects," "plans," "believes," "intends," "will," and similar words or phrases. These statements are based on Manhattan Pharmaceuticals' 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, there can be no assurances that Manhattan Pharmaceuticals' development efforts relating to its PTH (1-34), Altoderm™, Altolyn™ or Hedrin™ product candidates, or any future product candidates, will be successful, or that Manhattan Pharmaceuticals will be able to out-license its discontinued programs to other companies on terms acceptable to Manhattan Pharmaceuticals, or at all. Other risks that may affect forward-looking information contained in this press release include the possibility of being unable to obtain regulatory approval of Manhattan Pharmaceuticals' product candidates, the risk that the results of clinical trials may not support the company'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-KSB for the year ended December 31, 2006. Manhattan Pharmaceuticals 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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