

MANHATTAN PHARMACEUTICALS INC
Form 424B3
November 21, 2008

Filed Pursuant to Rule 424(b)(3) and 424(c)
Commission File No. 333-150580

Manhattan Pharmaceuticals, Inc.

**33,928,571 Shares
Common Stock**

This prospectus supplement supplements the prospectus dated October 15, 2008, which relates to the shares of our common stock that may be sold by the selling securityholders named therein.

This prospectus supplement should be read in connection with, and may not be delivered or utilized without, the prospectus dated October 15, 2008. This prospectus supplement is qualified by reference to the prospectus and the prospectus supplements, except to the extent that the information in this prospectus supplement updates or supersedes the information contained in the prospectus dated October 15, 2008.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is November 21, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

x QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2008

OR

o TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-32639

Manhattan Pharmaceuticals, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

36-3898269
(I.R.S. Employer Identification No.)

48 Wall Street, New York, New York 10005
(Address of principal executive offices)

(212) 582-3950
(Issuer's telephone number)

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated filer o Accelerated filer o Non-accelerated filer o Smaller reporting company x

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act).
Yes o No x

As of November 1, 2008 there were 70,624,232 shares of the issuer's common stock, \$.001 par value, outstanding.

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Forward-Looking Statements

This quarterly report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities and Exchange Act of 1934. Any statements about our expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as “anticipate,” “estimate,” “plan,” “project,” “expect,” “may,” “intend” and similar words or phrases. Accordingly, these statements involve estimates, assumptions and uncertainties that could cause actual results to differ materially from those expressed in them. These statements are therefore subject to risks and uncertainties, known and unknown, which could cause actual results and developments to differ materially from those expressed or implied in such statements. Such risks and uncertainties relate to, among other factors:

- the development of our drug candidates;
- the regulatory approval of our drug candidates;
- our use of clinical research centers and other contractors;
- our ability to find collaborative partners for research, development and commercialization of potential products;
- acceptance of our products by doctors, patients or payers;
- our ability to market any of our products;
- our history of operating losses;
- our ability to compete against other companies and research institutions;
- our ability to secure adequate protection for our intellectual property;
- our ability to attract and retain key personnel;
- availability of reimbursement for our product candidates;
- the effect of potential strategic transactions on our business;
- our ability to obtain adequate financing; and
- the volatility of our stock price.

Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for us to predict which factors will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Part I - Financial Information**Item 1. Unaudited Condensed Consolidated Financial Statements****MANHATTAN PHARMACEUTICALS, INC. and SUBSIDIARIES**(A Development Stage Company)
Condensed Consolidated Balance Sheets

Assets	September 30, 2008 (Unaudited)	December 31, 2007 (See Note 1)
Current assets:		
Cash and cash equivalents	\$ 35,664	\$ 649,686
Prepaid expenses and other current assets	75,422	215,852
Total current assets	111,086	865,538
Investment in Hedrin JV	2,269	-
Property and equipment, net	11,920	44,533
Other assets	79,625	70,506
Total assets	\$ 204,900	\$ 980,577
Liabilities and Stockholders' Deficiency		
Current liabilities:		
Secured 10% notes payable	\$ 70,000	\$ -
Accounts payable	705,323	1,279,485
Accrued expenses	1,238,303	592,177
Total current liabilities	2,013,626	1,871,662
Exchange obligation	2,949,176	-
Total liabilities	4,962,802	1,871,662
Commitments and contingencies		
Stockholders' deficiency:		
Preferred stock, \$.001 par value. Authorized 1,500,000 shares; no shares issued and outstanding at September 30, 2008 and December 31, 2007		
Common stock, \$.001 par value. Authorized 300,000,000 shares; 70,624,232 shares issued and outstanding at September 30, 2008 and December 31, 2007	70,624	70,624
Additional paid-in capital	54,566,421	54,037,361
Deficit accumulated during the development stage	(59,394,947)	(54,999,070)
Total stockholders' deficiency	(4,757,902)	(891,085)
Total liabilities and stockholders' deficiency	\$ 204,900	\$ 980,577

See accompanying notes to condensed consolidated financial statements.

MANHATTAN PHARMACEUTICALS, INC. and SUBSIDIARIES

(A Development Stage Company)

Condensed Consolidated Statements of Operations

(Unaudited)

	Three months ended		Nine months ended		Cumulative
	September 30,		September 30,		period from
	2008	2007	2008	2007	August 6, 2001
					(inception) to
					September 30
					2008
Costs and expenses:					
Research and development	\$ 498,853	\$ 1,808,958	\$ 1,864,652	\$ 7,360,040	\$ 28,353,695
General and administrative	884,705	898,063	2,600,303	2,865,161	16,452,666
In-process research and development charge	—	—	—	—	11,887,807