



Alkermes Announces the Consummation of the Offers for Its 6.52% Convertible Senior Subordinated Notes Due December 31, 2009

December 31, 2002

CAMBRIDGE, Mass.--(BUSINESS WIRE)--Dec. 31, 2002--Alkermes, Inc. (NASDAQ: ALKS) announced that it consummated today its exchange offer with and cash offer to the holders of its 3.75% Convertible Subordinated Notes due 2007. In such closing, the Company issued \$174,589,000 aggregate principal amount of new notes, which represented \$114,589,000 of new notes issued in exchange for existing notes tendered in the exchange offer and \$60,000,000 of new notes sold for cash to holders of existing notes who participated in the exchange offer.

U.S. Bancorp Piper Jaffray Inc. served as the dealer manager for the exchange offer and placement agent for the cash offer. State Street Bank and Trust Company served as the exchange agent.

Alkermes, Inc. is an emerging pharmaceutical company developing products based on our sophisticated drug delivery technologies to enhance therapeutic outcomes. Our areas of focus include: controlled, extended-release of injectable drugs utilizing our ProLease(R) and Medisorb(R) delivery systems and the development of inhaled pharmaceutical products based on our proprietary Advanced Inhalation Research, Inc. ("AIR(R)") pulmonary delivery system. Our business strategy is twofold. We partner our proprietary technology systems and drug delivery expertise with many of the world's finest pharmaceutical companies and also develop novel, proprietary drug candidates for our own account. In addition to our Cambridge, Massachusetts headquarters, research and manufacturing facilities, we operate research and manufacturing facilities in Ohio.

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