



Alkermes and Lilly Present Clinical Data for Inhaled Form of Human Growth Hormone; Phase I Results Presented at International Society for Aerosols in Medicine Conference

June 16, 2003

CAMBRIDGE, Mass. and INDIANAPOLIS--(BUSINESS WIRE)--June 16, 2003--Alkermes, Inc., (Nasdaq: ALKS) and Eli Lilly and Company (NYSE: LLY) announced the results of a single dose Phase I clinical trial in which an inhaled formulation of human growth hormone based on Alkermes' proprietary AIR(R) technology demonstrated acceptable pulmonary bioavailability, achieved dose equivalence to subcutaneous injection of human growth hormone, and was well tolerated. These preliminary findings were presented yesterday, June 15, 2003, at the 14th International Society for Aerosols in Medicine (ISAM) conference in Baltimore, Maryland.

The Phase I clinical trial was designed to assess the safety and tolerability, while evaluating the pharmacokinetic profile of human growth hormone powder for inhalation. The trial was a randomized crossover comparison to subcutaneous human growth hormone study in 12 healthy volunteers. The results of the trial showed:

- Concentration-time profiles for pulmonary inhalation of human growth hormone were similar to those following subcutaneous injection;
- Delivery of up to 92 mg of the AIR formulation of human growth hormone was well tolerated with no clinically significant changes in vital signs and pulmonary function observed in study participants.

"We are very encouraged by the results of this early stage clinical trial and our progress with this development program," said Robert Petersen, Lilly's Product Team Leader for Humatrope. "This program demonstrates Lilly's ongoing commitment to bringing innovative treatment options to patients suffering from important diseases such as growth hormone deficiency."

"The successful completion of this study has driven a decision to move forward with multiple-dose studies for our inhaled formulation of human growth hormone," said Richard Batycky, Ph.D., Vice President, Pulmonary Research & Development at Alkermes. "We believe that this Phase I study provides evidence that Alkermes' AIR pulmonary drug delivery system can successfully deliver large volumes of large protein molecules systemically via inhaled administration."

In February 2000, Alkermes and Lilly signed a broad, mutually exclusive agreement to develop an inhaled formulation of human growth hormone based on Alkermes' AIR pulmonary drug delivery system. The Phase I trial discussed above was completed last year.

About Alkermes

Alkermes, Inc. is an emerging pharmaceutical company developing products based on its 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. Additional information about Alkermes is available at www.alkermes.com.

About Eli Lilly and Company

Lilly, a leading innovation-driven corporation, is developing a growing portfolio of best-in-class pharmaceutical products by applying the latest research from its own worldwide laboratories and from collaborations with eminent scientific organizations. Headquartered in Indianapolis, Ind., Lilly provides answers - through medicines and information - for some of the world's most urgent medical needs. Additional information about Lilly is available at www.lilly.com.

This press release contains forward-looking statements about the potential of inhaled formulations of human growth hormone based on Alkermes' AIR pulmonary drug delivery technology that reflect the current beliefs of Lilly and Alkermes. However, as with any pharmaceutical under development, substantial risks and uncertainties exist in the process of development and regulatory review. There are no guarantees that future clinical trials will confirm the preliminary results referred to in this release or that the product will receive regulatory approvals or prove to be commercially successful. For additional information about the factors that affect Lilly and Alkermes' businesses, please see Exhibit 99 to Lilly's latest Form 10-Q, filed May 8, 2003, and Alkermes' Form 10-K filed July 2002. The companies undertake no duty to update forward-looking statements.

CONTACT: Alkermes, Inc. Rebecca Peterson
Director, Corporate Communications
(617) 583-6378
or
Eli Lilly and Company
Morry Smulevitz
Global Communications
(317) 651-5567

SOURCE: Alkermes, Inc.