



Alkermes Announces Proposed \$100 Million Private Offering of Convertible Subordinated Notes

August 18, 2003

CAMBRIDGE, Mass.--(BUSINESS WIRE)--Aug. 18, 2003--Alkermes, Inc. (Nasdaq: ALKS) announced today that it intends to offer, subject to market and other conditions, up to \$100 million aggregate principal amount of convertible subordinated notes in a private placement. The notes will be convertible into Alkermes' common stock at a conversion price, and will bear interest at a rate, to be determined. The notes will be subordinated to existing and future senior indebtedness of Alkermes.

Alkermes stated that it expects to grant the initial purchaser an option to purchase up to an additional \$25 million principal amount of notes.

Alkermes intends to use the net proceeds of the offering for research, development and clinical trial activities, manufacturing facilities and equipment, potential acquisitions of additional technologies and compounds (although no such acquisitions are currently contemplated), working capital and for other general corporate purposes.

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities and there shall not be any sale of the notes or common stock issuable upon conversion of the notes in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The notes and the common stock issuable upon conversion of the notes have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, and unless so registered, may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act and applicable state laws. This announcement is being issued pursuant to and in accordance with Rule 135c under the Securities Act.

Certain statements set forth above, including statements regarding the use of proceeds and other statements regarding matters that are not historical facts, may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Results may differ materially from our expectations. For further information with respect to factors that could cause results to differ from expectations, reference is made to the reports filed by us with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

CONTACT: Alkermes, Inc. Jim Frates
Chief Financial Officer
(617) 494-0171
or
Rebecca Peterson
Director, Corporate Communications
(617) 583-6378

SOURCE: Alkermes, Inc.