



Alkermes Expands Addiction Franchise to Include Development Program for Oral Products

October 3, 2006

Business Editors/Biotech Writers

CAMBRIDGE, Mass.--(BUSINESS WIRE)--Oct. 3, 2006--Alkermes, Inc. (Nasdaq: ALKS) announced today that the Company has expanded its addiction drug franchise to include a program to develop oral products for the treatment of addiction. As part of this initiative, the Company has commenced enrollment in a clinical trial for an undisclosed oral compound, ALKS 29, a new product candidate for the treatment of alcohol dependence.

The Phase 1/2 multi-center, randomized, double-blind, placebo-controlled study is designed to assess the efficacy and safety of ALKS 29 in alcohol dependent patients. Alkermes intends to enroll 150 patients in the eight-week study, who will be segmented into several dose groups and will receive daily oral administrations of ALKS 29.

"We believe addiction is an underserved disease area, and additional pharmacotherapy options have the potential to expand the market and help the millions of patients who are not currently receiving treatment," said Richard Pops, CEO of Alkermes. "We plan to leverage our experience with VIVITROL(R) to bring forward new treatments and to provide a variety of treatments for this complex disease area."

About Alcohol Dependence

Alcohol dependence is a serious and chronic disease that affects multiple regions of the brain, providing rationale for the use of medication with psychosocial support as part of an integrated treatment plan. Underlying neurological and genetic factors, as well as environmental factors, play a role in alcohol dependence;(1) therefore, there is a need for a variety of treatment options that can be tailored to best suit patients' needs. Psychosocial support, such as counseling or group therapy, is the traditional approach for treating alcohol dependence; however, experts in the field increasingly recommend and support a treatment approach that includes a combination of medication and psychosocial support.(2,3)

Of the more than 18 million Americans who abuse or are dependent on alcohol,(4) approximately 2.2 million seek treatment for their alcohol problems.(5) More than 75% of these patients relapse back to drinking within the first year of beginning treatment using currently available treatment approaches.(6) Alcohol abuse and dependency are an economic burden to society that costs approximately \$185 billion annually in the U.S.(7)

About Alkermes, Inc.

Alkermes, Inc. is a biotechnology company that develops products based on sophisticated drug delivery technologies to enhance therapeutic outcomes in major diseases. The Company has two commercial products. RISPERDAL(R) CONSTA(R) ((risperidone) long-acting injection), the first and only long-acting atypical antipsychotic medication approved for use in schizophrenia, is marketed worldwide by Janssen-Cilag (Janssen), a wholly owned division of Johnson & Johnson. VIVITROL(R) (naltrexone for extended-release injectable suspension) is the first and only once-monthly injectable medication approved for the treatment of alcohol dependence and is marketed in the United States primarily by Cephalon, Inc. The Company has a pipeline of extended-release injectable products and pulmonary products based on its proprietary technology and expertise. Alkermes' product development strategy is twofold: the Company partners its proprietary technology systems and drug delivery expertise with several of the world's finest pharmaceutical companies; and it also develops novel, proprietary drug candidates for its own account. The Company's headquarters are in Cambridge, Massachusetts, and it operates research and manufacturing facilities in Massachusetts and Ohio.

VIVITROL(R) is a registered trademark of Cephalon, Inc. and RISPERDAL(R) CONSTA(R) is a registered trademark of Johnson & Johnson Corporation.

Certain statements set forth above may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to statements about Alkermes' addiction franchise, including its development activities for addiction product candidates. Although the Company believes that such statements are based on reasonable assumptions within the bounds of its knowledge of its business and operations, the forward-looking statements are neither promises nor guarantees and the Company's business is subject to significant risk and uncertainties and there can be no assurance that its actual results will not differ materially from its expectations. These risks and uncertainties include, among others: whether the clinical trial for ALKS 29 will enroll fully or, if fully enrolled, be completed on time or at all; potential changes in cost, scope and duration of the clinical trial; whether ALKS 29 will demonstrate sufficient efficacy and safety; and decisions by the FDA regarding the Company's product candidates. For further information with respect to factors that could cause the Company's actual results to differ materially from expectations, reference is made to the reports the Company filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The Company disclaims any intention or responsibility for updating forward-looking statements made in this release.

(1) Nestler, EJ and Malenka, RC. The Addicted Brain. *Scientific American*, 2004:78-85.

(2) Saitz R. Unhealthy Alcohol Use. *New England Journal of Medicine*; 2005; 352:596-607.

(3) U.S. Department of Health and Human Services, National Institutes of Health, Helping Patients Who Drink too Much: A Clinician's Guide, 2005.

(4) Grant BF, Dawson DA, Stinson FS, Chou SP, Dufour MC, Pickering RP. The 12-Month Prevalence and Trends in DSM-IV Alcohol Abuse and Dependence: United States, 1991-1992 and 2001-2002. *Drug and Alcohol Dependence*; 2004; 74:223-234.

(5) SAMHSA, Office of Applied Studies. Substance Dependence, Abuse and Treatment Tables; 2003.

(6) Daley, DC and Marlatt GA. Relapse prevention. In: Lowinson JH, Ruiz P, Millman RB, Langrod JG, eds. Substance Abuse: A Comprehensive Textbook. 4th ed. Philadelphia, PA: Lippincott Williams & Wilkins, 2005:772-785.

(7) U.S. Department of Health and Human Services. Updating Estimates of the Economic Costs of Alcohol and Abuse in the United States: Estimates, Update Methods, and Data; 2000.

CONTACT: Rebecca Peterson Corporate Communications Alkermes, Inc. (617) 583-6378 SOURCE: Alkermes, Inc.