



Alkermes Announces Positive Results from Phase 1/2 Clinical Study of ALKS 29

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Company to Proceed with Development Program for Oral Compounds to Treat Alcohol Dependence

CAMBRIDGE, Mass.--(BUSINESS WIRE)--July 2, 2007--Alkermes, Inc. (Nasdaq: ALKS) today announced positive preliminary results from a clinical trial of ALKS 29 in alcohol dependent patients. Based on these results, the company plans to move forward with its development program for oral product candidates to treat alcohol dependence. ALKS 29 is a combination of two agents with distinct pharmacologic properties designed to provide advantages over current oral medications for the treatment of alcohol dependence. In the study, ALKS 29 was generally well tolerated and led to both a statistically significant increase in the percent of days abstinent and a decrease in drinking compared to placebo when combined with psychosocial therapy.

"We are encouraged by the positive results from this initial proof of concept study, which provide further rationale for the continued expansion of our addiction franchise," stated Elliot Ehrich, chief medical officer of Alkermes. "Addiction is an underserved disease area where a variety of treatments are needed that can improve outcomes for patients. We look forward to the complete analysis of these data, as we believe insights from this study could help pave the way for the development of ALKS 29 and other proprietary oral compounds for the treatment of alcohol dependence."

In the phase 1/2 study, patients treated with ALKS 29 demonstrated statistically significant improvement compared to placebo in terms of percent of days abstinent, percent of heavy drinking days, and average number of drinks per day. ALKS 29 was generally well tolerated during the study.

The phase 1/2 multi-center, randomized, double-blind, placebo-controlled, eight-week study was designed to assess the efficacy and safety of ALKS 29 in approximately 150 alcohol dependent patients. The study endpoints included the percent of days abstinent, percent of heavy drinking days, and number of drinks per day. Heavy drinking is defined as five or more drinks per day for men and four or more drinks per day for women.

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) Alcohol abuse and dependency are an economic burden to society that cost approximately \$185 billion annually in the U.S.(6)

About Alkermes

Alkermes, Inc. is a biotechnology company that develops innovative medicines designed to yield better therapeutic outcomes and improve the lives of patients with serious disease. Alkermes currently 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, and marketed worldwide by Janssen-Cilag (Janssen), a wholly owned division of Johnson & Johnson; and VIVITROL(R) (naltrexone for extended-release injectable suspension) the first and only once-monthly injectable medication approved for the treatment of alcohol dependence and marketed in the U.S. primarily by Cephalon, Inc. Alkermes' pipeline includes extended-release injectable, pulmonary, and oral products for the treatment of prevalent, chronic diseases such as central nervous system disorders, addiction and diabetes. Alkermes' headquarters are in Cambridge, Massachusetts, and it operates research and manufacturing facilities in Massachusetts and Ohio.

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 portfolio, including its development activities for ALKS 29 and other proprietary 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 future clinical studies of ALKS 29 will confirm previous results; whether the company will pursue continued development of ALKS 29 or other proprietary product candidates for the treatment of addiction, including alcohol dependence; whether the combination of the two agents tested will provide advantages over existing oral medications; whether the company will present data from the phase 1/2 study at a future medical meeting; and decisions by the FDA regarding ALKS 29 or other oral 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.

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

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(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) 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.

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