Insmed Receives Authorization for Reimbursement for SomatoKine Named Patient Program from France and Italy; Newly Appointed Chief Business Officer Expands the Named Patient Program

RICHMOND, Va., Jul 12, 2004 (BUSINESS WIRE) -- Insmed Incorporated (Nasdaq:INSM) today announced the French authorities have authorized the use of and reimbursement for SomatoKine(R) (rhIGF-I/rhIGFBP-3) in the treatment of an infant with a rare and life-threatening type of extreme insulin resistance. Insmed also announced that the Italian authorities have authorized the use of and reimbursement for SomatoKine(R) in the treatment of a patient with Primary Lateral Sclerosis (PLS), a rare life debilitating neuromuscular disorder. SomatoKine(R) is being made available to the physicians treating these patients through Insmed's named patient program. Four European countries have now authorized reimbursement for the use of SomatoKine(R) in specific therapeutic indications.

Newly appointed Chief Business Officer and Executive Vice President of Commercial Operations Philip J. Young stated, "We are very proud that we are able to provide this pioneering therapy to these patients in desperate need of treatment. Leprechaunism, the most severe form of insulin resistance, and PLS are only two of the many indications we are pursuing where there is clearly an unmet medical need that we can satisfy with SomatoKine(R). The value of this therapy has been recognized by European authorities as we are receiving annual reimbursement well in excess of $100,000 per patient."

Leprechaunism is a rare genetic disorder characterized by extreme insulin resistance. Syndromes of extreme insulin resistance appear to result from genetic defects in the insulin receptor or insulin action pathways. Data describing the effects of treatment of this child with Leprechaunism will be presented at the European Society of Pediatric Endocrinology, to be held September 10-13 in Basel, Switzerland.

Primary Lateral Sclerosis is a rare neuromuscular disorder characterized by progressive muscle weakness in voluntary muscles. PLS belongs to a group of disorders known as motor neuron diseases, including ALS (Lou Gehrig's disease). Symptoms include difficulty with balance, weakness and spasticity in the hands, feet and legs. There is currently no cure for PLS.

The investigational drug will be made available to physicians for their patients, who in the physician's opinion may benefit from SomatoKine(R). Patients may be treated at an initial dose of 0.5mg/kg/day at a reimbursement cost of $360.00/0.60ml vial and $450.00/0.75ml vial. Physicians should contact Insmed Incorporated; patient inquiries cannot be accepted.

About Philip Young

Mr. Young brings over 20 years of successful pharmaceutical experience in product development, launch and commercialization to Insmed. Prior to joining Insmed, Mr. Young served in various senior executive positions, including President and Chief Executive Officer, for early stage biotechnology companies. From 1998-2000, Mr. Young was Vice President and General Manager of Neurex Pharmaceuticals, where he was responsible for developing and managing the commercial and clinical strategies for new product launches and expanding label indications. Mr. Young played a key role in the $750 million acquisition of Neurex by Elan. Prior to Neurex, Mr. Young was Business Director and General Manager of the Peptide Hormones Division at Pharmacia (Pfizer (NYSE:PFE)) where, under his leadership, strategies were developed which led to the successful launch of

Genotropin for pediatric and adult growth hormone deficiency. Mr. Young also served for seven years at Genentech (NYSE:DNA) where he was the Product Manager of Growth Hormone Products. Mr. Young was an integral member of the team that managed the FDA regulatory pathway and commercial launch for Nutropin, Genentech's growth hormone product.

More on SomatoKine(R)

Insmed's SomatoKine(R) (Mecasermin rinfibate) is a proprietary delivery composition of insulin-like growth factor-I (IGF-I) bound to its primary binding protein, IGFBP-3. The novel compound is administered as a once-daily subcutaneous injection, which can restore IGF levels to physiological relevant levels. In diabetic subjects, administration of SomatoKine(R) demonstrated a significant improvement in blood sugar control and a significant reduction in daily insulin use. Following severe burn injury, in both children and adults, administration of SomatoKine(R) demonstrated a significant improvement in muscle protein synthesis and a significant reduction in the inflammatory response associated with the trauma. Following recovery from hip fracture, administration of SomatoKine(R) has demonstrated a significant improvement in functional recovery and bone mineral density. SomatoKine(R) is currently in a pivotal Phase III clinical trial for the treatment of Growth Hormone Insensitivity Syndrome (GHIS), a severe growth disorder.

About Insmed Incorporated

Insmed is a biopharmaceutical company focused on the discovery and development of drug candidates for the treatment of metabolic diseases and endocrine disorders with unmet medical needs. For more information, please visit www.insmed.com.

Statements included within this press release, which are not historical in nature, may constitute forward-looking statements for purposes of the safe harbor provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this press release include, but are not limited to, levels of reimbursement and demand for SomatoKine statements regarding planned clinical trials, our regulatory and business strategies, plans and objectives of management and growth opportunities for existing or proposed products. Such forward-looking statements are subject to numerous risks and uncertainties, including risks that product candidates may fail in the clinic or may not be successfully marketed or manufactured, the company may lack financial resources to complete development of product candidates, competing products may be more successful, demand for new pharmaceutical products may decrease, the biopharmaceutical industry may experience negative market trends and other risks detailed from time to time in the company's filings with the Securities and Exchange Commission. As a result of these and other risks and uncertainties, actual results may differ materially from those described in this press release. For further information with respect to factors that could cause actual results to differ from expectations, reference is made to reports filed by the Company with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The forward-looking statements made in this release are made only as of the date hereof and Insmed disclaims any intention or responsibility for updating predictions or financial guidance contained in this release.