Insmed Announces Positive IPLEX(TM) Product Information At GRS-IGF Society Meeting in Kobe, Japan

RICHMOND, Va., Dec 13, 2006 (BUSINESS WIRE) -- Insmed, Inc. (NASDAQ: INSM) announced results of its recent series of stability studies for IPLEX(TM), the company's once-daily treatment for children with short stature associated with severe primary IGF-I deficiency. Study results were presented at the Growth Hormone Research Society/IGF Society meeting in Kobe, Japan, Nov. 11-15.

The results confirm IPLEX's expanded stability and storage capabilities, allowing more flexibility in handling and administration for patients and caregivers. This applies to the current liquid formulation, which requires no reconstitution. Insmed is developing a new lyophilized formulation of IPLEX, which the company plans to make available in 2007. The lyophilized product will be stable at room temperature and can be stored in the refrigerator after reconstitution.

Study Highlights

Three lots of IPLEX drug product were evaluated in stability studies comprised of four protocols. These were designed to assess the cumulative effect of various storage conditions encountered by patients and their families. This data demonstrates that IPLEX is stable at the following storage conditions:

-- Refrigerated storage for 8 days, upon removal from the freezer

-- Frozen storage in a frost-free home freezer for 3 months, followed by refrigerated storage for 5 days and then room temperature storage for 2 hours

-- Frozen storage in a frost-free home freezer for 5 months, followed by a 1-15 minute thaw at body temperature and subsequent storage at room temperature for up to 12 hours

Thawing a frozen vial of IPLEX in preparation for administration, at body temperature (analogous to hand-warming the vial), was determined to take less than 2 minutes.

Conclusion

The data indicate that IPLEX is highly stable under common household storage conditions and can be quickly prepared by hand-warming. The stability demonstrated under these conditions will allow greater flexibility in drug handling and storage.

About IPLEX(TM)

IPLEX is approved in the United States as the only once daily treatment for children with short stature associated with severe primary IGF-I deficiency (Primary IGFD). IPLEX, a complex of recombinant human insulin-like growth factor-I (IGF-I) and its binding protein IGFBP-3 (rhIGF-I/rhIGFBP-3), is the only FDA-approved IGF-I replacement therapy that also replaces deficient IGFBP-3 in these patients. The drug, which was launched in the second quarter of 2006, is also being investigated for various other indications with unmet medical needs, including severe insulin resistance, myotonic muscular dystrophy and HIV Associated Adipose Redistribution Syndrome (HARS). For more information about IPLEX please go to www.go-IPLEX.com.

About Insmed

Insmed is a biopharmaceutical company focused on the development and commercialization of drugs for the

treatment of metabolic diseases and endocrine disorders with unmet medical needs. For more information, please visit www.insmed.com.

Forward Looking Statements

Statements included within this press release, which are not historical in nature, may constitute forward-looking statements for the 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, statements regarding the Company's product plans. Such forward-looking statements are subject to numerous risks and uncertainties, including but not limited to the uncertainty of the ultimate outcome of any litigation with Tercica and Genentech, including litigation that resulted in a jury verdict finding that Insmed infringed three patents owned by Genentech and exclusively licensed by Tercica and awarding Genentech and Tercica past damages of $7.5 million dollars as an upfront payment and a royalty of 15% for sales under $100 million and 20% for sales over $100 million, the risk 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 or the FDA or other regulatory agencies may interpret the results of our studies differently than we have. We can give no assurances that we will be successful in overturning the jury verdict either at the district court or on appeal or in avoiding an injunction that Genentech and Tercica have requested to stop the manufacture and sale of IPLEX or in avoiding the enhancement of damages and award of attorney fees and costs that Genentech and Tercica have also indicated they will seek or that such litigation would not have a material adverse effect on our business, financial condition and results of operation. Furthermore, we may not be able to afford the expense of defending against such a claim, or paying the damages awarded by the jury, as well as any enhanced damages or attorneys fees that may be awarded by the Court. We may also not be able to continue to operate should an injunction issue. 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.