Insmed Partners With Bill Thomas, Former House Ways and Means Chairman, as Strategic Advisor

RICHMOND, Va., July 17, 2008 /PRNewswire-FirstCall via COMTEX News Network/ -- Insmed Inc. (Nasdaq: INSM), a developer of follow-on biologics and biopharmaceuticals for unmet medical needs, today announced that The Honorable Bill Thomas, Former Chairman of the House Ways and Means Committee from 2001 to 2007, has been retained by Insmed as a strategic advisor to assist the Company's efforts to bring follow-on biologics to U.S. customers and consumers.

Bill Thomas played a critical role developing key health legislation during his 28 years of service in the US House of Representatives, culminating in the passage of the Medicare Modernization Act of 2003, which created Medicare Part D prescription drug coverage for seniors.

"During my time in Congress I helped lay the groundwork to allow biologic competition from follow-on biologics. I am excited to partner with Insmed to continue that fight," said Chairman Thomas. "Biotechnology represents the future of modern healthcare in America, but as is the case across all industries in our economy, competition will foster innovation and benefits for consumers," Thomas continued. "Insmed is walking the walk, having already produced data showing bioequivalence between one of their products and a pioneer drug. Given the rising costs of healthcare, Congress needs to pass legislation creating a pathway for follow-on biologics."

The announcement follows Insmed's release of data last week demonstrating bioequivalence between INS-19 and Neupogen(R) (patented in 1996) in Phase I clinical trials. In the coming months, Insmed will seek FDA approval to begin Phase III clinical trials for INS-19 and also initiate Phase I trials for Insmed's second follow-on biologic product, INS-20, a generic form of Neulasta(R) (patented in 1998). The two biologics represented combined 2007 worldwide sales of over $4 billion. Insmed plans to launch its follow-on biologic versions of the innovator products when the patents on the innovator products expire.

"Chairman Thomas' legislative expertise and strategic counsel will prove invaluable in the coming months as Insmed continues in its mission to be the first US-based biotechnology company to develop a comprehensive portfolio of follow-on biologics products," said Dr. Geoffrey Allan, President and CEO of Insmed. "We want to demonstrate to Washington policymakers that the capability to produce safe, effective and more affordable biologics exists today. All that's needed is for Congress to create an approval pathway."

About Insmed

Insmed Inc. is a biopharmaceutical company with unique protein process development and manufacturing experience and a proprietary protein platform aimed at niche markets with unmet medical needs. For more information, please visit www.insmed.com

The Follow-on Biologics Market

According to published reports, an estimated $10 billion worth of biologic drugs are expected to come off patent by 2010, with an additional $10 billion by 2015. FOBs would provide safe and effective therapies at a reduced cost following the expiration of the original product's patent. A recent econometric study by economist Dr. Robert J. Shapiro, former Under Secretary of Commerce in the Clinton Administration, found that "...generic versions of the top 12 categories of biologic treatments with patent protections that have expired or that are due to expire in the near future could save Americans $67 billion to $108 billion over 10 years and $236 billion to $378 billion over 20 years."

Forward-Looking Statements

This release contains forward-looking statements which are made pursuant to provisions of Section 21E of the

Securities Exchange Act of 1934. Investors are cautioned that such statements in this release, including statements relating to planned clinical study design, regulatory and business strategies, strategic alternatives, plans and objectives of management and growth opportunities for existing or proposed products, constitute forward-looking statements which involve risks and uncertainties that could cause actual results to differ materially from those anticipated by the forward-looking statements. The risks and uncertainties include, without limitation, risks that strategic alternatives may never be consummated, product candidates may fail in the clinic or may not be successfully marketed or manufactured, we may lack financial resources to complete development of product candidates, the FDA may interpret the results of studies differently than us, competing products may be more successful, demand for new pharmaceutical products may decrease, the biopharmaceutical industry may experience negative market trends, our entrance into the follow-on biologics market may be unsuccessful, our common stock could be delisted from The NASDAQ Capital Market and other risks and challenges detailed in the Company's filings with the U.S. Securities and Exchange Commission, including the Company's Annual Report on Form 10-K for the year ended December 31, 2007. Readers are cautioned not to place undue reliance on any forward-looking statements which speak only as of the date of this release. The Company undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances that occur after the date of this release or to reflect the occurrence of unanticipated events.