



[Home](#) / [Investors](#) / [Press Releases](#)

Insmmed to Seek Shareholder Approval for Reverse Split

RICHMOND, Va., Oct 14, 2008 /PRNewswire-FirstCall via COMTEX News Network/ -- Insmmed Inc. (Nasdaq CM: INSM), a developer of follow-on biologics and biopharmaceuticals, today announced that it will seek shareholder approval to implement a reverse stock split, if necessary, at a Special Meeting of Stockholders on November 24, 2008, in an effort to meet the minimum bid price rule for continued listing on The NASDAQ Stock Market.

On September 3, 2008, the Company announced that the NASDAQ Listing Qualifications Panel had granted Insmmed's request to remain listed on The NASDAQ Stock Market, subject to the condition that on or before December 15, 2008, Insmmed must evidence a closing bid price of \$1.00 or more for a minimum of ten consecutive business days (the "Minimum Bid"). The process for formally seeking shareholder approval for a reverse split takes several weeks and, therefore, needs to be initiated at this time so that it can be in place, if needed, to meet the December 15, 2008 compliance deadline. If Insmmed is able to attain the Minimum Bid by the compliance deadline without the need for a reverse stock split, the Company may choose not to effect the split.

"Insmmed, in conjunction with RBC Capital Markets, continues to work diligently to secure an appropriate partner for our follow-on biologics business," said Geoffrey Allan, President and CEO of Insmmed. "Given that we are not able to determine the exact timing and potential impact of a partnership on our share price at this time, we felt it was prudent to take the necessary steps to enable us to execute a reverse split, should we need to, in order to maintain our listing on NASDAQ. Given the current economic climate, we believe being a NASDAQ-listed company and having access to the capital markets is necessary."

The date for determining stockholders of record entitled to receive notice of, and to vote at, the Special Meeting is October 17, 2008. A definitive proxy statement containing important stockholder information regarding the proposed reverse stock split will be mailed to all stockholders on or about October 31, 2008. Copies of the proxy statement will also be available at no charge from the Securities and Exchange Commission's website at www.sec.gov. Stockholders are urged to read the proxy statement prior to submitting their vote.

As of October 10, 2008, there were 122,315,635 shares of Insmmed common stock outstanding. The reverse stock split would affect all Insmmed common stock and stock options outstanding immediately prior to the effective time of the reverse stock split, if approved.

About Insmmed

Insmmed 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.

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, we may be unable to secure an appropriate business partner for our follow-on biologics business, 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.

