



Alnylam Announces Product and Business Goals for 2006; Aims to Advance RNAi Therapeutic Clinical Pipeline, Execute on Strategic Alliances, and Build on Intellectual Property and Scientific Leadership Positions

CAMBRIDGE, Mass., Jan 09, 2006 (BUSINESS WIRE) -- Alnylam Pharmaceuticals, Inc. (Nasdaq: ALNY), a leading RNAi therapeutics company, announced today its product and business goals for 2006, including financial guidance.

"We believe 2005 was a transforming year for Alnylam - one in which we were very successful in meeting ambitious goals we set for ourselves just twelve months ago," said John Maraganore, Ph.D., President and Chief Executive Officer of Alnylam Pharmaceuticals. "In 2006, we will seek to build on this success by advancing our pipeline of RNAi therapeutics and continue our track record of executing on business goals, while maintaining a solid financial position."

Product Goals

-- RSV Program. Alnylam expects to present preliminary data from its ongoing Phase I intranasal trials with ALN-RSV01 for the treatment of respiratory syncytial virus (RSV) infection in the first half of 2006, and plans to initiate a Phase I inhalation trial in the second half of 2006. In addition, the company will evaluate the possibility of conducting an experimental infection clinical study in the second half of 2006. The company believes that these efforts will enable initiation of a Phase II trial in naturally infected RSV patients in the first half of 2007.

-- Pandemic Flu Program. The company recently announced that it expects to submit an investigational new drug (IND) application for its pandemic flu program as early as the end of 2006.

-- Additional Therapeutic Program. Alnylam intends to announce an additional development candidate in the second half of 2006 as it continues to expand its pipeline of RNAi therapeutic programs.

-- Systemic RNAi. The company expects to continue its efforts to develop Systemic RNAi therapeutics and expects to present systemic non-human primate data in the first half of 2006.

Business Goals

-- Pandemic Flu Program. Alnylam expects to obtain additional funding for its pandemic flu program in the first half of 2006.

-- Successful Execution in Strategic Alliances. The company expects to receive \$15 million in alliance-based funding in 2006, which includes the achievement of objectives under its collaborations with partners Merck, Medtronic, and Novartis.

-- Strengthen Intellectual Property (IP) Position. Alnylam expects to strengthen its IP position by obtaining multiple patent issuances and grants in major markets over the course of the year.

-- Leverage IP Position. The company plans to realize additional near-term value from its IP estate by granting more than five new InterfeRx™ or research product licenses. Since 2003, the company has signed 17 such licensing agreements.

-- Maintain Strong Balance Sheet. Finally, Alnylam aims to maintain a solid financial position while executing on its product and business goals, finishing 2006 with greater than \$50 million in cash.

About RNA Interference (RNAi)

RNA interference, or RNAi, is a naturally occurring mechanism within cells for selectively silencing and regulating specific genes. Since many diseases are caused by the inappropriate activity of specific genes, the ability to silence genes selectively through RNAi could provide a new way to treat a wide range of human diseases. RNAi is induced by small, double-stranded RNA molecules. One method to activate RNAi is with chemically synthesized small interfering RNAs, or siRNAs, which are double-stranded RNAs that are targeted to a specific disease-associated gene. The siRNA molecules are used by the natural RNAi machinery in cells to cause highly targeted gene silencing.

About Alnylam

Alnylam is a biopharmaceutical company developing novel therapeutics based on RNA interference, or RNAi. The company is applying its therapeutic expertise in RNAi to address significant medical needs, many of which cannot effectively be addressed with small molecules or antibodies, the current major classes of drugs. Alnylam is building a pipeline of RNAi therapeutics; its lead program is in Phase I human clinical trials for the treatment of respiratory syncytial virus (RSV) infection, which is the leading cause of hospitalization in infants in the U.S. The company's leadership position in fundamental patents, technology, and know-how relating to RNAi has enabled it to form major alliances with leading companies including Merck, Medtronic, and Novartis. The company, founded in 2002, maintains global headquarters in Cambridge, Massachusetts, and has an additional operating unit in Kulmbach, Germany. For more information, please visit www.alnylam.com.

Alnylam Forward-Looking Statements

Various statements in this release concerning our future expectations, plans and prospects, including without limitation, each of the product goals and business goals for 2006, constitute forward-looking statements for the purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors, including risks related to: our approach to discover and develop novel drugs, which is unproven and may never lead to marketable products; our ability to obtain additional funding to support our business activities; our dependence on third parties for development, manufacture, marketing, sales and distribution of our products; the successful development of products, all of which are in early stages of development; obtaining regulatory approval for products; competition from others using technology similar to ours and others developing products for similar uses; obtaining, maintaining and protecting intellectual property utilized by our products; our dependence on collaborators; and our short operating history; as well as those risks more fully discussed in the "Certain Factors That May Affect Future Results" section of our most recent quarterly report on Form 10-Q on file with the Securities and Exchange Commission. In addition, any forward-looking statements represent our views only as of today and should not be relied upon as representing our views as of any subsequent date. We do not assume any obligation to update any forward-looking statements.

SOURCE: Alnylam Pharmaceuticals, Inc.

Alnylam Pharmaceuticals, Inc.
Investors:
Cynthia Clayton, 617-551-8207
or
Media:
KMorrisPR
Kathryn Morris, 845-635-9828