



MICROBIA

*Creating & developing
innovative human medicines*



FOR IMMEDIATE RELEASE

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**MICROBIA AND FOREST LABORATORIES ANNOUNCE
LINACLOTIDE CO-DEVELOPMENT AND CO-MARKETING COLLABORATION**

CAMBRIDGE, MASS. and NEW YORK, September 17, 2007—Microbia, Inc. and Forest Laboratories, Inc. (NYSE: FRX), today announced that they have entered into a 50/50 partnership in the United States to co-develop and co-market Microbia's first-in-class compound linaclotide. Linaclotide is currently being investigated for the treatment of constipation-predominant irritable bowel syndrome (IBS-C), chronic constipation (CC), and other gastrointestinal disorders. Under the terms of the agreement, Forest will initially pay Microbia \$70 million in licensing fees. Microbia and Forest will jointly and equally fund development and commercialization of linaclotide in the United States, sharing profits equally. Additionally, Forest will have exclusive rights in Canada and Mexico and will pay Microbia a royalty on sales in these countries. Microbia retains all rights to the product outside of North America. Total licensing and milestone payments to Microbia if linaclotide is successfully developed and commercialized in the United States could total \$330 million over the term of the collaboration.

Howard Solomon, Chairman and Chief Executive Officer of Forest, said, "We are very pleased to have entered into this collaboration with Microbia. Linaclotide offers the possibility of genuine relief for the millions of patients suffering from chronic constipation and IBS-C, for which there are currently few treatment options. Chronic constipation and IBS-C patients are treated largely by primary care physicians, where the Forest sales force has already built excellent relationships. We are particularly excited to be working closely with Microbia, an innovative pharmaceutical company with a strong and proven management and scientific team."

Linaclotide is currently undergoing Phase 2b clinical testing in patients with IBS-C and CC. In earlier clinical studies, linaclotide demonstrated improved bowel function in patients with IBS-C and CC. These studies also showed linaclotide was well tolerated with a low incidence of adverse events. Linaclotide is an agonist of the guanylate cyclase type-C receptor found in the intestine and acts by a mechanism distinct from previously developed products for IBS-C and CC. Linaclotide is administered orally but acts locally in the intestine with no measurable systemic exposure. Microbia and Forest intend to initiate Phase 3 studies in the second half of 2008.

“Joining forces with Forest is the best way to maximize linaclotide’s value for patients and investors,” said Peter Hecht, Microbia’s Chief Executive Officer. “Forest uniquely combines world-class primary care commercial capabilities and an entrepreneurial and collaborative culture. Our companies share a common vision and commitment for getting linaclotide to IBS-C and CC sufferers.”

About Irritable Bowel Syndrome (IBS)

One out of six adults in developed countries suffers from IBS, a chronic condition marked by abdominal pain and disturbed bowel function. IBS accounts for 12% of adult visits to primary care physicians and is the most common disorder diagnosed by gastroenterologists. Health care costs associated with IBS exceed \$25 billion annually. IBS patients fall into three subgroups—constipation-predominant (IBS-C), diarrhea-predominant (IBS-D), and alternating (IBS-A)—and 30% to 40% of these patients suffer from IBS-C. There are currently few available therapies to treat the nine million U.S. patients diagnosed with IBS-C.

About Chronic Constipation (CC)

As many as 26 million Americans suffer from CC. Patients with CC often experience hard and lumpy stools, straining during defecation, a sensation of incomplete evacuation, and fewer than three bowel movements per week. The discomfort of CC significantly affects patients’ quality of life by impairing their ability to work and participate in typical daily activities.

About Linaclotide

Linaclotide is a first-in-class compound currently being tested for the treatment of IBS-C, CC, and other gastrointestinal disorders. Linaclotide is an agonist of guanylate cyclase type-C, a receptor found on the lining of the intestine. In preclinical testing linaclotide was shown to increase fluid secretion into the intestine, accelerate intestinal transit, and decrease visceral pain. Linaclotide was designed to exert its effect on the intestine with minimal systemic exposure. In Phase 2 trials, linaclotide improved bowel function as measured by both complete spontaneous bowel movements and spontaneous bowel movements in patients with CC and IBS-C. Linaclotide is currently being tested for these indications in a pair of Phase 2b trials, which together will enroll 700 patients. A composition of matter patent application is pending for linaclotide, which, if issued would provide protection to 2024, subject to extension.

About Microbia

Microbia (www.microbia.com) is an entrepreneurial pharmaceutical company dedicated to the science and art of great drug-making. Three of the Company’s drug candidates are in clinical studies—linaclotide for the treatment of IBS-C, CC, and other gastrointestinal disorders; and MD-0727 and MD-3124 for the treatment of hypercholesterolemia. Microbia also has a growing pipeline of additional drug candidates. Microbia Precision Engineering, Inc., a majority-owned subsidiary of Microbia, Inc., is an industrial biotechnology company developing and commercializing novel bioprocesses for the production of specialty chemicals. Microbia has raised \$231 million in private equity financing and is located in Cambridge, Massachusetts.

About Forest Laboratories Inc. and Its Products

Forest Laboratories (www.frx.com) is a US-based specialty pharmaceutical company with a growing line of products, including: Lexapro[®] (escitalopram oxalate), a selective serotonin reuptake inhibitor (SSRI) antidepressant indicated for the initial and maintenance treatment of major depressive disorder and for generalized anxiety disorder in adults; Namenda[®] (memantine HCl), an N-methyl-D-aspartate (NMDA)-receptor antagonist indicated for the treatment of moderate to severe Alzheimer's disease; Benicar^{®*} (olmesartan medoxomil), an angiotensin receptor blocker indicated

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for the treatment of hypertension; Benicar* HCT(R) (olmesartan medoxomil hydrochlorothiazide), an angiotensin receptor blocker and diuretic combination product indicated for the second- line treatment of hypertension; and Campral(R)* (acamprosate calcium), a glutamate receptor modulator, indicated for the maintenance of abstinence from alcohol in patients with alcohol dependence who are abstinent at treatment initiation in combination with psychosocial support.

* Benicar is a registered trademark of Sankyo Pharma, Inc., and Campral is a registered trademark under license from Merck Sante s.a.s., subsidiary of Merck KGaA, Darmstadt, Germany.

Except for the historical information contained herein, this release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Because these statements involve a number of risks and uncertainties, actual future results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to the difficulty of predicting FDA approvals, acceptance and demand for new pharmaceutical products, challenges relating to intellectual property protection, the impact of competitive products and pricing, the timely development and launch of new products and the risk factors listed from time to time in Forest Laboratories' SEC reports, including its Annual Reports on Form 10-K for the fiscal year ended March 31, 2007 and Quarterly Reports on Form 10-Q for the period ended June 30, 2007.

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