

BlackRock Enhanced International Dividend Trust
Form N-Q
November 21, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number: 811-22032

Name of Fund: BlackRock Enhanced International Dividend Trust (BGY)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Enhanced International Dividend Trust, 55 East 52nd Street, New York, NY 10055

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 12/31/2018

Date of reporting period: 09/30/2018

Item 1 Schedule of Investments

Schedule of Investments (Unaudited)

BlackRock Enhanced International Dividend Trust (BGY)

September 30, 2018

(Percentages shown are based on Net Assets)

<i>Security</i>	<i>Shares</i>	<i>Value</i>
Common Stocks 98.0%		
Australia 8.4%		
Amtcor Ltd.	3,183,632	\$ 31,464,496
Ansell Ltd.	642,538	11,720,436
Sonic Healthcare Ltd.	865,137	15,566,031
		58,750,963
Belgium 1.2%		
bpost SA	506,122	8,213,362
Canada 10.5%		
Rogers Communications, Inc., Class B	692,484	35,614,688
TELUS Corp.	1,017,097	37,490,023
		73,104,711
China 1.6%		
ANTA Sports Products Ltd.	2,377,600	11,350,262
Denmark 1.8%		
Novo Nordisk A/S, Class B	269,928	12,704,177
Finland 5.1%		
Kone OYJ, Class B	658,664	35,158,662
France 6.9%		
Sanofi	367,176	32,806,142
Schneider Electric SE	191,798	15,400,800
		48,206,942
Germany 4.2%		
Deutsche Post AG, Registered Shares	823,072	29,263,788
India 1.5%		
Hero MotoCorp Ltd.	258,655	10,468,027
Japan 1.6%		
Japan Tobacco, Inc.	421,300	11,001,535
Netherlands 4.3%		
Heineken NV	149,488	14,029,544
<i>Security</i>	<i>Shares</i>	<i>Value</i>
Netherlands (continued)		
Koninklijke Philips NV	347,780	\$ 15,852,322

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		29,881,866
Singapore 3.0%		
DBS Group Holdings Ltd.	561,600	10,713,723
United Overseas Bank Ltd.	507,200	10,026,547
		20,740,270
Sweden 2.7%		
Svenska Handelsbanken AB, Class A	1,471,323	18,555,790
Switzerland 12.0%		
Nestle SA, Registered Shares	400,417	33,329,330
Novartis AG, Registered Shares	452,137	38,919,254
SGS SA, Registered Shares	4,257	11,208,388
		83,456,972
Taiwan 4.4%		
Far EastTone Telecommunications Co. Ltd.	3,518,000	8,387,911
Taiwan Semiconductor Manufacturing Co. Ltd.	2,599,000	22,178,651
		30,566,562
United Kingdom 23.8%		
AstraZeneca PLC	310,495	24,201,236
British American Tobacco PLC	648,600	30,238,053
Diageo PLC	596,483	21,132,247
GlaxoSmithKline PLC	1,291,186	25,894,363
Imperial Brands PLC	932,996	32,466,345
Unilever PLC	577,295	31,713,182
		165,645,426
United States 5.0%		
3M Co. ^(a)	102,009	21,494,316
Microsoft Corp. ^(a)	116,534	13,327,994
		34,822,310
Total Common Stocks 98.0%		
(Cost \$693,544,578)		681,891,625

Schedule of Investments (unaudited) (continued)	BlackRock Enhanced International Dividend Trust (BGY)	
September 30, 2018	(Percentages shown are based on Net Assets)	
<i>Security</i>	<i>Shares</i>	<i>Value</i>
Preferred Stocks 0.7%		
China 0.6%		
Xiaoju Kuaizhi, Inc., Series A-17 (Acquired 07/28/15, cost \$2,106,332), 0.00% ^{(b)(c)(d)}	76,800	\$ 3,911,424
India 0.1%		
Jasper Infotech Private Ltd., Series I, (Acquired 05/07/14 10/29/14, cost \$3,948,600), 0.00% ^{(b)(c)(d)}	5,300	1,088,355
Total Preferred Stocks 0.7% (Cost \$6,054,933)		4,999,779
Total Long-Term Investments 98.7% (Cost \$699,599,511)		686,891,404
<i>Security</i>	<i>Shares</i>	<i>Value</i>
Short-Term Securities 0.5%		
BlackRock Liquidity Funds, T-Fund, Institutional Class, 1.97% ^{(e)(f)}	3,531,919	\$ 3,531,919
Total Short-Term Securities 0.5% (Cost \$3,531,919)		3,531,919
Total Investments Before Options Written 99.2% (Cost \$703,131,430)		690,423,323
Options Written (0.9)% (Premiums Received \$5,200,619)		(5,951,878)
Total Investments, Net of Options Written 98.4% (Cost \$697,930,811)		684,471,445
Other Assets Less Liabilities 1.6%		11,218,542
Net Assets 100.0%		\$ 695,689,987

(a) All or a portion of the security has been pledged as collateral in connection with outstanding OTC derivatives.

(b) Restricted security as to resale, excluding 144A securities. As of period end, the Trust held restricted securities with a current value of \$4,999,779 and an original cost of \$6,054,932, which was 0.8% of its net assets.

(c) Security is valued using significant unobservable inputs and is classified as Level 3 in the fair value hierarchy.

(d) Non-income producing security.

(e) Annualized 7-day yield as of period end.

(f) During the period ended September 30, 2018, investments in issuers considered to be an affiliate of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, and/or related parties of the Trust were as follows:

<i>Affiliate</i>	<i>Shares Held at 12/31/17</i>	<i>Net Activity</i>	<i>Shares Held at 09/30/18</i>	<i>Value at 09/30/18</i>	<i>Income</i>	<i>Realized Gain (Loss)^(a)</i>	<i>Change in Unrealized Appreciation (Depreciation)</i>
BlackRock Liquidity Funds, T-Fund, Institutional Class	5,073,700	(1,541,781)	3,531,919	\$ 3,531,919	\$ 67,864	\$	\$

^(a) Includes net capital gain distributions, if applicable.

For Trust compliance purposes, the Trust's sector classifications refer to one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Currency Abbreviations

AUD	Australian Dollar
CAD	Canadian Dollar
CHF	Swiss Franc
DKK	Danish Krone
EUR	Euro
GBP	British Pound
HKD	Hong Kong Dollar
INR	Indian Rupee
JPY	Japanese Yen
SEK	Swedish Krona
SGD	Singapore Dollar
TWD	Taiwan New Dollar
USD	United States Dollar

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced International Dividend Trust (BGY)

September 30, 2018

Derivative Financial Instruments Outstanding as of Period End**Exchange-Traded Options Written**

<i>Description</i>	<i>Number of Contracts</i>	<i>Expiration Date</i>	<i>Exercise Price</i>	<i>Notional Amount (000)</i>	<i>Value</i>
Call					
3M Co.	94	10/05/18	USD 215.00	USD 1,981	\$ (2,961)
Microsoft Corp.	254	10/05/18	USD 109.00	USD 2,905	(141,605)
Microsoft Corp.	25	10/12/18	USD 113.00	USD 286	(6,062)
Rogers Communications, Inc., Class B	410	10/12/18	CAD 67.50	CAD 2,724	(8,888)
Rogers Communications, Inc., Class B	409	10/12/18	CAD 68.00	CAD 2,717	(5,541)
3M Co.	134	10/19/18	USD 210.00	USD 2,824	(49,245)
Microsoft Corp.	359	10/19/18	USD 110.00	USD 4,106	(183,988)
Rogers Communications, Inc., Class B	730	10/19/18	CAD 70.00	CAD 4,849	(5,934)
Microsoft Corp.	61	10/26/18	USD 115.00	USD 698	(16,317)
3M Co.	117	11/02/18	USD 212.50	USD 2,465	(51,188)
3M Co.	134	11/09/18	USD 212.50	USD 2,824	(62,645)
TELUS Corp.	284	11/16/18	CAD 50.00	CAD 1,352	(3,518)
					\$ (537,892)

OTC Options Written

<i>Description</i>	<i>Counterparty</i>	<i>Number of Contracts</i>	<i>Expiration Date</i>	<i>Exercise Price</i>	<i>Notional Amount (000)</i>	<i>Value</i>
Call						
TELUS Corp.	Morgan Stanley & Co.					
	International PLC	28,500	10/01/18	CAD \$ 47.65	CAD 1,357	\$ (4,656)
Ansell Ltd.	Citibank N.A.	32,000	10/03/18	AUD 25.48	AUD 807	(3,464)
DBS Group Holdings Ltd.	JPMorgan Chase Bank	120,300	10/03/18	SGD 25.73	SGD 3,137	(39,267)

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Diageo PLC	N.A. Morgan Stanley & Co. International PLC	77,900	10/03/18	GBP	27.60	GBP	2,117	(6,458)
Far EasTone Telecommunications Co. Ltd.	JPMorgan Chase Bank N.A.	109,000	10/03/18	USD	73.26	USD	7,935	(1,046)
Heineken NV	Morgan Stanley & Co. International PLC	45,000	10/03/18	EUR	86.69	EUR	3,637	(1)
Kone OYJ, Class B	HSBC Bank PLC	34,600	10/03/18	EUR	46.66	EUR	1,591	(15,365)
bpost SA	Credit Suisse International	37,000	10/03/18	EUR	13.78	EUR	517	(13,427)
TELUS Corp.	Goldman Sachs International	24,600	10/09/18	CAD	47.10	CAD	1,171	(14,324)
TELUS Corp.	Royal Bank of Canada	63,600	10/09/18	CAD	48.43	CAD	3,027	(4,861)
bpost SA	Credit Suisse International	37,000	10/09/18	EUR	13.78	EUR	517	(16,699)
ANTA Sports Products Ltd. Amcort Ltd.	UBS AG Morgan Stanley & Co. International PLC	310,000	10/10/18	HKD	44.36	HKD	11,585	(1,957)
Sonic Healthcare Ltd.	JPMorgan Chase Bank N.A.	93,000	10/10/18	AUD	26.14	AUD	2,315	(997)
Koninklijke Philips NV	Morgan Stanley & Co. International PLC	163,400	10/12/18	EUR	38.43	EUR	6,415	(209,353)
Novo Nordisk A/S, Class B	Morgan Stanley & Co. International PLC	82,100	10/12/18	DKK	319.16	DKK	24,818	(4,867)
GlaxoSmithKline PLC	Citibank N.A.	572,700	10/17/18	GBP	15.61	GBP	8,814	(95,991)
Heineken NV	Goldman Sachs International	25,300	10/17/18	EUR	83.85	EUR	2,045	(4,673)
Nestle SA, Registered Shares	Morgan Stanley &	53,700	10/17/18	CHF	80.30	CHF	4,387	(101,421)

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	Co. International PLC							
Novo Nordisk A/S, Class B	Deutsche Bank AG	44,700	10/17/18	DKK	312.83	DKK	13,512	(11,620)
Sonic Healthcare Ltd.	JPMorgan Chase Bank N.A.	93,000	10/17/18	AUD	26.14	AUD	2,315	(2,934)
Svenska Handelsbanken AB, Class A	Morgan Stanley & Co. International PLC	270,000	10/17/18	SEK	110.00	SEK	30,262	(90,295)
TELUS Corp.	Goldman Sachs International	24,700	10/17/18	CAD	47.40	CAD	1,176	(13,560)
bpost SA	Deutsche Bank AG	35,000	10/17/18	EUR	14.10	EUR	489	(11,512)
Ansell Ltd.	Goldman Sachs International	38,600	10/23/18	AUD	26.44	AUD	974	(4,189)
AstraZeneca PLC	Barclays Bank PLC	129,800	10/23/18	GBP	59.96	GBP	7,762	(211,555)

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced International Dividend Trust (BGY)

September 30, 2018

(Percentages shown are based on Net Assets)

OTC Options Written (continued)

Description	Counterparty	Number of Contracts	Expiration Date		Exercise Price	Notional		Value
						Amount (000)		
Deutsche Post AG, Registered Shares	Morgan Stanley & Co. International PLC	218,000	10/23/18	EUR	\$ 31.97	EUR	6,675	\$ (26,35)
EasTone Telecommunications Co. Ltd.	Morgan Stanley & Co. International PLC	258,000	10/23/18	USD	72.58	USD	18,782	(9,52)
PLUS Corp.	Morgan Stanley & Co. International PLC	46,100	10/23/18	CAD	48.08	CAD	2,195	(12,96)
ATA Sports Products Ltd.	JPMorgan Chase Bank N.A.	808,000	10/24/18	HKD	38.63	HKD	30,195	(156,23)
artis AG, Registered Shares	Morgan Stanley & Co. International PLC	6,750	10/24/18	CHF	82.75	CHF	570	(16,92)
ilever PLC	Morgan Stanley & Co. International PLC	123,300	10/24/18	GBP	43.30	GBP	5,197	(59,43)
ncor Ltd.	Citibank N.A.	624,700	10/26/18	AUD	14.58	AUD	8,540	(11,63)
ageo PLC	Deutsche Bank AG	88,950	10/26/18	GBP	27.28	GBP	2,418	(48,25)
perial Brands PLC	Deutsche Bank AG	17,000	10/26/18	GBP	27.77	GBP	454	(6,61)
ne OYJ, Class B	Credit Suisse International	69,000	10/26/18	EUR	46.57	EUR	3,172	(86,80)
nofi		37,300	10/26/18	EUR	73.41	EUR	2,870	(167,46)

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neider Electric SE	Deutsche Bank AG								
	Credit Suisse International	18,500	10/26/18	EUR	69.20	EUR	1,279	(30,37	
ited Overseas Bank Ltd.	UBS AG	127,300	10/26/18	SGD	26.82	SGD	3,440	(68,37	
gers Communications, Inc., Class B	Goldman Sachs International	26,000	10/29/18	CAD	69.26	CAD	1,727	(5,67	
LUS Corp.	Credit Suisse International	26,300	10/29/18	CAD	48.46	CAD	1,252	(6,22	
LUS Corp.	Royal Bank of Canada	41,000	10/29/18	CAD	48.40	CAD	1,952	(10,27	
vartis AG, Registered Shares	Goldman Sachs International	81,800	10/30/18	CHF	80.35	CHF	6,910	(365,71	
S SA, Registered Shares	Goldman Sachs International	1,500	10/30/18	CHF	2,569.96	CHF	3,876	(73,47	
ilever PLC	Goldman Sachs International	69,000	10/30/18	GBP	42.60	GBP	2,908	(55,84	
ncor Ltd.	UBS AG	317,300	10/31/18	AUD	14.15	AUD	4,337	(24,97	
sell Ltd.	Morgan Stanley & Co. International PLC	54,800	10/31/18	AUD	25.21	AUD	1,383	(23,79	
sell Ltd.	Morgan Stanley & Co. International PLC	32,000	10/31/18	AUD	24.94	AUD	807	(18,11	
ageo PLC	Credit Suisse International	5,000	10/31/18	GBP	27.07	GBP	136	(3,71	
EasTone Telecommunications Co. Ltd.	Goldman Sachs International	500,000	10/31/18	USD	75.37	USD	36,400	(5,78	
ne OYJ, Class B	Morgan Stanley & Co. International PLC	130,300	10/31/18	EUR	46.34	EUR	5,990	(193,55	
hofi	Goldman Sachs International	71,300	10/31/18	EUR	77.19	EUR	5,487	(100,38	
LUS Corp.	Morgan Stanley & Co. International PLC	33,400	10/31/18	CAD	48.50	CAD	1,590	(8,07	
wan Semiconductor Manufacturing Co. Ltd.		987,000	10/31/18	USD	260.10	USD	257,163	(261,85	

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	JPMorgan Chase Bank N.A.							
ited Overseas Bank Ltd.	JPMorgan Chase Bank N.A.	111,000	10/31/18	SGD	27.82	SGD	2,999	(29,22
traZeneca PLC	Barclays Bank PLC	16,200	11/01/18	GBP	57.00	GBP	969	(72,35
S Group Holdings Ltd.	Morgan Stanley & Co.							
	International PLC	143,600	11/01/18	SGD	25.05	SGD	3,745	(129,85
f EasTone Telecommunications Co. Ltd.	UBS AG	257,000	11/01/18	USD	76.90	USD	18,710	(1,30
axoSmithKline PLC	Barclays Bank PLC	34,100	11/01/18	GBP	15.15	GBP	525	(20,58
perial Brands PLC	Goldman Sachs International	183,500	11/01/18	GBP	26.50	GBP	4,899	(219,14
an Tobacco, Inc.	JPMorgan Chase Bank N.A.	103,400	11/01/18	JPY	3,070.42	JPY	306,787	(22,33
stle SA, Registered Shares	UBS AG	134,500	11/01/18	CHF	82.64	CHF	10,987	(113,25
nofi	Credit Suisse International	63,900	11/01/18	EUR	76.16	EUR	4,917	(140,40
neider Electric SE	Morgan Stanley & Co.							
	International PLC	42,100	11/01/18	EUR	70.94	EUR	2,912	(50,48
enska Handelsbanken AB, Class A	Morgan Stanley & Co.							
	International PLC	421,500	11/01/18	SEK	107.76	SEK	47,242	(263,68
LUS Corp.	Goldman Sachs International	110,700	11/01/18	CAD	48.50	CAD	5,270	(31,71
ilever PLC	Credit Suisse International	72,000	11/01/18	GBP	42.53	GBP	3,035	(50,06
gers Communications, Inc., Class B	Citibank N.A.	72,300	11/02/18	CAD	67.25	CAD	4,803	(37,05
LUS Corp.	Goldman Sachs International	32,400	11/05/18	CAD	48.00	CAD	1,543	(12,65

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced International Dividend Trust (BGY)

September 30, 2018

OTC Options Written (continued)

	Counterparty	Number of Contracts	Expiration Date		Exercise Price	Notional Amount (000)
	Citibank N.A.	52,600	11/06/18	AUD \$	25.75	AUD 1,327
Telecommunications Co. Ltd.	Citibank N.A.	339,000	11/06/18	USD	73.74	USD 24,679
AG, Registered Shares	Credit Suisse International	200,000	11/07/18	EUR	31.92	EUR 6,124
	Credit Suisse International	41,200	11/07/18	GBP	27.25	GBP 1,120
	Goldman Sachs International	26,200	11/07/18	GBP	26.35	GBP 712
ss B	Credit Suisse International	52,000	11/07/18	EUR	47.16	EUR 2,390
Registered Shares	Morgan Stanley & Co. International PLC	124,000	11/07/18	CHF	82.25	CHF 10,476
re Ltd.	Citibank N.A.	89,000	11/07/18	AUD	25.27	AUD 2,215
	Goldman Sachs International	46,000	11/08/18	CAD	48.53	CAD 2,190
ric SE	Morgan Stanley & Co. International PLC	29,500	11/09/18	EUR	66.57	EUR 2,040
ications, Inc., Class B	UBS AG	72,200	11/13/18	CAD	68.00	CAD 4,796
Products Ltd.	Morgan Stanley & Co. International PLC	308,000	11/14/18	HKD	37.50	HKD 11,510
ss B	UBS AG	23,600	11/14/18	EUR	46.66	EUR 1,085
	Citibank N.A.	91,900	11/16/18	AUD	25.41	AUD 2,319
n Tobacco PLC	Morgan Stanley & Co. International PLC	113,500	11/20/18	GBP	36.69	GBP 4,060
	Credit Suisse International	41,200	11/20/18	GBP	27.25	GBP 1,120
s PLC	Morgan Stanley & Co. International PLC	126,000	11/20/18	GBP	27.53	GBP 3,364
tered Shares	UBS AG	500	11/20/18	CHF	2,636.03	CHF 1,292
re Ltd.	Goldman Sachs International	120,000	11/20/18	AUD	26.01	AUD 2,987
nductor Manufacturing Co.						
	Morgan Stanley & Co. International PLC	235,000	11/20/18	USD	270.30	USD 61,229
n Tobacco PLC	Morgan Stanley & Co. International PLC	113,500	11/27/18	GBP	36.69	GBP 4,060
Inc.	JPMorgan Chase Bank N.A.	44,000	11/27/18	JPY	3,007.77	JPY 130,548

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced International Dividend Trust (BGY)

September 30, 2018

(Percentages shown are based on Net Assets)**Fair Value Hierarchy as of Period End**

Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 Unadjusted quoted prices in active markets/exchanges for identical assets or liabilities that Trust has the ability to access

Level 2 Other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 Unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including Trust's own assumptions used in determining the fair value of investments and derivative financial instruments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Investments classified within Level 3 have significant unobservable inputs used by the BlackRock Global Valuation Methodologies Committee (the Global Valuation Committee) in determining the price for Fair Valued Investments. Level 3 investments include equity or debt issued by privately held companies or funds. There may not be a secondary market, and/or there are a limited number of investors. Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Global Valuation Committee in the absence of market information.

Changes in valuation techniques may result in transfers into or out of an assigned level within the hierarchy. In accordance with the Trust's policy, transfers between different levels of the fair value hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investments and derivative financial instruments and is not necessarily an indication of the risks associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and derivative financial instruments, refer to the Trust's most recent financial statements as contained in its semi-annual report.

The following tables summarize the Trust's investments and derivative financial instruments categorized in the disclosure hierarchy:

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Assets:				
Investments:				
Common Stocks:				
Australia	\$	\$ 58,750,963	\$	\$ 58,750,963
Belgium		8,213,362		8,213,362
Canada	73,104,711			73,104,711
China		11,350,262		11,350,262
Denmark		12,704,177		12,704,177
Finland		35,158,662		35,158,662
France		48,206,942		48,206,942
Germany		29,263,788		29,263,788

In June 2004, Alkermes added Mark Skaletsky, Chairman, CEO and President of Eli Lilly and Company, to the Company's Board of Directors. Mr. Skaletsky qualifies as an independent director and financial expert as defined under the Sarbanes Oxley Act of 2002 and the Nasdaq stock exchange regulations.

In August 2004, Alkermes announced that Eli Lilly and Company (Lilly) decided to move forward with a significant investment in the further development of an inhaled formulation of insulin using Alkermes' proprietary AIR pulmonary delivery system. This decision followed the completion of a successful Phase II clinical trial which showed that patients with type 1 diabetes using Alkermes' AIR® insulin achieved glycemic control levels similar to injected insulin. The Phase II clinical data were presented at the American Diabetes Association meeting in June 2005.

In November 2004, Amylin Pharmaceuticals (Amylin), Lilly and Alkermes announced plans to initiate a Phase II multi-dose study for exenatide LAR in patients with type 2 diabetes, based on data from a Phase II single-dose study demonstrating sustained release of exenatide with no dose-limiting side effects.

Table of Contents

During calendar year 2004 the Company met its production targets for Risperdal Consta, the Company's lead product, and increased the volume of production by 18%. Revenue from the Company's lead product increased over 110% to \$18 million, and total revenue increased over 96% to \$69 million. The gross margins obtained in the production of Risperdal Consta® also improved in 2004. Meanwhile, including extraordinary expenses, overall expenses remained essentially flat. During the year, Alkermes also advanced the development of its product candidates (proprietary and partnered) and initiated feasibility programs with partners and on internal programs that were not publicly disclosed.

Given the significant role Mr. Pops played in each of the above-noted accomplishments, the Committee increased Mr. Pops' annual base salary effective January 1, 2005 from \$528,675 to \$549,822, an increase of 4.0%. This increase was within the range of increases given to all the employees at the Company and maintained Mr. Pops' salary within the range of other comparable CEOs. The Committee also granted Mr. Pops a cash bonus of \$325,000 as recognition for the substantial progress the Company made on the predetermined business goals set by Company management for the year, including production levels of Risperdal Consta, progress on development programs and financial criteria considered by the Committee for 2004. As additional recognition of Mr. Pops' efforts in calendar 2004, and in furtherance of the Committee's belief that a significant portion of Mr. Pops' total compensation should be dependent on the long-term appreciation of the Company's stock price, the Committee granted Mr. Pops options to purchase 500,000 shares of Common Stock. Mr. Pops receives no perquisites in addition to his salary and bonus, other than participation in the Company's 401(k) match and participation in the Company's health and welfare plans generally available to all employees. The Company has entered into an employment agreement with Mr. Pops, as well as a Change in Control Agreement, which are outlined on page 16. These agreements were entered into upon advice of outside counsel and were drafted by outside counsel at the direction of the Board of Directors. These agreements have been filed as exhibits to the Company's Annual Report on Form 10K filed with the Securities and Exchange Commission. The Company believes the terms of these agreements are comparable to industry standards and that such agreements ensure that Mr. Pops places the interests of the shareholders before his own financial interests in any strategic discussions that may arise at Alkermes.

The Committee believes that each of these actions was particularly appropriate given Mr. Pops' performance during calendar 2004 and in order to maintain his compensation at a competitive level compared to that of the chief executive officers of other similarly sized and positioned biotechnology companies.

Current Compensation Guidelines

As part of the Board of Directors' annual governance review, the Committee has begun an ongoing process to more closely tie executive pay to performance, and to continue to improve the alignment of the interests of the management team with the interests of Company shareholders. In March 2005, the Committee established a search process to engage an independent compensation consultant. In June 2005, the Committee established a relationship with a nationally recognized compensation consultant with expertise in the biotechnology industry. The Committee has engaged the independent consultant to review and recommend action on specific matters, including:

Overall CEO compensation, including specific pay for performance metrics;

Overall use of equity instruments, and specifically targets and structures to allow for the use of performance-based equity incentives;

The use of equity ownership targets for the Board of Directors and senior management; and,

A review of employment, change in control and severance agreements for senior management.

All these areas will be reviewed in the context of best practices for corporations in general, and specifically with regard to companies that are comparable to Alkermes in terms of size and stage of development.

The Committee, in its sole authority, has the right to hire or fire outside compensation consultants.

Table of Contents

Already this year, the Committee established specific corporate objectives for named executive officers, including the CEO, which form the basis for the cash bonus to be paid under the Alkermes January 1, 2005 to March 31, 2006 Named Executive Bonus Plan. The Committee has established that these same corporate objectives shall be used as the basis for the grant of equity awards for the CEO for this period. These objectives, which are the same overall corporate goals established by the Committee for the Company as a whole, are: 1) production levels for Risperdal (Risperidone), 2) commercialization and business goals around the approval and commercialization of Vivitrex, 3) the attainment of development goals on other development programs including AIR insulin and exenatide LAR, and 4) the attainment of financial targets. Mr. Pops' annual cash compensation will be reviewed versus CEO's of comparable companies and any increase will be tied to his performance versus the pre-established targets, consistent with the market and with other annual salary increases at Alkermes. In addition, the Committee established minimum and maximum criteria for a cash bonus for Mr. Pops, in a range of 25% to 50% of his salary depending on the corporate objectives the Company and Mr. Pops achieve during fiscal year 2006. In order for Mr. Pops to receive a cash bonus, a minimum of 25% of the corporate objectives must be met, and a maximum bonus would require the Committee to determine, in its discretion, that substantial achievement of a majority of the corporate objectives had occurred.

In July 2005, the Compensation Committee determined that 50% of the equity incentives received by Mr. Pops will have a direct performance criteria associated with the grant of such awards during fiscal year 2006. In order for Mr. Pops to receive an equity award a minimum of 25% of the corporate objectives set forth in the January 1, 2005 to March 31, 2006 Named Executive Bonus Plan must be met, and a maximum award would require the Committee to determine, in its discretion, that substantial achievement of a majority of such corporate objectives had occurred. The award will only be granted if these criteria are met. In addition, there will be a one vesting component to the stock awards. The stock options will be prorated to cover January 2005 through March 2006 as the Company changed from a calendar year basis to a fiscal year basis compensation period.

Termination Provisions

Mr. Pops is a party to an Employment Agreement and a Change in Control Agreement, each of which has been filed with the Securities and Exchange Commission. The total value of compensation due Mr. Pops if his employment with the Company had terminated on March 31, 2005 under several scenarios are described and summarized below, including previously granted stock options and restricted stock (using the closing price of Alkermes Common Stock on the Nasdaq National Market on March 31, 2005, \$10.38). In addition, in all instances Mr. Pops would be entitled to receive all compensation earned through the date of termination that not paid, such as accrued salary and unused vacation time. He would also retain the then-existing balance in his 401(k) Plan and he would be entitled to retain his vested stock options and vested restricted stock.

Death or Disability: If Mr. Pops died or became disabled, certain unvested stock options and unvested restricted stock would become fully vested and exercisable on such death or disability and valued at approximately \$1,262,407.

Involuntary-Without Cause: If Mr. Pops was terminated by the Company without cause (other than in connection with a change in control), Mr. Pops would be entitled to receive an amount equal to two-thirds of his then-current annual base salary and his unvested restricted stock would vest upon the occurrence of such termination. The total value of the compensation in this scenario is estimated to be approximately \$687,593.

Involuntary-For Cause: If Mr. Pops was terminated by the Company for cause, Mr. Pops would not be entitled to any additional compensation.

Change in Control: If Mr. Pops was terminated by the Company without cause in connection with a change in control or if Mr. Pops voluntarily terminated his employment for good reason, all unvested stock options and unvested restricted stock would become fully vested and exercisable on the occurrence of such termination of employment. In addition, Mr. Pops is entitled to receive (i) a

Table of Contents

bonus equal to the number of days employed during the year multiplied by his annual bonus for the prior year, (ii) an amount equal to two times his base salary plus his annual bonus for the prior year, and (iii) and certain health and welfare and tax benefits for a period of two years from termination. The total value of the compensation in this scenario is estimated to be approximately \$2,978,704.

March 31, 2005 Termination Scenarios

	Voluntary	Involuntary	Change in Control
	Death or Disability	Without Cause	For Cause
			Involuntarily Terminated Without Cause or Voluntarily Terminated For Good Reason
Accelerated vesting of Stock Options	930,247		930,247
Accelerated vesting of Restricted Stock Awards	332,160	332,160	332,160
Salary and Bonus		355,433	1,716,298
Post employment health and welfare and tax benefits			(1)
Total Compensation	\$ 1,262,407	\$ 687,593	\$ 2,978,704

Post employment health and benefits are de minimis in relation to total compensation and are therefore not included in total compensation. Tax benefits are dependent on the tax status of Mr. Pops and the taxability of the elements of compensation. These uncertainties prevent Alkermes from making reasonable estimates for inclusion in total compensation.

The Compensation Committee's and the Board of Directors' goals remain consistent: fair and reasonable pay based on performance against the Company's goals and consistent with the pay of executives at comparable companies within our industry. The Committee will continue to work to improve our compensation structure and to align the interests of the senior management team with our shareholders.

No portion of this Compensation Committee Report shall be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, through any general statement incorporating by reference in its entirety the Proxy Statement in which this report appears, except to the extent that the Company specifically incorporates this report or a portion of it by reference. In addition, this report shall not be deemed filed under either the Securities Act or the Exchange Act.

Respectfully submitted by the
Compensation Committee,

Paul Schimmel
Paul J. Mitchell
Mark Skaletsky (as of September 2004)
29

Table of Contents**STOCK PERFORMANCE GRAPH**

Securities and Exchange Commission rules require this proxy statement to contain a graph comparing, over a five-year period (or such shorter period as may apply), the performance of the Company's common stock performance against a broad equity market index and against either a published industry or line-of-business index or a peer group index.

The broad equity market is represented by the Nasdaq Stock Market Index and the peer group index is represented by the Nasdaq Pharmaceutical Index and the Nasdaq Biotechnology Index. The Nasdaq Biotechnology Index has been added as a comparative index for the first time with this proxy statement and will replace the Nasdaq Pharmaceutical Index as the peer group index in future proxy statement filings. The Company believes that the Nasdaq Biotechnology Index provides a better comparison of the Company's stock price performance in relation to its peer group.

The Nasdaq Biotechnology Index is comprised of group of companies primarily engaged in Biotechnology activities and is more focused than the broader Nasdaq Pharmaceutical Index, which is a broader composition of Biotechnology and pharmaceutical companies, including generic drug manufacturers and other companies engaged in technologies, activities and markets not similar to those of the Company.

The following graph compares the yearly percentage change in the cumulative total shareholder return on the Common Stock for the last five fiscal years, with the cumulative total return on the Nasdaq Stock Market (U.S.) Index, the Nasdaq Pharmaceutical Index and the Nasdaq Biotechnology Index. The comparison assumes \$100 was invested on March 31, 2000, in the Common Stock and in each of the foregoing indices and further assumes reinvestment of any dividends. The Company did not declare or pay any dividends on its Common Stock during the comparison period.

	Alkermes, Inc.	Nasdaq Stock Market (U.S.) Index	Nasdaq Pharmaceutical Index	Nasdaq Biotechnology Index
2000	100.00	100.00	100.00	100.00
2001	47.00	40.00	75.00	64.00
2002	56.00	40.00	78.00	64.00
2003	20.00	30.00	61.00	42.00
2004	35.00	44.00	86.00	65.00
2005	22.00	44.00	77.00	54.00

Table of Contents**OWNERSHIP OF THE COMPANY'S COMMON STOCK**

On July 26, 2005, the Company had 90,137,402 shares of common stock issued and outstanding. This table shows certain information about the beneficial ownership of the Company's common stock, as of that date, by:

each of the Company's current directors;

the Company's Chief Executive Officer;

each of the Company's four other most highly compensated executive officers named in the Summary Compensation Table; and

all of the Company's current directors and executive officers as a group.

According to SEC rules, the Company has included in the column "Number of Issued Shares" all shares over which the person has sole or shared voting or investment power, and the Company has included in the column "Number of Shares Issuable" all shares that the person has the right to acquire within 60 days after July 26, 2005 through the exercise of any stock option or other right. All shares that a person has a right to acquire within 60 days of July 26, 2005 are deemed outstanding for the purpose of computing the percentage beneficially owned by the person, but are not deemed outstanding for the purpose of computing the percentage beneficially owned by any other person.

Unless otherwise indicated, each person has the sole power (except to the extent authority is shared by spouses under applicable law) to invest and vote the shares listed opposite the person's name. The Company's inclusion of shares in this table as beneficially owned is not an admission of beneficial ownership of those shares by the person listed in the table.

Ownership by Directors and Executive Officers

	Number of Issued Shares	Number of Shares Issuable(1)	Total	Percent
Catherine L. Biberstein	0	139,500	139,500	*
David Broecker	26,305	834,376	860,681	*
John Frates	43,464	497,058	540,522	*
Michael Landine	106,300	342,250	448,550	*
Richard Pops	316,602	1,970,168	2,286,770	2.54%
Boyd Bloom(2)	210,375	135,000	345,375	*
Robert Breyer	116,116	502,909	619,025	*
Theraldine Henwood	0	78,000	78,000	*
Paul Mitchell	8,000	68,000	76,000	*
Alexander Rich	348,400	135,000	483,400	*
Paul Schimmel	355,600	135,000	490,600	*
Mark Skaletsky	0	44,000	44,000	*
Michael Wall	713,450	135,000	848,450	*
All Directors and Executive officers as a Group (13 persons)	2,244,612	5,016,261	7,260,873	8.06%

- Represents less than one percent (1%) of the outstanding shares of common stock.
-) Shares that can be acquired through stock option exercisable by September 26, 2005, which is 60 days from the Record Date.
-) Includes 210,375 shares of common stock held by The Corey Bloom Family Trust, of which Dr. Bloom is a Trustee.

31

Table of Contents**Ownership By Principal Stockholders**

This table shows certain information, based on filings with the Securities and Exchange Commission, about the beneficial ownership of our common stock as of the date indicated below by each person known to us owning beneficially more than 1% of our common stock.

	Number of Shares	Percent
FMR Corporation(1) 82 Devonshire Street Boston, MA 02109	13,451,187	14.99%
Wellington Management Company, LLP(2) 75 State Street Boston, MA 02109	9,878,148	10.97%
Citigroup Inc.(3) 399 Park Avenue New York, NY 10043	9,410,501	10.5%
Rowe Price Associates, Inc.(4) 100 E. Pratt Street Baltimore, MD 21202	9,169,340	10.2%
Vector Asset Management Inc.(5) 2120-1000 Sherbrooke St. West Montreal PQ H3A 3G4	5,036,521	5.6%

(1) Based solely on a Schedule 13G/ A dated February 14, 2005, FMR Corp. has sole voting power over 675,400 shares of common stock of Alkermes and sole dispositive power over 13,451,187 shares of common stock of Alkermes. Fidelity Growth Company Fund owned 7,069,920 shares of those reported by FMR Corp. Due to their ownership of 12.0% and 24.5%, respectively, of FMR Corp., and of Fidelity Management Trust Company and Fidelity International Limited, Edward C. Johnson 3d and Abigail Johnson (collectively with FMR Corp., Fidelity) may be deemed to beneficially own the shares reported as beneficially owned by FMR Corp. Due to the voting and dispositive power over the shares of Alkermes common stock, Fidelity may be deemed to beneficially own such shares, which are held of record by the Fidelity Funds and certain institutional accounts. The percentage of class beneficially owned is as reported in such 13G/ A and is as of December 31, 2004.

(2) Based solely on a Schedule 13G/ A dated July 8, 2005, Wellington Management Company, LLP (Wellington Management), in its capacity as investment advisor, may be deemed to beneficially own 9,878,148 shares of common stock of Alkermes which are held of record by clients of Wellington Management. With its clients, Wellington Management shares voting power over 8,438,728 shares of common stock of Alkermes and shares dispositive power over 9,862,648 shares of common stock of Alkermes. The percentage of class beneficially owned is as reported in such 13G/ A and is as of June 30, 2005.

) Based solely on a Schedule 13G/ A dated February 7, 2005, Citigroup Inc. (Citigroup) shares voting and dispositive power over 9,410,501 shares of Alkermes common stock with the entities listed below. The following entities share voting and dispositive power with Citigroup over the number of shares of Alkermes common stock listed below:

Citigroup Global Markets Inc. 7,377,091 shares;

Citigroup Financial Products Inc. 7,380,564 shares; and

Citigroup Global Markets Holdings Inc. 3,190,495 shares.

Due to the voting and dispositive power over the shares of common stock of Alkermes, Citigroup, Inc. may be deemed to beneficially own such shares.

Citigroup disclaims beneficial ownership of certain shares. The percentage of class beneficially owned is as reported in such 13G/ A and is as of December 31, 2004.

Table of Contents

) Based solely on a Schedule 13G/ A dated February 14, 2005, T. Rowe Price Associates, Inc. (T. Rowe) has sole voting power over 2,540,570 shares of the common stock of Alkermes and sole dispositive power over 9,169,340 shares of common stock of Alkermes. Due to the voting and dispositive power over the shares of common stock of Alkermes, T. Rowe may be deemed to beneficially own such shares, which are held of record by the institutional clients and/or the T. Rowe Price Funds. The percentage of class beneficially owned is as reported in such 13G/A and is as of December 31, 2004.

) Based solely on a Schedule 13G/ A dated January 28, 2005, Sectoral Asset Management Inc., Jerome G. Pfund, and Michael L. Sjostrom each have sole voting power over 1,010 shares of the common stock of Alkermes and sole dispositive power over 5,036,521 shares of common stock of Alkermes. Sectoral Asset Management Inc., in its capacity as an investment adviser, has the sole right to dispose of or vote the number of shares of common stock of Alkermes set forth above. Jerome G. Pfund and Michael L. Sjostrom are the sole shareholders of Sectoral Asset Management Inc. Sectoral Asset Management, Inc. and Messrs. Pfund and Sjostrom disclaim beneficial ownership of Alkermes common stock held by Sectoral Asset Management Inc. Due to the voting and dispositive power over the shares of common stock of Alkermes, Sectoral Asset Management Inc., Jerome G. Pfund, and Michael L. Sjostrom may be deemed to beneficially own such shares, which are held of record by the investment advisory clients of Sectoral Asset Management Inc. The percentage of class beneficially owned is as reported in such 13G/ A and is as of December 31, 2004.

CERTAIN TRANSACTIONS

Stock Options

During the last fiscal year, executive officers, part-time employee directors and non-employee directors were granted options to purchase shares of Common Stock pursuant to Alkermes 1999 Stock Option Plan, 1998 Equity Incentive Plan and Stock Option Plan for Non-Employee Directors.

Executive Officer Loans

In the calendar year 2001, Alkermes made two loans to David A. Broecker in connection with his employment as its new Chief Operating Officer. The first loan, made in February 2001 in the principal amount of \$300,000, was amended to extend its maturity date to May 31, 2003 or, if earlier, upon termination of Mr. Broecker's employment. The first loan did not bear interest and was paid in full in May 2003. The second loan, made in June 2001 in the principal amount of \$300,000, bears interest at the prime rate. Twenty percent of the principal of and accrued interest on the second loan will be forgiven annually on Mr. Broecker's employment anniversary, in full upon a change-in-control of Alkermes, so long as he continues to be employed by Alkermes. Any balance of the second loan remaining upon the termination of Mr. Broecker's employment must be paid in full.

OTHER BUSINESS

The Board of Directors does not intend to present to the Meeting any business other than the election of directors and to approve an amendment to the 1999 Stock Option Plan. If any other matter is presented to the Meeting which under applicable proxy regulations need not be included in this Proxy Statement or which the Board of Directors did not know a reasonable time before this solicitation would be presented, the persons named in the accompanying proxy will have discretionary authority to

te proxies with respect to such matter in accordance with their best judgment.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP, independent registered public accounting firm, audited
e consolidated financial statements of the Company for the fiscal year ended
arch 31, 2005. Representatives of

Table of Contents

Deloitte & Touche LLP are expected to attend the Meeting, will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions. The Board of Directors has selected Deloitte & Touche LLP as the independent registered public accounting firm to audit the Company's consolidated financial statements for the fiscal year ending March 31, 2006.

DEADLINE FOR SHAREHOLDER PROPOSALS

The Company must receive any proposal which a shareholder wishes to submit at the 2006 annual meeting of shareholders before March 31, 2006 if the proposal is to be considered by the Board of Directors for inclusion in the proxy material for that meeting. If any shareholder wishes to present a proposal to the 2006 Annual Meeting of Shareholders that is not included in the Company's proxy statement for that meeting and fails to submit such proposal to the Secretary of the Company on or before March 31, 2006, then the persons named in the proxy will be allowed to use their discretionary voting authority when the proposal is raised at the Annual Meeting, without any discussion of the matter in the Company's proxy statement. In addition, in accordance with the Company's bylaws, any nominee for election as a director of the Company at the 2006 Annual Meeting of Shareholders must be submitted in writing to the Chairman of the Board on or before April 30, 2006, which is ninety (90) days prior to the first anniversary of the date of this year's proxy statement.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires the Company's directors and executive officers, and persons who beneficially own more than ten percent of the Common Stock, to file with the Securities and Exchange Commission (SEC) initial reports of ownership and reports of changes in ownership of Common Stock.

Executive officers, directors and greater than ten percent shareholders are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms they file. To the Company's knowledge, based solely on review of the copies of such reports furnished to the Company for the fiscal year ended March 31, 2005, all Section 16(a) filing requirements applicable to its executive officers, directors, officers and greater than ten percent shareholders were complied with.

EXPENSES AND SOLICITATION

The cost of solicitation will be borne by Alkermes, and in addition to directly soliciting shareholders by mail, Alkermes may request banks and brokers to solicit their customers who have stock of Alkermes registered in the name of the nominee and, if so, will reimburse such banks and brokers for their reasonable out-of-pocket costs. Solicitation by officers and employees of Alkermes may also be made of some shareholders in person or by mail or telephone following the original solicitation. In addition, Alkermes has retained the services of The Altman Group to solicit proxies, at an estimated cost of \$5,500 plus such firm's expenses.

HOUSEHOLDING

Our Annual Report, including audited financial statements for the fiscal year ended March 31, 2005, is being mailed to you along with this Proxy Statement. In order to reduce printing and postage costs, ADP Investor Communication Services has undertaken an effort to deliver only one Annual Report and one Proxy Statement to multiple shareholders sharing an address. This delivery method, called householding, is not being used, however, if ADP has received contrary instructions from one or more of the stockholders sharing an address. If your household has received only one Annual Report and one Proxy Statement, Alkermes will deliver

promptly a separate copy of the Annual Report and the Proxy Statement to any shareholder who sends a written request to Alkermes, Inc., 88 Sidney Street, Cambridge, MA, 02139, Attention: Secretary. If your household is receiving multiple copies of Alkermes Annual Reports or Proxy Statements and you wish to request delivery of a single copy, you may send a written request to Alkermes, Inc., 88 Sidney Street, Cambridge, MA 02139, Attention: Secretary.

APPENDIX A

1999 STOCK OPTION PLAN

RESOLVED, that the first sentence of Section 4.1 of the 1999 Stock Option Plan, and hereby is, amended to read in full as follows:

The maximum aggregate number of shares of Common Stock that may be issued under the Plan is Nineteen Million Nine Hundred Thousand (19,900,000) (subject to increase or decrease pursuant to Section 4.2), which may be either authorized and unissued shares of Common Stock or authorized and issued shares of Common Stock reacquired by the Company.

35

Table of Contents

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PROXY

ALKERMES, INC.

CAMBRIDGE, MASSACHUSETTS

**PROXY SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS OF
THE COMPANY FOR
THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD
SEPTEMBER 23, 2005**

The undersigned shareholder of Alkermes, Inc. hereby appoints James M. Frates and Brian Brown, and each of them, attorneys and proxies, with power of substitution to each of them, to vote and act for and on behalf of the undersigned at the annual meeting of shareholders of the Company to be held at the offices of Alkermes, 88 Sidney Street, Cambridge, Massachusetts 02139, at 9:00 a.m., Friday, September 23, 2005, and at all adjournments and postponements thereof, according to the number of shares which the undersigned would be entitled to vote if then personally present, as indicated hereon (including discretionary authority to cumulate votes with respect to the election of directors) and in their discretion upon such other business as may come before the meeting, all as set forth in the notice of the meeting and in the proxy statement furnished herewith, copies of which have been received by the undersigned; hereby ratifying and confirming all that said attorneys and proxies may do or cause to be done by virtue hereof. The undersigned hereby revokes all other previous proxies appointed and delivered in connection with the annual meeting of shareholders to be held at 9:00 a.m., Friday, September 23, 2005, and at all adjournments and postponements thereof.

It is agreed that unless otherwise marked on the other side, said attorneys and proxies are appointed with authority to vote FOR the directors and the proposals listed on the other side hereof.

PLEASE FILL IN, SIGN AND DATE ON THE OTHER SIDE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE)

**SEE REVERSE
SIDE**

**CONTINUED AND TO BE SIGNED ON REVERSE SIDE
SEE REVERSE
SIDE**

Table of Contents

ALKERMES, INC.

**PRO COMPUTERSHARE
P.O. BOX 8694
MORRISON, NJ 08818-8694**

Your vote is important. Please vote immediately.

Vote-by-Internet

Log on to the Internet and go to <http://www.eproxyvote.com/alks>

OR

Vote-by-Telephone

Call toll-free

1-877-PRX-VOTE (1-877-779-8683)

If you vote over the Internet or by telephone, please do not mail your card.

DETACH HERE

ZALK91

**Please mark
your votes as in
this example.**

To elect nine members of the Board of Directors, each to serve until the next annual meeting of shareholders and until his or her successor is duly elected and qualified.

Nominees: (01) Floyd E. Bloom, (02) Robert A. Breyer, (03) Gerri Henwood,

(04) Paul J. Mitchell, (05) Richard F. Pops, (06) Alexander Rich,
 (07) Paul Schimmel, (08) Mark B. Skaletsky and (09) Michael A.
 Wall.

FOR	o	o	WITHHELD
ALL			FROM ALL
NOMINEES			NOMINEES

o

For all nominees except as noted above

FOR AGAINST ABSTAIN

To approve an amendment to the 1999 Stock Option Plan to increase to 19,900,000 the number of shares issuable upon exercise of options granted thereunder, an increase of 3,000,000 shares.	o	o	o
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To transact such other business as may properly come before the meeting.

MARK HERE FOR ADDRESS CHANGE AND NOTE AT LEFT o

this proxy is properly executed and returned, the shares represented hereby will be
 voted, if not otherwise specified (or unless discretionary authority to cumulate votes
 exercised), FOR Items 1 and 2 and will be voted according to the discretion of the
 proxy holders upon any other business as may properly be brought before the meeting
 and at all adjournments and postponements thereof.

Please sign exactly as your name(s) appear(s) hereon. All holders must sign. When
 signing in a fiduciary capacity, please indicate full title as such. If a corporation or
 partnership, please sign in full corporate or partnership name by authorized person.

Signature:	Date:	Signature:	Date:
------------	-------	------------	-------