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**MICROBIA ANNOUNCES SECOND COLLABORATION AGREEMENT BETWEEN ITS
PRECISION ENGINEERING™ UNIT AND RANBAXY LABORATORIES**

—Agreement follows successful collaboration to achieve higher-yielding biomanufacturing process using Microbia’s Precision Engineering™ technology—

CAMBRIDGE, Mass., November 1, 2005—Microbia, Inc. today announced that its Precision Engineering™ business unit has entered into a research collaboration with Ranbaxy Laboratories to lower the cost of a biomanufacturing process under development by Ranbaxy. The goal is to achieve a greater than 100 percent productivity improvement in the precommercial biomanufacturing of an undisclosed pharmaceutical product.

Microbia will undertake strain engineering and laboratory-scale testing. Ranbaxy assumes responsibility for optimizing processes and validating product specification acceptability. Under the agreement, Ranbaxy will fund Microbia’s research and development and will make payments based on the achievement of development milestones. Financial terms were not disclosed.

This is the second agreement between the two companies, following a successful collaboration to apply Precision Engineering™ to generate higher yields in a Ranbaxy biomanufacturing process for a statin. Ranbaxy has since advanced the improved strain into commercial manufacturing. The two companies have collaborated to improve biomanufacturing processes since February 2003.

“We’re excited to renew our partnership with Microbia, following the rapid success of our initial alliance to achieve value-enhancing improvements in statin biomanufacturing,” said Pushpinder Bindra, senior vice president of global manufacturing at Ranbaxy. “Microbia provided excellent collaborative and technical interaction, and we look forward to this expanded relationship and to applying Microbia’s technologies more broadly across our product portfolio.”

“Ranbaxy is a valued partner to Microbia, and we are pleased to be extending our collaboration with them,” said Richard Bailey, Ph.D., vice president and general manager of Microbia’s Precision Engineering™ business. “We are generating real economic value for our partners in a time-effective manner. This underscores the potential of our technology for enhancing any biomanufacturing process.”

[more...]

Microbia's Precision Engineering™ technology platform applies molecular genetics and proprietary profiling methods to rationally design microbes for the efficient production of commercially valuable metabolites in the pharmaceutical and fine chemical industries, as well as the developing industrial biotechnology field. To date, two Microbia-engineered production strains have been introduced into commercial use, and a third Microbia-engineered strain is currently undergoing pilot evaluation.

ABOUT MICROBIA

Microbia (www.microbia.com) is an entrepreneurial pharmaceutical company dedicated to the science and art of great drug making. Two of the Company's drug candidates are in clinical studies—MD-1100 for the treatment of constipation-predominant irritable bowel syndrome and other gastrointestinal disorders, and MD-0727 for the treatment of hypercholesterolemia. Our Precision Engineering™ business unit collaborates with leading pharmaceutical and chemical manufacturers to improve efficiencies of existing fermentation processes or to create new bioprocesses. Microbia has raised \$99 million in private equity financing and is located in Cambridge, Massachusetts.

ABOUT RANBAXY

Ranbaxy Laboratories Limited (www.ranbaxy.com), India's largest pharmaceutical company, manufactures and markets branded generic pharmaceuticals and Active Pharmaceutical Ingredients. Ranbaxy's continued focus on R&D has resulted in several approvals in developed markets and significant progress in New Drug Discovery Research. Ranbaxy's foray into Novel Drug Delivery Systems has led to proprietary "platform technologies" resulting in a number of products under development. The Company is selling its products in over 70 countries and has an expanding international portfolio of affiliates, joint ventures and alliances, ground operations in 34 countries and manufacturing operations in 7 countries.

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