



Company Statement from INSYS Therapeutics

As expressed in our prior statements, we agree with Senator McCaskill that the opioid crisis must be addressed and have therefore cooperated extensively with her investigation.

We do not believe it is factually accurate to indicate, directly or indirectly, that INSYS has materially contributed to the opioid crisis. Our product SUBSYS® (fentanyl sublingual spray) has accounted for a fractional percentage (less than 0.02%) of opioid prescriptions nationally since its launch in 2012. In 2015, the year of highest utilization for SUBSYS, approximately 52 million patients were prescribed an opioid—approximately 9,200 (less than 0.018%) of these patients were prescribed SUBSYS.

In addition, we have respectfully disagreed with a perceived lack of context in the staff reports. For instance, we wish to clarify that the report relates to activities of former employees of our company and matters that the company has addressed in its own efforts and in connection with investigations by the Department of Justice (DOJ) and certain state attorneys general offices. In August, INSYS announced that it has reached an agreement in principle with the DOJ to settle the DOJ's civil and criminal investigation into inappropriate sales and commercial practices by some former company employees, which settlement by INSYS intends to address the same matters covered in the staff's latest report.

INSYS is proud of its transformation over the past several years. INSYS is a different company, with a new management team and a new employee base aligned around a new vision and committed to a new culture. We are proud of that fact that we have strengthened our compliance program through significant focus and investment over the past several years, while working with governmental authorities and external experts and counsel. Our ongoing transformation starts at the top and includes the fact that, since April 2017:

the Board of Directors has been revamped: five of its seven members are new—and all are independent with the exception of the CEO, who represents management;

the majority of management across the entire organization, including our CEO, CFO, Controller, and the VPs of Commercial, Sales, Human Resources and Clinical Development, are new; and

more than 40% of our approximately 300 employees and more than 50% of the sales force are new.

We continue to reiterate our efforts to be part of the solution to the opioid crisis by focusing on assisting patients and developing alternative pain medications in our research and development programs. We are committed to being an ethical manufacturer, which includes taking responsibility for actions by former employees and ensuring high standards of integrity from current employees.

