



Recruitment completed for optimization trial of therapeutic Hepatitis C vaccine

Vienna (Austria), May 3, 2005 – Intercell AG (Vienna Stock Exchange: ICLL), today announced completion of recruitment in a new clinical trial of its therapeutic vaccine IC41 against Hepatitis C optimizing the route and frequency of vaccinations.

The vaccine has been tested in a Phase II clinical trial in non-responders to Interferon/Ribavirin therapy, a very difficult to treat group. In this trial an induction of T-cells was observed in a subset of patients that was concomitant with a transient reduction of viral load (HCV RNA). The results of the completed Phase I and II trials were presented on April 14th at the conference of the European Association for the Study of the Liver (EASL) in Paris.

The current follow up study has been designed to further increase the T-cell response that is pivotal to fight the infection by optimizing the route and the frequency of vaccinations. The new study is being performed at the General Hospital of Vienna, where Intercell's IC41 Hepatitis C vaccine, is applied to over 50 healthy volunteers by administering up to 16 vaccinations at weekly intervals. Should results warrant, the study will be extended to chronic HCV patients with a less compromised immune system in 2006. The start of Phase III registration trials is planned for 2008, allowing entry into a market that is seen at greater EUR 3.5 bn per year in 2011.

Prof. Michael Manns from the Medical University in Hanover states: "I am convinced that the achieved induction of T-cells in chronic non-responders patients as shown in Intercell's Phase II study has paved the way to the development of a therapeutic vaccine for novel stand alone and combination treatments".

Alexander von Gabain, CEO of Intercell, says: "We belong to the few pioneers working on new treatments against Hepatitis C. Our therapeutic vaccine in this field of high medical need is latest state of the art vaccine technology".



About IC41:

IC41 is a fully synthetic vaccine designed for treatment of chronic HCV patients combining the T-cell adjuvant Poly-L-Arginine with 5 peptides, identified through studies of people with natural immunity to HCV or successful response towards Interferon/Ribavirin standard therapy. IC41 has completed Phase I and II trials confirming an excellent safety profile. IC41 is also being tested in combination with standard therapy in another Phase II trial. This trial is expected to be completed in 2006.

About HCV:

HCV is a major cause of chronic liver disease, including cirrhosis and liver cancer. According to the World Health Organization (WHO), worldwide, approximately 170 million people are chronic HCV carriers (3% of the world's population), including about 10 Million Europeans, 3.9 Million Americans and 2 Million Japanese are infected with HCV, and 35.000 new infections occur in the US alone each year. The high unmet medical need is underscored by the fact that each year 8,000 to 10,000 deaths and 1,000 liver transplantations are due to HCV in the US only. Currently, there is no vaccine against Hepatitis C and the infection can only be treated with a combination of Interferon and Ribavirin – a long-term therapy with limited efficacy and significant side effects. It gives rise to very high annual costs per patient. In 2002, worldwide sales of HCV drugs totalled at around EUR 2.8 bn, and demand is growing fast. The market is seen to be expanding to EUR 3.5 bn by 2006.

About Intercell AG:

Intercell AG is a fast growing biotechnology company with a clear strategy and focus on the design and development of novel vaccines for prophylaxis and treatment of diseases with substantial unmet needs. The Company's unique position is based on the combination of antigens and immunizers (adjuvants) derived from its proprietary technology platforms and its in-house GMP manufacturing facilities. Intercell's technology has been endorsed by collaborative agreements with a number of global pharmaceutical companies, including Sanofi Aventis, Merck&Co., Inc., SciGen Ltd. and the Statens Serum Institut. The Company has a broad development pipeline with a vaccine for Japanese Encephalitis about to enter Phase III, a vaccine for Hepatitis C undergoing Phase II trials, and five products focused on infectious diseases in the pre-clinical phase. Intercell is listed on the Vienna stock exchange under the symbol "ICLL".

For more information please visit: www.intercell.com



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