



## **Intercell and Kirin enter strategic alliance to develop antibodies for the treatment of severe pneumococcal infections**

- » Monoclonal antibodies against bacterial infections – a novel use for Intercell's technologies with significant potential in anti-infection applications, in addition to their current use in the field of vaccines.
- » *Streptococcus pneumoniae* infections – a field of rapidly growing medical importance with 1 of every 1000 elderly individuals infected in Europe and the United States each year.
- » Kirin – a committed partner with an outstanding record in the global development and commercialization of biological products.
- » EUR 40 million agreement – including EUR 4 million upfront payment and royalties on future net sales of the product.

**Vienna (Austria), April 6, 2006** – Intercell AG (VSE "ICLL") today announced that it has entered into a strategic alliance with Kirin Brewery Co. Ltd. (Tokyo, Japan) to develop human monoclonal antibodies against severe infections caused by *Streptococcus pneumoniae*. Pneumococcal diseases, particularly those affecting the elderly (over 65 years), is a field of rapidly growing medical importance.

Under the agreement, Kirin obtains global rights to develop and commercialize antibodies directed against antigens that have been detected by Intercell's proprietary Antigen Identification Program (AIP®). This technology identifies antigens that are protective in vaccines, but are also suitable targets for blocking the pathogens' infectivity. The parties will collaborate in the pre-clinical development of the product, with Kirin being responsible for the clinical development, registration and marketing of the product.

Over the term of the agreement, Intercell is entitled to milestone payments totaling at approximately EUR 40 million, including an upfront payment of EUR 4 million, and will receive significant royalties on future net sales of the product. In addition, Intercell will be compensated for its development contributions.

The development of antibacterial antibodies represents an entirely new field for the treatment of certain infections. "This is just the first step in a broad application of our technology in this growing and increasingly important field of modern medicine. We believe this will generate additional revenues for our company", states Gerd Zettlmeissl, Intercell's Chief Executive Officer. "Our partner Kirin has an outstanding record in the global development and commercialization of biological products and an exceptional commitment to the field of infectious diseases."

"Intercell's Antigen Identification Program is an extremely successful technology delivering very promising validated targets for monoclonal antibodies", comments Dr. Katsuhiko Asano,





President, Pharmaceutical Division of Kirin. "The combination of both companies' technologies offers exciting possibilities to address therapeutic needs. We believe that Kirin's expertise in generating fully human antibodies using the KM Mouse™ should allow us to discover new drugs to treat and cure pneumococcal infections."

### **About *Streptococcus pneumoniae* infections**

*Streptococcus pneumoniae*, or *Pneumococcus*, is a type of bacteria that mainly affects individuals at the extremities of ages, such as infants and elderly and individuals with certain pre-existing diseases (most typically following influenza). Invasive pneumococcal diseases, such as pneumonia, bacteremia and meningitis, cause more deaths worldwide than all other vaccine-preventable diseases combined. Mortality rates reach 30 to 40 % for individuals aged 60 years or older. In Europe and the United States, it is estimated that *pneumococcal pneumonia* alone affects 1 out of every 1000 elderly each year. Currently available vaccines that are used for the preventive vaccination of the elderly are suboptimal. As resistance to antibiotics has increasingly become a problem and current medical treatment even with appropriate antibiotics is not very effective, new therapeutics based on modern human antibody technology have become increasingly important and constitute significant market opportunity.

### **About Monoclonal Antibodies**

Antibodies are an important part of the body's natural defense system and are normally produced by our immune system to help our bodies fight disease. Antibodies are proteins that seek out, recognize and bind to a particular site on cells, bacteria and other organisms in a highly specific manner. This specificity makes antibodies useful in the treatment of many types of disease, and antibodies have relatively few side effects since they are a part of the body's own natural immune system.

Worldwide, pharmaceutical and biotechnology companies, as well as universities, are exploring monoclonal antibody technology to develop new therapeutic and in vivo diagnostic products. Therapeutic antibody products are currently on the market for a variety of indications, including cancer, heart disease, and transplant rejection. To date, 17 monoclonal antibody products are approved by the U.S. Food and Drug Administration for use as therapeutic products in the United States.

According to the analyst firm Datamonitor, the therapeutic antibody market is expected to triple in size by 2010 as a result of significant technology advancements and commercialization of a number of safer, more effective humanized and fully human antibodies. Global sales of the monoclonal antibodies market increased by 48 % in 2004 and passed the USD 10 billion (EUR 7.8 billion) mark, building on the momentum from previous years.



### **About Kirin**

Kirin is Japan's foremost beer producer. Established in 1982, the pharmaceutical division of Kirin is applying its knowledge of biotechnology to the development of advanced pharmaceutical products in the fields of renal disease, cancer and hematological diseases, immunological and allergy-related diseases, and infectious diseases. Kirin's leading products are ESPO® (erythropoietin) and GRAN® (G-CSF), which are marketed in Asia by Kirin and its affiliates. Kirin's pharmaceutical division has now expanded its technology platform to include human antibodies and a cell-based therapeutic vaccine.

For more information, please visit: [www.kirin.co.jp/english](http://www.kirin.co.jp/english).

### **About Intercell AG**

Intercell AG is a biotechnology company focused on the research, development, manufacturing and future commercialization of innovative vaccines for prevention and treatment of infectious diseases for which there exists substantial unaddressed medical need. The Company develops antigens and immunizers (adjuvants) which are derived from its proprietary technology platforms and has in-house GMP manufacturing capability. Intercell has strategic partnerships with a number of global pharmaceutical companies, including sanofi pasteur, Merck&Co., Inc., SciGen Ltd. and the Statens Serum Institut. The Company has a broad development pipeline with a vaccine product candidate for Japanese Encephalitis in Phase III, a vaccine product candidate for Hepatitis C in Phase II, partnered vaccines for Tuberculosis and *S. aureus* which are in Phase I and five product candidates focused on infectious diseases in pre-clinical development. Intercell is listed on the Vienna stock exchange under the symbol "ICLL".

For more information, please visit: [www.intercell.com](http://www.intercell.com)

### **Contact Intercell AG:**

#### **Intercell AG**

Katharina Wieser

Head of Corporate Communications

Campus Vienna Biocenter 2, A-1030 Vienna

P: +43-1-20620-303

Mail to: [kwieser@intercell.com](mailto:kwieser@intercell.com)

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