

Intercell AG successfully completed its combined primary and secondary public offering

Intercell AG, a vaccine company based in Austria, announced today the successful placement of 7.8 million primary and secondary shares of common stock:

- » The total offer proceeds amount to €96.5 million through a placement of 4,736,835 primary shares and 3,068,165 secondary shares
- » The offer price per share was set at €12.36, representing a discount of 3.4% to Intercell's closing share price of €12.80 on June 12th prior to the announcement of the offering and a discount of 0% to the closing price on June 29th
- » Intercell raised approximately €58.5 million from the sales of the 4,736,835 newly issued shares
- » Trading of the newly issued shares on the Vienna Stock Exchange is expected to start on or about July 4, 2006

Vienna, June 30, 2006

Intercell AG has successfully completed its combined primary and secondary offering of its common stock. The offering consisted of a public offering in Austria and a private placement to institutional investors outside of Austria.

The offer price was set at €12.36 per share, resulting in gross proceeds of €58.5 million to Intercell AG with 4,736,835 primary shares sold. Intercell intends to use the net proceeds of this offering for further organic growth of its promising vaccine pipeline, expansion of its manufacturing capacities and general corporate purposes.

In addition to the newly issued shares, 3,068,165 shares provided by management, certain employees and funds managed by private equity firms MPM Capital, TVM Capital, Star Ventures and Alpinvest were placed in the offering, resulting in a total offering volume of €96.5 million. 16.7% of the shares were subscribed by existing shareholders or holders of subscription rights who exercised statutory subscription rights in the course of the rights offering. Upon completion of the offering and after the exercise of 1,118,830 stock options by management and employees, Intercell will have a total of 39,531,897 issued shares of common stock, which includes 518,389 shares of treasury stock.

The offering saw strong demand from institutional investors internationally as well as from Austrian retail and institutional investors. Approximately 95% of the offering was placed with institutional investors, mainly in Austria, Germany, Switzerland, UK and Asia. Retail orders in Austria were provided with an allocation of 40%. A preferred allocation of 80 % was provided to the first 750 shares of any retail order that was placed no later than 17:00 pm CET on June, 26th, 2006.

In connection with the recently announced marketing and distribution partnership with Novartis for Intercell's Japanese Encephalitis Vaccine in the United States, Europe and certain other markets, Novartis invested €30 million in Intercell through the subscription of common



stock in this offering, and now holds 6.1% of the total issued shares of Intercell's common stock

The newly issued shares are expected to begin trading on the Prime Market segment of the Vienna Stock Exchange on or about July 4, 2006 under the symbol "ICLL".

Certain existing shareholders have granted the underwriters a 30-day option to purchase up to 1,142,848 existing shares of common stock at the offer price to cover over-allotments.

Merrill Lynch International acted as a global coordinator and the sole bookrunner with Erste Bank and Sal. Oppenheim jr. & Cie. as co-lead managers in this offering.

Gerd Zettlmeissl, Intercell's CEO, commented on the successful offering: "With the proceeds from this offering Intercell is well positioned for the next stage of its strategic growth, particularly with respect to the launch of its lead vaccine candidate for Japanese Encephalitis. In addition, through this offering we were able to further broaden our shareholder base and improve the free-float of our stock on the Vienna Stock exchange, which now constitutes approx. 60% of our total issued shares. We expect this to contribute to further improvements in the trading liquidity of our shares."

About Intercell AG

Intercell AG is a biotechnology company focused on the research, development, manufacturing and future commercialization of innovative vaccines for the prevention and treatment of infectious diseases, for which there exists a 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 S.A., Merck & Co., Inc., SciGen Ltd., the Statens Serum Institut and Kirin Brewery Co., Ltd.. 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 vaccine candidates for tuberculosis and *S. aureus*, which are in Phase I, and more than five other 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

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This press release does not constitute an offer to sell or the solicitation of an offer to purchase the shares of Intercell AG. The shares offered in connection with the public offering in Austria have already been placed.

This press release does not constitute an offer of securities, nor a solicitation for an offer of securities. A prospectus that was approved by the Austrian Financial Markets Supervisory Authority was published on 13 June 2006. Interested persons can obtain a free copy of the prospectus from Intercell AG and Erste Bank der oesterreichischen Sparkassen AG during business hours. In connection with the offer of securities of Intercell AG only the information contained in the prospectus is binding.

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