



## **Intercell announces intention to acquire Pelias AG to strengthen its product portfolio and strategic focus in hospital-acquired infections**

- » Vienna-based Pelias AG focuses on the development of novel vaccines against hospital-acquired infections – the company's lead product, a novel protein based vaccine against Pseudomonas infections, is in clinical trials
- » Full integration of vaccine projects in the field of hospital-acquired infections will strengthen Intercell's product portfolio and strategic focus in a market with high unmet medical need
- » As consideration for the acquired shares, up to 350,000 new Intercell shares from existing authorized capital will be offered to selling Pelias shareholders

**Vienna (Austria), December 6, 2006** – Intercell AG today announced its intention to increase its shareholding in the Vienna-based Pelias Biomedical Development AG ("Pelias") from currently 46 percent to a shareholding of 100 percent. In an all-share deal, Intercell offers up to 350,000 new Intercell shares, representing about 0.9 percent of Intercell's current share capital, to the remaining private shareholders of Pelias. The transaction, which is subject to certain closing conditions required by Austrian law, is expected to close early 2007.

Pelias develops products and holds certain licenses in the field of vaccines against important pathogens involved in hospital-acquired infections, including a clinical stage Pseudomonas vaccine candidate and a number of antigens, which have been identified by Intercell's proprietary Antigen Identification Program (AIP®). Hospital-acquired infections are one of the major causes of death and serious illness worldwide and result in an annual burden of USD 20 billion in the developed world.

"The attractive product portfolio combined with our enabling technologies offer us a unique opportunity to expand our globally leading position as technology provider and vaccine developer in the field of hospital-acquired infections", states Intercell's CEO Gerd Zettlmeissl.

"Our clinical progress with our Japanese Encephalitis vaccine and our strong financial position allow us to broaden our pipeline in an attractive field with high unmet medical need. Our enlarged product portfolio will support our position in leading vaccine innovation without any major implications on our business plan", states Werner Lanthaler, CFO of Intercell.

### **About hospital-acquired infections**

Nosocomial infections – or hospital acquired infections - are bacterial or fungal infections which are acquired in a hospital setting and cause a variety of severe infections, many life-threatening such as pneumonia, sepsis and bacteremia. Each year, around 2 million infections and 100,000 deaths occur in the US alone due to nosocomial infections. The annual burden to the society is constantly increasing due to the antibiotics resistance of the most problematic





bacteria. In the field of *S. aureus* infections Intercell has a strong strategic alliance with Merck & Co., Inc. with a vaccine product in clinical trials.

### **Market Potential**

Hospital-acquired infections represent a large market with an urgent, unmet medical need:

- » Nosocomial infections are one of the major causes of death and serious illness worldwide.
- » Conservative estimates put the number of hospital-acquired infections at around 2 million per year only in the US, leading to around 100,000 deaths and resulting into an accumulated annual burden of more than USD 20 billion in the developed world.
- » These numbers are expected to more than double by 2010. The combined market volume in the US and EU is currently estimated at around USD 5 billion.

### **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. Intercell 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 Novartis, Wyeth, Sanofi Pasteur S.A., Merck & Co., Inc., Kirin Brewery Co., Ltd. and the Statens Serum Institut. Intercell has a broad development pipeline with a vaccine product candidate for Japanese Encephalitis in Phase III clinical trials, 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](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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