



## **Intercell receives milestone payment triggered by initiation of further clinical trial for Flu vaccine with IC31**

- » Further clinical trial for a seasonal flu vaccine containing Intercell's adjuvant IC31<sup>®</sup> being initiated
- » Intercell will be entitled to receive EUR 2 m milestone payment upon the vaccination of the first human subject in the clinical trial

**Vienna (Austria), June 13, 2008** – Intercell AG (VSE: ICLL) today announced progress in its collaboration with Novartis to develop an improved Influenza vaccine. Novartis now has initiated its in-house development program with clinical trials designed to demonstrate safety and immunogenicity of a seasonal Influenza vaccine adjuvanted with IC31<sup>®</sup>. This triggers a milestone payment of EUR 2 m to Intercell. As part of the agreement between Novartis and Intercell, signed in July 2007, Novartis has an exclusive license for development of Intercell's IC31<sup>®</sup> adjuvant in novel influenza vaccines.

As announced in February 2008 Intercell completed an initial Phase I clinical trial of the company's adjuvant IC31<sup>®</sup> in combination with the seasonal, trivalent influenza vaccine Agrippal<sup>®</sup> from Novartis. The IC31<sup>®</sup> adjuvanted vaccine showed an excellent safety and tolerability profile, which was comparable to the non-adjuvanted standard vaccine. Furthermore in all study groups vaccination with the test vaccine led to the induction of virus specific T-cells and protective levels of antibody responses against the three included influenza strains.

Gerd Zettlmeissl, CEO of Intercell, commented: "Intercell's IC31<sup>®</sup> has shown excellent preclinical data and an encouraging profile in first trials in humans and we are confident that an influenza vaccine formulated with IC31<sup>®</sup> now further developed by Novartis has potential to become a next generation vaccine."

### **About IC31<sup>®</sup>**

Vaccines, based on antigens alone, are not sufficient to provide full protection. Adjuvants are needed to educate the immune system to recognize and eliminate the pathogens efficiently.

IC31<sup>®</sup> is an adjuvant that induces T-cell and B-cell responses by using a unique synthetic formulation which combines the immunostimulating properties of an anti-microbial peptide, KLK, and an immunostimulatory oligodeoxynucleotide, ODN1a. The two component solution can be simply mixed with antigens; no conjugation is required.

Intercell currently uses IC31<sup>®</sup> in collaborations with a number of global vaccine companies and biotech companies. These collaborations include amongst others the development of a tuberculosis vaccine in Phase I clinical trials, which has been partnered with the Danish Statens Serum Institut and Sanofi Pasteur.

## **About Influenza**

The flu is a contagious respiratory illness caused by influenza viruses. The infection usually lasts for about a week. It is characterized by sudden onset of high fever, myalgia, headache and severe malaise, non-productive cough, sore throat, and rhinitis. From 1918 to 1919, the "Spanish Flu" killed more people in the world-wide pandemic than did the First World War.

Influenza viruses cause disease among all age groups. Rates of infection are highest among children, but rates of serious illness and death are highest among persons aged >65 years and children aged <2 years. Influenza rapidly spreads around the world in seasonal epidemics and imposes a considerable economic burden in the form of hospital and other health care costs and lost productivity.

In annual influenza epidemics 5-15% of the population are affected with upper respiratory tract infections. Hospitalization and deaths mainly occur in high-risk groups. Although difficult to assess, these annual epidemics are thought to result in between three and five million cases of severe illness and between 250 000 and 500 000 deaths every year around the world.

Vaccination is the principal measure for preventing influenza and reducing the impact of epidemics. The currently available, mostly not adjuvanted vaccine products have a suboptimal efficacy profile, especially in the population groups with the highest disease burden (elderly and infants). Furthermore, these vaccines only offer limited cross-protection against other influenza strains, with no or low T-cell responses. Due to these limitations, novel vaccines with improved efficacy and T-cell immunity are needed.

## **About Intercell AG**

Intercell AG is a growing biotechnology company which focuses on the design and development of novel vaccines for the prevention and treatment of infectious diseases with substantial unmet medical need. The Company develops antigens and adjuvants which are derived from its proprietary technology platforms, and has in-house GMP manufacturing capabilities. Based on these technologies, Intercell has strategic partnerships with a number of global pharmaceutical companies, including Novartis, Merck & Co., Inc., Wyeth, Sanofi Pasteur, Kirin and the Statens Serum Institut.

The Company's leading product, a prophylactic vaccine against Japanese Encephalitis, successfully concluded pivotal Phase III clinical trials in 2006. The Market Authorization Application (MAA) in Europe as well as the Biological License Application (BLA) with the US Food and Drug Administration (FDA) for the use of the vaccine to prevent Japanese encephalitis were submitted in December 2007. The company's broad development pipeline includes a Pseudomonas vaccine in Phase II, a therapeutic vaccine for Hepatitis C in Phase II, partnered vaccines for Tuberculosis (Phase I) and Staphylococcus aureus (Phase II), and five products focused on infectious diseases in preclinical development.

As announced in May 2008 Intercell and the US-based Iomai Corporation have entered into a definitive agreement pursuant to which Intercell will acquire Iomai. Intercell will gain full



rights to Iomai's late stage Travelers' Diarrhea vaccine which is based on Iomai's proprietary needle-free patch delivery vaccine technology.

Intercell is listed on the Vienna stock exchange under the symbol "ICLL".

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

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