

Intercell AG announces Q2/ H1 2008 results and gives update on business:

- » **International approval processes for Japanese Encephalitis vaccine on schedule – Approvals of Intercell's Japanese Encephalitis vaccine candidate in the US, Europe and Australia expected within the next few months**
- » **Acquisition of Iomai Corporation (Iomai) closed according to plan**
- » **Despite higher costs because of Iomai acquisition profitability expected for full year 2008**
- » **Revenues increased to EUR 17.6 m in H1 2008 compared EUR 5.2 m in H1 2007 (240.3 percent) – Net loss decreased by EUR 6.9 m (44.4 percent), to EUR 8.6 m in H1 2008 from EUR 15.6 m in H1 2007 – Strong cash position with EUR 258.3 m by the end of H1 2008**

Vienna (Austria), August 18, 2008 – Today Intercell AG (VSE: ICLL) announced the financial results for Q2 / H1 2008 and released an update on the company's developmental programs and strategy.

Following the completion of US FDA pre-approval inspection, Intercell continues to work towards approvals of its Japanese Encephalitis vaccine candidate in the US, Europe and Australia within the next few months

- » FDA waives VRPAC (Vaccines and Related Biological Products Advisory Committee); pre-approval inspection completed on time
- » Licensure application submitted to Australian Therapeutic Goods Administration (TGA) and to Canadian Division of Biologics and Genetic Therapies Directorate of Health. TGA grants priority review for Intercell's vaccine candidate in Australia.
- » Intercell already produces the vaccine at its manufacturing facility in Livingston under the commercial Manufacturer's License from MHRA
- » Vaccine demonstrates excellent safety and immunogenicity at "half dose" in Phase II trials in children. Development for endemic markets with Intercell's Indian partner Biological E. progresses well
- » Ongoing strategic assessment of potential opportunities on the Japanese market continues

Intercell acquires Iomai and strengthens leadership in vaccine innovation – first focusing on bringing the vaccine patch for Traveler's Diarrhea to market

- » Intercell's acquisition of Iomai closed smoothly on August 5, 2008. The total consideration of 1,442,819 Intercell shares and a cash component of EUR 75 million (USD 116 million), was comfortably financed from existing reserves
- » Valuable expansion of Intercell's pipeline and leveraging of Intercell's late-stage product development with two further programs in late-stage clinical development – the vaccine patch for Traveler's Diarrhea (start of Phase III planned for the first half of 2009) and the vaccine enhancement patch for the Pandemic Flu (start of Phase II in 2008)

Hospital-acquired infections – all developmental programs on track

- » **S. aureus:** Phase II of the vaccine in elective cardiothoracic surgery – conducted by Merck & Co – progressing (conducted by Merck & Co., Inc.)
- » **Pseudomonas:** Start of clinical Phase II/III trials expected for 2008
- » **Pneumococcus:** Outstanding pre-clinical results on the novel, protein-based, universal vaccine published in the Journal of Experimental Medicine; initiation of Phase I trials planned for 2008

Adjuvant IC31® – Progress in the development of new Influenza vaccine – Sanofi Pasteur joins Tuberculosis cooperation

- » **Influenza:** Novartis initiated clinical trials for the seasonal flu vaccine containing IC31®
- » **Tuberculosis:** The tuberculosis vaccine, currently being tested in clinical trials (formulated with IC31®), will be further developed in a partnership between Statens Serum Institut (SSI) and Sanofi Pasteur

Financial Statement

- » Revenues increased to EUR 17.6 m in H1 2008 compared EUR 5.2 m in H1 2007, or by 240.3 percent. Net loss decreased by EUR 6.9 m, or by 44.4 percent, to EUR 8.6 m in H1 2008 from EUR 15.6 m in H1 2007. Strong cash position with EUR 258.3 m by the end of H1 2008

Management Board

- » Intercell's CSO, Alexander von Gabain, appointed to the Governing Board of the European Institute of Innovation and Technology



Key Figures – Financial Highlights*

EUR in thousands

	3 months ended		6 months ended		Year ended Dec 31, 2007
	June 30, 2008	June 30, 2007	June 30, 2008	June 30, 2007	
Revenues	9,018	3,682	17,642	5,184	53,349
Net profit/(loss)	(4,032)	(8,522)	(8,650)	(15,571)	5,009
Net operating cash flow	(12,578)	(4,867)	(25,386)	(14,502)	41,686
Cash and marketable securities, end of period	258,286	81,056	258,286	81,056	287,571

* The financial information does not take into consideration the acquisition of Iomai Corporation, which occurred in Q3 2008.

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 and is currently in the process of market approval in the US, Europe, Australia and Canada. Market approval in the US, Europe and Australia is expected for the second half of 2008.

The company's broad development pipeline includes a Travelers' Diarrhea vaccine (patch) in Phase II (start of Phase III expected in 2009), a Pseudomonas vaccine in Phase II, as well as an immunostimulant vaccine patch in pandemic Flu, a partnered S. aureus vaccine in Phase II and five products focused on infectious diseases in preclinical 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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