



Intercell-Novartis Vaccine alliance – Intercell receives next EUR 40 million payment

- » EUR 40 m further option fee paid by Novartis
- » Actual cash position more than EUR 200 m
- » Development of key products within the Novartis alliance progressing

Vienna (Austria), September 25, 2008 – Intercell AG announced the completion of the next step in implementing the strategic alliance with Novartis which was initiated in July 2007. A EUR 40 m option fee agreed with Novartis was received by Intercell today. Together with the EUR 150 m equity investment made in September 2007 and the EUR 80 m option fee and upfront licence fee paid in November 2007, the payment brings the cash received to date by Intercell under its strategic alliance with Novartis to a total of EUR 270 m.

"After the payment of all costs associated with the recently completed acquisition of IOMAI Corporation, Intercell's cash position is now more than EUR 200 m. We also expect our cash position by the end of 2008 to be around EUR 200 m. This secures the optimal speed of all development programs and the strategic growth of the company", states Werner Lanthaler, CFO of Intercell.

About the Intercell-Novartis cooperation

In July 2007, Intercell and Novartis signed a major strategic partnership to accelerate innovation in the development of vaccines against infectious diseases. The partnership grants Novartis option rights to future vaccine candidates discovered by Intercell during the long-term collaboration.

About Intercell AG

Intercell AG is a growing biotechnology company that designs and develops novel vaccines for the prevention and treatment of infectious diseases with substantial unmet medical needs. The Company's technology platforms include an antigen-discovery system, two proprietary adjuvants and a novel patch-based delivery system. 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 lead product is a vaccine against Japanese Encephalitis. That vaccine successfully concluded pivotal Phase III clinical trials in 2006, and Intercell is seeking marketing approval in the United States, Europe and Canada. Approval in those markets is anticipated during the second half of 2008.

The Company's development pipeline includes Phase II vaccine programs for *Pseudomonas* (in-house development) and *S. aureus*, which is being developed with Merck & Co. Inc. The





Company's novel Travelers' Diarrhea vaccine patch will enter Phase III testing in 2009. Intercell is also in clinical trials of a vaccine enhancement patch with injected pandemic influenza vaccines (one shot plus patch). In addition, five other products focused on infectious diseases are 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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