



## **USD 12.5 m funding for the development of Intercell's vaccine patch system for Pandemic Influenza from U.S. Department of Health and Human Services (HHS)**

**Vienna/Austria, December 10, 2008** – Intercell AG (VSE: ICLL) today announced the execution of a contract modification with the U.S. Department of Health and Human Services (HHS). The agreement commits additional funding of USD 12.5 m for Intercell's Pandemic Influenza program.

Intercell is developing a Pandemic Influenza Vaccine Patch System that includes an immunostimulant patch administered in conjunction with an injected Pandemic Influenza vaccine (manufactured by Solvay Biologicals, B.V., The Netherlands); the system is designed to enhance the immune response and enable dose sparing of the Pandemic Influenza vaccine.

The actual funding forms part of an HHS contract with potential funding of up to USD 128 m over five years. If successful, Intercell's Pandemic Influenza Vaccine Patch System would have the effect of expanding limited vaccine supplies by allowing fewer or lower doses of the vaccine.

The next Phase II study is expected to start in early 2009 and will be a randomized, blinded study to determine the optimal combination and dose of an injected H5N1 influenza vaccine and the vaccine patch from Intercell. The study will be conducted in the U.S. and is expected to enroll 500 subjects at six study sites.

The initial Phase I/II clinical trial funded under this HHS contract demonstrated that a single 45-microgram dose of an injected H5N1 influenza vaccine, coupled with a single 50-microgram Intercell patch was sufficient to provide an immune response considered protective in 73 percent of those tested: a statistically significant improvement over those who received the H5N1 influenza vaccine alone. The trial was one of the first to demonstrate that a single dose of Pandemic Influenza vaccine may meet the level of protection suggested in U.S. Food and Drug Administration (FDA) guidance.

Thomas Lingelbach, COO of Intercell AG and CEO of Intercell USA commented: "The financial support from HHS enables us to continue our Pandemic Flu program with full speed in 2009. The progress of this program is also an important endorsement of the ability of our patch technology to enhance the immune response, when combining it with an injected vaccine."

### **About Pandemic Influenza**

Three influenza pandemics have occurred in the 20th century leading to the death of more than 50 million people globally. By U.S. government estimates, pandemic influenza has a greater potential to cause deaths and illnesses than virtually any other natural health threat. Signs of a pandemic influenza have emerged in Southeast Asia, as lethal infections of poultry and humans with avian influenza virus continue. The current virus is now endemic in bird populations, having spread to more than 40 countries and causing the deaths of hundreds of





millions of birds. Furthermore, the World Health Organization reports that the number of avian flu cases in humans has reached more than 370 cases in 14 countries.

### **Development of Pandemic Influenza Vaccines**

Intercell believes that its vaccine patch (immunostimulant patch) has the potential for the development of improved influenza vaccines, especially in the field of pandemic influenza. Preclinical studies and the Phase I/II clinical study results using the patch with H5N1 vaccine suggest that this strategy may be used for other applications where improved immunogenicity, decreased antigen doses, or fewer immunization visits are desired.

### **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, Kyowa Hakko Kirin, and the Statens Serum Institut.

The Company's leading product, a prophylactic vaccine against Japanese Encephalitis, is currently in the process of marketing approval in the U.S., Europe, Australia and Canada. Marketing approval in the U.S., Europe and Australia is expected for 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 a pandemic Influenza Vaccine Enhancement patch, a partnered S. aureus vaccine in Phase II and four 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](http://www.intercell.com)

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