



Intercell Signs Exclusive Agreement for Marketing and Distribution of its Japanese Encephalitis Vaccine in Japan and Korea

Vienna (Austria), January 19, 2009 – Intercell AG (VSE: ICLL) announced it has signed an exclusive agreement with Novartis AG for the marketing and distribution of Intercell's vaccine candidate to prevent Japanese Encephalitis, in Japan and Korea. This expands the commercialization agreement between Intercell and Novartis to these territories, which previously were not covered by the initial marketing and distribution agreement for Intercell's Japanese Encephalitis vaccine signed in 2006. Under the terms of this agreement, Novartis receives the exclusive marketing and distribution rights in Japan and Korea and obtains a distribution margin on all product sales in these territories. Additional financial details were not disclosed.

"Japanese Encephalitis is endemic to Japan and Korea and poses a significant risk, particularly to children", said Gerd Zettlmeissl, Chief Executive Officer of Intercell. "It was a priority for Intercell to identify a very strong marketing partner for these markets, where the disease is a major public health threat and we are convinced that Novartis – with its global reach – is ideally suited."

About Japanese Encephalitis

Japanese Encephalitis is a mosquito-borne infection that strikes 30,000 to 50,000 individuals a year, causing 10,000 to 15,000 deaths. Up to 50% of survivors have persistent neurological sequelae. Japanese Encephalitis is the leading cause of viral neurological disease and disability in Asia and the most important viral encephalitis in Asia. The disease is most common in several developing countries in Asia. No treatment is currently available; only vaccination effectively prevents the disease. Though other vaccines have been available in the past, use of those products was limited due to reports of neurological reactions.

About Intercell's JE vaccine

Intercell's novel JE vaccine is a purified, inactivated vaccine for active immunization against the Japanese Encephalitis virus. The vaccine was developed for over 10 years under a Collaborative Research and Development Agreement (CRADA) with the Walter Reed Army Institute of Research (WRAIR).

Intercell's Phase III trials for the vaccine found that the vaccine demonstrated excellent immunogenicity against Japanese Encephalitis and an overall clinical safety profile similar to placebo combined with an excellent local tolerability profile. These data were published in *The Lancet* in December 2007:

- » The immunogenicity was comparable to that of the U.S. licensed product, JE-VAX®
- » Intercell's vaccine demonstrated an overall clinical safety profile similar to placebo





» Further, Intercell's JE vaccine had an excellent local tolerability profile in the head-to-head study with JE-VAX®

In December 2008 Intercell AG received the CHMP (European Committee for Human Medicinal Products) positive opinion for the approval of its vaccine in Europe. Furthermore, the Australian Drug Evaluation Committee (ADEC) has issued a positive approval recommendation for the company's new vaccine against Japanese Encephalitis.

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. Intercell's vaccine to prevent Japanese Encephalitis is the company's first product on the market.

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, Kyowa Hakko Kirin and the Statens Serum Institut.

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 conducting clinical trials of a vaccine enhancement patch with injected pandemic influenza vaccines (one shot plus patch). In addition, four other products focused on infectious diseases are in pre-clinical 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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