



Intercell Announces FDA Approval of IXIARO[®], a Vaccine against Japanese Encephalitis **– A Successful Collaboration with the U.S. Army**

- » U.S. FDA (Food and Drug Administration) approves Intercell's first marketed product, a new vaccine against Japanese Encephalitis for adult travelers and military personnel
- » Success of Intercell's new JE vaccine is a result of an excellent collaboration between Intercell and the Walter Reed Army Institute of Research in the U.S.
- » Supply contract for IXIARO with the U.S. military, to be concluded in the near future, forms the basis for distribution of the vaccine to the U.S. military

Vienna, Austria, March 31, 2009 – Intercell AG (VSE: ICLL) today announced FDA approval of its new vaccine, IXIARO, for the prevention of Japanese Encephalitis (JE), which now builds the basis for the future distribution of the vaccine to the U.S. military. The Defense Logistics Agency (DLA), United States Department of Defense, already posted a Request for Proposal (RFP) for purchase of JE vaccine in August 2008. As JE is a serious and growing public health threat in Asia, the DLA intends to enter into a contract to purchase supplies of JE vaccine for use with military personnel who are deployed to affected countries.

"With the approval of IXIARO, Americans – both civilians and military personnel – will have an efficacious and safe vaccine to protect themselves from the devastating effects of Japanese Encephalitis. JE is a deadly disease found mainly in Asia that kills approximately one-third of those persons who contract it and leaves one-half of survivors with permanent brain damage. As there is no specific treatment for JE, health care experts recommend vaccination as the best protection for the millions of travelers and military personnel who live in or travel to areas where the virus circulates," said Intercell's Chief Executive Officer, Gerd Zettlmeissl. "The timing of this FDA approval of IXIARO is good news because production has been halted and inventories are almost exhausted for the only other JE vaccine licensed in the United States today."

IXIARO was developed for over 10 years under a Collaborative Research and Development Agreement (CRADA) with the Walter Reed Army Institute of Research (WRAIR). "The expert scientists at WRAIR made a significant contribution towards development of IXIARO and Intercell is very appreciative of this outstanding collaboration. The FDA approval of IXIARO is an excellent example of what can be achieved when industry and government work together towards an important common goal. Intercell looks forward to supplying this novel vaccine to the U.S. military for use in their JE immunization program," added Zettlmeissl.

"The U.S. Department of Defense (DoD) welcomes the news that IXIARO has now been approved by FDA," stated LTC(P) Wayne Hachey, Director of Preventive Medicine in the Office of the Deputy Assistant Secretary of Defense for Force Health Protection and Readiness. "The Department has been committed to protecting its Service members from this serious disease since the threat was first recognized during World War II", Hachey said. "DoD



researchers developed the initial vaccine against Japanese Encephalitis (JE) and are responsible for much of our understanding regarding the effectiveness and safety of that vaccine.

"Recognizing that a replacement vaccine would be required," Hachey explained, "DoD researchers were again at the forefront of the JE vaccine development that eventually led to IXIARO. Through a decade-long successful collaboration between DoD and Intercell, we now have an effective vaccine that early indications predict both improved safety and convenience for our Service members."

IXIARO is a purified, inactivated product for active immunization against viral infections of Japanese Encephalitis. IXIARO is manufactured at Intercell's proprietary manufacturing facility in Scotland and is prepared using modern tissue culture rather than live organisms.

Intercell will directly distribute and market IXIARO to the U.S. military, while such functions will be handled by Novartis Vaccines USA to the private market.

About Japanese Encephalitis

Japanese Encephalitis is a mosquito-borne infection that strikes approximately 50,000 persons per year and causes 15,000 deaths (both probably an underestimate due to underreporting and other factors). The disease is most common in several developing countries in Asia, including India and China. JE causes death in one out of every three people with overt encephalitis and one-half of survivors develop permanent brain damage. No treatment is currently available for JE and only vaccination effectively prevents the disease. Though another JE vaccine was available in the past, use of that product was limited by reports of adverse reactions; furthermore, this vaccine is no longer being produced for the United States market and supplies will soon be exhausted.

About IXIARO

Intercell's novel Japanese Encephalitis vaccine is a purified, inactivated vaccine for active immunization against the Japanese Encephalitis virus. The total development time of this vaccine took more than 10 years. The vaccine was developed under a Collaborative Research and Development Agreement with the Walter Reed Army Institute of Research, a biomedical research laboratory for the U.S. Department of Defense.

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 Japanese Encephalitis vaccine had a more favorable local tolerability profile in the head-to-head study with JE-VAX®.



About Intercell AG

Intercell AG is an innovative 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 in 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

About The Office of the Deputy Assistant Secretary of Defense for Force Health Protection and Readiness

The Office of the Deputy Assistant Secretary of Defense for Force Health Protection and Readiness (FHPR) oversees U.S. Department of Defense (DoD) efforts to develop and implement policies and programs relating to DoD deployment medicine, force health protection, medical readiness, and national disaster support for 2.3 million Service members. FHPP proactively addresses deployment-related health threats to the welfare of U.S. Service members and their families, and integrates medical lessons learned from previous conflicts into current policy, doctrine and practice. This dynamic process involves all components of the military health care system, emphasizing the relationship between military medicine and the fighting forces it supports.

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