



# Q1 results 2010 & Update on R&D Progress

**MAY 11, 2010**

*Intercell* develops *vaccines*   
for the  *prevention and treatment*  
of *infectious diseases* .

For more information be invited to: [www.intercell.com](http://www.intercell.com)



## Forward-looking statements

These materials contain certain forward-looking statements relating to the business of Intercell AG (the “Company”), including with respect to the progress, timing and completion of the Company’s research, development and clinical trials for product candidates, the Company’s ability to manufacture, market, commercialize and achieve market acceptance for product candidates, its ability to protect its intellectual property and operate its business without infringing on the intellectual property rights of others, the Company’s estimates for future performance and its estimates regarding anticipated operating losses, future revenues, capital requirements and its needs for additional financing. In addition, even if the Company’s actual results or development are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of the Company’s results or developments in the future. In some cases, you can identify forward-looking statements by words such as “could,” “should,” “may,” “expects,” “anticipates,” “believes,” “intends,” “estimates,” or similar words. These forward-looking statements are based largely on the Company’s current expectations as of the date of this presentation and are subject to a number of known and unknown risks and uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievement expressed or implied by these forward-looking statements. In particular, the Company’s expectations could be affected by, among other things, uncertainties involved in the development and manufacture of vaccines, unexpected clinical trial results, unexpected regulatory actions or delays, competition in general, the impact of the global credit crisis, and the Company’s ability to obtain or maintain patent or other proprietary intellectual property protection. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements made during this presentation will in fact be realized. The Company is providing the information in these materials as of this date, and we disclaim any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

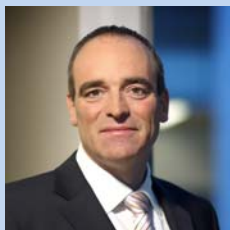
# Delivering on promises – dedication to innovation

## MANAGEMENT BOARD



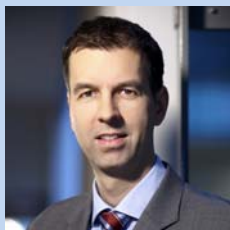
**Gerd Zettlmeissl, CEO**

Former CEO of Chiron Behring, co-inventor of Enbrel



**Thomas Lingelbach, COO**

Former Vice President Industrial Operations Chiron Vaccines,  
Managing Director for Novartis Vaccines Germany



**Reinhard Kandra, CFO**

Appointed CFO in March 2009, more than 8 years with Intercell,  
formerly Deutsche Bank

» **Introduction and Highlights**

*Gerd Zettlmeissl, CEO*

» Financial performance Q1 2010

*Reinhard Kandra, CFO*

» Operational Update

**IXIARO<sup>®</sup>/JESPECT<sup>®</sup> &  
advanced clinical programs**

*Thomas Lingelbach, COO*

» Outlook and next steps

*Gerd Zettlmeissl, CEO*

### Acquisition of Antibody Technology Platform

- » Agreement with Cytos to acquire research platform technology for discovery of human monoclonal antibodies
- » Antibody technology complements Intercell's AIP<sup>®</sup>\* platform – opens novel medically and commercially relevant applications in infectious diseases

### Intercell & Boehringer Ingelheim Vetmedica enter strategic partnership to develop animal vaccines

- » Worldwide agreement for the use of certain antigens derived from AIP<sup>®</sup>
- » Intercell to receive upfront, option & milestone payments as well as royalties on product net sales

\* AIP<sup>®</sup> - Antigen  
Identification  
Program

### **IXIARO®/JESPECT® – Strong focus to increase sales in the traveler and military markets**

- » Good progress in receiving further extended immunization recommendations for key territories/countries\*
- » Sales shifted to Q2-Q4 2010 due to inventories and sales & operations planning
- » Significant sales expected for Q2 – in time for travel season

### **Pneumococcus vaccine**

- » Phase I data showed good safety and immunogenicity profile

### **Next important data points expected**

- » Phase II data for investigational Pandemic Influenza vaccine system (Q2)
- » Phase II data for Pseudomonas vaccine (Q3)

\* France, UK,  
U.S., Germany,  
Military  
(expected Q2  
2010), others



# A straight cash deal to acquire a top-class antibody technology

## INTERCELL-CYTOS – TRANSACTION OVERVIEW

### Acquirer

» Intercell AG (VSE: ICLL)

### Acquired assets

- » All assets, IP and know-how of Cytos' human monoclonal antibody technology
- » Existing human monoclonal antibodies (pre-clinical) against Influenza and Hepatitis B infections

### Offer value

- » EUR 15m in cash\*
- » No milestone, royalties or any other follow-up payments

### Other

- » Deal closing expected for Q2 2010
- » Key personnel transfer to Intercell

\* Two tranches:  
one on closing,  
one in 2011



# Multiple significant and near term value opportunities for monoclonal antibody products

## THE BUSINESS PERSPECTIVE

### Acquired product candidates

- » Existing monoclonal antibodies to treat
  - Influenza
  - Hepatitis B

*Own development  
or  
partnering*

### Technology

- » For own monoclonal antibody candidates in infectious diseases
- » For partnering in areas with low strategic fit for Intercell; i.e. cancer, allergy, inflammation

### New product candidates

- » Monoclonal antibodies against validated AIP<sup>®</sup> targets\*

*Own development  
and  
partnering*

\* i.e. GBS, nosocomial infections (i.e. Klebsiella, Enterococcus, Pseudomonas)

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# Solid financial position

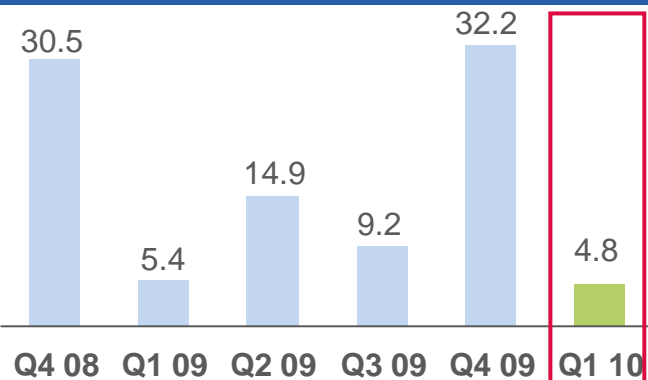
## KEY FINANCIAL FIGURES Q1 2010

<i>EUR in thousands</i>	3 months ended		Year ended
	March 31, 2010*	March 31, 2009*	Dec. 31, 2009
» Revenues	4,756	5,424	61,681
» Net loss	(14,702)	(8,176)	(18,375)
» Net operating cash flow	(15,468)	(14,251)	(25,995)
» R&D Expenses	(17,939)	(15,060)	(62,539)
» Cash and marketable securities, end of period	158,216	172,200	180,019

\* unaudited

# Quarterly overview Q1 2010<sup>\*,\*\*</sup>

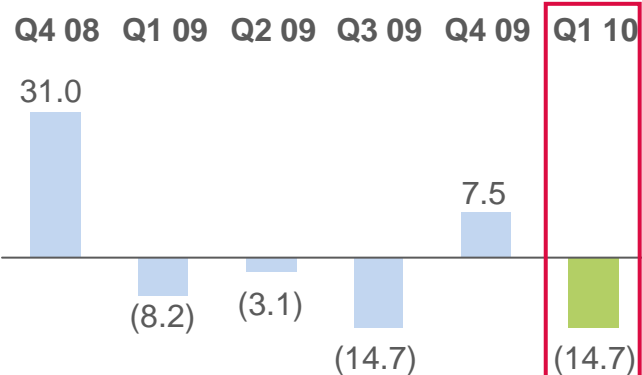
## Revenues, in EUR m



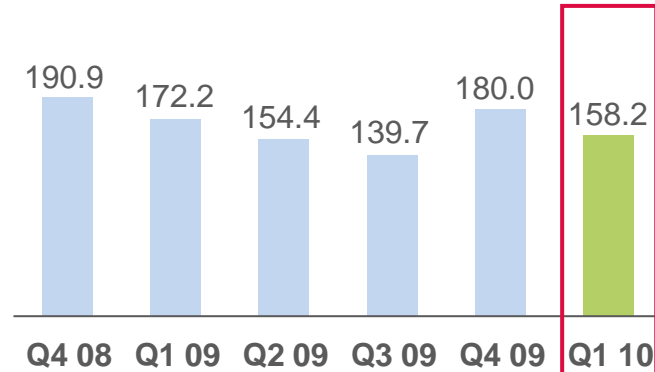
## R&D spending, in EUR m



## Net profit/(loss), in EUR m



## Cash, in EUR m

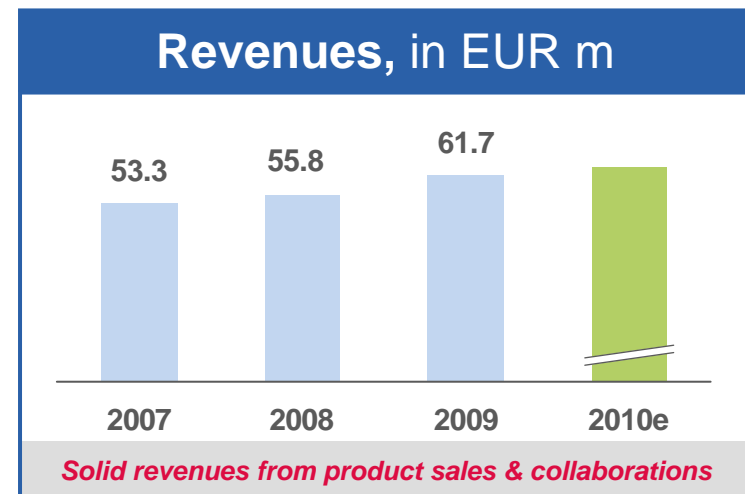
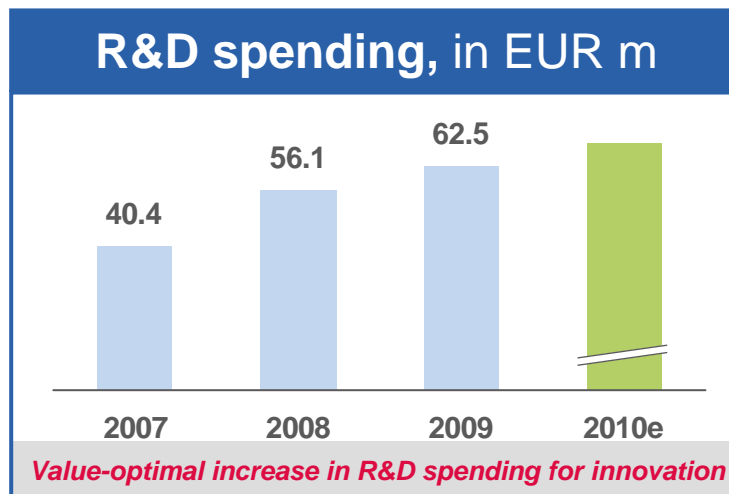
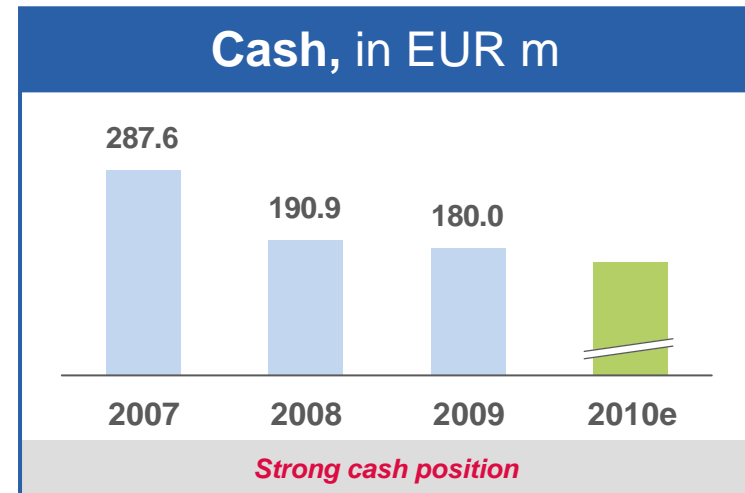
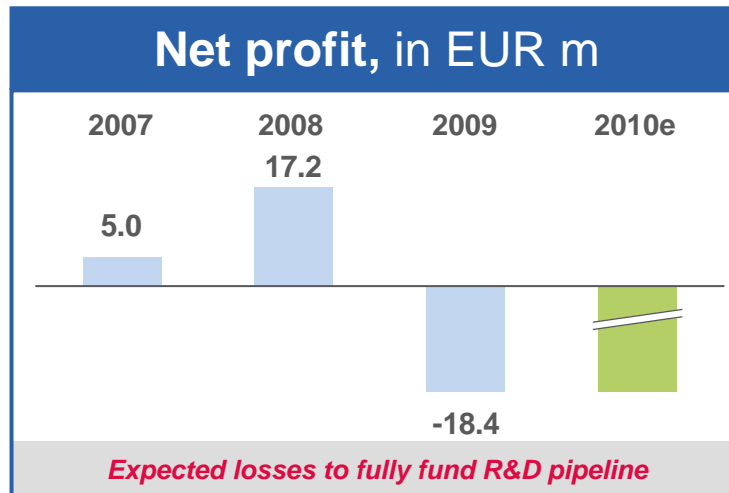


\* Reporting under IFRS  
\*\* unaudited

# Solid financial and strategic position

e - expected

## KEY FIGURES\* – OVERVIEW



\* Reporting under IFRS

## Financial highlights

### SITUATION ANALYSIS Q1 2010\*













- » **Revenues:** Aggregate revenues decreased to EUR 4.8m\* resulting mainly from collaborations, licenses and grants
- » **Product sales:** IXIARO®/JESPECT® sales revenues of EUR 0.4m\* in Q1 2010
- » **Net loss** of EUR 14.7m\*
- » **COGS:** Cost of goods sold decreased by 43.6% to EUR 0.9m compared to Q1 2009
- » **R&D expenses:** Spending of EUR 17.9m\* driven mainly by late-stage development projects e.g. TD, Pseudomonas, Pandemic Influenza
- » **S,G&A expenses:** Moderate increase in SG&A costs to EUR 4.3m\* – tight cost control
- » **Cash position:** EUR 158.2m\* in liquid reserves provide a comfortable and solid financial base

\* Q1 2010  
unaudited

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# Commercialization structure aiming global reach

	U.S. / EU / Japan etc.*	Asia / ROW	Australia	Military
<b>Manu- facturing</b>	 intercell SMART VACCINES	 Biological E. Limited	 intercell SMART VACCINES	 intercell SMART VACCINES
<b>Marketing</b>	 NOVARTIS	 & Biological E. Limited NOVARTIS	 CSL	 intercell SMART VACCINES
<b>Status</b>	<ul style="list-style-type: none"> <li>» Licensed in U.S. &amp; Europe in Q1 2009</li> <li>» Approved in 32 countries (including US, EU27, CAN)</li> <li>» Launched in 16 countries</li> </ul>	<ul style="list-style-type: none"> <li>» Phase III start in 2010</li> <li>» Planned licensure in India (2011) and WHO pre-qualification (2012/13)</li> </ul>	<ul style="list-style-type: none"> <li>» Licensed in Q1 2009</li> <li>» Tenders in New Zealand and Papua New Guinea under evaluation</li> </ul>	<ul style="list-style-type: none"> <li>» Exclusive supply contract with US military</li> <li>» Planned replacement of existing stockpile***</li> </ul>
<b>Trade name</b>	 IXIARO®	 JEEV®**	 JESPECT®	 IXIARO®
<b>Next steps</b>	<ul style="list-style-type: none"> <li>» Facilitate change of national recommendations for JE vaccination in travelers</li> <li>» Expand awareness of JE in target customers</li> <li>» Expand approvals into other countries and label extension in children</li> <li>» Develop vaccine for pediatric vaccination in endemic countries</li> </ul>			

\* Korea, Israel, Hong Kong, Singapore, Mexico, Argentina

\*\* Distinct product based on Intercell's manufacturing technology

\*\*\* JE-VAX®

# Travelers' Diarrhea vaccine – First investigational vaccine delivered with patch has entered Phase III

## SUMMARY

### Pivotal Phase III

- » Started in October 2009
- » 1,800 European subjects travelling to Mexico and Guatemala
- » Recruitment progressing according to plan
- » First data expected for end 2010 / early 2011



### Asian pilot efficacy Phase II

- » Started in January 2010
- » 800 European subjects travelling to India
- » Recruitment finalized
- » First data expected for end 2010

**In an earlier Phase II field trial, the vaccine showed immunogenicity and reduced the risk of clinically significant diarrheal episodes**



# Estimated high likelihood of bringing Travelers' Diarrhea vaccine patch to market

## DEVELOPMENT AND REGULATORY PATHWAY

**2007/2008**

- » First Phase II pilot efficacy data ✓
- » Production of vaccine patches at commercial scale ✓

**2009**

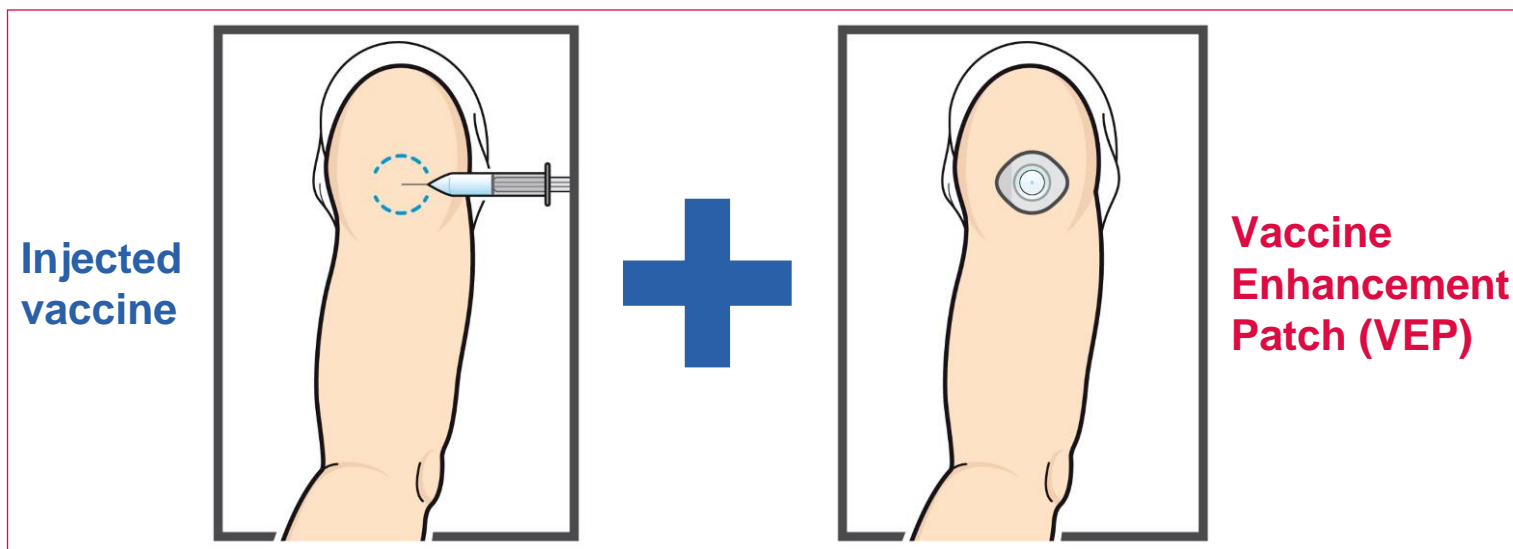
- » Start of pivotal Phase III efficacy studies ✓
- » Definition of marketing and distribution strategy ✓

**2010/11/12**

- » Pivotal Phase III efficacy data
- » Phase III safety and consistency data
- » Build up commercial manufacturing and supply chain
- » FDA/EMEA regulatory filings

# Pandemic Influenza program with Vaccine Enhancement Patch ongoing\*

## INJECTION PLUS PATCH – PHASE II DATA EXPECTED IN Q2



- » One dose – single application potential
- » Reduced risk of capacity shortage
- » VEP is not strain-specific – can be manufactured in advance of a pandemic

\* Fully funded  
by HHS



# Potential of VEP to improve existing and new injectable vaccines\*

## PATH FORWARD

### Key results of Phase I

- » 1 dose H5N1 vaccine\*\* (1x45mcg) **with patch protects 73%** of subjects (vs. 49% without patch)
- » Meets FDA guideline of > 70% protection rate for Pandemic Flu vaccine
- » Excellent local and systemic safety profile

### Phase II Study design

- » **Study vaccine**
  - 1-dose H5N1 vaccine\*\*
  - With/without patch on injection site
  - ~ 500 subjects total
- » Endpoints
  - Protective immune responses\*\*\*
  - Systemic and local safety

**Phase II data to come soon**

\* Program funded (USD 128m) and supported by United States Department of Health & Human Services

\*\* injected, from Solvay

\*\*\* Hemagglutinin inhibition (HI) titers



# Product development roadmap for the PanFlu program

## OVERVIEW

**2009/2010**

- » Execute Phase II study
- » Phase II trial with GSK-produced Influenza vaccine\*

**2011/2012**

- » Conduct supplementary mix & match studies\*\*
- » Supplementary industrialization steps / implementation of manufacturing strategy
- » Phase III initiation

**2012/2013**

- » Pivotal Phase III data
- » Phase III safety and consistency data
- » Build up commercial manufacturing and supply chain
- » FDA/EMEA regulatory filings

\* Subject to HHS concurrence

\*\* Optional in agreement with HHS

## HOSPITAL-ACQUIRED INFECTIONS\*

### S. AUREUS VACCINE

- » Responsible for 40% of all hospital-acquired infections
- » Increasing risk through community-acquired infections
- » Dramatic increase of antibiotic resistance (MRSA)

**Market Opportunity  
> EUR 3bn**



&  MERCK

**Protein based prophylactic vaccine in Phase II/III\*\***

- » Cardiothoracic surgery
- » Chronic risk conditions and other high risk groups (e.g. end stage renal diseases)
- » Orthopedic surgery

### PSEUDOMONAS VACCINE

- » Most important cause of Hospital Acquired Pneumonia
- » Extra costs of treating an infected patient up to EUR 50,000

**Market Opportunity  
> EUR 1bn**



**Protein based prophylactic vaccine in Phase II**

- » ICU patients
- » Cystic fibrosis patients

**Only advanced product candidates in hospital-acquired infections**

- » **Unique strategic solution for dramatically increasing medical need**
- » **Expanding offering by vaccine and antibody approaches**

\* Annually 4 million infections, 200,000 deaths in US/EU; EUR 20bn annual cost burden

\*\* Sequential design

## S. AUREUS DEVELOPMENT AND REGULATORY PATHWAY

**2004 - 2006**

- » Antigen identification and validation ✓
- » Licensing agreement with Merck & Co ✓
- » Extensive pre-clinical work in various animal models ✓

**2007/2008/2009**

- » Clinical Phase I shows robust immune response following single vaccination ✓
- » Initiation of multiple Phase II/III and Phase II studies (cardiothoracic surgery, dialysis) ✓

**2010/2011**

- » Pivotal Phase II/III data (cardiothoracic surgery)
- » Phase III safety and consistency data
- » Additional studies in extended indications (i.e. orthopedic surgery)\*
- » Regulatory filings

\* Optional



# Extensive Phase II study of Pseudomonas vaccine in ventilated ICU patients ongoing

## CLINICAL PROGRAM

### Study design of ongoing Phase II

- » Randomized, placebo controlled, multicenter, double blind study
- » 400 ICU patients with mechanical ventilation
- » Primary endpoint: Immunogenicity at day 14
- » Secondary endpoint: Pseudomonas infection

### Data of Phase II interim analysis\*

- » Good safety and tolerability
- » Robust induction of functional antibodies
- » ~ 10% rate of Pseudomonas infections\*\*

\* 225 of 400 patients  
\*\* Invasive disease according to secondary endpoint definition

# A straightforward development in hospital-acquired infections

## PSEUDOMONAS DEVELOPMENT AND REGULATORY PATHWAY

**2008/2009**

- » Production of clinical Phase II materials ✓
- » Start of Phase II in ICU-patients ✓
- » First Phase II data ✓

**2010/2011**

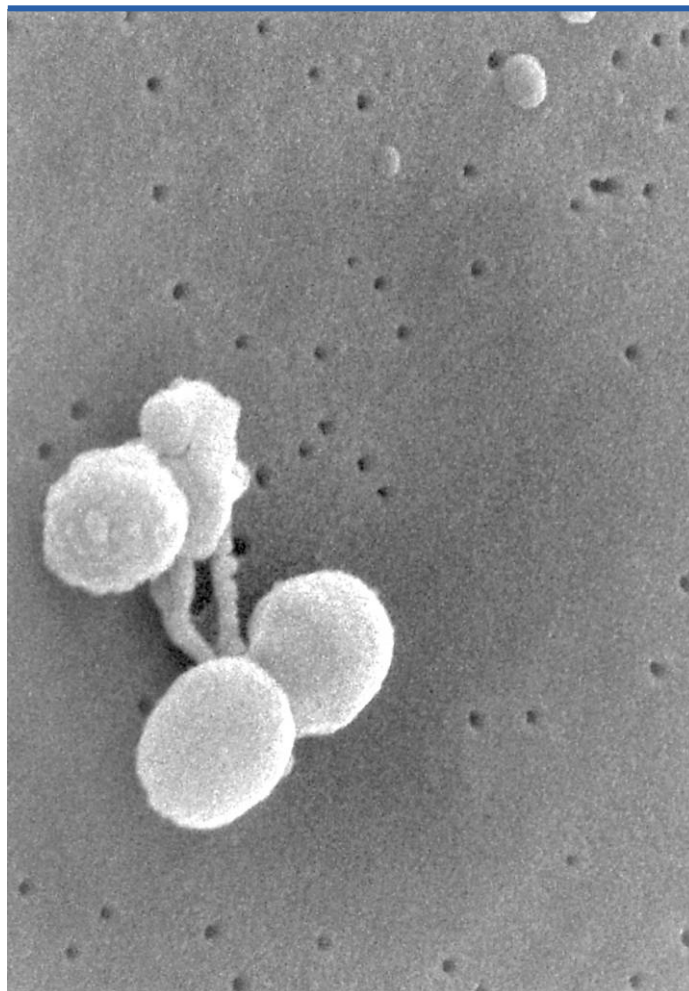
- » Completion of Phase II
- » Potential Novartis opt-in (milestone / co-development decision)
- » Initiation of clinical Phase III

**2012/2013**

- » Pivotal Phase III data
- » Phase III safety and consistency data
- » Regulatory filings

# Streptococcus pneumoniae – Results from first Phase I study indicate safety and immunogenicity

## PRODUCT OVERVIEW AND TARGET INDICATION



### The product

- » Recombinant subunit vaccine consisting of three conserved surface proteins\*
- » Supported by PATH













### Pneumococcus

- » Most common cause of Pneumonia
- » Common bacterial infection in industrialized and developing countries
- » WHO estimates the bacterium kills up to 1 million children per year

\* 2 of the proteins discovered through AIP®

Picture: CDC

# Attractive strategic partners – Alliances with leading industry players

	Date	Indications/ technologies
	April 2010	» Use of AIP®-derived antigens to develop animal vaccines
	Dec 2009	» Patch vaccines ▪ Travelers' Diarrhea vaccine marketing and sales ▪ Pandemic Flu vaccine ▪ Other vaccines delivered via patch
	July 2007	» Various bacterial vaccines*
	June 2006	» IC31® adjuvant (Seasonal Flu, Other infectious disease vaccines)
	Sep 2006	» JEV vaccine marketing and sales (U.S./EU/Asia**)
	March 2006	» IC31® license option for various bacterial vaccines
	March 2005	» Streptococcus pneumoniae mAb*
	March 2005	» JEV vaccine manufacturing (Asia***) » JEV vaccine marketing & sales (Indian subcontinent)
	Aug 2005	» JEV vaccine marketing and sales (Australia)
	May 2004	» S. aureus vaccine and mAb*
	Dec 2003	» Bacterial vaccine* » IC31® adjuvant in Tuberculosis vaccine
	Sep 2006	» Funding Pneumococcus vaccine
	Jan 2007	» Funding Pandemic Flu vaccine

\* From AIP®

\*\* Excluding Biological E. territories

\*\*\* Excluding Japan/Korea

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# Important growth steps well under way

## SELECTED NEXT MILESTONES\*

### JE vaccine

- » First Phase III data from children for travelers' market
- » Start of Phase III in children in endemic countries
- » First approval in endemic countries

### TD vaccine

- » Phase III efficacy data

### S. aureus, Pseudomonas & Pneumococcus vaccines

- » Phase II/III efficacy data in S. aureus
- » Phase II data in Pseudomonas
- » Definition of industrialization & commercialization strategy for Pseudomonas
- » Phase I data in Pneumococcus –in target population

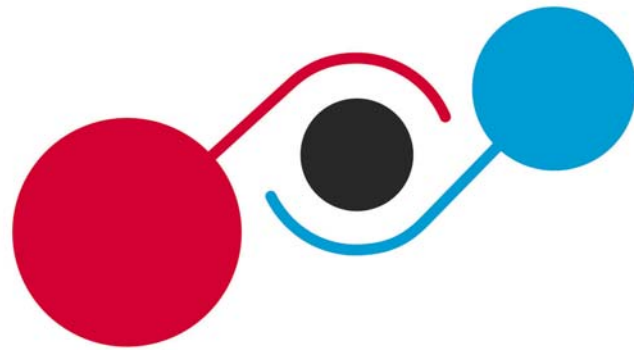
### Flu and other vaccines

- » Phase II data in pandemic Flu (VEP\*\*)
- » Multiple clinical data points within partnerships (e.g. Tuberculosis, Flu)
- » Strategic alliance for HCV vaccine and start of clinical combination study

### AIP®, IC31® Vaccine Patch, Antibodies

- » Further out-licensing of vaccine patch (delivery and VEP\*\*)
- » IC31® in new vaccine indications (including allergy and cancer vaccines)
- » Antibody products – definition of lead candidates

\* 2010/2011  
 \*\* Vaccine Enhancement Patch



intercell  
SMART VACCINES

For more information be invited to: [www.intercell.com](http://www.intercell.com)