



## Q1 2011 Results and Company Update

MAY 10, 2011

*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.

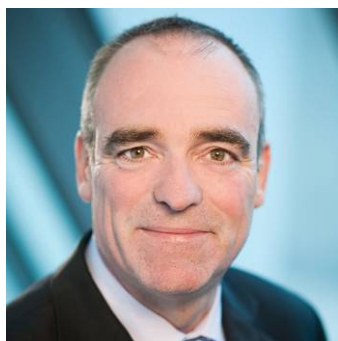
- » **Introduction**  
*Gerd Zettlmeissl*
- » Q1 Highlights and Updates  
*Thomas Lingelbach*
- » Progress in Japanese Encephalitis  
*Staph Bakali*
- » Financial Performance  
*Reinhard Kandra*
- » Key Pipeline Programs  
*Thomas Lingelbach*
- » Strategic and Operational Outlook  
*Thomas Lingelbach*

## MANAGEMENT BOARD



**Gerd Zettlmeissl,  
resigning as CEO**

Appointed in 2001;  
former CEO of  
Chiron Behring, co-  
inventor of Enbrel



**Thomas Lingelbach,  
new CEO**

New appointment  
May 10<sup>th</sup> 2011;  
COO since 2006;  
former Vice  
President Industrial  
Operations Chiron  
Vaccines, Managing  
Director for Novartis  
Vaccines Germany



**Staph Leaven-  
worth Bakali, CBO**

Appointed in  
October 2010;  
former CEO of  
Genocea



**Reinhard Kandra,  
CFO**

Appointed in 2009;  
10 years with  
Intercell,  
formerly Deutsche  
Bank

# Agenda

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- » **Q1 Highlights and Updates**  
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## Q1 delivering to plan – *S. aureus* further development still under evaluation

### Q1 HIGHLIGHTS (1/2)

#### » Financial performance according to plan

- Revenue growth of 19.7% - year on year
- Robust JEV Q1 sales underpin strong growth momentum
- Net loss reduced by 23.4% to EUR 11.3m

#### » Progress in pipeline and strategic partnerships

- **Pseudomonas** – agreed to advance program into pivotal efficacy trial with Novartis
- **C. difficile** – Initiated Phase I
- **PanFlu** – Initiated Phase I with GSK antigen
- **S. aureus** – Phase II/III recruitment suspended, awaiting risk/benefit analysis by Merck
- **GSK** and Intercell re-focus on patch collaboration

## Q1 delivering to plan – S. aureus further development still under evaluation

### Q1 HIGHLIGHTS (2/2)

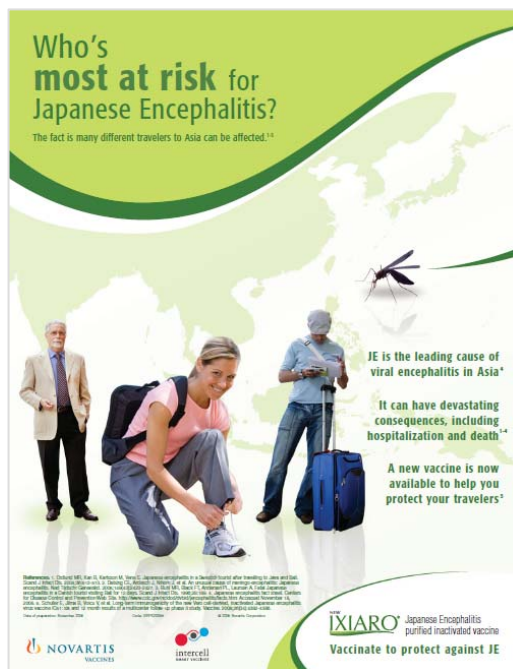
- » Changes in management and plans to pursue “re-set” strategy
  - **Thomas Lingelbach** appointed as new CEO – **Gerd Zettlmeissl** leaving after 10 years at Intercell
  - **Alexander von Gabain**, co-founder and first CEO and **Thomas Szucs**, Chairman on BB Biotech and medical and health economics expert proposed as new Supervisory Board members – **David Ebsworth** leaving Supervisory Board after 8 years
  - Updated strategic plan underway for General Assembly – implementation thereafter

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# Active protection for travelers and military personal against a potentially devastating disease

## IXIARO®/JESPECT®



### Japanese Encephalitis (JE)

- » JE: most common vaccine-preventable cause of Encephalitis in Asia\*
- » Rapid increase in number of travels to Asia
- » Disease and brand awareness key driver to increasing penetration in key markets
- » Ixiaro®/Jespect® only licensed product in Western traveler markets
- » Global reach planned through strong partnerships
- » Sole supplier for US Military as of Q2 2011

\* Centers for Disease Control and Prevention. Japanese Encephalitis Vaccines, Recommendations of the Advisory Committee on Immunization Practices. MMWR, March 12, 2010, Vol. 59, No. RR-1

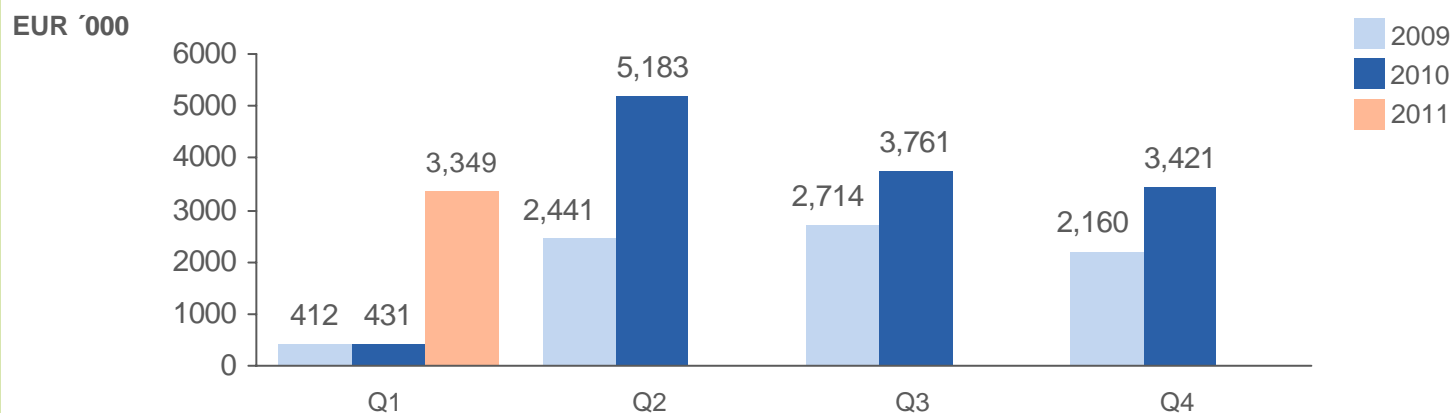
# Strong growth momentum continues across all segments

## IXIARO®/JESPECT® SALES IN Q1 2011

### Key drivers

- » Increased sales in key travel markets
- » Increased usage by US military
- » Additional market launches
- » Expanded vaccination recommendation
  - ACIP booster

### Significant revenue growth in Q1 (seasonally low travel period)



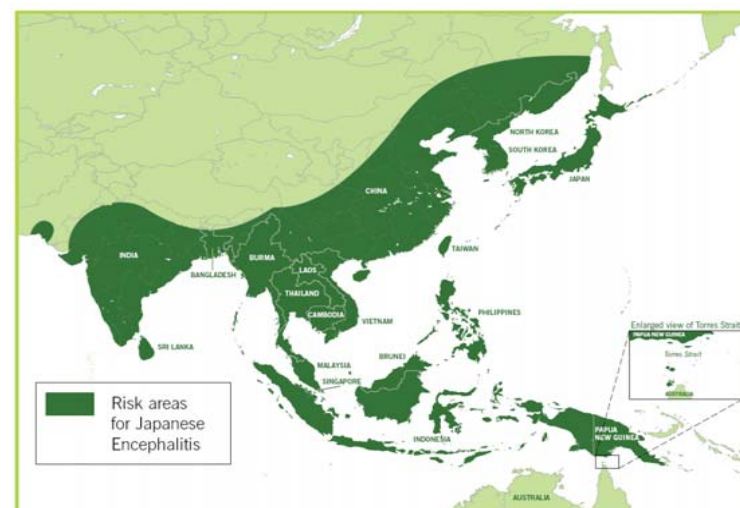
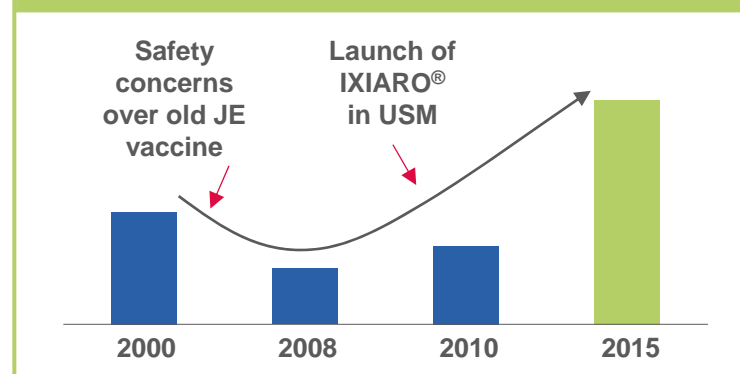
# Increased uptake in Military usage

## STATUS

### Increased adoption of IXIARO®

- » Expiry of old vaccine
  - Stockpile of JE-Vax® exhausted
  - Full transition to IXIARO® as sole supplier
  - Increased adoption due to favorable safety profile of IXIARO®
- » Intensification of M&S effort
  - Dedicated account management
  - Close coordination with military bases in US & in Asian territories
  - IXIARO® now only JE vaccine used outside continental U.S. (OCONUS)

### US DoD utilization rates



## JEV-TO-ASIA STRATEGY

- » Technology transfer to Biological E successfully completed
- » Phase II/III pediatric study initiated in India – data expected in 2011
- » India launch plans for H1 2012 on track
- » Roll out of IXIARO® in private travel markets initiated
  - Hong Kong, Singapore....



# Agenda

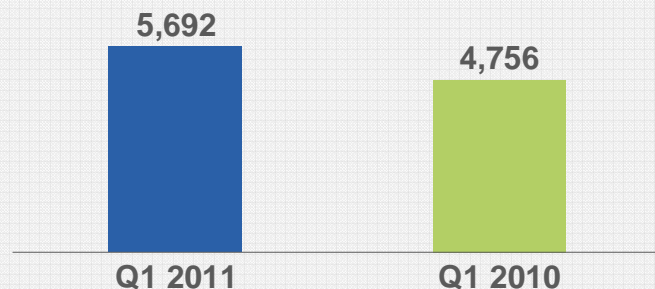
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# Q1 2011\* Key figures

## YEAR ON YEAR COMPARISON

### Revenues

in EUR '000



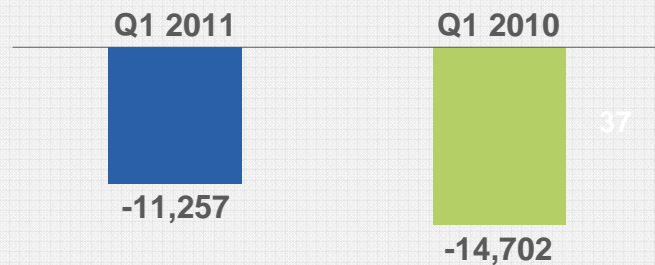
### R&D expenses

in EUR '000



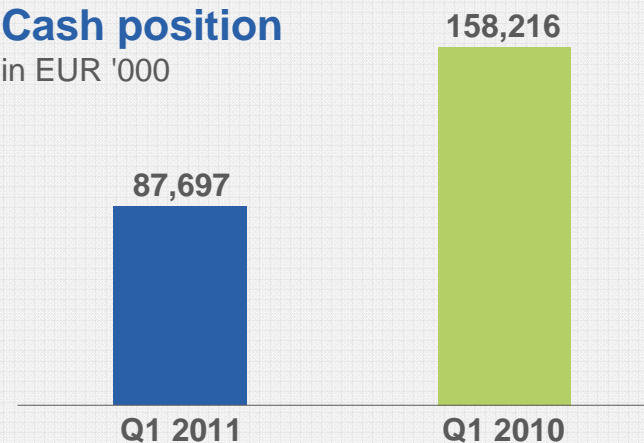
### Net profit/loss

in EUR '000



### Cash position

in EUR '000



\* Unaudited

## PROFIT & LOSS<sup>\*,\*\*</sup>

EUR in thousands

	Q1 2011	Q1 2010
» Revenues	5,692	4,756
» COGS	(2,866)	(880)
» R&D expenses	(7,936)	(17,939)
» S,G&A expenses	(4,238)	(4,289)
» Other operating income/(expenses), net	(696)	3,331
» Finance income/(expenses), net	(774)	263
» Income tax income/(expenses)	(438)	57
<b>Net Profit / (Loss)</b>	<b>(11,257)</b>	<b>(14,702)</b>

\* Reporting under IFRS

\*\* Unaudited

## Q1 2011 shows increase in revenues and net loss reduction

### ANALYSIS Q1 2011\*

- » **Product sales:** IXIARO®/JESPECT® sales revenues increased from EUR 0.4m vs. Q1 2010 to EUR 3.3m in Q1 2011
- » **COGS:** COGS of EUR 2.9m yielding a positive gross margin
- » **R&D expenses:** spending decreased by EUR 10.0m to EUR 7.9m – resulting from the implementation of a restructuring and cost saving program
- » **S,G&A expenses:** decreased slightly by 1.2% to EUR 4.2m
- » **Finance result:** minus EUR 0.8m mainly due to finance expenses in connection with the convertible note issued in Q1 2011
- » **Net loss** of EUR 11.3m representing an improvement of 23.4%
- » **Q1 2011 cash out-flow** still driven by Q4 2010 expenses, one-off restructuring expenses and final payment for acquisition of Cytos monoclonal antibody technology
- » **Cash position** of EUR 87.7m

\* Unaudited

# Financial performance on track for significant full year improvement

## 2011 FINANCIAL OUTLOOK

### » Revenues:

- Positive sales trend for IXIARO<sup>®</sup>/JESPECT<sup>®</sup> expected to continue
- Upside from milestone events, partnering and grants

### » COGS:

- Gross margin to improve with higher capacity utilization

### » R&D expenses:

- Focused, substantially reduced spending (approx. -40% vs. 2010)
- Commitment to drive pipeline innovation

### » S,G&A expenses:

- Tight cost controls in G&A – increase in selling expenses

### » Net loss:

- 2011 net loss expected between EUR 30m and 40m

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## DEVELOPMENT PIPELINE

	Product	Status	Expected next milestones	Partner
Travelers' Vaccines	1 IXIARO® – Japanese Encephalitis Prophylactic Vaccine	Approved in U.S., EU, CAN, CH and AUS	<ul style="list-style-type: none"> <li>» Country approvals in other territories</li> <li>» Expansion of label (children)</li> </ul>	Novartis, CSL, Biological E.
Nosocomial Vaccines	2 S. aureus Prophylactic Vaccine	Phase II/III **	<ul style="list-style-type: none"> <li>» Efficacy data 2011</li> <li>» Transition into Phase III</li> </ul>	Merck & Co.
	3 Pseudomonas Prophylactic Vaccine	Phase II	» Phase II/III start***	Novartis
	4 C. difficile Prophylactic Vaccine	Phase I	» Phase I data	In-house, Novartis option
Others	5 Hepatitis C Therapeutic Vaccine	Phase II	» Phase II combination study	Romark Laboratories
	6 Pneumococcus Prophylactic Vaccine	Phase I	» Decision on next development steps	In-house, funded by PATH
	7 Pandemic Flu Prophylactic Vaccine	Phase II	» Phase I with GSK	GSK, (HHS)
	8 Seasonal Flu (IC31®) Prophylactic Vaccine	Phase I	» Phase II start	Novartis
	9 Tuberculosis (IC31®) Prophylactic Vaccine	Phase I/II	» Phase II start	sanofi pasteur/SSI, funded by AERAS

\* Partnerships:



STATENS  
SERUM  
INSTITUT

\*\* Sequential design, study suspended; analyses of benefit/risk profile initiated

\*\*\* Subject to final regulatory concurrence

# Staphylococcus aureus – the most important cause of nosocomial infections

S. aureus



## V710 VACCINE CANDIDATE – PARTNERED WITH MERCK (PHASE III/III)

» Leading cause of hospital-acquired infections

» S. aureus infections result in USD 14.5bn in excess charges and 2.7 million days in excess length of hospital stay in the U.S.

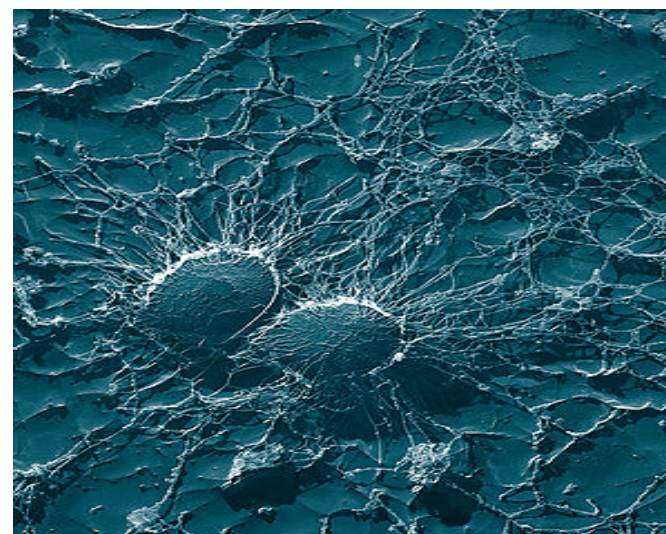
» ~20,000 deaths attributed to MRSA\* in the U.S. per year

» In 2007, over 60% of staphylococcal infections were MRSA, up from 2% in 1974

» Increases in community-associated MRSA (CAMRSA) infections

### Our investigational vaccine

- » Recombinant protein of iron surface determinant B (IsdB)
- » Unadjuvanted lyophilized formulation
- » Identified through Intercell's AIP®\*\*



\* Methicillin-resistant S. aureus

\*\* Antigen Identification Program



# V710 interim analysis meets non-futility criteria for efficacy – further analyses on benefit/risk profile

S. aureus



## SUMMARY

### Interim efficacy analysis

- » Analysis based on accrued events from about 7,700 subjects enrolled at more than 100 sites
- » Interim analysis concludes that trial did not meet the pre-specified futility criteria
- » Interim analysis was performed as futility analysis – efficacy results remain blinded outside the DMC\*
- » DMC\* recommends suspension of patient enrollment to allow further analyses of the vaccine's benefit/risk profile

### Next steps

- » Further analyses of benefit/risk profile being performed by Merck scientists\*\*
- » Decision on further study conduct following completion of analyses

\* Data Monitoring Committee

\*\* not part of the protocol

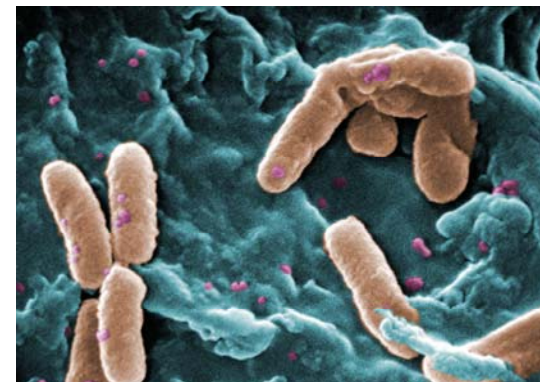
Pseudo-  
monas

## IC43 VACCINE CANDIDATE PHASE II

- » Causes ~20% of nosocomial infections
- » No.1 cause of ICU-related pneumonia
- » No.2 cause of all nosocomial pneumonia
- » *Pseudomonas aeruginosa* colonization of ventilated patients is associated with increased mortality rate

### Our investigational vaccine

- » Recombinant OMP F/I fusion produced in *E. coli*
- » No preservatives
- » Liquid formulation
- » 2 injections (days 0 and 7)





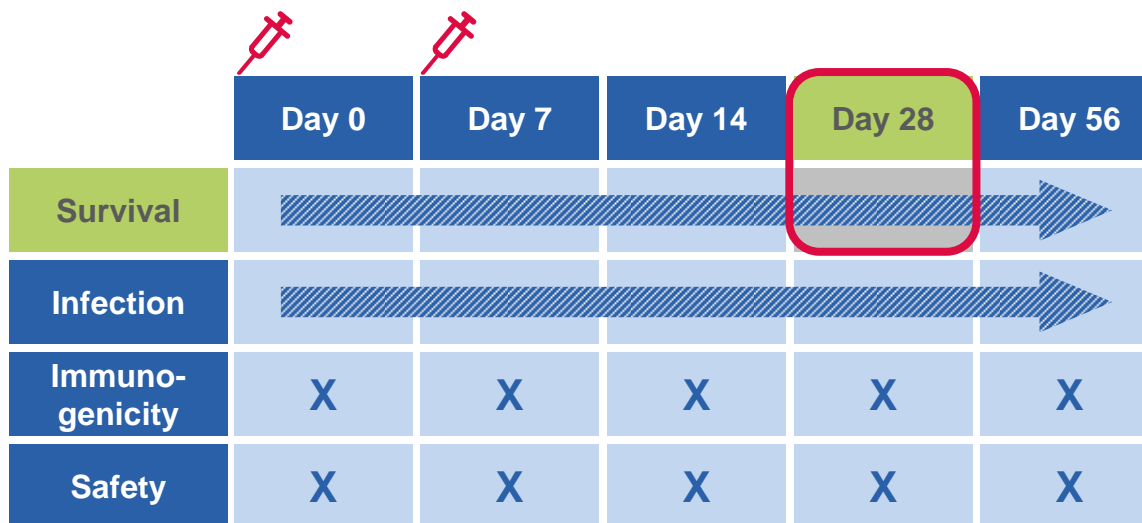
# Intercell and Novartis will execute a pivotal efficacy study

**Pseudo-  
monas**

## SUMMARY

- » Confirmatory, double-blind, randomized, multi-center, placebo-controlled pivotal efficacy study\*
- » Trial will be performed by Intercell (planned start in H1 2012)
- » Costs will be shared between Intercell and Novartis (50/50)

<b>R</b>	IC43 100mcg w/o (Al)OH <sub>3</sub>	~ 400 patients
	Placebo	~ 400 patients



⇒ **Primary study endpoint: day-28-mortality**  
 ⇒ **Interim analysis with ~ 400 patients enrolled**

\* Final design and nomenclature subject by regulatory authorities

# Clostridium difficile – the leading cause of nosocomial Diarrhea

**C.  
difficile**

## IC84 VACCINE CANDIDATE

» Leading cause of nosocomial diarrhea in the U.S. and Europe

» Estimated 0.5-3 million cases annually in the U.S.

» Commensal bacterium of the healthy adult human intestine in 2-5% of the population

» Up to 60% of healthy neonates and infants are colonized without clinical symptoms

» Toxin mediated disease where anti-toxin immunity can be protective

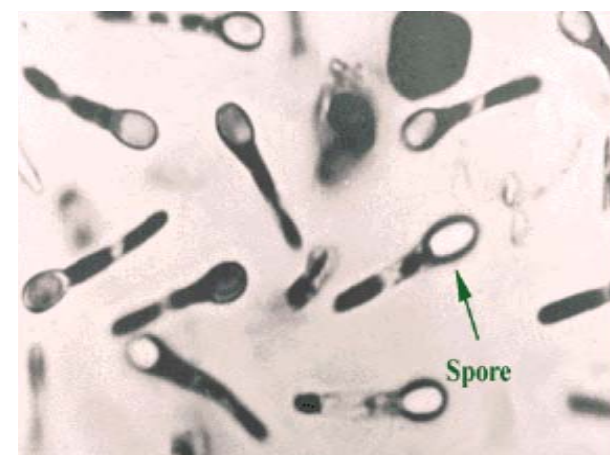
» Phase I started

- Open label, randomized
- 5 dose groups
- 18 – 65 years (Part A) and > 65 years (Part B)

» First data expected in 2011

### Our investigational vaccine

- » Recombinant fusion protein of relevant parts of toxins A and B
- » Alum-adjuvanted
- » 3 injections on days 0, 7 and 21






Picture:  
[www.amozeshonline.com/bacteriology](http://www.amozeshonline.com/bacteriology)

# Phase I design allowing early transition into target population




C.  
difficile

## SUMMARY

- » Open label, partially randomized, dose-escalation Phase I study
- » Trial will be performed in two stages
- » DSMB\* to decide entering into study with elderly base on Day 28 data

	Day 0 	Day 7 	Day 21 		
<b>PART A</b> ≥ 18 years to < 65 years	A: IC84 20µg with Alum			12 subjects	6 months follow up
	B: IC84 75µg with Alum			12 subjects	6 months follow up
	C: IC84 75µg without Alum			12 subjects	6 months follow up
	D: IC84 200µg with Alum			12 subjects	6 months follow up
	E: IC84 200µg without Alum			12 subjects	6 months follow up

↓ Q4 2011

	Day 0 	Day 7 	Day 21 		
<b>PART B</b> ≥ 65 years	F: IC84 20µg with Alum			20 subjects	6 months follow up
	G: IC84 75µg with Alum			20 subjects	6 months follow up
	H: IC84 75µg without Alum			20 subjects	6 months follow up
	I: IC84 200µg with Alum			20 subjects	6 months follow up
	J: IC84 200µg without Alum			20 subjects	6 months follow up

DSMB\*\*

↓

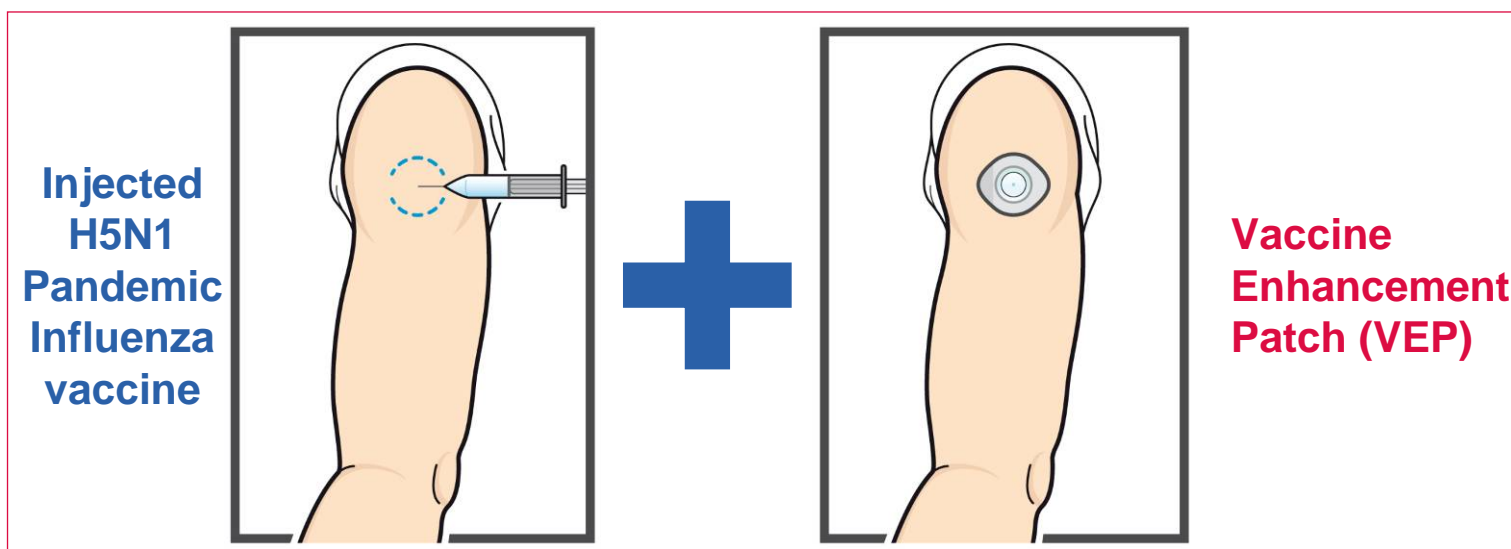
\* Data Safety Monitoring Board

\*\* Decision based on day 28 Part A data set

# Pandemic Influenza program with Vaccine Enhancement Patch to be continued

PanFlu

## INJECTION PLUS PATCH



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



# Potential of VEP to improve existing and new injectable vaccines\* will be further investigated

PanFlu

## 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

### Key results of Phase II

- » No statistically significant difference observed across study groups with and without VEP
- » Endpoints
  - Dose-dependent response to H5N1 antigen observed (**not met**)
  - Safety (✓)
  - LT uptake dose dependent (✓)
- » Good safety profile (✓)
- » VEP consistently delivers vaccine adjuvant (✓)

\* Program funded (USD 128m) and supported by United States Department of Health & Human Services, Contract No. HHSO1002007 00031C

\*\* injected, from Solvay

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

**Next steps:** Proceed with clinical development investigating GSK's egg-based H5N1 vaccine in combination with Intercell's VEP



# Intercell pursues confirmatory mode of action trial with GSK antigen

PanFlu

## IC82-102 CLINICAL STUDY DESIGN

### Study design

- » Study vaccine > H5N1 Flu Antigen\*
  - 15µg, D0 & D21, with/without vaccine enhancement patch (VEP, 50µg) on injection site
  - 30µg, D0, with VEP (50µg) on injection site
- » Standard adjuvant group: 3.8µg+AS03, D0 & D21 (system control)
- » Population (n=300):
  - » Healthy Adults (18-49 years)
  - » Safety cohort: D7 & (D28), local and systemic events with laboratory evaluations
- » Immunogenicity time points: D0, D21, D42, D194\*\*

\* Provided by GSK [A/Indonesia/5/2005 (PR8-IBCDC-RG2)]

\*\* HI titers

### Study objectives

- » Primary
  - To evaluate the adjuvanticity of a 50µg VEP when administered with two doses of 15µg A/H5N1 antigen
- » Secondary
  - To determine the safety of a 50µg VEP when administered with two doses of 15µg A/H5N1 antigen or a single dose of 30µg A/H5N1 antigen.
  - To evaluate whether a 50µg VEP administered with two doses of 15µg A/H5N1 antigen can elicit antibody responses that meet or exceed European (EMA) criteria for pandemic vaccine licensure.

## Further clinical progress in other programs

### OVERVIEW

#### » Hepatitis C vaccine

- Combination trial with Romark's antiviral NTZ planned to start in Q2 2011

#### » Tuberculosis vaccine (IC31®)\*

- Start of Phase II trial in endemic country planned for 2011

#### » Additional trial with IC31®

- First in men trial planned for Q2 2011
- Undisclosed bacterial indication\*\*

\* Collaboration  
with sanofi  
pasteur and  
Statens Serum  
Institut

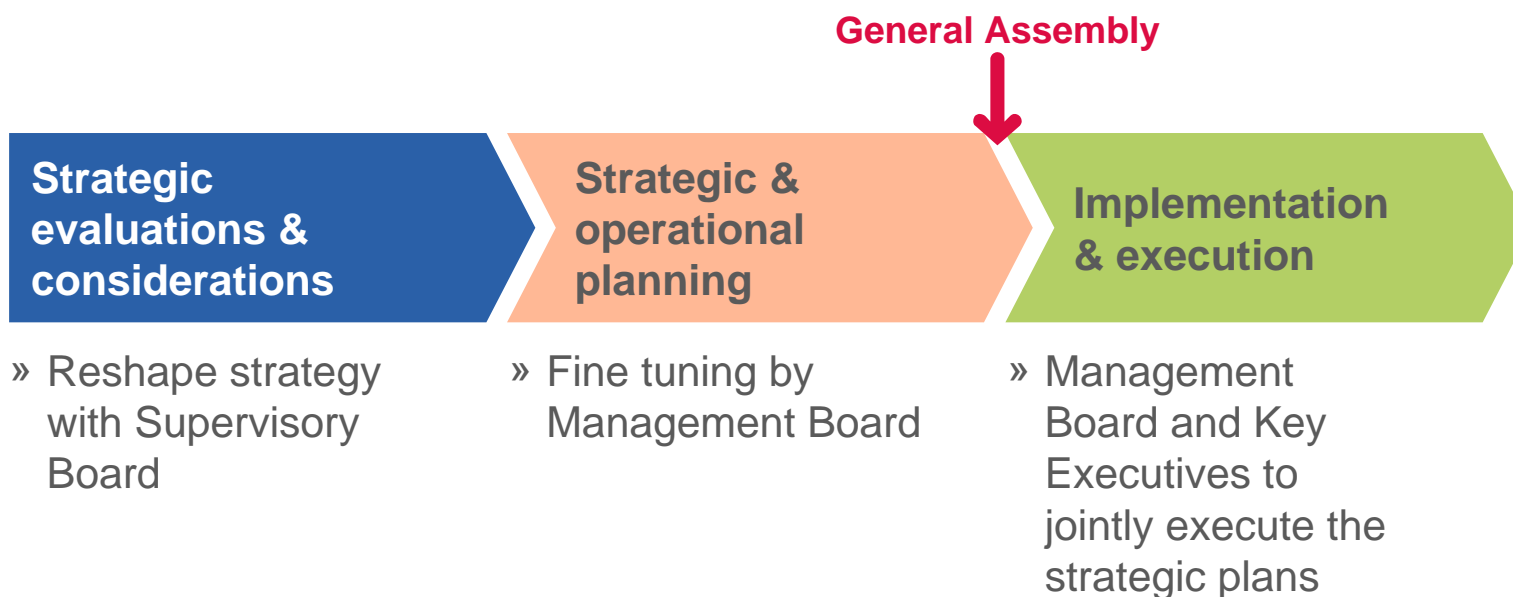
\*\* Collaboration  
with Novartis

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- » **Strategic and Operational Outlook**  
***Thomas Lingelbach***

# We are planning for a new strategic setting – focusing on sustainability and rebuilding of shareholder trust

## ROADMAP



### » “New” value proposition...

- Focus on reshaped strategy and financial sustainability
- Maximize value of JEV
- Focus on clinical pipeline
- Further build on strong partnerships
- Leverage scientific foundations

# Important growth steps well under way

## SELECTED NEXT MILESTONES

### JE vaccine

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

### S. aureus, Pseudomonas & C. difficile vaccines

- » Phase II/III efficacy data in S. aureus\*
- » Efficacy trial start for Pseudomonas
- » Phase I start for C. difficile vaccine ✓

### Other vaccines

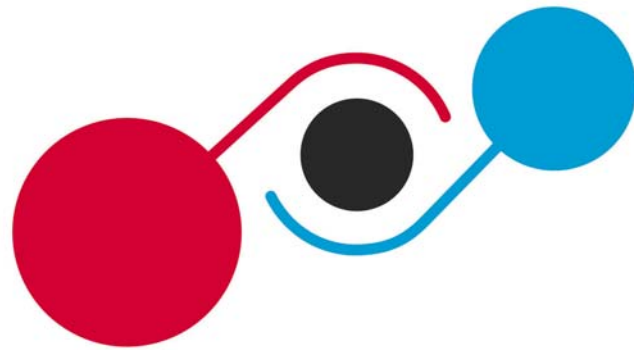
- » Initiation of pandemic Flu study combining VEP\*\* and GSK's H5N1 vaccine ✓
- » Start of clinical combination study for Hepatitis C vaccine
- » Phase I studies in Pneumococcus in target population
- » Multiple clinical data points within partnerships (e.g. Tuberculosis, Flu)

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

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

\* Study suspended; analyses of benefit/risk profile initiated

\*\* Vaccine Enhancement Patch



intercell  
SMART VACCINES

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