



**Press Release  
May 12, 2008**

- Intercell AG ('Intercell') to acquire Iomai Corporation ('Iomai') in a fully recommended share/cash transaction for USD 6.60 per share of Iomai's common stock representing a fully diluted equity value of Iomai of approximately USD 189 million (EUR 122 million). Acquisition to be accomplished through stock-for-stock exchange for approximately 41 percent of Iomai's current shares outstanding held by major shareholders for approximately 1.7 million Intercell shares (representing approximately four percent of Intercell's total outstanding shares), and an all-cash merger for the remaining fully diluted outstanding shares of Iomai's common stock for approximately USD 119 million (EUR 77 million).
- The deal creates a leading Traveler's Vaccine portfolio by combining Intercell's Japanese Encephalitis vaccine with Iomai's needle-free Travelers' Diarrhea vaccine. The Travelers' Diarrhea vaccine is planned to enter pivotal Phase III trials in the first half of 2009 and is based on the only advanced needle-free vaccine patch technology in the industry. Through the transaction Intercell gains access to a further product generating technology platform.
- Valuable expansion of Intercell's pipeline and leveraging Intercell's late stage product development and industrialization expertise with two further programs in clinical development including a vaccine patch for pandemic influenza in Phase II.
- Intercell will finance the cash component of the transaction consideration of approximately USD 119 million (EUR 77 million) comfortably from existing reserves and expects to maintain profitability in 2008.

**Vienna (Austria), Gaithersburg (Maryland, USA), May 12, 2008** – Intercell AG (VSE: ICLL) and Iomai Corporation (NASDAQ: IOMI) announced today that they have entered into a definitive agreement pursuant to which Intercell will acquire Iomai for USD 6.60 per share representing a fully diluted equity value of approximately USD 189 million (EUR 122 million). The transaction has been unanimously approved by the Boards of Directors of both companies and is subject to customary closing conditions including antitrust clearances, clearance by the Committee on Foreign Investment in the United States and the approval of the holders of a majority of Iomai's shares. Shareholders holding over 50 percent of Iomai's total shares outstanding have entered into agreements to vote in favour of the combination.

Intercell will gain full rights to Iomai's late stage Travelers' Diarrhea vaccine which is based on Iomai's proprietary needle-free patch delivery vaccine technology and has shown positive interim Phase II efficacy data. The Travelers' Diarrhea vaccine is

expected to enter pivotal Phase III trials in the first half of 2009. If approved, the medical use of Iomai's Travelers' Diarrhea vaccine will be highly complementary with Intercell's Japanese Encephalitis vaccine for which a Biologics License Application was successfully submitted to the US Food and Drug Administration in December 2007, and for which Intercell expects market approvals in the US, Europe and Australia in 2008. Together, both vaccines create an extremely attractive Traveler's Vaccine franchise which will target a combined market opportunity of over USD 1 billion in sales per year.



Commenting on the transaction, Gerd Zettlmeissl, CEO of Intercell, said: "This transaction further expands our leadership in vaccine innovation, greatly enhances Intercell's R&D technology base and further strengthens our late stage vaccine portfolio. Building on our proven experience in industrialization and in moving novel products to the market, Intercell is fully committed to becoming the leading pure play vaccine company globally. We look forward to welcoming lomai's employees to Intercell and are excited by the potential of the combined group to create significant value for all stakeholders."

Stanley C. Erck, President and CEO of lomai, said: "We have built a dynamic and scientifically driven organisation. This strategic combination with Intercell will create a stronger, more diversified vaccine company and will accelerate the development of lomai's vaccine programs and fully leverage our innovative TCI technology. We believe this transaction is in the best interest of all parties, including shareholders, employees and ultimately patients."

Intercell will also gain full rights to two additional clinical and three preclinical programs under development, the most advanced being an immunostimulant vaccine patch in Phase II for pandemic influenza. This patch is designed to enhance the immune response compared to injected pandemic influenza vaccines. If successful, it would have the effect of expanding limited vaccine supplies by allowing public health officials to use fewer or lower doses of the vaccine. The vaccine patch has recently generated positive interim immunogenicity data in a 500-subject Phase I/II study with a one-dose application. The program is funded by a grant from the United States Department of Health and Human Services.

lomai's pioneering work in transcutaneous immunization (TCI) technology has led to the development of a simple and promising needle-free vaccine patch. This highly innovative vaccine delivery system provides a potential future alternative to current injected vaccines. TCI technology has the potential to enhance the efficacy of existing vaccines, replace current vaccines that have a cumbersome mode of administration and enable the development of new vaccines that are not viable to be delivered via an injection.

lomai's TCI technology strengthens Intercell's position as an innovative vaccine company and is highly complementary with its proprietary antigen identification and

adjuvant vaccine technology platforms (AIP® and IC31®). TCI adds an important third arm to Intercell's leading vaccine technologies, specifically a delivery platform for antigens and adjuvants that can facilitate the development of a broad range of in-house and partnered vaccine products. Both companies have already partnered technologies with Merck & Co., Inc., the most recent one being lomai's agreement to conduct proof-of-principle preclinical studies evaluating the use of its needle-free immunostimulant patch. Intercell plans to further leverage the TCI technology by applying it to other vaccines in its development pipeline, such as its Pneumococcus vaccine candidate.

Furthermore, lomai's vaccine patch has the potential to provide cheaper and more effective medication to those living in endemic areas, in particular high risk groups such as children and the elderly located in developing countries in Africa, Asia and Latin America.

### **Transaction Terms**

Under the terms of the merger agreement, Intercell will acquire lomai for USD 6.60 per share of lomai's common stock representing a fully diluted equity value of lomai of approximately USD 189 million (EUR 122 million). The consideration will be paid in cash and stock. lomai's public



shareholders, representing approximately 59 percent of lomai's outstanding common stock will receive cash. Certain of lomai's largest shareholders, together representing approximately 41 percent of lomai's outstanding common stock, have agreed to exchange their shares for Intercell stock at an exchange ratio corresponding to a value of USD 6.60 per share of lomai common stock upon closing.

The combination is structured as a share exchange together with a merger of lomai and a US subsidiary of Intercell. Certain of lomai's largest shareholders (and their affiliates), which together represent over 50 percent of lomai's outstanding common stock, have agreed pursuant to a voting agreement with Intercell that they will vote their shares in favour of the merger.

The transaction has been unanimously approved by the Boards of Directors of both companies and is subject to customary closing conditions, including the approval of the merger by a majority of shareholders of lomai at a special shareholder meeting to be held as soon as practical, receipt of antitrust clearances and clearance by the Committee on Foreign Investment in the United States. Intercell and lomai expect the transaction to close before the end of the third quarter of 2008.

Based on Intercell's closing share price as of 9 May 2008, Intercell would issue approximately 1.7 million Intercell shares from authorized capital as consideration, the final number of Intercell shares to be determined shortly before the closing of the

transaction. Intercell will fund the cash component of the transaction from existing cash reserves and expects to maintain profitability in 2008.

#### **Ad-hoc Information**

##### **About Travelers' Diarrhea**

This year, approximately 55 million international travelers will visit countries where bacteria that cause travelers' diarrhea are endemic, particularly Africa, Asia and Latin America. The Centers for Disease Control and Prevention estimate that between 20 and 50 percent of international travelers contract diarrhea. The effects go beyond the acute symptoms of the disease; between 10 and 30 percent of those who develop travelers' diarrhea will develop the chronic symptoms of irritable bowel syndrome.

Because of the extent of the problem and the lack of safe and effective prophylaxis, market studies suggest that there is a large market for an effective travelers' diarrhea vaccine, potentially exceeding USD 750 million annually. If approved, the lomai vaccine would be the first vaccine for travelers' diarrhea available in the United States.

##### **About Pandemic Influenza**

Three influenza pandemics have occurred in the 20th century leading to the death of more than 50 million people globally. By US 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.

In November 2005, the US government announced a USD 7.1 billion initiative to prevent and prepare for a pandemic influenza outbreak. In January 2007, Iomai entered into a USD 128 million contract with the US government to develop a dose-sparing patch for use with a pandemic influenza vaccine.

### **About Japanese Encephalitis**

With over three billion people living in endemic areas, Japanese Encephalitis, a mosquito-borne flaviviral infection, is the leading cause of childhood encephalitis and viral encephalitis in Asia. The Japanese Encephalitis virus remains virulent in this region and has recently spread to countries not previously affected.

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

The Company's leading product, a prophylactic vaccine against Japanese Encephalitis, successfully concluded pivotal Phase III clinical trials in 2006. The Market Authorization Application (MAA) in Europe as well as the Biological License Application (BLA) with the US Food and Drug Administration (FDA) for the use of the vaccine to prevent Japanese Encephalitis were submitted in December of 2007. The licensure application to TGA (Therapeutic Goods Administration) in Australia was submitted in February of 2008.

The Company's broad development pipeline includes a partnered *S. aureus* vaccine in Phase II, a therapeutic vaccine against Hepatitis C in Phase II, a *Pseudomonas* vaccine in Phase II, a partnered Tuberculosis vaccine (Phase I/II), and five products focused on infectious diseases in preclinical development.

Intercell is listed on the Prime Market of the Vienna Stock Exchange under the symbol "ICLL".

ISIN: AT0000612601

For more information on Intercell, please visit: [www.intercell.com](http://www.intercell.com)

### **About Iomai Corporation**

Iomai Corporation has approximately 110 employees and discovers and develops vaccines and immune system stimulants, delivered via a novel, needle-free technology called transcutaneous immunization (TCI). TCI, discovered by researchers at the Walter Reed Army Institute of Research, taps into the unique benefits of a major group of antigen-presenting cells found in the outer layers of the skin to generate an enhanced immune response. Iomai is leveraging TCI to enhance the efficacy of existing vaccines, develop new vaccines that are viable only through



transcutaneous administration and expand the global vaccine market. Iomai currently has four product candidates in development: one to prevent traveller's diarrhea and three targeting influenza and pandemic flu.

Iomai is listed on the NASDAQ Global Market under the symbol "IOMI".

For more information on Iomai, please visit: [www.iomai.com](http://www.iomai.com)

### **Additional Information and Where to Find It**

In connection with the proposed transaction, Iomai Corporation will be filing a proxy statement for its stockholders and other documents regarding the proposed transaction with the Securities and Exchange Commission (SEC). BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, IOMAI STOCKHOLDERS AND INVESTORS ARE URGED TO READ THE PROXY STATEMENT AND OTHER RELEVANT MATERIALS CAREFULLY IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THE DOCUMENTS WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND IOMAI. Investors and stockholders may obtain copies of the proxy statement and other relevant documents filed with the SEC by Iomai free of charge at the SEC's web site at [www.sec.gov](http://www.sec.gov). In addition, investors and stockholders may obtain copies of the proxy statement and other relevant documents filed with the SEC by Iomai (when they are available) by going to Iomai's Investor Relations page on its corporate website at [www.iomai.com](http://www.iomai.com).

Iomai and its directors, executive officers and other members of management may be deemed to be participants in the solicitation of proxies from Iomai's stockholders with respect to the proposed transaction. Information regarding Iomai's executive officers and directors, and their beneficial ownership of Iomai's common stock as of March 26, 2008 is available in Iomai's proxy statement for its 2008 Annual Meeting of Stockholders, which was filed with the SEC on April 4, 2008. Other information regarding the interests of such potential participants in the proxy solicitation will be contained in the proxy statement and other relevant materials to be filed with the SEC when they become available.

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