

PRESS RELEASE

Basilea participates in public-private collaboration to tackle antibiotic resistance

Basel, Switzerland, May 25, 2012 – **Basilea Pharmaceutica Ltd. welcomes the launch in Europe of a pioneering approach to antibiotic research that will see pharmaceutical and biotechnology companies working alongside public partners to tackle the rising threat from antimicrobial resistance and address some of the key barriers to the development of effective antibiotics.**

The objective of the proposed research program, *NewDrugs4BadBugs*, is to improve the underlying scientific understanding of antibiotic resistance, design and implement efficient clinical trials and take novel drug candidates through clinical development. The program is part of the European Commission's *Action Plan against the rising threats from Antimicrobial Resistance*, launched in November last year.

Supported by the Innovative Medicines Initiative (IMI), the world's largest public-private partnership in health care, the program's first projects will be funded by a joint budget of up to EUR 223.7 million – EUR 109 million provided by IMI and EUR 114.7 million in kind contributions from the pharmaceutical and biotechnology companies involved.

Basilea, GlaxoSmithKline, AstraZeneca, Janssen and Sanofi will work alongside public research organizations and scientific experts to address several aspects of antimicrobial resistance and stimulate new antibiotic research. Further projects within the program, with additional funding, are expected to launch later in the year.

Basilea's Chief Scientific Officer, Dr. Laurenz Kellenberger, stated: "Antibiotic R&D is at an important turning point. We have joined this collaboration because of our strong belief in its significant value to all stakeholders concerned with fighting antimicrobial drug resistance. The mutual scientific and financial advantages of the initiative will contribute to increasing the chances of finding new effective antimicrobial drugs. Together with ongoing positive developments in the regulatory and legislative areas we see the environment becoming even more attractive and rewarding for small company innovators."

Antibiotic resistance is increasingly becoming a worldwide health threat. Many of the medical advances in recent years, such as chemotherapy for cancer treatment and organ transplantation, depend on effective antibiotics. Despite this need and the continued emergence of bacteria resistant to existing drugs, research has diminished over the past 15 years and few companies remain active in this area. This is due to the scientific difficulties in finding new agents that successfully target bacteria, regulatory complexities and insufficient commercial incentives needed to encourage investment in this area and to fund future R&D.

The proposed research program will initially focus on three key areas: progressing development of pipeline antibiotics and improving the design of future clinical trials; information sharing across the wider antibiotic research community to improve the chances of success in developing the next generation of antibiotics; and continuing research and discovery of new antibiotics, specifically finding new approaches to the design of antibiotics effective against Gram-negative bacteria.

Key to the success of *NewDrugs4BadBugs* will be the involvement of multiple public partners from across Europe. Public institutions and research organizations, clinical investigators and scientific experts are being encouraged to learn more about the proposed research program through a series of events. Full details can be found at www.imi.europa.eu.

About Basilea

Basilea Pharmaceutica Ltd. is headquartered in Basel, Switzerland, and listed on the SIX Swiss Exchange (SIX:BSLN). Through its fully integrated research and development operations the company focuses on innovative pharmaceutical products in the therapeutic areas of bacterial infections, fungal infections, oncology and skin diseases, targeting the medical challenge of rising resistance and non-response to current treatment options in the hospital and specialty care setting.

Basilea's portfolio of investigational anti-infectives includes ceftobiprole, isavuconazole and BAL30072.

Ceftobiprole is a novel broad-spectrum anti-MRSA cephalosporin antibiotic for the potential first-line empiric treatment of severe multi-drug resistant bacterial infections. Available data demonstrate activity against a wide range of clinically-relevant Gram-positive as well as Gram-negative bacteria including *Pseudomonas*, highlighting the potential of ceftobiprole for the early treatment of severe infections such as pneumonia treated in the hospital.

Isavuconazole is a novel broad-spectrum antifungal with the potential to become the best-in-class azole for the treatment of severe invasive fungal infections. It has excellent *in-vitro* and *in-vivo* coverage of a broad range of yeasts (such as *Candida* species) and molds (such as *Aspergillus* species) as well as less common but clinically important molds such as *Zygomycetes* spp.

BAL30072 is a novel sulfactam antibiotic specifically targeting multidrug-resistant Gram-negative bacteria. In *in-vitro* and *in-vivo* models it demonstrated potent bactericidal activity against a broad range of multidrug-resistant Gram-negative pathogens such as *Pseudomonas* or *Acinetobacter* species. It overcomes bacterial resistance by several mechanisms and has enhanced stability against bacterial beta-lactamase enzymes, such as extended-spectrum beta-lactamases (ESBLs), carbapenemases and the recently characterized New Delhi metallo-beta-lactamase 1 (NDM-1), which cause resistance against many currently marketed antibiotics. The activity of BAL30072 is further enhanced when combined with penem-class antibiotics.

About the Innovative Medicines Initiative (IMI)

The Innovative Medicines Initiative Joint Undertaking (IMI JU) is a unique pan-European public private partnership between the European Commission and EFPIA (European Federation of Pharmaceutical Industries and Associations). The aim of IMI is to propose a coordinated approach to overcome identified research bottlenecks in the drug development process, in order to accelerate the development of safe and more effective medicines for patients, by fostering collaboration between all stakeholders such as industry, public authorities (including regulators), organizations of patients, academia and clinical centers, and enhancing Europe's competitiveness. Further information can be found at www.imi.europa.eu.

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