



**ARPIDA RECEIVES FDA FAST TRACK DESIGNATION FOR
INTRAVENOUS ICLAPRIM**

**Phase III programme for complicated skin and skin structure infections (cSSSI)
progressing as planned**

Muenchenstein / Basel, Switzerland, 23rd August, 2005. Arpida Ltd (SWX: ARPN), a Swiss anti-infectives company, announced today that the US Food and Drug Administration (FDA) has granted fast track status to intravenous iclaprim for the treatment of complicated skin and skin structure infections (cSSSI).

FDA is designating iclaprim for intravenous treatment for cSSSI as a fast track product for the following reasons:

- Iclaprim is being developed to treat potentially life threatening conditions, including infections attributed to methicillin-resistant *Staphylococcus aureus* (MRSA).
- Iclaprim offers the potential for alternative treatment for those patients who may not be able to tolerate currently existing therapies.
- Iclaprim may offer potential benefit in the treatment of community-acquired MRSA infections.

FDA fast track designation is designed to facilitate the development and expedite the review of new drugs that are intended to treat serious or life-threatening diseases and that demonstrate the potential to address unmet medical needs.

Dr Khalid Islam, President and CEO of Arpida said: "Iclaprim has already shown excellent clinical results and we believe that it offers significant advantages over most other antibiotics for serious infections currently on the market or in development. Receiving fast track designation for iclaprim further highlights the urgent need for new antibiotics to address the significant and growing problem of multidrug-resistant bacteria."

Dr André Lamotte, Chairman of the Board, added: "This is an important event for Arpida. We continue to be pleased with the Company's progress and the management team's ability to deliver on key milestones. We are confident that iclaprim will become an important part of the solution to serious and difficult-to-treat infections caused by superbugs."

Around 70% of infections contracted in US hospitals are caused by bacteria resistant to at least one antibiotic. The antibacterials market is estimated at more than US\$26 billion with hospital antibiotics representing approximately 30% of this figure. Antibiotic resistance has become a major cause of morbidity, mortality and increased healthcare costs, particularly in the hospital environment, but increasingly also in the community.

About iclaprim

Iclaprim is a broad-spectrum antibiotic that targets severe bacterial infections that require hospital treatment, including those caused by difficult-to-treat multidrug-resistant bacteria, such as MRSA. Iclaprim is rapidly bactericidal, penetrates well into the tissues and has demonstrated potent activity against many bacteria that are resistant to current therapies, including penicillins, quinolones, macrolides and glycopeptides. Arpida is currently conducting a global Phase III clinical programme for the treatment of hospitalised patients with complicated skin and skin structure infections (cSSSI). In addition, the positive results of a Phase I study evaluating concentration levels of iclaprim in specific lung compartments suggests that iclaprim could have potential for the treatment of pneumonia. Arpida recently received an IND (Investigational New Drug Application) for the oral formulation of iclaprim, which is progressing through Phase I clinical trials.

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About Arpida Ltd.

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Arpida is a Swiss anti-infectives company focused on the discovery and development of novel anti-infective drugs that seek to overcome the growing problem of bacterial resistance. Arpida uses an integrated multidisciplinary platform including genomics-assisted selection of novel antibacterial targets to develop its portfolio of potential drug candidates.

Arpida's leading product candidate is injectable iclaprim, a bactericidal broad-spectrum antibiotic that targets severe infections requiring hospital treatment, including those caused by MRSA (methicillin-resistant *Staphylococcus aureus*). In 2005, Arpida received clearance from the US FDA and several European Health Authorities to conduct Phase III clinical trials with injectable iclaprim as part of a global Phase III programme for the treatment of cSSSI (complicated skin and skin structure infections). These Phase III trials are on-going and patient recruitment is progressing as anticipated.

An oral formulation of iclaprim is in Phase I clinical trials under approved protocols from US and European Health Authorities. Oral iclaprim could offer the possibility of switching patients from intravenous antibiotic therapy to allow earlier hospital discharge. This is potentially a very important benefit as such a switch will not only reduce healthcare costs but could significantly reduce the probability of patients contracting new infections.

Arpida's third most advanced programme, AR-709, is a broad spectrum and bactericidal antibiotic that targets upper and lower respiratory tract infections in the community setting. AR-709 is in late pre-clinical development. In addition, the company has a further 12 pre-

clinical antibiotic programmes derived from its own discovery platform, which are at various stages of pre-clinical development.

In May 2005, Arpida listed on the SWX Swiss Exchange (ticker: ARPN) raising a total of CHF 97.2 million (€62.7 million). The company has research facilities near Basel, Switzerland and in Copenhagen, Denmark, and it currently employs 75 people.

This press release contains specific forward-looking statements, e.g. statements including terms like believe, assume, expect or similar expressions. Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors which may result in a substantial divergence between the actual results, financial situation, development or performance of the company and those explicitly or implicitly presumed in these statements. Against the background of these uncertainties readers should not place undue reliance on forward-looking statements. The company assumes no responsibility to update forward-looking statements or to adapt them to future events or developments.