



Arpida to restructure and focus on key projects

Arpida announced today that it is refocusing all projects and priorities around the key strategic asset Iclaprim. The company says this is to be seen as a consequence of the negative recommendation of the U.S. Food and Drug Administration (FDA) advisory board on 20 November 2008 regarding the approval of Iclaprim in the U.S.

Reinach, Switzerland, 27-11-2008 – In the context of the FDA advisory board's recommendation the Arpida board intends to put the company back on a firm footing through cutting costs considerably. To achieve this, the company views the reduction of the workforce by up to 60 employees as inevitable. A consultation process with all employees has been initiated and will lead to decisions by the Board of Directors which will be communicated on 16 December 2008. Board and Management sincerely regret this measure and would like to point out that the company will endeavour to fully assume its social responsibilities. Contact with public authorities on this issue has been established and a social plan will be presented in time.

Arpida will now thoroughly analyse the situation with external experts to determine the future development of Iclaprim. Basis for this analysis will be the full FDA response to the Iclaprim dossier and the publication of the phase II oral step down therapy trial.

“We were very surprised by this very clear negative ruling by the FDA advisory board”, CEO Jürgen Raths said. “In particular we are very upset by the steps we are forced to take in regards to our staff. The advisory board's recommendation has come totally unexpected, because we are still convinced that Iclaprim offers a valuable therapeutic asset for the treatment of complicated skin and skin structure infections (cSSSI), especially where MRSA (resistant bacteria called *methicillin-resistant staphylococcus aureus*) are involved. We will use the FDA's feedback as well as further clinical advice and expertise in our development decisions. We will also continue to cooperate closely with the regulatory agencies in the U.S., Canada and Europe to obtain market authorization for what we think is a valuable asset in the fight against potentially life threatening infections.”

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About Arpida Ltd.

Arpida (SWX: ARPN) is a biopharmaceutical company headquartered in Reinach, Switzerland with operations in Switzerland and the USA. It focuses on the discovery, development and commercialisation of novel drugs that seek to overcome the growing problem of microbial resistance. The most advanced compounds include an antibacterial under regulatory review and an antifungal in Phase III.

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