



**FDA ISSUES COMPLETE RESPONSE LETTER FOR ICLAPRIM**

**FDA requests an additional clinical study prior to approval**

**Arpida confirms progress of restructuring**

***Reinach, Switzerland, 19 January 2009 - Arpida Ltd. (SWX: ARPN) announces today that it has received a Complete Response Letter from the U.S. Food and Drug Administration (FDA) regarding its New Drug Application (NDA) for intravenous iclaprim for the treatment of complicated skin and skin structure infections (cSSSI). The FDA indicated in its letter that they cannot approve the application for iclaprim in its current form and that additional clinical data are required to demonstrate efficacy in order to gain approval.***

President and CEO Dr Jürgen Raths commented: "After the negative recommendation of the Advisory Committee of last November, the FDA opinion comes as no surprise. We now aim to develop a viable roadmap to approval in close consultation with the FDA. The drastic cost saving measures that we've recently implemented should buy us sufficient time to consider and develop strategic options for progressing iclaprim's development."

In its letter to Arpida, the FDA stated the Company's NDA did not demonstrate the efficacy of iclaprim for treatment of cSSSI within an acceptable non-inferiority margin. The FDA requires additional data to assess the benefits and risks of iclaprim for cSSSI.

To address this deficiency, the FDA requests an additional study or studies to demonstrate effectiveness of iclaprim. An additional study showing non-inferiority of iclaprim to an approved comparator may be sufficient to meet this requirement, depending on the study results.

Moreover, the FDA raised questions related to the drug product, which Arpida believes can be rapidly addressed. In addition, the resubmission should provide updated safety data and labelling information.

Arpida today also announces that the restructuring that was announced late last year, is progressing as planned. In addition, the Board of Directors has decided to decrease its membership in order to reflect the reduced size of the company. In this context, Dr Khalid Islam tendered his resignation and Prof. Axel Kleemann has announced that he will not stand for re-election at the next shareholders' meeting. Arpida wishes to thank both Board members for their valuable contributions. Dr Islam will continue to be available to the company as a senior consultant.

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*This statement was also released in German. The English original is the binding version.*