

PRESS RELEASE

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Basilea's Novel Broad-Spectrum Oral and Intravenous Anti-Fungal Moves into Phase II

Basilea Pharmaceutica AG announces the start of its phase II program for BAL8557 in oesophageal candidiasis. BAL8557 is a novel anti-fungal intended for both oral and intravenous use in severe fungal infections.

Basilea began enrollment into its phase II dose-finding study investigating BAL8557 in oesophageal candidiasis. The multi-centre, randomised, controlled, four-arm study evaluates two different oral daily schedules of BAL8557 versus a weekly oral dose regimen in comparison to fluconazole over a standard 14 to 21 day evaluation period. The study is planned to enroll approximately 160 oesophageal candidiasis patients. Results are expected in the second half of 2005.

"The timely commencement of our BAL8557 phase II program completes a challenging trio of development milestones achieved by Basilea in the last three months that brings our high-potential development assets closer to the market. Invasive fungal infections are a major cause of morbidity and mortality in seriously immuno-compromised patients. We believe that BAL8557 has the potential to become a leading systemic anti-fungal drug on the basis of its broad-spectrum profile and convenient dosing that would benefit patients and physicians alike," commented Dr. Rienk Pypstra, Basilea's Chief Development Officer.

About BAL8557

BAL8557 is a novel broad-spectrum water-soluble azole being developed for mucocutaneous and invasive fungal infections, including resistant aspergillus. Phase I studies were successfully completed in the first half of 2004 and demonstrated that BAL8557 had a predictable pharmacokinetic profile and was well tolerated by both intravenous and oral routes.

About Basilea

Basilea Pharmaceutica AG (BSLN) is an independent biopharmaceutical company headquartered in Basel, Switzerland that is actively engaged in the discovery and development of innovative medicines for the treatment of unmet medical needs.

The company's fully integrated research and development operations are currently focused on dermatology drugs, and new anti-bacterials and anti-fungals to fight drug resistance. Basilea was founded in October 2000 with significant resources to discover, develop and bring innovative medicines to market. Basilea is listed on the SWX Swiss Exchange. In the last three months Basilea also announced entry into phase III of both ceftobiprole (BAL5788) its novel broad-spectrum anti-MRSA cephalosporin and alitretinoin (BAL4079) in severe chronic hand dermatitis.

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