

PRESS RELEASE

Basilea expands potential commercial availability of Toctino® in Europe

Basel, Switzerland, March 31, 2009 – Basilea Pharmaceutica Ltd. (SIX:BSLN) announces the submission of a Marketing Authorization Application (MAA) for Toctino® (alitretinoin) in 13 additional European Union (EU) Member States as well as in Norway and Iceland. Toctino® is a new once-daily oral treatment for adults with severe chronic hand eczema (CHE) unresponsive to potent topical corticosteroids.

The MAA for Toctino® was submitted under the Repeat Use Procedure to various EU Member States and European countries and supports the proposed use of oral alitretinoin in adults with severe chronic hand eczema that is unresponsive to potent topical corticosteroids.

“It is important for us to make Toctino available across Europe for physicians to treat patients with this chronic debilitating disease. Our submission in 15 additional European countries is a key step towards this goal,” said Dr. Anthony Man, CEO Basilea Pharmaceutica Ltd. “Furthermore, pending local approval of this second wave of Marketing Authorization Applications, we are exploring options for third-party distribution of this innovative medicine in some of these countries.”

Chronic hand eczema – a debilitating skin disease

Hand eczema is a common inflammatory skin disease and is often chronic and relapsing. Hand eczema is reported to affect up to ten percent of the general population. The more severe, chronic form of the condition is thought to affect five to seven percent of these patients, causing impaired use of their hands and a considerable impact on their ability to perform everyday activities.

Toctino® (alitretinoin), the only therapy approved for severe chronic hand eczema unresponsive to potent topical corticosteroids

Toctino® was developed by Basilea Pharmaceutica International Ltd. To date, Toctino® is launched in Denmark, Germany and the United Kingdom, and has received marketing authorization in Austria, Belgium, Finland, France and Luxembourg. In addition, Toctino® has been recommended for approval in three additional EU Member States and is under regulatory review in Switzerland and Canada.

In the largest ever phase III clinical trial program in CHE, Toctino® was the first treatment to show effective clearing of severe CHE, with clear or almost clear hands achieved in nearly 50 percent of patients treated 30 mg Toctino®. The once-daily oral therapy is given for 12 to 24 weeks, depending on patient response, and six-month post-treatment observations in patients who responded to Toctino® indicate that treatment can provide long periods free from relapse and improve patient satisfaction.

Toctino® is a known teratogen (a substance that can cause birth defects when women are exposed during pregnancy). Strict pregnancy prevention one month before, during, and one month after cessation of treatment as well as monthly pregnancy testing are required for

women of childbearing age. A comprehensive pregnancy prevention program for Toctino® has been developed and implemented.

In clinical trials, Toctino® was well tolerated and demonstrated a safety profile overall consistent with the retinoid class. Overall, the most frequently reported adverse events in the phase III clinical trials were headache and increased levels of blood lipids. Side effects were dose-dependent.

A phase III clinical trial on alitretinoin for the treatment of severe chronic hand eczema is ongoing in the U.S.

About Basilea

Basilea Pharmaceutica Ltd. is headquartered in Basel, Switzerland, and listed on the SIX Swiss Exchange (SIX:BSLN). Basilea's integrated research and development operations are currently focused on new antibacterial, antifungal and oncology agents to fight drug resistance and on the development of dermatology drugs. Basilea's products are targeted to satisfy high medical and patient needs in the hospital and specialty care setting. The company owns a diversified portfolio including two commercialized drugs (alitretinoin, ceftobiprole) and one investigational drug in phase III (isavuconazole). Toctino® (alitretinoin) is marketed in the United Kingdom, Denmark and Germany and is approved in Austria, Belgium, Finland, France and Luxemburg. Alitretinoin has been recommended for approval in three additional EU Member States and is under regulatory review in Canada and Switzerland. Furthermore a phase III clinical trial on alitretinoin for the treatment of severe chronic hand eczema is ongoing in the U.S. Ceftobiprole is marketed in Canada under the brand name ZEFTERA™ and in Switzerland under Zevtera™. Marketing applications for ceftobiprole were submitted in the U.S., the EU and several other countries. The company has set up commercial organizations in UK, Denmark, Germany and Canada, while it is building sales and marketing organizations in other countries to commercialize alitretinoin and to co-promote ceftobiprole, subject to approval.

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