

PRESS RELEASE

Data on Basilea's Toctino® in daily medical practice in Germany presented at dermatology congress

Basel, Switzerland, July 30, 2010 – Basilea Pharmaceutica Ltd. (SIX:BSLN) announced today that first results from the TOCCATA observational study were presented at the 22nd Fortbildungswoche für praktische Dermatologie und Venerologie in Munich, Germany. TOCCATA was designed to investigate the clinical profile of Toctino® (alitretinoin) under daily practice conditions in severe chronic hand eczema (CHE) patients in Germany.

Prof. Thomas Diepgen (*Universitätsklinikum Heidelberg*) presented first results from the non-interventional TOCCATA study. TOCCATA was designed to investigate the efficacy and safety profile of Toctino® under daily practice conditions in Germany in a sample of 680 severe CHE patients. The planned maximum treatment duration was 24 weeks with visits and documentation of efficacy and safety parameters to be conducted every four weeks.

After an average treatment duration of five months with Toctino® 57% of patients achieved clear or almost clear hands as determined by Physician's Global Assessment (PGA). Patient compliance was excellent and the reported safety profile was consistent with the approved label. The presented conclusions of this first large prospective observational study since registration confirm in a real-life setting the clinical profile of Toctino® as seen in the clinical study program.

More insight into remission and potential retreatment under daily practice conditions will be collected in the follow-up study TOCCATA-N, which will include up to 200 responders from TOCCATA. These patients will be observed over a period of up to 12 months. If CHE reverts to a severe rating and retreatment with Toctino® is initiated the course of disease will be documented.

In addition, data from the first 515 patients from the German patient registry CARPE (*Chronisches Handekzem Register zum Patienten-Langzeitmanagement*), aiming at collecting long-term data for a better understanding of the prognosis and course of disease were presented. The data suggest that a significant number of patients not responding to topical treatments are still not being moved to systemic therapies such as Toctino® as would be recommended by the treatment guidelines issued by the German Society of Dermatology (*Deutsche Dermatologische Gesellschaft, DDG*), leaving room for further improvement in the treatment of severe CHE.

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 treatments

Toctino® was developed by Basilea Pharmaceutica International Ltd.

To date, Toctino® is marketed in Denmark, France, Germany, Switzerland and the United Kingdom for the treatment of severe chronic hand eczema (CHE). The drug is approved in 16 additional European countries as well as in Canada and has been recommended for approval in six further European countries.

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 with 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 and reversible.

About Basilea

Basilea Pharmaceutica Ltd. is headquartered in Basel, Switzerland, and listed on the SIX Swiss Exchange (SIX:BSLN). Its fully integrated research and development operations are currently focused on antibiotics, antifungals and oncology drugs, as well as on the development of dermatology drugs, targeting the medical challenge of resistance and non-response to current treatment options in the hospital and specialty care setting.

Basilea is currently marketing Toctino® (alitretinoin), the only approved treatment for severe chronic hand eczema unresponsive to potent topical steroids, in Denmark, France, Germany, Switzerland and the United Kingdom and has appointed Almirall, S.A. as its distributor for Toctino® in other selected European markets and Mexico. Furthermore, a phase III clinical trial on alitretinoin for the treatment of severe chronic hand eczema is ongoing in the U.S. The company has entered into a global partnership with Astellas Pharma Inc. for its phase III compound isavuconazole, a potential best-in-class azole antifungal, for the treatment of life-threatening invasive fungal infections, including an option for Japan. Full rights to ceftobiprole, the first approved anti-MRSA broad-spectrum cephalosporin antibiotic, for the treatment of potentially life-threatening resistant bacterial infections, will be transferred from Cilag GmbH International, a Johnson & Johnson company, back to Basilea.

Disclaimer

This communication expressly or implicitly contains certain forward-looking statements concerning Basilea Pharmaceutica Ltd. and its business. Such statements involve certain known and unknown risks, uncertainties and other factors, which could cause the actual results, financial condition, performance or achievements of Basilea Pharmaceutica Ltd. to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Basilea Pharmaceutica Ltd. is providing this communication as of this date and does not undertake to update any forward-looking statements contained herein as a result of new information, future events or otherwise.

For further information, please contact:

Media Relations	Investor Relations
Adesh Kaul Head Public Relations & Corporate Communications +41 61 606 1460 media_relations@basilea.com	Barbara Zink, Ph.D., MBA Head Corporate Development +41 61 606 1233 investor_relations@basilea.com

This press release can be downloaded from www.basilea.com