

*To the OMX Nordic Exchange Copenhagen
and the press*

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Pharmexa provides update on company plans

Summary: Pharmexa launches project prioritization, cost saving initiatives and has retained HSBC as financial advisor in a process to explore strategic alternatives for the company.

At a board meeting today Pharmexa decided to launch a number of specific initiatives to protect shareholder value and to the extent possible secure the continuation of the positive developments in the company's key projects. This is in line with the alternatives the company described in the prospectus dated January 9, 2008.

Project prioritizations

Pharmexa has undertaken a number of project prioritizations aimed at reducing costs associated with research, development and administration.

The company will focus on GV1001 and its universal influenza vaccine project. Externally funded projects, including the Alzheimers project, a breast cancer vaccine, the HIV program and a malaria project, will continue according to plan. The company's project in bone diseases and an early stage cancer project will be put on hold. A number of smaller technology projects will be stopped.

Cost savings

These project prioritizations will enable the company to reduce the headcount by 20%, corresponding to approximately 20 employees. Headcount reductions will take place both in San Diego, USA and in Hørsholm, Denmark. Pharmexa A/S also has advanced plans to move to a smaller facility in the research park in Hørsholm, which will result in an approximate 40% reduction in the company's building costs. The company expects to move by May this year.

These initiatives significantly reduce Pharmexa's running costs but still maintain most of the value in the company.

Updated financial guidance

In connection with the cost savings, Pharmexa updates its expectations for the 2008 financial year: Based on the company's current activities, agreements already entered into and grants already made, revenue, interest income and other operating income in the 2008 financial year will total approximately DKK 35 million, as previously expected. Research and development costs are expected to total DKK 165 against DKK 185 million previously expected, while administrative expenses are expected to be approximately DKK 20 million, against DKK 30 million previously expected. The net loss, including financial income is expected to be approximately DKK 150 million, against DKK 180 million previously expected.

Pharmexa's forecast for 2008 are based on its revised level of activity and assumes no new revenue generating agreements in 2008. Such new agreements or material changes to Pharmexa's strategy may therefore have a material impact on the company's forecasts for the 2008 financial year.

Strategic alternatives

In parallel with the above mentioned cost saving initiatives, Pharmexa has retained the international investment bank HSBC Bank Plc. as financial advisor in a process to explore the company's strategic alternatives.

Hørsholm, February 18, 2008

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For the editors: *Pharmexa A/S is a leading company in the field of active immunotherapy and vaccines for the treatment of cancer and serious chronic and infectious diseases. Pharmexa's proprietary technology platforms are broadly applicable, allowing the company to address critical targets in cancer, arthritis, bone degeneration and Alzheimer's disease, as well as infectious diseases such as HIV, influenza, hepatitis and malaria. Company programs include GV1001, a peptide vaccine that has entered Phase III trials in pancreatic cancer and Phase II trials in liver cancer, and a number of HIV and hepatitis vaccines in Phase I/II. Collaborative agreements include H. Lundbeck, Innogenetics, IDM Pharma and Bavarian Nordic. With operations in Denmark, Norway and USA, Pharmexa employs approximately 80 employees and is listed on the OMX Nordic Stock Exchange Copenhagen under the trading symbol PHARMX.*