



## Bavarian Nordic Announces Interim Results for the First Nine Months of 2015

**COPENHAGEN, Denmark, November 3, 2015** - Bavarian Nordic A/S (OMX: BAVA, OTC: BVNRY) today publishes its interim financial results for the first nine months of 2015. Revenue for the period was DKK 703 million (2014: DKK 676 million), the income before interest and tax (EBIT) was DKK 2 million (2014: DKK 121 million loss) and the net profit was DKK 57 million (2014: DKK 72 million loss). Financial expectations for the full year are maintained.

### Significant events in the third quarter of 2015 and up to the reporting date

- In July, Bavarian Nordic received a new order from the U.S. Government (BARDA) for bulk supply of IMVAMUNE smallpox vaccine valued at USD 133 million. This bulk material could be converted into freeze-dried IMVAMUNE at a later date.
- In July, an NCI-sponsored Phase 2 study of PROSTVAC in up to 150 patients with localized prostate cancer was initiated.
- In August, the first-in-human Phase 1 study investigating a new MVA-BN based vaccine against Respiratory Syncytial Virus (RSV) was initiated. The 63 patient study is now fully enrolled.
- In September, Bavarian Nordic was awarded a subcontract valued up to USD 33 million from Janssen as part of a contract awarded by BARDA to support the advanced development and manufacturing of the MVA-BN<sup>®</sup>/AdVac<sup>®</sup> prime-boost Ebola vaccine regimen.
- In October, a safety and immunogenicity study of the prime-boost Ebola vaccine regimen was initiated in Sierra Leone. This first study of the vaccine regimen in an outbreak country is conducted in parallel with multiple ongoing Phase 1 and 2 studies, as part of the accelerated development towards licensure of the vaccine.
- In October, Bavarian Nordic received a new order from Canada for IMVAMUNE valued at USD 6.4 million. Additional contract options with Canadian authorities remain exercisable over the next years.

Paul Chaplin, President & Chief Executive Officer of Bavarian Nordic said: "Significant progress has been made in our pipeline during the year. In particular, the accelerated advancement of our Ebola vaccine regimen into Phase 3 trials was a major accomplishment. In addition, the initiation of clinical development of our RSV vaccine marks an important entry into new, commercially attractive markets. Additional pipeline progress is planned in the near term, notably with CV-301 immunotherapy, beginning with lung cancer and in multiple cancers thereafter. We are also very pleased with the continued support from the U.S. government for the procurement of IMVAMUNE, highlighting our large-scale vaccine manufacturing expertise."

### Selected short-term objectives and opportunities

#### PROSTVAC

- Top-line data from the PROSTVAC Phase 3 clinical trial anticipated in 2017. Pre-specified, event-driven interim analyses will occur prior to that
- Initiate Phase 2 combination study of PROSTVAC and ipilimumab (Yervoy<sup>®</sup>) in collaboration with Bristol-Myers Squibb
- Initiate NCI-sponsored Phase 2 combination study of PROSTVAC, ipilimumab and nivolumab (Opdivo<sup>®</sup>)
- Report data from ongoing NCI-sponsored Phase 2 trials
- Initiation of new NCI-sponsored combination trials in various prostate cancer stages

## IMVAMUNE

- Finalize manufacturing activities to support a U.S. EUA for freeze-dried IMVAMUNE
- Initiate manufacturing and storage of IMVAMUNE bulk for the U.S. Government
- Respond to a request for proposal (RFP) from the U.S. Government for freeze-dried IMVAMUNE
- Additional orders from rest of world

## Ebola/Janssen collaboration

- Complete Phase 2 and Phase 3 studies of the Ebola prime-boost vaccine regimen
- Potential expanded collaboration with Janssen on additional infectious disease targets

## Other pipeline projects

- Report Phase 1 data of MVA-BN RSV
- Initiation of Phase 2 of MVA-BN RSV
- Initiation of Phase 2 of MVA-BN Brachyury
- Initiation of Phase 2 of CV-301 + immune checkpoint inhibitor in lung cancer
- Initiation of Phase 2 studies of CV-301 + immune checkpoint inhibitor in additional indications
- Initiation of NCI-sponsored combination trials with CV-301
- Initiation of NIH-sponsored Phase 1 study of multivalent MVA-BN Filo prime-boost vaccine

## **Phase 1 data for MVA-BN Brachyury to be announced on November 3, 2015**

Data from an NCI-sponsored, open label Phase 1 study of MVA-BN Brachyury in 38 patients with advanced cancer or chordoma will be presented at the SITC (Society for Immunotherapy of Cancer) 2015 Annual Meeting on November 7, 2015. An abstract of the study results will be released on November 3, 2015 at 2 pm CET.

## **Financials**

Danish kroner (DKK) is the Company's functional currency. All USD figures provided below are based upon an assumed USD/DKK exchange rate of DKK 6.66 per 1.00 USD, which was the exchange rate as of September 30, 2015.

	9m 2015 DKK million	9m 2014 DKK million	9m 2015 USD million	9m 2014 USD million
Revenue	703	676	106	102
EBIT	2	(121)	0	(18)
Cash preparedness	1,618	356	243	53

Bavarian Nordic maintains its 2015 full-year financial expectations with revenue at the level of DKK 1,000 million and a break even result before interest and tax (EBIT). Revenue will primarily be generated from deliveries of MVA-BN Filo bulk drug substance to Janssen, sale of IMVAMUNE to the U.S. Government and rest of world, and ongoing research and development contracts.

The cash preparedness at year end is expected to be in the level of DKK 1,450 million and includes the loan facility of EUR 50 million from the European Investment Bank.

As of the reporting date, all known external USD exposure is hedged.

Group key figures are found at the end of this announcement. The full financial statements for the period can be downloaded from the Company's website: [www.bavarian-nordic.com](http://www.bavarian-nordic.com) along with a spreadsheet containing selected accounting figures.

## **Conference call and webcast**

The management of Bavarian Nordic will host a conference call today at 2 pm CET (8 am EST) to present the interim results followed by a Q&A session. Dial-in numbers for the conference call are: Denmark: +45 32 71 16 59, UK: +44 (0) 20 3427 1908, USA: +1 646 254 3360. A live and archived webcast of the call and relevant slides will be available at <http://www.bavarian-nordic.com/investor/events.aspx?event=4210>.

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## About Bavarian Nordic

Bavarian Nordic is a fully integrated biotechnology company focused on the development, manufacturing and commercialization of cancer immunotherapies and vaccines for infectious diseases, based on the Company's live virus vaccine platform. Through long-standing collaborations, including a collaboration with the U.S. government, Bavarian Nordic has developed a portfolio of vaccines for infectious diseases, including the non-replicating smallpox vaccine, IMVAMUNE<sup>®</sup>, which is stockpiled for emergency use by the United States and other governments. The vaccine is approved in the European Union (under the trade name IMVANEX<sup>®</sup>) and in Canada. Bavarian Nordic and its partner Janssen are developing an Ebola vaccine regimen, which has been fast-tracked, with the backing of worldwide health authorities. Additionally, in collaboration with the National Cancer Institute, Bavarian Nordic has developed a portfolio of active cancer immunotherapies, including PROSTVAC<sup>®</sup>, which is currently in Phase 3 clinical development for the treatment of advanced prostate cancer. The company has partnered with Bristol-Myers Squibb for the potential commercialization of PROSTVAC. For more information visit [www.bavarian-nordic.com](http://www.bavarian-nordic.com) or follow us on Twitter [@bavariannordic](https://twitter.com/bavariannordic).

## Forward-looking statements

This announcement includes forward-looking statements that involve risks, uncertainties and other factors, many of which are outside of our control that could cause actual results to differ materially from the results discussed in the forward-looking statements. Forward-looking statements include statements regarding our short-term objectives and opportunities, financial expectations for the full year and financial preparedness as of year-end, as well as statements concerning our plans, objectives, goals, future events, performance and/or other information that is not historical information. All such forward-looking statements are expressly qualified by these cautionary statements and any other cautionary statements which may accompany the forward-looking statements. We undertake no obligation to publicly update or revise forward-looking statements to reflect subsequent events or circumstances after the date made, except as required by law.

## Consolidated Key Figures, un-audited

DKK thousand	9m 2015	9m 2014	FY 2014
<b>Income statements</b>			
Revenue	703,015	675,591	1,216,815
Production costs	245,678	328,116	495,081
Research and development costs	296,848	313,483	478,930
Distribution costs	32,998	34,365	45,107
Administrative costs	125,249	120,962	181,022
Income before interest and taxes (EBIT)	2,242	(121,335)	16,675
Financial items, net	58,225	36,788	47,685
Income before company tax	60,467	(84,547)	64,360
Net profit for the period	57,111	(72,040)	25,940
<b>Balance sheet</b>			
Total non-current assets	552,743	592,550	568,145
Total current assets	1,586,396	671,254	1,319,123
Total assets	2,139,139	1,263,804	1,887,268
Equity	1,302,663	881,442	1,252,094
Non-current liabilities	49,873	90,067	51,896
Current liabilities	786,603	292,295	583,278
<b>Cash flow statements</b>			
Securities, cash and cash equivalents	1,233,914	236,093	979,707
Cash flow from operating activities	269,969	(209,664)	338,749
Cash flow from investment activities	(238,467)	12,995	(503,665)
- Investment in intangible assets	(16,930)	(43,294)	(53,595)
- Investment in property, plant and equipment	(12,620)	(39,733)	(52,392)
Cash flow from financing activities	16,319	(4,259)	216,238
<b>Financial Ratios (DKK) <sup>1)</sup></b>			
Earnings (basic) per share of DKK 10	2.1	(2.8)	1.0
Net asset value per share <sup>2)</sup>	46.8	31.7	45.0
Share price at period-end	264	114	198
Share price/Net asset value per share <sup>2)</sup>	5.6	3.6	4.4
Number of outstanding shares at period-end	27,834	26,113	27,671
Equity share	61%	70%	66%
Number of employees, converted to full-time, at period-end	408	415	422

1) Earnings per share (EPS) is calculated in accordance with IAS 33 "Earning per share". The financial ratios have been calculated in accordance with "Anbefalinger og Nøgletal 2015" (Recommendations and Financial ratios 2015).

2) Due to issue of new shares in 2015, net asset value per share for 2014 has been recalculated based on outstanding shares end Q3 2015.