

To the Copenhagen Stock Exchange

Bavarian Nordic Appeals Austrian Court Ruling on Non-Infringement

On Friday 22 June the Commercial Court in Vienna, Austria dismissed the pending case based on a finding that Acambis' MVA3000 product does not infringe Bavarian Nordic's Austrian MVA patent. The decision is based on inaccuracies in the interpretation of the patent claims to only cover the virus material which is physically deposited at the European Collection of Cell Cultures under the Budapest Treaty in connection with the patent. The decision will have no impact on Bavarian Nordic's business.

Bavarian Nordic will appeal this decision in order to defend its Austrian intellectual property rights position. The company is confident that the decision will be reversed on appeal, as the Court's finding contradicts the European Patent Convention as well as the Biotech Directive on the legal protection of biotechnological inventions, which govern also Austrian patent law. In the meantime, Bavarian Nordic prosecutes different claims in a divisional European patent application to safeguard its European patent position.

The Austrian Court's ruling has no impact on the patent case pending at the U.S. International Trade Commission.

Commenting on the Austrian decision, Peter Wulff, President and CEO of Bavarian Nordic, said:

"The decision basically holds that a patent relying on deposited material under the Budapest Treaty, which is normal practice with respect to biological inventions, would only receive protection for the physically deposited material itself. This would in effect render intellectual property protection into personal property protection. The decision is untenable because it would also in effect only protect the exact biological material made available at the depository by the Patentee himself."

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About Bavarian Nordic A/S:

Bavarian Nordic (CSE: BAVA) is a leading international biopharmaceutical company developing and producing innovative vaccines to prevent and treat infectious diseases and cancer. With operations in Denmark, Germany, the USA, and Singapore, Bavarian Nordic employs over 200 people. Bavarian Nordic's patented technology, MVA-BN[®], is as been demonstrated in clinical studies, one of the world's safest, multivalent vaccine vectors for the development of vaccines against various infectious diseases such as smallpox, HIV/AIDS, as well as against breast and prostate cancer. Several MVA-BN[®]-based HIV and smallpox vaccines are in clinical Phase I and Phase II trials. Bavarian Nordic has ongoing development contracts with the US government to develop IMVAMUNE[®] as a safe third-generation smallpox vaccine. Bavarian Nordic has supplied several other governments with smallpox vaccines. For more information please visit www.bavarian-nordic.com

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