



BAVARIAN NORDIC

Company Announcement

25 May 2010

Bavarian Nordic awards warrants to management and certain employees

The Board of Directors in Bavarian Nordic A/S has decided to award warrants to management, certain employees in the Company and its subsidiaries and the Board of Directors. The Board decision is made in accordance with the shareholder authorisation for the Board of Directors adopted as Article 5b of the Articles of Association and the Company's guidelines regarding incentive programs. The award is made by the Board of Directors and exercise is limited by and governed by the Danish Act on Options for Employees (the Stock Option Act/aktieoptionsloven) regarding termination of employment prior to exercise of warrants.

A total of 270,000 warrants are awarded for subscription of up to 270,000 shares of a nominal value of DKK 10 at an exercise price of DKK 291 per share. The exercise price is established as the average share price ("closing price") for the Company's share in a period of 15 business days prior to this day added a 15 % premium.

The warrants can be exercised wholly or partly in a period of 14 days commencing from the day of publication of the Company's Quarterly Report for the first quarter in 2013, from the day of publication of the Company's Quarterly Report for the third quarter in 2013, from the day of publication of the Company's Quarterly Report for the first quarter in 2014 and/or in a period of 14 days commencing from the day of publication of the Company's Quarterly Report for the third quarter in 2014.

Under this program the Board of Directors will receive a total of 30,000 warrants, CEO & President 20,000 warrants, members of executive management 90,000 warrants and certain employees in the Company and its subsidiaries a total of 130,000 warrants.

Referring to the Danish Securities Act, Section 28a it is announced that the following people, obliged to notify the Company of transactions involving Bavarian Nordic securities, are awarded warrants:

Chairman of the Board Asger Aamund (5,000 warrants), other members of the Board of Directors Erling Johansen (5,000 warrants), Claus Bræstrup (5,000 warrants), Anders Gersel Pedersen (5,000 warrants), Erik G. Hansen (5,000 warrants) and Gerard Van Odijk (5,000 warrants). CEO and President Anders Hedegaard (20,000 warrants), members of executive management Anders Gram (15,000 warrants), Morten Max Rasmussen (15,000 warrants), Steen Vangsgaard (15,000 warrants), Ole Larsen (15,000 warrants), Paul Chaplin (15,000 warrants) and Reiner Laus (15.000 warrants).

The value of each warrant equals DKK 72 and is calculated on the Black-Scholes model with a risk-free interest rate of 2.0 per cent and on the historical volatility of the shares. The calculation is based on a market value of the share of DKK 212.50 per share.

The award of warrants will incur consequential amendments to the Articles of Association.

Asger Aamund
Chairman of the Board

Contact

Anders Hedegaard, President & CEO. Phone +45 23 20 30 64

About Bavarian Nordic

Bavarian Nordic A/S is a leading industrial biotechnology company developing and producing novel vaccines for the treatment and prevention of life-threatening diseases with a large unmet medical need. The company's pipeline is focused in the three areas; cancer, biodefence and infectious diseases, and includes seven development programmes. Two programmes are under preparation for Phase III: PROSTVAC™, a therapeutic vaccine for advanced prostate cancer is being developed under a collaboration agreement with the National Cancer Institute, and IMVAMUNE®, a third-generation smallpox vaccine is being developed under a contract with the US government.

Bavarian Nordic is listed on NASDAQ OMX Copenhagen under the symbol BAVA.
For more information please visit www.bavarian-nordic.com

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 concerning our plans, objectives, goals, future events, performance and/or other information that is not historical information. 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.