



October 22, 2014

## Bavarian Nordic Provides Update on Business Activities and Reports Preliminary Interim Financial Results for the First Nine Months of 2014

- Partnering negotiations ongoing for the Company's Ebola vaccine programs and PROSTVAC prostate cancer immunotherapy

**KVISTGAARD, Denmark, October 22, 2014** - Bavarian Nordic A/S (OMX: BAVA, OTC: BVNRY) announced today an update of its business activities and preliminary interim financial results for the first nine months of 2014.

### Ebola vaccine development and partnering

The current Ebola outbreak in West Africa has spurred renewed interest in Bavarian Nordic's Ebola vaccine development as no approved vaccine or treatment exists. The Company has developed several vaccine candidates based on its proprietary vaccine platform technology, MVA-BN<sup>®</sup>, which in preclinical studies have shown the ability to offer protection against different species of the Ebola virus. One candidate is being accelerated into clinical development in collaboration with the U.S. National Institute of Allergy and Infectious Diseases with anticipated initiation of a trial in humans in 2015.

The Company is now in advanced negotiations with a pharmaceutical company on a licensing and manufacturing agreement on its Ebola vaccine candidates.

### PROSTVAC Phase 3 study and partnering prospects

Since Bavarian Nordic acquired the rights to PROSTVAC, it has been the Company's strategic focus to enter into a partnering agreement for commercialization of PROSTVAC. The PROSPECT Phase 3 clinical study is on track to complete enrollment of 1,200 patients before year end.

Over the course of the study the Company has had partnering discussions with pharmaceutical companies. Several companies are currently showing interest in PROSTVAC and Bavarian Nordic is now in contract negotiations on partnering PROSTVAC. Current negotiations include upfront payment, milestone payments, and royalties on commercialization of PROSTVAC. However, at this time no assurance of a partnership agreement eventually being entered in to can be made.

### Preliminary interim financial results for the first nine months of 2014

The following consolidated financial statements for the period January 1 to September 30, 2014 are non-exhaustive and preliminary. The full financial statements for the period will be announced on November 13, 2014 as planned. The Company maintains its financial expectations for the full year with revenues in the level of DKK 1,200 million and a break-even result before interest and tax (EBIT). The Group's cash preparedness at year-end is expected to be approximately DKK 600 million.

DKK million	1/1 - 30/9 2014	1/1 - 30/9 2013
	<i>un-audited</i>	<i>un-audited</i>
<b>Income statements</b>		
Revenue	675.6	875.0
Production costs	328.1	346.8
Research and development costs	313.5	385.0

Distribution costs	34.3	27.4
Administrative costs	121.0	121.8
Income before interest and taxes (EBIT)	(121.3)	(6.0)
Financial items, net	36.8	(11.7)
Income before company tax	(84.5)	(17.7)
Net profit for the period	(72.0)	(19.9)
<b>Cash</b>		
Securities, cash and cash equivalents	236.1	426.0
Cash preparedness	356.1	546.0

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## About Bavarian Nordic

Bavarian Nordic is an international biotechnology company developing and manufacturing novel cancer immunotherapies and vaccines for infectious diseases. Lead product candidates are PROSTVAC<sup>®</sup>, an immunotherapy product candidate for advanced prostate cancer that is the subject of an ongoing pivotal Phase 3 clinical trial, and IMVAMUNE<sup>®</sup>, a non-replicating smallpox vaccine candidate in Phase 3 development, which is being developed and supplied for emergency use to the U.S. Strategic National Stockpile under a contract with the U.S. Government. The vaccine is approved in Canada under the trade name IMVAMUNE and in the European Union under the trade name IMVANEX.

Bavarian Nordic's shares are listed on NASDAQ OMX Copenhagen under the symbol BAVA (Reuters: BAVA.CO, Bloomberg: BAVA.DC). The company has a sponsored Level 1 ADR program listed in the US (OTC) under the symbol BVNRY.

For more information, visit [www.bavarian-nordic.com](http://www.bavarian-nordic.com).

## About MVA-BN<sup>®</sup>

MVA-BN (Modified Vaccinia Ankara - Bavarian Nordic) is a proprietary and patented vaccine platform technology of Bavarian Nordic. MVA-BN is a robust and adaptable platform suitable for addressing a wide variety of infectious diseases, including biological threats.

In addition to developing MVA-BN as a safer smallpox vaccine (approved in the EU and Canada) essential to protecting the immune-compromised population, Bavarian Nordic has conducted more than a dozen preclinical and clinical studies of recombinant MVA-BN-based vaccines. More than 7,500 individuals, nearly 1,000 of whom are immunocompromised, have been vaccinated with MVA-BN-based vaccines, showing the platform displays high immunogenicity and a favorable safety profile.

## 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.