



Company Announcement

13 October 2010

Bavarian Nordic Receives NIH Grant to Investigate the Potential of an MVA-BN® based Vaccine against Ebola and Marburg Viruses

Kvistgård, Denmark, October 13, 2010 - Bavarian Nordic A/S (OMX: BAVA) announced today that the company has received funding from the U.S. National Institutes of Health (NIH) to advance its early research in filoviruses (Ebola and Marburg virus).

As previously announced, the company is investigating the potential use of its core vaccine technology, MVA-BN® as a combined vaccine encoding genes for both the Ebola and Marburg strains. The funding from NIH will support an animal efficacy study performed in non-human primates.

Upon evaluation of the initial data from this study, which are expected next year, Bavarian Nordic will determine the future of this project in the company's pipeline.

Bavarian Nordic's President & CEO, Anders Hedegaard commented: *"This research grant is yet another sign of the continued strong relationship between Bavarian Nordic and the US government. We have already successfully advanced the development our IMVAMUNE® smallpox vaccine under a fully-funded programme from the US government and with continued support and funding from the US authorities, we are committed to developing innovative vaccines against other potential biological weapons like anthrax, Ebola and Marburg as well. Also, with this initiative we fulfil part of our short term goal to investigate new opportunities to expand the pipeline within our Infectious Disease Division."*

Asger Aamund
Chairman of the Board

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About filoviruses

Filoviruses belong to a virus family called *Filoviridae* and can cause severe hemorrhagic fever in humans and nonhuman primates. So far, only two members of this virus family have been identified: Marburg virus and Ebola virus.

Both diseases are rare, but have a capacity to cause dramatic outbreaks with high fatality. Outbreaks of the diseases have been frequently reported since the discovery of the viruses around 40 years ago, mainly in Africa where the viruses have their origin.

Due to their severe fatality rate and ease of transmission, both viruses are considered potential biological weapons.

Currently, there exists no standard treatment or vaccine against the diseases.

About Bavarian Nordic

Bavarian Nordic 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 clinical pipeline targets cancer and infectious diseases, and includes seven development programmes. Two programmes 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.