**Company Announcement**

May 15, 2014

**Bavarian Nordic to Present Data Combining its Cancer Immunotherapies with Immune Checkpoint Inhibitors at the 2014 ASCO Annual Meeting**

**KVISTGAARD, Denmark, May 15, 2014** - Bavarian Nordic A/S (OMX: BAVA, OTC: BVNRY) announced today two papers featuring the combination of the Company’s proprietary cancer immunotherapy candidate MVA-BN®-HER-2 together with immune checkpoint inhibitors will be presented as posters, including a highlight posters discussion session, during the 2014 ASCO Annual Meeting in Chicago, IL from May 30 to June 3.

The two presentations highlight the potential for synergistic benefit in anti-cancer efficacy and improved survival by combining Bavarian Nordic’s poxvirus-based active immunotherapy platform with immune checkpoint inhibitors (iCPi).

“The results will show what we and others have hypothesized, namely that the development of robust anti-cancer immune responses is augmented and accelerated when the foundational benefit from our active immunotherapy is coupled with immune checkpoint inhibitors,” said James B. Breitmeyer, President of Bavarian Nordic’s Cancer Immunotherapy Division. “By design, the checkpoint inhibitors remove inhibitions from the immune system, but sometimes an initial immune stimulation is still required. Our active immunotherapy stimulates the immune system to target the cancer, and the checkpoint inhibitors amplify that response. The data from the presented work help to elucidate the survival effect seen in published human studies of prostate cancer with our lead candidate, PROSTVAC, combined with ipilimumab, which we hope to replicate in future combination clinical trials.”

**Abstract titles and summary:**

**“Anti-tumor efficacy of poxvirus-based active immunotherapy alone and in combination with sub-therapeutic dosing with immune checkpoint inhibitors”**

General Poster Session, Developmental Therapeutics: Immunotherapy, Sunday, June 1, 2014 from 8:00 AM to 11:45 AM CDT. The abstract can be seen at the ASCO Annual Meeting website: [http://abstracts.asco.org/144/AbstView_144_130074.html](http://abstracts.asco.org/144/AbstView_144_130074.html).

- Anti-tumor efficacy was significantly improved when Bavarian Nordic’s poxvirus-based active immunotherapy was combined with one or two immune checkpoint inhibitors in both primary and metastatic preclinical tumor models.
- Complete tumor regression resulted from combining MVA-BN-HER2 immunotherapy with anti-PD-1 plus anti-LAG-3 antibodies.
- The doses of anti-PD-1 plus anti-LAG-3 could be reduced by 90% while retaining anti-tumor efficacy if the iCPi were given in combination with MVA-BN-HER2 active immunotherapy.
- The authors conclude that combination therapy of reduced-dose iCPi with poxvirus-based active immunotherapy could potentially offer improved clinical benefit, safety and tolerability over iCPi therapy alone.

**“Magnitude and quality of tumor-infiltrating T cell response upon poxvirus-based active immunotherapy alone and in combination with CTLA-4 immune checkpoint inhibition”**

Poster Highlights Session, Developmental Therapeutics: Immunotherapy, Monday, June 2, 2014 from 1:15 PM to 4:15 PM CDT. The abstract can be seen at the ASCO Annual Meeting website: [http://abstracts.asco.org/144/AbstView_144_130077.html](http://abstracts.asco.org/144/AbstView_144_130077.html).
• Combining MVA-BN-HER2 immunotherapy with CTLA-4 blockade in preclinical therapeutic tumor models demonstrated significantly improved efficacy for median overall survival (p<0.001).
• MVA-BN-HER2 administration was accompanied by a 30 fold increase in tumor infiltrating, antigen-specific CD8 T cells (CD8 TILs) compared to no treatment, which was further augmented to 90-fold in combination with anti-CTLA-4.
• The authors conclude that poxvirus-based immunotherapy induces a robust, functional tumor-infiltrating T cell response that is augmented significantly in combination with CTLA-4 immune checkpoint inhibition, and that leads to improved survival in nonclinical models.

Bavarian Nordic will also be present at the conference with an exhibit, booth #2004 where attendees can learn more about PROSTVAC and the PROSPECT clinical trial - a global, randomized, double-blind, placebo-controlled Phase 3 study of PROSTVAC in men with asymptomatic and minimally symptomatic metastatic, castration-resistant prostate cancer.

Bavarian Nordic will also host a PROSTVAC update and investor and analyst reception on Saturday, May 31, 2014 in Chicago, IL at 5 PM CDT. Confirmed speakers and panelists include Philip Kantoff, M.D. (Dana-Farber Cancer Institute), James L. Gulley, M.D., Ph.D. (NCI), Ravi A. Madan, M.D. (NCI), Larry Fong, M.D. (UCSF), Winald Gerritsen, M.D., Ph.D. (Radboud University Medical Centre Nijmegen) and James B. Breitmeyer, M.D., Ph.D. (Bavarian Nordic). For registration and more information on this event, visit http://www.bavarian-nordic.com/asco2014.

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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®, an immunotherapy product candidate for advanced prostate cancer that is the subject of an ongoing pivotal Phase 3 clinical trial, and IMVAMUNE®, 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.

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.