INTERIM RESULTS AS OF SEPTEMBER 30, 2014

Q3

CSE/OMX:BAVA, OTC:BVNRY

BAVARIAN NORDIC

FINANCIAL HIGHLIGHTS

- 3.6 million doses IMVAMUNE® delivered to the SNS during the first nine months of 2014 (1 million in Q3)
- Continued increase in contribution margins on IMVAMUNE sales in Q2. FY margins still expected at 2013 level
- Cash preparedness significantly improved recently as result of Janssen deal; now expects approx. DKK 1,000m at year-end
- FY revenue and results expectations maintained

	DKK million		USD million	
	9m 2014	9m 2013	**9m 2014**	9m 2013
Revenue	676	875	117	151
EBIT	(121)	(6)	(21)	(1)
Cash preparedness	356	546	61	94

RECENT HIGHLIGHTS

- License and supply agreement on MVA-BN Filovirus (**Ebola** and Marburg) vaccine candidate entered with **Janssen** (Johnson & Johnson)
- 1.3m new shares issued to Johnson & Johnson, raising **DKK 251 million in gross proceeds**
- The U.S. government exercised an option valued at USD 118 million for the **continued delivery of IMVAMUNE** smallpox vaccine to the U.S. Strategic National Stockpile
- **Canada** orders IMVAMUNE for public health and exercises option under contract for IMVAMUNE for armed forces. Contract + options total more than 500,000 doses
- The **PROSPECT Phase 3 study** of PROSTVAC® is on track to enroll 1,200 patients by year-end 2014

PIPELINE

1) Government funded programs
2) Sold to government stockpiles
3) Approved in the European Union under the trade name IMVANEX® and in Canada under the trade name IMVAMUNE®
4) Phase 3 registration studies are ongoing in the United States
5) Licensed to Janssen

PROSPECT

A RANDOMIZED, DOUBLE-BLIND, GLOBAL PHASE 3 EFFICACY TRIAL OF PROSTVAC IN METASTATIC CASTRATION-RESISTANT PROSTATE CANCER

- On track to enroll 1,200 patients by year-end 2014
- All (15) countries active, 200 sites recruiting
  - Australia, Belgium, Canada, Denmark, Estonia, France, Germany, Iceland, Israel, Netherlands, Poland, Russia, Spain, UK & US
- Interim analysis plan
  - Pre-specified interim data analyses will evaluate whether the trial should continue as planned or potentially be stopped early for efficacy or futility
  - Potential for early data read-out

1,200 patients

3 study arms

- PROSTVAC + GM-CSF
- PROSTVAC
- Placebo

Primary endpoint is overall survival

Either one of the treatment arms must be superior to placebo
Each comparison requires 534 deaths for the final analysis

Phase 2 results:
Demonstrated hazard ratio 0.56 = 44% reduction in risk of death

SPA terms for Phase 3:
Required hazard ratio 0.82 or less = 18% reduction in risk of death

OTHER ONGOING STUDIES
NCI-SPONSORED

	Indication	Study design	Key endpoints	ClnicalTrials.gov ID
PROSTVAC *Phase 2* *N=34*	Non-metastatic castration sensitive prostate cancer	PROSTVAC + enzalutamide vs enzalutamide alone	Decrease in tumor re-growth rate (PSA kinetics) after 3 months of enzalutamide	NCT01875250
PROSTVAC *Phase 2* *N=76*	Metastatic castration sensitive prostate cancer	PROSTVAC + enzalutamide vs enzalutamide alone	Time to progression	NCT01867333
PROSTVAC *Phase 2* *N=27*	Patients undergoing treatment with radical prostatectomy	PROSTVAC as neoadjuvant therapy	Effect on immune cells (measured by CD4 and CD8 cell infiltrate response) in the prostate	NCT02153918
PROSTVAC *Phase* *N=62*	Non-metastatic prostate cancer	PROSTVAC + flutamide vs flutamide alone	Time to treatment failure	NCT00450463
CV-301 *Phase 2* *N=54*	High grade bladder cancer	CV-301 + intravesical BCG vs. BCG alone	Disease-free survival	NCT02015104
MVA-BN Brachyury *Phase 1* *N=18+*	Metastatic or unresectable locally advanced malignant solid tumors	Dose-escalation trial in three cohorts	Safety and tolerability. Evaluation of immunologic responses as measured by an increase in Brachyury-specific T cells	NCT02179515

EBOLA/MARBURG VACCINE AGREEMENT WITH JANSSEN

Supply agreement

US$ 99m

BN to manufacture and supply of >1 million vaccine doses

- US$ 70m upfront
- US$ 29m pro rata with deliveries in 2015

License agreement

US$ 45m

BN grants exclusive license to Janssen for its MVA-BN Filovirus vaccine (Ebola Zaire, Ebola Sudan and Marburg)
Janssen will cover development costs

- US$ 25m upfront
- US$ 20m in development and regulatory milestones

Equity investment

US$ 43m

Johnson & Johnson Development Corporation subscribe for new BN shares through private placement

THE BN & JANSSEN EBOLA VACCINE REGIMEN

- Prime-boost vaccine regimen of two vaccines based on multivalent **MVA-BN** and Janssen's monovalent **AdVac®**
- Preclinical studies demonstrated **100% protection against Ebola Zaire** (the Ebola strain responsible for the current outbreak)
- Safety and immunogenicity trial of the vaccine regimen planned for early January 2015
- Three clinical studies in USA, Europe and Africa

EXPANDED COLLABORATION ON MVA-BN TECHNOLOGY

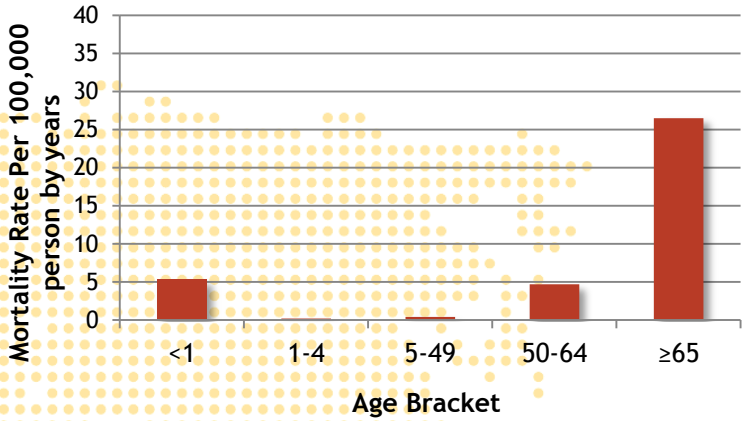
- Bavarian Nordic and Janssen will collaborate on the evaluation of MVA-BN for **three additional infectious disease targets**.
- Janssen is granted the **exclusive option** to collaborate on one or more of the targets, following scientific evaluation of MVA-BN-based vaccine candidates
- Important validation of the MVA-BN technology

RSV: RESPIRATORY SYNCYTIAL VIRUS

LARGE UNMET MEDICAL NEED: CHILDREN & ELDERLY

RSV

- Major cause of upper & lower respiratory tract infections in adults and children
- No approved vaccine; high unmet medical need
- Immunity wanes and recurrent infections are common, particularly in individuals with respiratory & circulatory diseases



SERIOUS HEALTH RISK FOR ELDERLY

- 177,000 hospitalizations and 14,000 deaths annually among US adults older than 65 years
- Infection rate in adults ranges between 5-10% per year, 70-80% get respiratory symptoms, 10-20% are hospitalized, and 2-5% die
- High levels of transmission in nursing homes increase disease burden in these facilities
- Major risk factor for adults with chronic pulmonary conditions

LEADING CAUSE OF INFANT HOSPITALIZATION

- Up to 176,000 hospitalizations in the US annually in children under 5
- 1.5 million outpatient visits in the US annually in children under 5
- 90% of infants contract RSV infection by 2 years of age, infants < 6 months of age are most at risk for severe disease
- Children are major source of disease transmission

THE RSV OPPORTUNITY
BLOCKBUSTER POTENTIAL IN 7 MAJOR MARKETS

Elderly 65 +	→	146M in 2014 206M in 2033
	+	
Adults at Risk*	→	70M in 2014 77M in 2033
	+	
Children ≤ 4 yrs	→	70M in 2014 70M in 2030

Territories included: US, EU, Japan; *) Adults with asthma, congestive heart failure or chronic obstructive pulmonary disease
People with immunodeficiency, including those with certain transplanted organs, leukaemia or HIV/AIDS

MVA-BN RSV VACCINE CANDIDATE

MVA-BN RSV

- Highly immunogenic – inducing strong mucosal and serological immunity (antibodies & T cells)
- No enhanced disease in animal models
- Protection against both RSV subtypes (A&B) in animal models
- Flexible administration options
- intranasal or intramuscular
- Received NIH support (animal efficacy)
- Favorable pre-IND – Phase 1 planned Q1 2015

MVA-BN: IDEAL RSV VACCINE PLATFORM

- Licensed platform
- Extraordinary safety profile
- Vector tested safely in elderly and children

DEVELOPMENT STRATEGY

Elderly + Adults at risk → Phase 1 → 2015

Children >5yrs → Second indication

FINANCIAL STATEMENTS

DKK million	9m 2014	9m 2013	FY 2013
Revenue	676	875	1,213
Production costs	328	347	485
Gross profit	348	528	728
Research and development costs	314	385	497
Distribution and administrative costs	155	149	198
Total operating costs	469	534	694
Income before interest and taxes (EBIT)	(121)	(6)	33
Financial income/loss	37	(12)	(27)
Income before company tax	(85)	(18)	6
Tax	(13)	2	53
Net profit for the period	(72)	(20)	(47)
Cash preparedness (end of period)	356	546	652

FINANCIAL OUTLOOK

	2014
Revenue	DKK 1,200m
EBIT	DKK 0m
Cash preparedness at year-end	DKK 1,000m

Assumptions:

Deliver and revenue recognize 6.5 million doses of IMVAMUNE to the U.S. Strategic National Stockpile	
R&D costs - GROUP	* DKK 600m
Infectious Disease Division, EBIT	DKK 400m
Cancer Immunotherapy Division, EBIT	DKK -400m

All numbers are approximate
** R&D costs include approximately DKK 110 million in contract expenses (stated under production costs in the P&L statement) as well as DKK 50 million capitalized in the balance sheet*

ANTICIPATED SELECTED MILESTONES

- Complete enrollment of 1,200 patients in the PROSPECT Phase 3 clinical study (2014)
- Advance clinical studies exploring the therapeutic potential of PROSTVAC in combination with checkpoint inhibitors
- Manufacture and deliver MVA-BN Filo (Ebola/Marburg) vaccine; targeting more than 1 million doses (2015)
- Initiation of Phase 1 study of a prime-boost regimen of MVA-BN Filo and Janssen's AdVac® vaccine (2015)
- Complete Phase 2 study of freeze-dried IMVAMUNE to support a pre-EUA submission (requirement for stockpiling) (2015)
- Initiate final Phase 3 study of IMVAMUNE (2014)
- Finalize clinical development plan for prioritized indications for CV-301 (2014)
- Secure IMVANEX/IMVAMUNE orders from rest of world
- Investigational New Drug submission for MVA-BN RSV followed by initiation of Phase 1 study (2015)

This presentation 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.

OVERVIEW OF USG CONTRACTS
AS OF SEPTEMBER 30, 2014

USD million		P&L		Cash Flow	
	Contract value	Revenue recognized	To be recognized	Received	To be received
RFP-3	778	678	100	662	116
RFP-2	116	115	1	115	1
RFP-1	14	14	0	14	0
RFP Freeze-dried	95	43	52	41	54
Marburg	18	3	15	3	15
Foot-and-mouth	1	1	0	1	0
Burkholderia	1	0	1	0	1
TOTAL	1,023	854	169	836	187