March 6, 2013

SIGA Technologies Reports Financial Results for the Fourth Quarter and Year Ended 2012

NEW YORK, March 6, 2013 (GLOBE NEWSWIRE) -- SIGA Technologies, Inc. (Nasdaq:SIGA), a company specializing in the development of pharmaceutical agents to fight pathogens capable of use as bioweapons, today reported its financial results for the quarter and year ended December 31, 2012.

Revenue for the three months ended December 31, 2012 was $2.5 million, compared to $5.0 million in the fourth quarter of 2011, and the operating loss for the quarter was $5.3 million, compared to $7.8 million for the comparable quarter last year. Net loss per share, which included a $1.8 million income tax benefit, was $0.06 for the three months ended December 31, 2012. In comparison, net loss per share, which included a $1.6 million income tax benefit, was $0.11 for the three months ended December 31, 2011.

Revenue for the year ended December 31, 2012 was $9.0 million, compared to $12.7 million for 2011. The operating loss for the year was $22.6 million; in comparison, there was an operating loss of $31.4 million in 2011. Net loss per share, which included a $7.9 million income tax benefit, was $0.28 for the year ended December 31, 2012, compared to earnings per diluted share of $0.09 in 2011. Earnings per diluted share for 2011 included a $36.0 million income tax benefit that was primarily related to a partial release of a valuation allowance.

2012 Key Financial Results

Revenues

For the years ended December 31, 2012 and 2011, revenue was $9.0 million and $12.7 million, respectively, a decrease of $3.7 million. Revenues decreased mainly due to the net impact of a $5.0 million decrease in contract and grant revenues related to Arestvyr™ (also known as ST-246®), dengue and broad spectrum antivirals, offset by a $1.2 million increase in grant revenues related to Lassa fever antivirals. The largest portion of the net decrease in revenues comes from the restructuring of an NIH Arestvyr contract in connection with entry into the BARDA Contract. Additionally, $1.2 million of the revenue decrease is attributable to the conclusion in late 2011 of two federal grants supporting the development of a broad spectrum antiviral.

Research and Development

For the years ended December 31, 2012 and 2011, we incurred research and development expenses of $18.2 million and $18.4 million, respectively. Decreases in vendor-related expenses supporting the development of Arestvyr, dengue and broad-spectrum antivirals were offset by increases in expenses related to various operational initiatives, employee compensation and vendor-related costs supporting the development of Lassa fever antivirals.

Selling, General and Administrative Expenses

For the years ended December 31, 2012 and 2011, selling, general and administrative expenses were $11.5 million and $23.9 million, respectively, a decrease of $12.5 million. The decrease in expense primarily relates to a $10.7 million decrease in non-cash stock-based compensation and a $1.6 million non-recurring loss contingency expense recorded in 2011 in connection with the PharmAthene litigation.

Patent Preparation Expenses

Patent preparation expenses were $1.9 million and $1.8 million for the years ended December 31, 2012 and 2011, respectively. These expenses reflect our ongoing efforts to protect our lead drug candidates in expanded geographic territories.

Financial Condition and Liquidity

Cash, cash equivalents and short-term investments on December 31, 2012 were $32.0 million, compared to $49.3 million on December 31, 2011. During the quarter ended December 31, 2012, we received a $12.3 million milestone payment upon receiving FDA concurrence with respect to the product labeling strategy under the BARDA Contract and net proceeds of $4.9 million from the issuance of debt.

Annual Report on Form 10-K

SIGA is filing today with the Securities and Exchange Commission its Annual Report on Form 10-K for the year ended December 31, 2012. SIGA urges its investors to read this Annual Report on Form 10-K for further details concerning the Company. The Annual Report on Form 10-K is also available on the Company's website, at www.siga.com.

About SIGA Technologies, Inc.

In the United States and around the globe, populations face a serious but unmet need for new drugs to protect against potentially catastrophic emerging viral pathogens and biological weapons of mass destruction. We are a pharmaceutical company specializing in developing pharmaceutical solutions for some of the most lethal disease causing pathogens in the world - smallpox, Ebola, dengue, Lassa fever and other dangerous viruses. Our objective is to discover, develop, manufacture and commercialize drugs to prevent and treat these high-priority threats. Our mission is to disarm dreaded viral diseases and create robust, modern biodefense countermeasures. For more information about SIGA, please visit SIGA's web site at www.siga.com.

The SIGA Technologies, Inc. logo is available at http://www.globenewswire.com/newsroom/prs/?pkgid=4504

Forward-looking Statements

This press release contains certain "forward-looking statements'" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, including statements relating to the progress of its development programs and timelines for bringing products to market, the enforceability of the BARDA Contract and the resolution of our ongoing litigation with PharmAthene, Inc. Such forward-looking statements are subject to various known and unknown risks and uncertainties and SIGA cautions you that any forward-looking information provided by or on behalf of SIGA is not a guarantee of future performance. SIGA's actual results could differ materially from those anticipated by such forward-looking statements due to a number of factors, some of which are beyond SIGA's control, including, but not limited to, (i) the risk that potential products that appear promising to SIGA or its collaborators cannot be shown to be efficacious or safe in subsequent pre-clinical or clinical trials, (ii) the risk that SIGA or its collaborators will not obtain appropriate or necessary governmental approvals to market these or other potential products, (iii) the risk that SIGA may not be able to obtain anticipated funding for its development projects or other needed funding, (iv) the risk that SIGA may not be able to secure funding from anticipated or current government contracts and grants, (v) the risk that SIGA may not be able to secure or enforce sufficient legal rights in its products, including intellectual property protection, (vi) the risk that any challenge to SIGA's patent and other property rights, if adversely determined, could affect SIGA's business and, even if determined favorably, could be costly, (vii) the risk that regulatory requirements applicable to SIGA's products may result in the need for further or additional testing or documentation that will delay or prevent seeking or obtaining needed approvals to market these products, (viii) the risk that one or more protests could be filed and upheld in whole or in part or other governmental action taken, in either case leading to a delay of performance under the BARDA Contract or other governmental contracts, (ix) the risk that the BARDA Contract is modified or canceled at the request or requirement of the U.S. government, (x) the risk that the adverse portions of the post-trial decision by the Delaware Chancery Court in the litigation brought by PharmAthene, Inc. will be upheld in further proceedings, including any appeal or cross-appeal, or that the favorable portions will be modified, (xi) the risk that the volatile and competitive nature of the biotechnology industry may hamper SIGA's efforts to develop or market its products, (xii) the risk that the changes in domestic and foreign economic and market conditions may adversely affect SIGA's ability to advance its research or its products, (xiii) the effect of federal, state, and foreign regulation, including drug regulation and international trade regulation, on SIGA's businesses, (xiv) the risk that our outstanding indebtedness may make it more difficult to obtain additional financing, and (xv) the risk that the U.S. government's responses (including inaction) to the national and global economic situation, including possible courses of action related to the so-called "sequester" may adversely affect SIGA's business. More detailed information about SIGA and risk factors that may affect the realization of forward-looking statements, including the forward-looking statements in this presentation, is set forth in SIGA's filings with the Securities and Exchange Commission, including SIGA's Annual Report on Form 10-K for the fiscal year ended December 31, 2012, and in other documents that SIGA has filed with the SEC. SIGA urges investors and security holders to read those documents free of charge at the SEC's Web site at http://www.sec.gov. Interested parties may also obtain those documents free of charge from SIGA. Forward-looking statements are current only as of the date on which such statements were made, and except for our ongoing obligations under the United States of America federal securities laws, we undertake no obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise.

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