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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ Quarterly Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

For the Quarter Ended March 31, 2007

OR

☐ Transition Report Pursuant To Section 13 Or 15(d) Of
the Securities Exchange Act of 1934

For the Transition Period from _____ to _____

Commission File No. 0-23047

SIGA Technologies, Inc.
(Exact name of registrant as specified in its charter)

A Delaware Corporation

IRS Employer No. 13-3864870

420 Lexington Avenue, Suite 408, New York, NY 10170
Telephone Number (212) 672-9100

Indicate by check mark whether the registrant (1) has filed all reports required
to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during
the preceding 12 months (or for such shorter period that the registrant was
required to file such reports), and (2) has been subject to such filing
requirements for the past 90 days. Yes ☒ No ☐.

Indicate by check mark whether the registrant is a large accelerated filer, an
accelerated filer, or a non-accelerated filer. See definition of "accelerated
filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check
one):

Large Accelerated Filer ☐ Accelerated Filer ☐ Non-Accelerated Filer ☒.

Indicate by check mark whether the registrant is a shell company (as defined in
rule 12b-2 of the Exchange Act). Yes ☐ No ☒.

As of April 25, 2007 the registrant had 33,014,410 shares of common stock
outstanding.

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SIGA Technologies, Inc.

Form 10-Q

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PART I - FINANCIAL INFORMATION
Item 1 - Financial Statements

SIGA TECHNOLOGIES, INC.
CONSOLIDATED BALANCE SHEETS

	Unaudited March 31, 2007	December 31, 2006
	-----	-----
ASSETS		
Current assets		
Cash and cash equivalents	\$ 9,744,739	\$ 10,639,530
Accounts receivable	1,278,592	617,032
Prepaid expenses	141,590	141,032
	-----	-----
Total current assets	11,164,921	11,397,594
Property, plant and equipment, net	1,102,627	1,320,315
Goodwill	898,334	898,334
Intangible assets, net	144,588	165,243
Other assets	254,228	246,201
	-----	-----
Total assets	\$ 13,564,698	\$ 14,027,687
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 1,384,621	\$ 1,357,906
Accrued expenses and other	622,720	584,504
Notes payable	107,520	107,520
	-----	-----
Total current liabilities	2,014,861	2,049,930
Non-current portion of notes payable	1,025	22,809
Common stock warrants	6,132,266	4,673,098
	-----	-----
Total liabilities	8,148,152	6,745,837
Commitments and contingencies	--	--
Stockholders' equity		
Common stock (\$0.0001 par value, 50,000,000 shares authorized, 32,988,010 and 32,452,210 issued and outstanding at March 31, 2007 and December 31, 2006, respectively)	3,298	3,245
Additional paid-in capital	64,822,544	63,646,224
Accumulated deficit	(59,509,296)	(56,367,619)
	-----	-----
Total stockholders' equity	5,416,546	7,281,850
	-----	-----
Total liabilities and stockholders' equity	\$ 13,564,698	\$ 14,027,687
	=====	=====

The accompanying notes are an integral part of these financial statements.

SIGA TECHNOLOGIES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended March 31,	
	2007	2006
	-----	-----
Revenues		
Research and development	\$ 1,867,441	\$ 1,394,454
	-----	-----
Operating expenses		
Selling, general and administrative (include \$8,306 and \$92,172 of non-cash share based compensation for the three months ended March 31, 2007 and 2006, respectively)	877,116	941,540
Research and development (include \$28,643 and \$29,253 of non-cash share based compensation for the three months ended March 31, 2007 and 2006, respectively)	2,649,588	1,657,670
Patent preparation fees	137,686	109,537
	-----	-----
Total operating expenses	3,664,390	2,708,747
	-----	-----
Operating loss	(1,796,949)	(1,314,293)
Decrease in fair market value of common stock rights and common stock warrants	(1,459,168)	(1,525,635)
Other income, net	114,440	6,268
	-----	-----
Net loss	\$ (3,141,677)	\$ (2,833,660)
	=====	=====
Weighted average shares outstanding: basic and diluted	32,590,966	26,500,648
	=====	=====
Net loss per share: basic and diluted	\$ (0.10)	\$ (0.11)
	=====	=====

The accompanying notes are an integral part of these financial statements.

SIGA TECHNOLOGIES, INC.

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	Three Months Ended March 31,	
	2007	2006
	-----	-----
Cash flows from operating activities:		
Net loss	\$ (3,141,677)	\$ (2,833,660)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	257,985	39,172
Amortization of intangible assets	20,655	274,349
Increase in fair market value of rights and warrants	1,459,168	1,525,635
Stock based compensation	36,949	121,425
Changes in assets and liabilities:		
Accounts receivable	(661,560)	624,872
Prepaid expenses	(558)	62,266
Other assets	(8,027)	(10,158)
Deferred revenue	--	917,037
Accounts payable and accrued expenses	70,837	(681,028)
	-----	-----
Net cash provided by (used in) operating activities	(1,966,228)	39,910
	-----	-----
Cash flows from investing activities:		
Capital expenditures	(40,297)	(307,417)
	-----	-----
Net cash used in investing activities	(40,297)	(307,417)
	-----	-----
Cash flows from financing activities:		
Proceeds from issuance of notes payable	--	1,000,000
Net proceeds from exercise of warrants and options	1,139,424	--
Repayment of notes payable	(27,690)	(26,880)
	-----	-----
Net cash provided by financing activities	1,111,734	973,120
	-----	-----
Net increase (decrease) in cash and cash equivalents	(894,791)	705,613
Cash and cash equivalents at beginning of period	10,639,530	1,772,489
	-----	-----
Cash and cash equivalents at end of period	\$ 9,744,739	\$ 2,478,102
	=====	=====

The accompanying notes are an integral part of these financial statements.

SIGA TECHNOLOGIES, INC.

Notes to the March 31, 2007 Consolidated Financial Statements (Unaudited)

1. Basis of Presentation

SIGA Technologies, Inc. ("SIGA" or the "Company") is a bio-defense company engaged in the discovery, development and commercialization of products for use in defense against biological warfare agents such as Smallpox and Arenaviruses. The Company is also engaged in the discovery and development of other novel anti-infectives, vaccines, and antibiotics for the prevention and treatment of serious infectious diseases. The Company's anti-viral programs are designed to prevent or limit the replication of viral pathogens. SIGA's anti-infectives programs target the increasingly serious problem of drug resistant bacteria and emerging pathogens.

The consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the rules and regulations of the Securities and Exchange Commission (the "SEC") for quarterly reports on Forms 10-Q and should be read in conjunction with the Company's consolidated audited financial statements and notes thereto for the year ended December 31, 2006, included in the 2006 Form 10-K. All terms used but not defined elsewhere herein have the meaning ascribed to them in the Company's 2006 annual report on Form 10-K filed on March 16, 2007. The year-end condensed balance sheet data was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America. In the opinion of management, all adjustments (consisting of normal and recurring adjustments) considered necessary for a fair statement of the results of the interim periods presented have been included. The results of operations for the three months ended March 31, 2007 are not necessarily indicative of the results expected for the full year.

The accompanying consolidated financial statements have been prepared on a basis which assumes that the Company will continue as a going concern and which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company has incurred cumulative net losses and expects to incur additional losses to perform further research and development activities. The Company does not have commercial products and has limited capital resources. Management's plans with regard to these matters include continued development of its products as well as seeking additional research support funds and future financial arrangements. Although management will continue to pursue these plans, there is no assurance that the Company will be successful in obtaining sufficient future financing on commercially reasonable terms or that the Company will be able to secure funding from anticipated government contracts and grants. Management believes that existing cash balances combined with anticipated cash flows will be sufficient to support its operations beyond the next twelve months, and will fund the Company's business objectives during that period.

2. Significant Accounting Policies

Use of Estimates

The consolidated financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. These estimates include the realization of deferred tax assets, useful lives and impairment of tangible and intangible assets, and the value of options and warrants granted or issued by the Company. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from these estimates.

Cash and cash equivalents

Cash and cash equivalents consist of short term, highly liquid investments, with original maturities of less than three months when purchased and are stated at cost. Interest is accrued as earned.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is provided on the straight-line method over the estimated useful lives of the various asset classes. Estimated lives are 5 years for laboratory equipment; 3 years for computer equipment; 7 years for furniture and fixtures;

and the life of the lease for leasehold improvements. Maintenance, repairs and minor replacements are charged to expense as incurred. Upon retirement or disposal of assets, the cost and related accumulated depreciation are removed from the Balance Sheet and any gain or loss is reflected in the Statement of Operations.

Revenue Recognition

The Company recognizes revenue from contract research and development and research payments in accordance with SEC Staff Accounting Bulletin No. 104, Revenue Recognition, ("SAB 104"). In accordance with SAB 104, revenue is recognized when persuasive evidence of an arrangement exists, delivery has occurred, the fee is fixed or determinable, collectibility is reasonably assured, contractual obligations have been satisfied and title and risk of loss have been transferred to the customer. The Company recognizes revenue from non-refundable up-front payments, not tied to achieving a specific performance milestone, over the period which the Company is obligated to perform services or based on the percentage of costs incurred to date, estimated costs to complete and total expected contract revenue. Payments for development activities are recognized as revenue as earned, over the period of effort. Substantive at-risk milestone payments, which are based on achieving a specific performance milestone, are recognized as revenue when the milestone is achieved and the related payment is due, providing there is no future service obligation associated with that milestone. In situations where the Company receives payment in advance of the performance of services, such amounts are deferred and recognized as revenue as the related services are performed.

For the three months ended March 31, 2007 and 2006, revenues from National Institutes of Health ("NIH") contracts and Small Business Innovation Research ("SBIR") grants were 66% and 52%, respectively, of total revenues recognized by the Company.

Accounts Receivable

Accounts receivable are recorded net of provisions for doubtful accounts. An allowance for doubtful accounts is based on specific analysis of the receivables. At March 31, 2007 and December 31, 2006, the Company had no allowance for doubtful accounts.

Research and development

Research and development expenses include costs directly attributable to the conduct of research and development programs, including employee related costs, materials, supplies, depreciation on and maintenance of research equipment, the cost of services provided by outside contractors, and facility costs, such as rent, utilities, and general support services. All costs associated with research and development are expensed as incurred. Costs related to the acquisition of technology rights, for which development work is still in process, and that have no alternative future uses, are expensed as incurred.

Goodwill

Goodwill is recorded when the purchase price paid for an acquisition exceeds the estimated fair value of the net identified tangible and intangible assets acquired.

The Company evaluates goodwill for impairment annually, in the fourth quarter of each year. In addition, the Company would test goodwill for recoverability between annual evaluations whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. Examples of such events could include a significant adverse change in legal matters, liquidity or in the business climate, an adverse action or assessment by a regulator or government organization, loss of key personnel, or new circumstances that would cause an expectation that it is more likely than not that we would sell or otherwise dispose of a reporting unit. Goodwill impairment is determined using a two-step approach in accordance with Statement of Financial Accounting Standards No. 142 "Goodwill and Other Intangible Assets" ("SFAS 142"). The impairment review process compares the fair value of the reporting unit in which goodwill resides to its carrying value. In 2006, the Company operated as one business and one reporting unit. Therefore, the goodwill impairment analysis was performed on the basis of the Company as a whole using the market capitalization of the Company as an estimate of its fair value.

Identified Intangible Assets

Acquisition-related intangibles at March 31, 2007, represent acquired technology which is amortized on a straight line basis over period 2 years.

In accordance with Statement of Financial Accounting Standards No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS 144"), the Company performs a review of its identified intangible assets to determine if facts and circumstances exist which indicate that the useful life is shorter than originally estimated or that the carrying amount of assets may not be recoverable. If such facts and circumstances do exist, the Company assesses the

recoverability of identified intangible assets by comparing the projected undiscounted net cash flows associated with the related asset or group of assets over their remaining lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. Our estimates of projected cash flows are dependent on many factors, including general economic trends, technological developments and projected future

contracts and government grants. It is reasonably likely that future cash flows associated with our intangible assets may exceed or fall short of our current projections, in which case a different amount for impairment would result.

Income taxes

Income taxes are accounted for under the asset and liability method prescribed by Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes." Deferred income taxes are recorded for temporary differences between financial statement carrying amounts and the tax basis of assets and liabilities. Deferred tax assets and liabilities reflect the tax rates expected to be in effect for the years in which the differences are expected to reverse. A valuation allowance is provided if it is more likely than not that some or the entire deferred tax asset will not be realized.

Net loss per common share

The Company computes, presents and discloses earnings per share in accordance with SFAS 128 "Earnings Per Share" ("EPS") which specifies the computation, presentation and disclosure requirements for earnings per share of entities with publicly held common stock or potential common stock. The statement defines two earnings per share calculations, basic and diluted. The objective of basic EPS is to measure the performance of an entity over the reporting period by dividing income (loss) by the weighted average shares outstanding. The objective of diluted EPS is consistent with that of basic EPS, that is to measure the performance of an entity over the reporting period, while giving effect to all dilutive potential common shares that were outstanding during the period. The calculation of diluted EPS is similar to basic EPS except the denominator is increased for the conversion of potential common shares.

The Company incurred losses for the three months ended March 31, 2007 and 2006 and as a result, certain equity instruments are excluded from the calculation of diluted loss per share. At March 31, 2006, 68,038 shares of the Company's Series A convertible preferred stock have been excluded from the computation of diluted loss per share as they were anti-dilutive. These shares were converted into shares of the Company's common stock in 2006. At March 31, 2007 and 2006 outstanding options to purchase 7,431,412 and 8,488,727 shares, respectively, of the Company's common stock with exercise prices ranging from \$0.94 to \$5.50 have been excluded from the computation of diluted loss per share as they are anti-dilutive. At March 31, 2007 and 2006, outstanding warrants to purchase 9,166,632 and 9,478,794, shares, respectively, of the Company's common stock, with exercise prices ranging from \$1.18 to \$4.99 have been excluded from the computation of diluted loss per share as they are anti-dilutive.

Fair value of financial instruments

The carrying value of cash and cash equivalents, accounts payable and accrued expenses approximates fair value due to the relatively short maturity of these instruments. Common stock rights and warrants which are classified as assets or liabilities under the provisions of EITF 00-19, are recorded at their fair market value as of each reporting period.

Concentration of credit risk

The Company has cash in bank accounts that exceed the Federal Deposit Insurance Corporation insured limits. The Company has not experienced any losses on its cash accounts. No allowance has been provided for potential credit losses because management believes that any such losses would be minimal.

Share-based Compensation

The Company accounts for its stock-based compensation programs under the provisions of Statement of Financial Accounting Standards No. 123 (revised 2004), "Share-Based Payment" ("SFAS 123(R)"), which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors including employee stock options and employee stock purchases related to the Employee Stock Purchase Plan ("employee stock purchases") based on estimated fair values. The Company does not have a stock purchase plan at the current time.

Segment information

The Company is managed and operated as one business. The entire business is managed by a single management team that reports to the chief executive officer. The Company does not operate separate lines of business or separate business entities with respect to any of its product candidates. Accordingly, the Company does not prepare discrete financial information with respect to separate product areas or by location and only has one reportable segment as defined by SFAS No.

Recent accounting pronouncements

In February 2007, the FASB issued SFAS No. 159 "The Fair Value Option for Financial Assets and Financial Liabilities" ("FAS 159"). FAS 159 permits entities to choose to measure many financial assets and liabilities at fair value. Unrealized gains and losses on items for which fair value option has been elected are reported in earnings.

FAS 159 is effective for fiscal years beginning after November 15, 2007. The Company is currently assessing the impact of FAS 159 on its financial position and results of operations.

Effective January 1, 2007, the Company adopted FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes--an Interpretation of FASB Statement 109 ("FIN 48"). FIN 48 prescribes a comprehensive model for the manner in which a company should recognize, measure, present and disclose in its financial statements all material uncertain tax positions that the Company has taken or expects to take on a tax return.

Upon adoption of FIN 48 and through March 31, 2007, the Company had no unrecognized tax benefits and, therefore, no unrecognized tax benefits that, if recognized, would affect the effective tax rate. As of the date of adoption, there were no tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease within twelve months from the date of adoption of FIN 48 or from March 31, 2007. As of March 31, 2007, the only tax jurisdiction to which the Company is subject is the United States. Open tax years relate to years in which unused net operating losses were generated. Thus, upon adoption of FIN 48, the Company's open tax years extend back to 1995. In the event that the Company concludes that it is subject to interest and/or penalties arising from uncertain tax positions, the Company will present interest and penalties as a component of income taxes. No amounts of interest or penalties were recognized in the Company's Consolidated Statements of Operations or Consolidated Balance Sheets upon adoption of FIN 48 or as of and for the three months ended March 31, 2007.

3. Intangible Assets

Amortization expense recorded for the three months ended March 31, 2007 and 2006 was as follows:

	Three Months Ended March 31,	
	2007	2006
	-----	-----
Amortization of acquired grants	\$ --	\$ 245,337
Amortization of customer contract and grants	--	8,357
Amortization of acquired technology	20,655	20,655
	-----	-----
	\$ 20,655	\$ 274,349
	-----	-----

4. Stockholders' Equity

At March 31, 2007, the Company's authorized share capital consisted of 60,000,000 shares, of which 50,000,000 are designated common shares and 10,000,000 are designated preferred shares. The Company's Board of Directors is authorized to issue preferred shares in series with rights, privileges and qualifications of each series determined by the Board.

2006 Placement

On October 19, 2006, the Company sold 2,000,000 shares of the Company's common stock at \$4.54 per share and warrants to purchase 1,000,000 shares of the Company's common stock. The warrants are exercisable at \$4.99 per share at any time and from time to time through and including the seventh anniversary of the closing date. As of March 31, 2007, warrants to acquire 1,000,000 shares of common stock were outstanding.

The Company accounted for the transaction under the provisions of EITF 00-19 which requires that free standing derivative financial instruments that require net cash settlement be classified as assets or liabilities at the time of the transaction, and recorded at their fair value. EITF 00-19 also requires that any changes in the fair value of the derivative instruments be reported in earnings or loss as long as the derivative contracts are classified as assets or liabilities. At March 31, 2007, the fair market value of the warrants to acquire common stock was \$3.2 million. The Company applied the Black-Scholes model to calculate the fair values of the respective derivative instruments using the contracted term of the warrants. Management estimates the expected volatility using a combination of the Company's historical volatility and the volatility of a group of comparable companies. SIGA recorded a loss of \$745,000 for the increase in the instruments' fair value from December 31, 2006 to March 31, 2007.

2005 Placement

In November 2005, the Company sold 2,000,000 shares of the Company's common stock at \$1.00 per share and warrants to purchase 1,000,000 shares of the Company's common stock at an initial exercise price of \$1.18 per share, at any time and from time to time through and including the seventh anniversary of the closing date. The investors were also entitled to purchase additional shares of the Company's common stock for a gross amount of \$2.0 million at an initial price of \$1.10 per share for a period of 90 trading days following the effectiveness of a registration statement. The rights to acquire additional shares of common stock expired on August 25, 2006. As of March 31, 2007, warrants to acquire 725,000 shares of common stock were outstanding.

The Company accounted for the transaction under the provisions of EITF 00-19. At March 31, 2007, the fair market value of the warrants to acquire common stock was \$3.0 million. SIGA recorded a loss of \$714,000 for the increase in the instruments' fair value from December 31, 2006 to March 31, 2007.

5. Related Parties

During the three months ended March 31, 2007, the Company incurred costs of \$12,500 related to work performed by Transtech Pharma, Inc., a related party, and its affiliates.

6. Stock Compensation Plans

In January 1996, the Company implemented its 1996 Incentive and Non-Qualified Stock Option Plan (the "Plan"). The Plan as amended provides for the granting of up to 11,000,000 shares of the Company's common stock to employees, consultants and outside directors of the Company. The exercise period for options granted under the Plan, except those granted to outside directors, is determined by a committee of the Board of Directors. Stock options granted to outside directors pursuant to the Plan must have an exercise price equal to or in excess of the fair market value of the Company's common stock at the date of grant.

For the three months ended March 31, 2007 and 2006, the Company recorded compensation expense of approximately \$37,000 and \$121,000, respectively related to stock options. The total fair value of options vested during the three months ended March 31, 2007 and 2006 was 188,000 and \$222,000. The total compensation cost not yet recognized related to non-vested awards at March 31, 2007 is \$832,000. The weighted average period over which total compensation cost is expected to be recognized is 1.56 years.

The Company did not award any option grants during the three months ended March 31, 2007.

7. Commitments and Contingencies

As of March 31, 2007, our purchase obligations are not material. We lease certain facilities and office space under operating leases. Minimum future rental commitments under operating leases having non-cancelable lease terms in excess of one year are as follows:

Year ended December 31,	Lease obligations	Loans and related interest payable	Total commitments
2007	\$ 576,948	\$ 107,521	\$ 684,469
2008	576,948	22,809	599,757
2009	579,648	--	579,648
2010	466,448	--	466,448
2011	443,748	--	443,748
	-----	-----	-----
Total	\$ 2,643,740	\$ 130,330	\$ 2,774,070
	=====	=====	=====

Other

On December 20, 2006, PharmAthene, Inc. ("PharmAthene") filed an action against the Company in the Court of Chancery in the State of Delaware, captioned PharmAthene, Inc. v. SIGA Technologies, Inc., C.A. No. 2627-N. In its Complaint, PharmAthene asks the Court to order the Company to enter into a license agreement with PharmAthene with respect to SIGA-246, as well as issue a declaration that the Company is obliged to execute such a license agreement, and award damages resulting from the Company's supposed breach of that obligation. PharmAthene also alleges that the Company breached an obligation to negotiate such a license agreement in good faith, as well as seeks damages for promissory estoppel and unjust enrichment based on supposed information, capital and assistance that PharmAthene allegedly provided to the Company during the negotiation process. On January 9, 2007, the Company filed a motion to dismiss the Complaint in its entirety for failure to state a claim upon which relief can be granted. The motion has been fully briefed and oral argument is currently scheduled for June 1, 2007. On January 19, 2007, PharmAthene served on the Company its first request for production of documents. The Company moved to stay discovery on January 26, 2007 and this motion was granted on March 8, 2007. SIGA believes that the claims are without merit and plans to defend itself vigorously.

SIGA TECHNOLOGIES, INC.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with our financial statements and notes to those statements and other financial information appearing elsewhere in this Quarterly Report. In addition to historical information, the following discussion and other parts of this Quarterly Report contain forward-looking information that involves risks and uncertainties.

Overview

Since our inception in December 1995, SIGA has pursued the research and development of novel products for the prevention and treatment of serious infectious diseases, including products for use in the defense against biological warfare agents such as Smallpox and Arenaviruses. During the third quarter of 2006 we were awarded a 3 year, \$16.5 million contract from the NIH and an additional 3 year, \$4.8 million SBIR Phase II continuation grant from the NIH. Both awards support the continuing development of our smallpox drug candidate, ST-246. Our efforts to develop ST-246 were also supported by previous SBIR grants from the NIH totaling \$5.8 million, a \$1.0 million agreement with Saint Louis University, and a \$1.6 million contract with the U.S. Army. Our initiative to advance SIGA's Arenavirus programs is supported by a 3 year, \$6.0 million SBIR grant from the NIH, received in September 2006 and previous SBIR grants from the NIH totaling \$6.3 million.

Our anti-viral programs are designed to prevent or limit the replication of the viral pathogen. Our anti-infectives programs are aimed at the increasingly serious problem of drug resistance. These programs are designed to block the ability of bacteria to attach to human tissue, the first step in the infection process. We are also developing a technology for the mucosal delivery of our vaccines which may allow the vaccines to activate the immune system at the mucus lined surfaces of the body -- the mouth, the nose, the lungs and the gastrointestinal and urogenital tracts -- the sites of entry for most infectious agents.

We do not have commercial biomedical products, and we do not expect to have such products for one to three years, if at all. We believe that we will need additional funds to complete the development of our biomedical products. Our plans with regard to these matters include continued development of our products as well as seeking additional research support funds and financial arrangements. Although we continue to pursue these plans, there is no assurance that we will be successful in obtaining future financing on terms acceptable to us. Management believes it has sufficient funds and projected cash flows to support operations beyond the next twelve months.

Our biotechnology operations are based in our research facility in Corvallis, Oregon. We continue to seek to fund a major portion of our ongoing antiviral, antibiotic and vaccine programs through a combination of government grants, contracts and strategic alliances. While we have had success in obtaining strategic alliances, contracts and grants, there is no assurance that we will continue to be successful in obtaining funds from these sources. Until additional relationships are established, we expect to continue to incur significant research and development costs and costs associated with the manufacturing of product for use in clinical trials and pre-clinical testing. It is expected that general and administrative costs, including patent and regulatory costs, necessary to support clinical trials and research and development will continue to be significant in the future.

To date, we have not marketed, or generated revenues from the commercial sale of any products. Our biopharmaceutical product candidates are not expected to be commercially available for several years, if at all. Accordingly, we expect to incur operating losses for the foreseeable future. There can be no assurance that we will ever achieve profitable operations.

Critical Accounting Estimates

The methods, estimates and judgments we use in applying our accounting policies have a significant impact on the results we report in our consolidated financial statements, which we discuss under the heading "Results of Operations" following this section of our Management's Discussion and Analysis. Some of our accounting policies require us to make difficult and subjective judgments, often as a result of the need to make estimates of matters that are inherently uncertain. Our most critical accounting estimates include the assessment of recoverability of goodwill, which could impact goodwill impairments; the assessment of recoverability of long-lived assets, which primarily impacts operating income if impairment exists. Below, we discuss these policies further,

as well as the estimates and judgments

involved. Other key accounting policies, including revenue recognition, are less subjective and involve a far lower degree of estimates and judgment.

Significant Accounting Policies

The following is a brief discussion of the more significant accounting policies and methods used by us in the preparation of our consolidated financial statements. Note 2 of the Notes to the Consolidated Financial Statements includes a summary of all of the significant accounting policies.

Share-based Compensation

The Company accounts for its stock-based compensation programs under the provisions of Statement of Financial Accounting Standards No. 123 (revised 2004), "Share-Based Payment" ("SFAS 123(R)"), which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors including employee stock options and employee stock purchases related to the Employee Stock Purchase Plan ("employee stock purchases") based on estimated fair values. SFAS 123(R) requires companies to estimate the fair value of share-based awards on the grant date using an option pricing model. The value of the portion of the award that is ultimately expected to vest is recorded as expense over the requisite periods in the Company's consolidated statement of operations.

Fair value of financial instruments

The carrying value of cash and cash equivalents, accounts payable and accrued expenses approximates fair value due to the relatively short maturity of these instruments. Common stock rights and warrants which are classified as assets or liabilities under the provisions of EITF 00-19 are recorded at their fair market value as of each reporting period. The Company applies the Black-Scholes pricing model to calculate the fair values of common stock rights and warrants using the contracted term of the instruments and expected volatility that is calculated as a combination of the Company's historical volatility and the volatility of a group of comparable companies.

Revenue Recognition

The Company recognizes revenue from contract research and development and research progress payments in accordance with SEC Staff Accounting Bulletin No. 104, Revenue Recognition, ("SAB 104"). In accordance with SAB 104, revenue is recognized when persuasive evidence of an arrangement exists, delivery has occurred, the fee is fixed and determinable, collectibility is reasonably assured, contractual obligations have been satisfied and title and risk of loss have been transferred to the customer. The Company recognizes revenue from non-refundable up-front payments, not tied to achieving a specific performance milestone, over the period which the Company is obligated to perform services or based on the percentage of costs incurred to date, estimated costs to complete and total expected contract revenue. Payments for development activities are recognized as revenue is earned, over the period of effort. Substantive at-risk milestone payments, which are based on achieving a specific performance milestone, are recognized as revenue when the milestone is achieved and the related payment is due, providing there is no future service obligation associated with that milestone. In situations where the Company receives payment in advance of the performance of services, such amounts are deferred and recognized as revenue as the related services are performed.

Goodwill

Goodwill is recorded when the purchase price paid for an acquisition exceeds the estimated fair value of the net identified tangible and intangible assets acquired.

The Company evaluates goodwill for impairment annually, in the fourth quarter of each year. In addition, the Company would test goodwill for recoverability between annual evaluations whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. Examples of such events could include a significant adverse change in legal matters, liquidity or in the business climate, an adverse action or assessment by a regulator or government organization, loss of key personnel, or new circumstances that would cause an expectation that it is more likely than not that we would sell or otherwise dispose of a reporting unit. Goodwill impairment is determined using a two-step approach in accordance with Statement of Financial Accounting Standards No. 142 "Goodwill and Other Intangible Assets" ("SFAS 142"). The impairment review process compares the fair value of the reporting unit in which goodwill resides to its carrying value. In 2006, the Company operated as one business and one reporting unit. Therefore, the goodwill impairment analysis was performed on the basis of the Company as a whole using

the market capitalization of the Company as an estimate of its fair value. In the past, our market capitalization has been significantly in excess of the Company's carrying value. It is reasonably likely that the future market capitalization of SIGA may exceed or fall short of our current market capitalization, in which case a different amount for potential

impairment would result. The use of the discounted expected future cash flows to evaluate the fair value of the Company as a whole is reasonably likely to produce different results than the Company's market capitalization.

Intangible Assets

Acquisition-related intangibles at March 31, 2007, represent acquired technology which is amortized on a straight line basis over a period of 2 years.

In accordance with Statement of Financial Accounting Standards No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS 144"), the Company performs a review of its identified intangible assets to determine if facts and circumstances exist which indicate that the useful life is shorter than originally estimated or that the carrying amount of assets may not be recoverable. If such facts and circumstances do exist, the Company assesses the recoverability of identified intangible assets by comparing the projected undiscounted net cash flows associated with the related asset or group of assets over their remaining lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. Our estimates of projected cash flows are dependent on many factors, including general economic trends, technological developments and projected future contracts and government grants. It is reasonably likely that future cash flows associated with our intangible assets may exceed or fall short of our current projections, in which case a different amount for impairment would result. If our actual cash flows exceed our estimates of future cash flows, any impairment charge would be greater than needed. If our actual cash flows are less than our estimated cash flows, we may need to recognize additional impairment charges in future periods, which would be limited to the carrying amount of the intangible assets.

Recent accounting pronouncements

In February 2007, the FASB issued SFAS No. 159 "The Fair Value Option for Financial Assets and Financial Liabilities" ("FAS 159"). FAS 159 permits entities to choose to measure many financial assets and liabilities at fair value. Unrealized gains and losses on items for which fair value option has been elected are reported in earnings. FAS 159 is effective for fiscal years beginning after November 15, 2007. The Company is currently assessing the impact of FAS 159 on its financial position and results of operations.

Results of Operations

Three months ended March 31, 2007 and 2006

Revenues from research and development contracts and grants for the three months ended March 31, 2007 and 2006 were \$1.9 million and \$1.4 million, respectively. Revenues recorded for the three months ended March 31, 2007 increased \$0.5 million or 34% from the prior year. For the three months ended March 31, 2007 we recorded \$1.2 million from an NIH contract and NIH SBIR grants, supporting two of our lead programs. Revenues from NIH SBIR grants and an agreement with Saint Louis University supporting these programs during the three months ended March 31, 2006 were \$730,000. The increase is mainly due to revenue recognized from our 3 year, \$16.5 million contract with the NIH. Revenue recognized from our programs with the USAF was \$630,000 and \$550,000 for the three months ended March 31, 2007 and 2006, respectively.

Selling, general and administrative expenses ("SG&A") for the three months ended March 31, 2007 and 2006 were \$877,000 and \$942,000, respectively. The Company's legal expenses for the three months ended March 31, 2007 increased by \$140,000 as compared to the same period in 2006 mainly due to our defense against an action filed against us by PharmAthene, Inc. This increase was offset by a decline of \$84,000 in non-cash stock-based compensation. The decline in SG&A also relates to a charge of \$115,000 recorded by the Company on March 31, 2006, reflecting a severance payment to our former Chief Executive Officer.

Research and development expenses were \$2.6 million and \$1.7 million for the three months ended March 31, 2007 and 2006, respectively. The increase of approximately \$900,000 or 53% mainly reflects an increase in charges related to clinical trials of our lead drug candidate ST-246, and higher payroll expenses related to the expansion of the Company's research and development work force from 38 full time employees to 40 on March 31, 2007.

During the three months ended March 31, 2007 and 2006, we spent \$990,000 and \$402,000, respectively, on the development of our lead drug candidate, ST-246, an orally administered anti-viral drug that targets the smallpox virus. For the three months ended March 31, 2007, we spent \$171,000 on internal human resources and \$820,000 mainly on clinical testing. For the three months ended March 31, 2006, we spent \$191,000 on internal human resources and \$211,000 on

pre-clinical testing of ST-246. From inception of the ST-246 development program to-date, we expended a

total of \$7.5 million related to the program, of which \$1.7 million and \$5.8 million were spent on internal human resources, and clinical and pre-clinical work, respectively. These resources reflect SIGA's research and development expenses directly related to the program. They exclude additional expenditures such as the cost to acquire the program, patent costs, allocation of indirect expenses, and the value of other services received from the NIH and the DoD.

R&D expenses of \$257,000 and \$376,000 during the three months ended March 31, 2007 and 2006, respectively, were used to support the development of ST-294, a drug candidate which has demonstrated significant antiviral activity in cell culture assays against arenavirus pathogens, as well as other drug candidates for hemorrhagic fevers. For the three months ended March 31, 2007, we spent \$59,000 on internal human resources and \$198,000 mainly on pre-clinical testing. For the three months ended March 31, 2006, we spent \$171,000 on internal human resources and \$204,000 on pre-clinical testing of ST-294. From inception of our program to develop ST-294 and other drug candidates for hemorrhagic fevers, to-date, we spent a total of \$3.4 million related to the program, of which \$1.6 million and \$1.8 million were expended on internal human resources and pre-clinical work, respectively. These resources reflect SIGA's research and development expenses directly related to the program. They exclude additional expenditures such as the cost to acquire the program, patent costs, allocation of indirect expenses, and the value of other services received from the NIH and the DoD.

R&D expenses related to our USAF Agreements were \$251,000 and \$171,000 for internal human resources and external R&D services, respectively, during the three months ended March 31, 2007. During the same period in 2006, we spent \$194,000 and \$128,000 on internal human resources and external R&D services, respectively. Costs related to our work on the USAF Agreements, during the term of the agreements to-date were \$2.4 million, of which we spent \$1.1 million and \$1.3 million on internal human resources and external R&D services, respectively. These resources reflect SIGA's research and development expenses directly related to this agreement. They exclude additional expenditures such as patent costs and allocation of indirect expenses.

Our product programs are in the early stage of development. At this stage of development, we cannot make reasonable estimates of the potential cost for most of our programs to be completed or the time it will take to complete the project. Our lead product, ST-246, is an orally administered anti-viral drug that targets the smallpox virus. In December 2005 the FDA accepted our IND application for ST-246 and granted it Fast-Track status. In December 2006, the FDA granted Orphan Drug designation to ST-246, for the prevention and treatment of smallpox. We expect that costs to complete the program will approximate \$15 million to \$20 million, and that the project could be completed in 24 months to 36 months. There is a high risk of non-completion of any program, including ST-246, because of the lead time to program completion and uncertainty of the costs. Net cash inflows from any products developed from our programs is at least one to three years away. However, we could receive additional grants, contracts or technology licenses in the short-term. The potential cash and timing is not known and we cannot be certain if they will ever occur.

The risk of failure to complete any program is high, as each, other than our smallpox program which began phase I clinical trials in 2006, is in the relatively early stage of development. Products for the biological warfare defense market, such as the ST-246 Smallpox anti-viral, could generate revenues in one to three years. We believe the products directed toward this market are on schedule. We expect the future research and development cost of our biological warfare defense programs to increase as the potential products enter animal studies and safety testing, including human safety trials. Funds for future development will be partially paid for by NIH contracts and SBIR grants, additional government funding and from future financing. If we are unable to obtain additional federal grants and contracts or funding in the required amounts, the development timeline for these products would slow or possibly be suspended. Delay or suspension of any of our programs could have an adverse impact on our ability to raise funds in the future, enter into collaborations with corporate partners or obtain additional federal funding from contracts or grants.

Patent preparation expenses for the three months ended March 31, 2007 were \$138,000 compared to \$110,000 for the three months ended March 31, 2006. We incurred higher costs during the 2007 three months period for work performed in connection with our two lead programs.

In connection with the sale of common stock, warrants and rights in October 2006 and November 2005, we recorded a loss for the increase in fair market value of common stock rights and common stock warrants. The warrants to purchase common stock of SIGA were recorded at fair market value and classified as liabilities at the time of the transaction. A loss of \$1.5 million was

recorded by us in each of the three month periods reflecting the increase in the fair value of warrants and rights to acquire additional shares of our common stock, from the respective year ends.

Other income of \$114,000 and \$6,000 for the three months ended March 31, 2007 and 2006, respectively, reflect interest income for the period.

Liquidity and Capital Resources

On March 31, 2007, we had \$9.7 million in cash and cash equivalents. During the first quarter of 2007, we received net proceeds of \$1.1 million from exercises of warrants and options to purchase shares of the Company's Common stock.

We believe that our existing cash combined with anticipated cash flows, including receipt of future funding from government contracts and grants will be sufficient to support our operations beyond the next twelve months, and that sufficient cash flows will be available to meet our business objectives during that period.

Operating activities

Net cash used in operations during the three months ended March 31, 2007 was \$2.0 million compared to \$40,000 generated from operations during the three months ended March 31, 2006. During the three months ended March 31, 2006, we received two advance payments from the USAF for a total of \$1.5 million. Our current agreements with the USAF do not include advance payments. In addition, during the first three months of 2007, our accounts receivable balance increased \$662,000, compared with a collection of \$625,000 of accounts receivable during the same period in 2006.

Investing activities

Capital expenditures during the three months ended March 31, 2007 and 2006 were \$40,000 and \$307,000, respectively, and mainly supported acquisition of laboratory equipment in 2007 and the renovation of our research facility in Oregon during the same period in 2006.

Financing activities

Cash provided by financing activities was \$1.1 million and \$1.0 million during the three months ended March 31, 2007 and 2006, respectively. During the three months ended March 31, 2007 we received \$1.1 million from the exercise of options and warrants to purchase shares of common stock. During the three months ended March 31, 2006, we received proceeds of \$1.0 million under a note payable to PharmAthene, Inc. The note was paid off in October 2006.

We have incurred cumulative net losses and expect to incur additional losses to perform further research and development activities. We do not have commercial products and have limited capital resources. Our plans with regard to these matters include continued development of our products as well as seeking additional working capital through a combination of collaborative agreements, strategic alliances, research grants, equity and debt financing. Although we continue to pursue these plans, there is no assurance that we will be successful in obtaining future financing on commercially reasonable terms.

Our working capital and capital requirements will depend upon numerous factors, including pharmaceutical research and development programs; pre-clinical and clinical testing; timing and cost of obtaining regulatory approvals; levels of resources that we devote to the development of manufacturing and marketing capabilities; technological advances; status of competitors; and our ability to establish collaborative arrangements with other organizations.

Off-Balance Sheet Arrangements

SIGA does not have any off-balance sheet arrangements.

Safe Harbor Statement

This report contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, including statements regarding the efficacy of potential products, the timelines for bringing such products to market and the availability of funding sources for continued development of such products. Forward-looking statements are based on management's estimates, assumptions and projections, and are subject to uncertainties, many of which are beyond the control of SIGA. Actual results may differ materially from those anticipated in any forward-looking statement. Factors that may cause such differences include the risks that (a) 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, (b) SIGA or its collaborators will not obtain appropriate or necessary governmental approvals to

market these or other potential products, (c) SIGA may not be able to obtain anticipated funding for its development projects or other needed funding, (d) SIGA may not be able to secure funding from anticipated government contracts and grants, (e) SIGA may not be able to secure or enforce adequate legal protection, including patent protection, for its products and (f) unanticipated internal control deficiencies or weaknesses or ineffective disclosure controls and procedures. 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, 2006, and in other documents that SIGA has filed with the Commission. SIGA urges investors and security holders to read those documents free of charge at the Commission's Web site at <http://www.sec.gov>. Interested parties may also obtain those documents free of charge from SIGA. Forward-looking statements speak only as of the date they are made, and except for our ongoing obligations under the U.S. 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.

Item 3. Quantitative and Qualitative Disclosure About Market Risk

None

Item 4. Controls and Procedures

(a) Disclosure Controls and Procedures. The Company's management, with the participation of the Company's Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the fiscal period covered by this Quarterly Report on Form 10-Q. Based upon such evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures are effective.

(b) Internal Control Over Financial Reporting. There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II
Other information

Item 1. On December 20, 2006, PharmAthene, Inc. ("PharmAthene") filed an action against the Company in the Court of Chancery in the State of Delaware, captioned PharmAthene, Inc. v. SIGA Technologies, Inc., C.A. No. 2627-N. In its Complaint, PharmAthene asks the Court to order the Company to enter into a license agreement with PharmAthene with respect to SIGA-246, as well as issue a declaration that the Company is obliged to execute such a license agreement, and award damages resulting from the Company's supposed breach of that obligation. PharmAthene also alleges that the Company breached an obligation to negotiate such a license agreement in good faith, as well as seeks damages for promissory estoppel and unjust enrichment based on supposed information, capital and assistance that PharmAthene allegedly provided to the Company during the negotiation process. On January 9, 2007, the Company filed a motion to dismiss the Complaint in its entirety for failure to state a claim upon which relief can be granted. The motion has been fully briefed and oral argument is currently scheduled for June 1, 2007. On January 19, 2007, PharmAthene served on the Company its first request for production of documents. The Company moved to stay discovery on January 26, 2007 and this motion was granted on March 8, 2007. SIGA believes that the claims are without merit and plans to defend itself vigorously.

Item 1A. Risk Factors - There were no material changes to Risk Factors disclosed in SIGA's 2006 Form 10-K.

Item 2. Unregistered Sale of Equity Securities and Use of Proceeds - None.

Item 3. Defaults upon Senior Securities - None.

Item 4. Submission of Matters to a Vote of Security Holders - None.

Item 5. Other Information - None.

Item 6. Exhibits

- * 31 Certification of Chief Executive Officer and Acting Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- * 31 Certification of Chief Financial Officer and Acting Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- * 32 Certification of Chief Executive Officer and Acting Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- * 32 Certification of Chief Financial Officer and Acting Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Filed herein

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 7, 2007

SIGA Technologies, Inc.
(Registrant)

By: /s/ Thomas N. Konatich

Thomas N. Konatich
Chief Financial Officer

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Eric A. Rose, M.D., certify that:

1. I have reviewed this quarterly report on Form 10-Q of SIGA Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions);
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2007

By: /s/ Eric A. Rose

Eric A. Rose, M.D.
Chief Executive Officer

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Thomas N. Konatich, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SIGA Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions);
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2007

By: /s/ Thomas N. Konatich

Thomas N. Konatich
Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of SIGA Technologies, Inc. (the "Company") on Form 10-Q for the period ending March 31, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Eric A. Rose, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss.1350, as adopted pursuant to ss.906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 7, 2007

/s/ Eric A. Rose

Eric A. Rose, M.D.
Chief Executive Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of SIGA Technologies, Inc. (the "Company") on Form 10-Q for the period ending March 31, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas N. Konatich., Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss.1350, as adopted pursuant to ss.906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (3) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (4) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 7, 2007

/s/ Thomas N. Konatich

Thomas N. Konatich
Chief Financial Officer