August 5, 2013

SIGA Technologies Reports Financial Results for the Second Quarter 2013

NEW YORK, Aug. 5, 2013 (GLOBE NEWSWIRE) -- SIGA Technologies, Inc. (Nasdaq:SIGA) today reported its financial results for the three and six months ended June 30, 2013.

Revenue for the three months ended June 30, 2013 was $965,000, compared to $2.7 million in the second quarter of 2012. The operating loss for the quarter was $5.6 million, compared to $6.3 million in the second quarter of 2012. Net loss per share was $0.06 per share and $0.07 per share for the three months ended June 30, 2013 and 2012, respectively.

Revenue for the six months ended June 30, 2013 was $2.3 million compared to $4.2 million in first half of 2012. The operating loss for the period was $11.4 million, compared to $11.9 million in the first half of 2012. Net loss per share was $0.15 per share and $0.16 per share for the six months ended June 30, 2013 and 2012, respectively.

Per share calculations include non-operational items such as adjustments to the fair value of warrants and benefit from income taxes.

In July, SIGA announced the third delivery of its proprietary smallpox antiviral drug, Arestvyr™, to the United States Government's Strategic National Stockpile (SNS). With this delivery, SIGA has cumulatively delivered approximately 590,000 courses of Arestvyr to the SNS and has qualified for a payment of approximately $79 million for the courses delivered to date.

Key Financial Results for Second Quarter and First Half 2013

Revenues

For the quarters ended June 30, 2013 and 2012, revenue was $965,000 and $2.7 million, respectively, a decrease of $1.7 million. Revenues decreased mainly due to a decrease in revenues from our federal contracts supporting the development of Arestvyr, and a $751,000 decrease in revenues related to lower usage of the dengue and Lassa fever federal grants.

For the first halves of 2013 and 2012, revenue was $2.3 million and $4.2 million, respectively. The decline in revenue is due to a $1.1 million decrease in revenues from federal contracts supporting the development of Arestvyr, including the conclusion of a federal grant supporting the development of Arestvyr in conjunction with vaccine, and a $730,000 decrease in revenues related to lower usage of dengue and Lassa fever federal grants in the second quarter of 2013.

Research and Development ("R&D") Expenses

R&D expenses were $3.1 million for the three months ended June 30, 2013, a decrease of $2.1 million from the $5.2 million incurred for the three months ended June 30, 2012. The decrease was mostly attributable to a decrease in direct vendor-related expenses supporting the development of Arestvyr, dengue antivirals and Lassa fever antivirals.

R&D expenses were $6.8 million for the six months ended June 30, 2013, a decrease of $2.9 million from the $9.6 million incurred during the six months ended June 30, 2012. The decrease was primarily due to a decrease in expenses related to the development of Arestvyr and Lassa fever antivirals.

Selling, General and Administrative ("SG&A") Expenses

SG&A expenses for the three months ended June 30, 2013 and 2012 were $3.2 million and $3.5 million, respectively, reflecting a decrease of $309,000. The decrease in SG&A expenses primarily relates to the impact of a $372,000 loss contingency expense that was recorded in the second quarter of 2012.

For the six months ended June 30, 2013 and 2012, SG&A expenses were $6.2 million and $5.7 million, respectively, reflecting an increase of approximately $509,000. The increase in SG&A expenses is mainly attributable to a $711,000 increase in employee compensation that is related to an uptick in corporate headcount and an increase in non-cash stock compensation expense, partially offset by the impact of a $372,000 loss contingency expense that was recorded in the second quarter of 2012.

Patent Preparation Expenses

Patent preparation expenses for the quarter were $301,000 and $759,000 for the three and six months ended June 30, 2013. This represents a decrease of $76,000 and increase of $46,000, respectively, over the comparable 2012 periods and reflects 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 June 30, 2013 were $33.0 million, compared to $32.0 million on December 31, 2012.

Quarterly Report on Form 10-Q

SIGA is filing today with the Securities and Exchange Commission its Second Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2013. SIGA urges its investors to read this quarterly filing as well as its Annual Report on Form 10-K and its amended filing on Form 10-K/A for the year ended December 31, 2012, also filed with the SEC, for further details concerning the Company. The Second Quarter Report on Form 10-Q, the Annual Report on Form 10-K and the amended filing on Form 10-K/A are 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 discovering and developing pharmaceutical solutions for some of the most lethal disease causing pathogens - smallpox, Ebola, dengue, Lassa fever and other dangerous viruses. Our objective is to discover, develop, 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.

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 performance of both parties under SIGA's contract with the Biomedical Advanced Research and Development Authority (BARDA), SIGA's efforts to seek approval and licensing from the United States Food and Drug Administration, and SIGA's capabilities in antiviral drug discovery and development. Forward-looking statements are based on management's estimates, assumptions and projections, and are subject to uncertainties, many of which are beyond our control. Actual results may differ materially from those anticipated in any forward-looking statement. Factors that may cause such differences include (i) the risk that potential products that appear promising to us cannot be shown to be efficacious or safe in subsequent animal, pre-clinical or clinical trials, (ii) the risk that we will not obtain appropriate or necessary governmental approvals to market these or other potential products, (iii) the risk that we may not be able to obtain anticipated funding for our development projects or other needed funding, (iv) the risk that we may not complete performance under the BARDA contract on schedule or in accordance with the contractual terms, (v) the risk that we may not be able to secure or enforce sufficient legal rights in our products, including intellectual property protection, (vi) the risk that any challenge to our patent and other property rights, if adversely determined, could affect our business and, even if determined favorably, could be costly, (vii) the risk that regulatory requirements applicable to our 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 our contract with BARDA, or other governmental contracts, (ix) the risk that our BARDA contract is modified or canceled at the request or requirement of the U.S. Government, (x) the risk that the volatile and competitive nature of the biotechnology industry may hamper our efforts to develop or market our products, (xi) the risk that changes in domestic and foreign economic and market conditions may affect our ability to advance our research or products adversely, (xii) the effect of federal, state or foreign regulation, including drug regulation and international trade regulation, on our business, (xiii) the risk that our outstanding indebtedness may make it more difficult to obtain additional financing, (xiv) 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 affect our business adversely, (xv) the risk that our internal controls will not be effective in detecting or preventing a misstatement in our financial statements, (xvi) the risk that some amounts received and recorded as deferred revenue ultimately may not be recognized as revenue, (xvii) the risk that the recent remand to the Delaware Chancery Court could result in a burdensome new award of damages, (xviii) the risk that that remand may result in extended and expensive litigation, (xix) the risk that our litigation with PharmAthene may impede our efforts to continue to grow our company, and (xx) the risk that we may not be able to establish our intended positions or otherwise not prevail in any further court proceedings. More detailed information about our company and risk factors that may affect the realization of forward-looking statements, including the forward-looking statements set forth here, is set forth in our filings with the Securities and Exchange Commission (the SEC), including our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, as amended by SIGA's 10-K/A as filed on May 15, 2013, and in other documents that we have filed with the SEC. We urge investors and security holders to read those

documents free of charge at the SEC's website at http://www.sec.gov. Interested parties may also obtain those documents free of charge directly from us. Forward-looking statements speak only as of the date they are made, and except for our ongoing obligations under the federal securities laws, we undertake no obligation to update publicly any forward-looking statement whether as a result of new information, future events or otherwise.

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