U.S. Government to Purchase Additional 14.5 Million Doses of BioThrax under New Contract Valued at up to $404 Million

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New Contract Extends USG's Commitment to Purchase BioThrax Through 3Q 2011 and is a Follow-on to the Existing 2007, $448 Million Contract

ROCKVILLE, Md.--(BUSINESS WIRE)--October 1, 2008--Emergent BioSolutions Inc. (NYSE:EBS) announced today that it has signed a new, multi-year, firm fixed price contract with the U.S. Department of Health and Human Services (HHS) to supply an additional 14.5 million doses of BioThrax(R) (Anthrax Vaccine Adsorbed), its FDA licensed anthrax vaccine, for inclusion in the Strategic National Stockpile (SNS).

The total value of this follow-on contract is between $364 million and $404 million, with the higher amount tied to the delivery of product having four-year expiry dating. First deliveries of BioThrax under this new contract are scheduled to begin in 3Q 2009, immediately following the scheduled completion of deliveries under the company's current $448 million contract to supply 18.75 million doses of BioThrax to the SNS. Final product deliveries under this new contract are anticipated in 3Q 2011.

"This follow-on contract with HHS is continuing evidence of the government's steadfast commitment to procure critical countermeasures to protect against the threat of bioterrorism in our country," said Fuad El-Hibri, chairman and chief executive officer of Emergent BioSolutions. "We are encouraged that we were able to secure this new procurement for an additional 14.5 million doses with HHS, because it represents a seamless transition from our current contract for the shipment of 18.75 million doses of BioThrax into the SNS. This clearly demonstrates the U.S. government's commitment to maintaining a strong, domestic industrial base for biodefense medical countermeasures."

About BioThrax(R) (Anthrax Vaccine Adsorbed)

BioThrax is the only FDA-licensed vaccine for the prevention of anthrax infection. It is licensed by the FDA as a pre-exposure prophylaxis for use in adults who are at high risk of exposure to anthrax spores. BioThrax is manufactured from a culture filtrate, made from a non-virulent strain of Baccillus anthracis and contains no dead or live bacteria. BioThrax is administered by subcutaneous injection in three initial doses followed by three additional doses, with an annual booster dose recommended thereafter. Since 1998, the U.S. government has procured nearly 32 million doses of BioThrax. During that time period, nearly 7.9 million doses have been administered to more than two million military personnel. BioThrax cannot cause anthrax infection.

About Emergent BioSolutions Inc.

Emergent BioSolutions Inc. is a leading, fully integrated biopharmaceutical company dedicated to one simple mission--to protect life. Emergent develops, manufactures and commercializes immune-related vaccines and biotherapeutics that assist the body's immune system to prevent or treat infectious and other life threatening diseases. Emergent's marketed product, BioThrax(R) (Anthrax Vaccine Adsorbed), is the only vaccine licensed by the U.S. Food and Drug Administration for the prevention of anthrax infection. Emergent's clinical pipeline includes franchises focused on anthrax and botulism, as well as individual program candidates targeting typhoid, tuberculosis, hepatitis B and chlamydia. www.emergentbiosolutions.com.

Safe Harbor Statement

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements, other than statements of historical fact, including statements regarding our strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and objectives of management, and any other statements containing the words "believes", "expects", "anticipates", "plans", "estimates" and similar expressions, are forward-looking statements. There are a number of important factors that could cause the company's actual results to differ materially from those indicated by such forward-looking statements, including appropriations for BioThrax procurement under the new SNS contract; appropriations for BioThrax procurement for the SNS under future contracts; our ability to obtain new BioThrax sales contracts with the U.S. government; our plans for future sales of BioThrax; future appropriations for the procurement of BioThrax for the SNS; future appropriations for the funding of development contracts related to our other anthrax-related programs; our plans to pursue label expansions and improvements for BioThrax; our plans to expand our manufacturing facilities and capabilities; the rate and degree of market acceptance and clinical utility of our products; the timing of and our ability to obtain and maintain regulatory approvals for our other product candidates; our commercialization, marketing and manufacturing capabilities and strategy; our estimates regarding expenses, future revenue, capital requirements and needs for additional financing; and other factors identified in the company's current report on Form 10-Q for the quarter ended June 30, 2008 and subsequent reports filed with the SEC. The company disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this press release.

Source: Emergent BioSolutions Inc.