May 1, 2014

SIGA Technologies Reports Financial Results for the First Quarter 2014

NEW YORK, May 1, 2014 (GLOBE NEWSWIRE) -- SIGA Technologies, Inc. (Nasdaq:SIGA), a company specializing in the development and commercialization of solutions for serious unmet medical needs and biothreats, today reported its financial results for the quarter ended March 31, 2014.

Revenue for the three months ended March 31, 2014 was $549,000, compared to $1.3 million in the first quarter of 2013, and the operating loss for the quarter was $5.6 million, compared to $5.8 million for the comparable quarter last year. Net loss per share, which included a $2.2 million income tax benefit, was $0.06 for the three months ended March 31, 2014. In comparison, net loss per share, which included a $2.3 million income tax benefit, was $0.09 for the three months ended March 31, 2013.

In the first quarter, SIGA delivered approximately 256,000 courses of Arestvyr to the U.S. Strategic National Stockpile, of which approximately 64,000 courses were delivered at no cost to the Biomedical Advanced Research and Development Authority (BARDA) in accordance with the BARDA contract. For deliveries of product, and other related activities, SIGA received $25.8 million from BARDA for the three months ended March 31, 2014. In accordance with generally accepted accounting principles, substantially all of the cash received from BARDA has been classified as deferred revenue in SIGA's financial statements.

Key Financial Results for First Quarter 2014

Revenues

For the quarters ended March 31, 2014 and 2013, revenue was $549,000 and $1.3 million, respectively. The decrease in revenue of $779,000 is due to a $437,000 decrease in grant revenues related to Lassa fever and a $325,000 decrease in revenues from our federal contracts supporting the development of Arestvyr™ (also known as ST-246®).

Research and Development

Research and development expenses were $2.8 million for the three months ended March 31, 2014, a decrease of $832,000 from the $3.6 million incurred for the three months ended March 31, 2013. The decrease is mostly attributable to a decline of $807,000 in employee compensation arising from the previously announced optimization plan. Separately, a $395,000 expense relating to an inventory write-down was primarily offset by lower direct vendor-related expenses supporting the development of Arestvyr, dengue antivirals, Lassa fever antivirals and high-throughput screening.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three months ended March 31, 2014 and 2013 were $3.1 million and $3.0 million, respectively.

Patent Preparation Expenses

Patent preparation expenses were $286,000, and $458,000 for the three months ended March 31, 2014 and 2013. These expenses reflect our ongoing efforts to protect our lead drug candidates in varied geographic territories.

Financial Condition and Liquidity

Cash, cash equivalents and short-term investments on March 31, 2014 were $107.1 million, compared to $91.3 million on December 31, 2013. During the three months ended March 31, 2014, the Company received approximately $25.8 million from BARDA for the delivery of product and other related activities under the HHSO10020110001C Contract.

Quarterly Report on Form 10-Q

SIGA is filing today with the Securities and Exchange Commission its Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2014. SIGA urges its investors to read this quarterly filing as well as its Annual Report on Form 10-K for the year ended December 31, 2013, also filed with the SEC, for further details concerning the Company. The First Quarter Report on Form 10-Q, and the Annual Report on Form 10-K are also available on the Company's website, at www.siga.com.

About SIGA Technologies, Inc.

We are a company specializing in the development and commercialization of solutions for serious unmet medical needs and biothreats. Our lead product is Arestvyr, ™ (tecovirimat), also known as ST-246®, an orally administered antiviral drug that targets orthopoxviruses. While Arestvyr is not yet licensed as safe or effective by the U.S. Food & Drug Administration, it is a novel small-molecule drug that is being delivered to the Strategic National Stockpile under Project BioShield. 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 other potential products, (iii) the risk that SIGA may not be able to obtain anticipated funding for its development projects or other needed funding, including from anticipated governmental contracts and grants (iv) the risk that SIGA may not complete performance under the BARDA Contract on schedule or in accordance with contractual terms, (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 volatile and competitive nature of the biotechnology industry may hamper SIGA's efforts to develop or market its products, (xi) the risk that changes in domestic and foreign economic and market conditions may affect SIGA's ability to advance its research or its products adversely, (xii) the effect of federal, state, or foreign regulation, including drug regulation and international trade regulation, on SIGA's businesses, (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, may affect SIGA's 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 revenue, (xvii) the risk the that recent remand to the Delaware Court of Chancery could result in a burdensome award of damages, which could materially and adversely affect the Company, (xviii) the risk that the remand may result in extended and expensive litigation, (xix) the risk that our litigation with PharmAthene may impede our efforts to continue to grow the 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 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, 2013, 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. We do not undertake any obligation to update publicly any forward-looking statement to reflect events or circumstances after the date on which any such statement is made or to reflect the occurrence of unanticipated events.

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Source: SIGA Technologies, Inc.