Emergent Announces Plans for TRU-016 Program Following Termination of Collaboration with Abbott

December 28, 2011

ROCKVILLE, Md.--(BUSINESS WIRE)--Dec. 28, 2011-- Emergent BioSolutions Inc. (NYSE:EBS) today announced plans for its TRU-016 program following receipt of a notice from Abbott that it is terminating its co-development and co-commercialization agreement. Abbott's decision is a result of the company's portfolio prioritization process. TRU-016, Emergent's humanized anti-CD37 mono-specific protein therapeutic, recently commenced a Phase 2 clinical study for chronic lymphocytic leukemia (CLL) and is currently in the middle of Phase 1b clinical evaluation in non-Hodgkin's lymphoma (NHL). These studies will be completed, and final study data will be available by 1H 2013.

Following the termination of the agreement, Emergent will retain worldwide rights for the development and commercialization of TRU-016, and Abbott will be obligated to provide certain forms of transition assistance to Emergent for a certain period of time. Emergent does not expect that termination of the Abbott agreement will have a material impact on its planned R&D expenditures for 2012.

In a separate release issued today, Emergent announced the initiation of patient dosing in the Phase 2 study (protocol 16201) of TRU-016 in combination with bendamustine for patients with relapsed CLL. The initiation of this clinical trial triggered a $6 million milestone payment to Emergent by Abbott. The Phase 2 portion of this study was initiated under the collaboration agreement following achievement of the Phase 1b study objectives and authorization for the commencement of the Phase 2 study by an independent data monitoring committee.

"Emergent remains committed to continued clinical evaluation of TRU-016 in B-cell malignancies," said Daniel J. Abdun-Nabi, President and Chief Operating Officer at Emergent BioSolutions. "We look forward to TRU-016's continued progress in the current ongoing clinical trials."

The agreement will remain in effect until March 20, 2012 and provides for Abbott to assist Emergent in the transition. While the agreement remains in effect, Abbott has an obligation to pay any milestone payments that are triggered as well as half of the collaboration project costs agreed to between Abbott and Emergent.

Emergent is evaluating whether the termination will require an impairment to goodwill and intangible assets to be recorded in 2011. The Company plans to provide preliminary 2011 financial results and 2012 guidance at the J. P. Morgan Healthcare Conference in January.

About Emergent BioSolutions Inc.

Emergent BioSolutions protects and enhances life by developing and manufacturing vaccines and therapeutics that are supplied to healthcare providers and purchasers for use in preventing and treating disease. Emergent's marketed and investigational products target infectious diseases, oncology, and autoimmune disorders. Additional information about the company may be found at 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, including any potential future securities offering, our expected revenue growth and net earnings for 2011, 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 the success of our ongoing and planned preclinical studies and clinical trials; the rate and degree of market acceptance and clinical utility of our products; the success of our ongoing and planned development programs; 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 Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 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.

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