



Emergent BioSolutions and HSBC Sign \$30 Million Loan to Support Manufacturing Expansion Program

July 3, 2007

Loan Replaces Existing \$15 Million HSBC Credit Facility

ROCKVILLE, Md.--(BUSINESS WIRE)--July 3, 2007--Emergent BioSolutions Inc. (NYSE:EBS), a biopharmaceutical company, announced today that it has signed a \$30 million loan agreement with HSBC Realty Credit Corporation (USA) (HSBC). The Company expects to use these funds primarily for its manufacturing expansion in Lansing, Michigan. This loan replaces a prior loan arrangement with HSBC under which HSBC agreed to loan the company \$15 million, consisting of a \$10 million term loan and a \$5 million revolving line of credit.

"We are very pleased to secure this new \$30 million financing from HSBC in support of our manufacturing expansion program," stated R. Don Elsey, senior vice president and chief financial officer of Emergent BioSolutions Inc. "HSBC has consistently shown financial commitment to the company. We look forward to continuing to strengthen that relationship as we pursue our core mission to protect life through the development, manufacturing and commercialization of immunobiotics that prevent or treat disease."

The new \$30 million loan carries a term of 5 years, an interest rate of 30-day LIBOR plus 2.75%, an amortization rate based on a 10-year schedule, and a balloon payment at the conclusion of the term of the loan.

About Emergent BioSolutions Inc.

Emergent BioSolutions Inc. is a biopharmaceutical company dedicated to one simple mission--to protect life. We develop, manufacture and commercialize immunobiotics, consisting of vaccines and therapeutics that assist the body's immune system to prevent or treat disease. Our biodefense business focuses on immunobiotics for use against biological agents that are potential weapons of bioterrorism and biowarfare. Our marketed product, BioThrax(R) (Anthrax Vaccine Adsorbed), is the only vaccine approved by the U.S. Food and Drug Administration for the prevention of anthrax infection. Our commercial business focuses on immunobiotics for use against infectious diseases and other medical conditions that have resulted in significant unmet or underserved public health needs. More information on the company is available 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 our expected use of loan proceeds, 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 our plans to expand our manufacturing facilities and capabilities; 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 March 31, 2007 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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