

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK


In re SIGA Technologies, Inc.

Case No. 14-12623 (SHL)
Reporting Period: 30-Sep-14
Federal Tax I.D. # 13-3864870

CORPORATE MONTHLY OPERATING REPORT

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	x	
Bank Account Information	MOR-1a	x	
Copies of bank statements			x
Cash disbursements journals			x
Statement of Operations (Income Statement)	MOR-2	x	
Balance Sheet	MOR-3	x	
Status of Postpetition Taxes	MOR-4	x	
Copies of IRS Form 6123 or payment receipt			x
Copies of tax returns filed during reporting period			x
Summary of Unpaid Postpetition Debts	MOR-4		x
Listing of Aged Accounts Payable			x
Accounts Receivable Reconciliation and Aging	MOR-5		x
Taxes Reconciliation and Aging	MOR-5		x
Payments to Insiders and Professionals	MOR-6		x
Postpetition Secured Notes Adequate Protection Payments	MOR-6		x
Debtor Questionnaire	MOR-7	x	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.



Signature of Authorized Individual*

11/14/14

Date

Daniel Luckshire

Printed Name of Authorized Individual

Executive Vice President and Chief Financial Officer

Title

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

In re SIGA Technologies, Inc.

Form No. Legal Entities and Notes to MOR
Case No. 14-12623 (SHL)
Reporting Period: 30-Sep-14
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Listing of Debtor Entity and Notes to the Monthly Operating Report

General:

The report includes activity from the following Debtor and the related Case Number:

Debtor	Case Number
SIGA Technologies, Inc.	14-12623 (SHL)

Notes to the MOR (the "Notes"):

On September 16, 2014 (the "**Commencement Date**"), SIGA Technologies, Inc. (the "**Debtor**") commenced a case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of New York (the "**Bankruptcy Court**"). The Debtor is authorized to operate its business and manage its property as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Bankruptcy Code provides for the Office of the United States Trustee for the Southern District of New York (the "**U.S. Trustee**") to appoint a statutory committee of creditors holding unsecured claims as soon as practicable after the commencement of a chapter 11 case. On October 7, 2014, the U.S. Trustee appointed an official committee of unsecured creditors.

This Monthly Operating Report ("**MOR**") has been prepared solely for the purpose of complying with the monthly reporting requirements applicable in the bankruptcy case and is in a format acceptable to the U.S. Trustee. The financial information contained herein is unaudited, limited in scope, and as discussed below, not prepared in accordance with accounting principles generally accepted in the United States of America ("**U.S. GAAP**").

The unaudited financial statements have been derived from the books and records of the Debtor. The information furnished in this MOR includes amounts recorded during the month in the ordinary course of operations, and certain accruals that are recurring. The information furnished in this MOR does not include all the adjustments that would typically be made for the quarterly and annual financial statements to be in accordance with U.S. GAAP. Furthermore, the monthly financial information contained herein has not been subjected to the same level of accounting review and testing that the Debtor applies in the preparation of its quarterly and annual financial information in accordance with U.S. GAAP. Accordingly, upon the application of such procedures, the Debtor believes that the financial information may be subject to change, and these changes could be material.

The amounts currently classified as liabilities subject to compromise may be subject to future change as the Debtor completes its analysis of prepetition liabilities.

The results of operations contained herein are not necessarily indicative of results that may be expected from any other period or for the full year and may not necessarily reflect the consolidated results of operations, financial position, and cash flows of the Debtor in the future. The Debtor cautions readers not to place undue reliance upon the MOR. There can be no assurance that such information is complete, and the MOR may be subject to revision.

Notes to MOR-4 and MOR-5:

The Debtor discloses the ending accounts receivable and accounts payable balances as part of MOR-3. Support to these items will be made available upon request.

Note to MOR-6:

The Debtor has made certain payments to insiders during the month relating to payroll, benefits, and lease payments. Details regarding these payments will be made available upon request. As of the date of filing this MOR, the Debtor has not made any payments to its professionals. Accordingly, the Debtor has no payments to report with respect to MOR-6. On October 28, 2014, the Bankruptcy Court entered the Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (ECF No. 98) and Order Pursuant to 11 U.S.C. §§ 105(a), 327, and 328 of the Bankruptcy Code Authorizing the Debtor to Employ Professionals Used in the Ordinary Course of Business Nunc Pro Tunc to the Commencement Date (ECF No. 101). Any payments made by the Debtor to its professionals will be in accordance with the terms and conditions set forth therein.

In re SIGA Technologies, Inc.

Form No. MOR-1
Case No. 14-12623 (SHL)
Reporting Period: 30-Sep-14
Federal Tax I.D. # 13-3864870

Schedule of Cash Receipts and Disbursements

TIME PERIOD:
9/16/14 - 9/30/14

Debtor	Case Number	Cash Receipts	Cash Disbursements	Total
SIGA Technologies, Inc.	14-12623 (SHL)	\$339,544	(\$364,276)	(\$24,732)

Notes to MOR-1:

Cash receipts and disbursement amounts are derived based on information from the Debtor's bank statements.

In re SIGA Technologies, Inc.

Form No. MOR-1a
Case No. 14-12623 (SHL)
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Bank Account Information

Legal Entity	Case Number	Bank Name / Address	Account Number	Bank Balance
SIGA Technologies, Inc.	14-12623 (SHL)	Citibank CBO Services P O BOX 769018 San Antonio, TX 78245	43359232	\$79,304,488
SIGA Technologies, Inc.	14-12623 (SHL)	Citibank CBO Services P O BOX 769018 San Antonio, TX 78245	4976023536	\$24,377,948
SIGA Technologies, Inc.	14-12623 (SHL)	Citibank CBO Services P O BOX 769018 San Antonio, TX 78245	4976023528	\$38,829
SIGA Technologies, Inc.	14-12623 (SHL)	Citi Personal Wealth Management 111 Wall Street 3rd Floor New York, NY 10043	C34-029394	\$99,931
SIGA Technologies, Inc.	14-12623 (SHL)	Chase Bank P O BOX 659754 San Antonio, TX 78265	000003790968728	\$2,372
SIGA Technologies, Inc.	14-12623 (SHL)	Citibank CBO Services (opened postpetition) P O BOX 769018 San Antonio, TX 78245	004989357463	\$5,000,000 [A]

Notes to MOR 1-a:

All amounts listed above are the bank balances as of the end of the month. Copies of bank statements and cash disbursement journals are not included in this MOR. These items will be made available upon request.

[A] This account was opened postpetition pursuant to the Stipulation and Interim Order Regarding Use of Cash Collateral and Adequate Protection (ECF No. 25) requiring the Debtor to open a new separate account with a balance in the amount of no less than \$4 million. On October 28, 2014, the Court entered the Stipulation and Final Order Regarding Use of Cash Collateral and Adequate Protection (ECF No. 96). This amount is classified as restricted cash on the balance sheet.

In re SIGA Technologies, Inc.

Form No. MOR-2
Case No. 14-12623 (SHL)
Reporting Period: 30-Sep-14
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Debtor Statement of Operations (Unaudited)

	TIME PERIOD: 9/1/14 - 9/30/14 September
Revenues - Research & Development	<u>\$592,208</u>
Operating Expenses	
Selling, general and administrative expenses	2,201,547
Research and development costs	389,143
Patent preparation fees	262,359
Litigation	<u>175,456,560</u>
Total operating expenses	<u>178,309,609</u>
Operating loss	<u>(177,717,401)</u>
Interest expense	32,480
Other income, net	(2)
Reorganization items, net	<u>301,937</u>
Loss before income taxes	<u>(178,051,816)</u>
Benefit from (provision for) income taxes	<u>(57,953,045)</u>
Net income (loss)	<u><u>(\$236,004,861)</u></u>

The Notes to this MOR are an integral part of these financial statements

In re SIGA Technologies, Inc.

Form No. MOR-3
Case No. 14-12623 (SHL)
Reporting Period: 30-Sep-14
Federal Tax I.D. # 13-3864870

Debtor Balance Sheet (Unaudited)

	As of 9/30/2014
ASSETS	
Current Assets	
Cash and cash equivalents	\$104,682,642
Accounts receivable	569,061
Inventory	18,126,911
Prepaid expenses and other current assets	724,174
Total current assets	124,102,787
Property plant and equipment net	913,309
Restricted cash	4,000,000
Deferred costs	32,809,441
Goodwill	898,334
Other assets	1,991,512
Total Assets	\$164,715,384
LIABILITIES AND EQUITY	
Current Liabilities	
Accounts payable	\$680,930
Accrued expenses and other current liabilities	1,925,695
Current portion of long term debt	1,984,550
Total current liabilities	4,591,175
Long term debt	499,536
Other liabilities	415,895
Liabilities subject to compromise	386,944,313
Deferred income tax liability	240,973
Total Liabilities	\$392,691,893
Stockholders' equity	
Common stock (par value shares authorized and issued and outstanding at December and December respectively)	\$5,351
Additional paid-in capital	174,952,893
Accumulated deficit	(402,934,753)
Total stockholders' equity	(227,976,509)
Total liabilities and stockholders' equity	\$164,715,384

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In re SIGA Technologies, Inc.

Form No. MOR-4
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Status of Postpetition Taxes

Debtor	Case Number	Tax Collector	Type	Date	Total
SIGA Technologies, Inc.	14-12623 (SHL)	State of Delaware	Franchise	9/24/2014	\$30,800

Notes to MOR-4:

The Debtor received Bankruptcy Court authority to pay certain prepetition income, sales, use, franchise, property, and other taxes, assessments, fees (including intellectual property) and similar charges (ECF No. 34, 95).

The Debtor is current on all postpetition payments other than disputes that arise in the ordinary course of business.

In re SIGA Technologies, Inc.

Form No. MOR-7
Case No. 14-12623 (SHL)
Reporting Period: 30-Sep-14
Federal Tax I.D. # 13-3864870

Debtor Questionnaire

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.		Yes	No	Explanation
1	Have any assets been sold or transferred outside the normal course of business this reporting period?		X	
2	Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X	
3	Is the Debtor delinquent in the timely filing of any postpetition tax returns?		X	
4	Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X	
5	Is the Debtor delinquent in paying any insurance premium payment?		X	
6	Have any payments been made on prepetition liabilities this reporting period?	X		[A]
7	Are any postpetition receivables (accounts, notes or loans) due from related parties?		X	
8	Are any postpetition payroll taxes past due?		X	
9	Are any postpetition State or Federal income taxes past due?		X	
10	Are any postpetition real estate taxes past due?		X	
11	Are any other postpetition taxes past due?		X	
12	Have any prepetition taxes been paid during this reporting period?		X	
13	Are any amounts owed to postpetition creditors delinquent?		X	
14	Are any wage payments past due?		X	
15	Have any postpetition loans been received by the Debtor from any party?		X	
16	Is the Debtor delinquent in paying any U.S. Trustee fees?		X	
17	Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X	
18	Have the owners or shareholders received any compensation outside of the normal course of business?		X	

[A] Any payments made by the Debtor on account of the Debtor's prepetition liabilities were made pursuant to an order of the Bankruptcy Court. (See ECF Nos. 26, 27, 28, 33, 34, 91, 92, 93, 94, 95, 99). Information on these transactions shall be furnished upon request.