NEWS RELEASE

Inovio Pharmaceuticals Reports 2015 Fourth Quarter and Year End Financial Results

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PLYMOUTH MEETING, Pa., March 14, 2016 (GLOBE NEWSWIRE) -- Inovio Pharmaceuticals, Inc. (NASDAQ:INO) today reported financial results for the fourth quarter and year ended December 31, 2015.

Total revenue was $5.9 million and $40.6 million for the quarter and year ended December 31, 2015, as compared to $2.5 million and $10.5 million for the same periods in 2014.

Total operating expenses for the quarter and year ended December 31, 2015, were $20.5 million and $74.9 million as compared to $13.5 million and $50.0 million for the same periods in 2014.

The net loss attributable to common stockholders for the quarter and year ended December 31, 2015, was $18.0 million, or $0.25 per share, and $29.2 million, or $0.43 per share, as compared with a net loss attributable to common stockholders of $7.4 million or $0.12 per share, and $36.1 million, or $0.61 per share, for the quarter and year ended December 31, 2014.

Revenue

The increase in revenue for the annual period was primarily due to development payments from our DARPA Ebola grant as well as $16.0 million of revenue recognized in 2015 from the up-front payment received from our partnership agreement with MedImmune. Accounting recognition of the remainder of the $27.5 million upfront payment has been deferred and will be triggered by future events associated with the development of products per the agreement.

Operating Expenses

Research and development expenses for the quarter and year ended December 31, 2015, were $15.6 million and $57.8 million as compared to $9.2 million and $34.1 million for the same periods in 2014. The increase in R&D expenses is generally related to an increased investment in all our product development programs. General and administrative expenses for the quarter and year ended December 31, 2015, were $4.9 million and $18.1 million, compared to $4.2 million and $15.9 million for the quarter and year ended

December 31, 2014.

Capital Resources

As of December 31, 2015, cash and cash equivalents and short-term investments were $163.0 million compared with $93.6 million as of December 31, 2014. As of December 31, 2015, the company had 72.2 million shares outstanding and 78.9 million fully diluted.

Inovio's balance sheet and statement of operations are provided below. Form 10-K providing the complete 2015 annual financial report can be found at: **http://ir.inovio.com/secfilings**.

Corporate Update

Corporate Development

In August 2015, Inovio entered into a strategic cancer vaccine collaboration and license agreement with MedImmune, the global biologics research and development arm of AstraZeneca. MedImmune acquired exclusive rights to Inovio's INO-3112 immunotherapy, which targets cancers caused by human papillomavirus (HPV) types 16 and 18. MedImmune intends to study INO-3112 in combination with selected immunotherapy molecules within its pipeline in HPV-driven cancers. Emerging evidence suggests that the benefits from immuno-oncology molecules, such as those in MedImmune's portfolio, can be enhanced when they are used in combination with cancer vaccines that generate significant levels of tumor-specific T-cells. We plan to initiate a combination study in humans in 2016.

MedImmune paid Inovio $27.5 million in the third quarter and will fund all development costs and make potential future payments totaling up to $700 million upon reaching development and commercial milestones. Inovio is entitled to receive up to double-digit tiered royalties on INO-3112 product sales.

Inovio and MedImmune will also develop up to two additional DNA-based cancer vaccine products not included in Inovio's current product pipeline, which MedImmune will have the exclusive rights to develop and commercialize. Inovio will be eligible to receive development, regulatory and commercialization milestone payments and royalties on net sales for these cancer vaccines.

This is Inovio's second major partnership with a large pharmaceutical company, adding to its existing license agreement with Roche for Inovio's INO-1800 hepatitis B immunotherapy. The initiation of a phase I trial for INO-1800 in April 2015 triggered a $3 million milestone payment from Roche.

During the year we announced a collaboration with the European Organization for Research and Treatment of Cancer to evaluate INO-3112 in combination with traditional chemo-radiotherapy for the treatment of patients with locally advanced stage cervical cancer. It is expected to begin in 2016 and will be part of MedImmune's development plan. We also announced a $45 million award

from the Defense Advanced Research Projects Agency (DARPA) to advance treatment and prevention approaches against Ebola and a five-year $16 million Integrated Preclinical/Clinical AIDS Vaccine Development Program from the National Institute of Allergy and Infectious Diseases to expand the coverage of our PENNVAX®-GP immunotherapy to additional HIV strains and advance new technologies to further improve vaccination outcomes. This grant follows a previous $25 million award used to develop PENNVAX®-GP.

In January 2016 we announced a $500,000 grant from the U.S. Army's Small Business Innovation Research (SBIR) program to further develop our next generation delivery device capable of simultaneously administering multiple vaccines via skin-surface, needle-free electroporation.

Clinical Development

Inovio's manuscript detailing the broad findings of its phase II study of VGX-3100 in patients with high-grade cervical dysplasia (CIN 2/3) was published in The Lancet, a top peer-reviewed medical journal. This publication describes that VGX-3100 is the first therapy to demonstrate that activated killer T cells induced in the body can clear neoplastic lesions as well as the virus which caused the disease. These findings show the clinical relevance not only for this disease indication but for the broad utility of Inovio's technology across cancers and infectious diseases.

Inovio is preparing to initiate a phase III study of VGX-3100 in mid-2016. The company expects its end-of-phase-II meeting with the FDA, which will review Inovio's phase II data and proposed phase III clinical trial design, to take place in the 2Q 2016.

As part of our broad franchise targeting HPV-associated precancers and cancers, we reported preliminary data from our phase I head & neck cancer trial showing that INO-3112 (VGX-3100 plus Inovio's IL-12 based immune activator) generated robust HPV16/18 specific CD8+ T cell responses and antibodies against HPV16/18 in 10 of 10 tested patients who received all treatments. The characteristics of these immune response data mirror those previously observed in the phase II study of VGX-3100 for HPV-associated cervical dysplasia.

We initiated with our partner Roche a phase I trial for our hepatitis B immunotherapy, INO-1800. This randomized, open-label, active-controlled, dose escalation study is evaluating the safety, tolerability, and immunogenicity of Inovio's hepatitis B immunotherapy alone or in combination with Inovio's IL-12-based immune activator.

Inovio launched a phase I study of INO-5150, its SynCon® immunotherapy targeting prostate-specific membrane antigen and prostate-specific antigen, in men with biochemically relapsed prostate cancer. This study is evaluating the safety, tolerability, and immunogenicity of INO-5150 alone or in combination with Inovio's DNA-based IL-12 immune activator. The company expects to report interim data from this study in 2016.

Inovio continues to enroll subjects in its phase I trial of its hTERT DNA immunotherapy (INO-1400) alone or in combination with

Inovio's IL-12 immune activator (INO-9012) in adults with breast, lung, or pancreatic cancer. High levels of hTERT (human telomerase reverse transcriptase) expression are found in 85% of human cancers. The primary objective of this study is to evaluate the safety, tolerability, and immune responses. The company expects to report interim data from this study in 2016.

With collaborators under our DARPA-funded project we completed enrollment of 75 healthy subjects in a phase I study of our Ebola immunotherapy, INO-4212. We expect to report this data in 2016. Inovio published data in 2013 showing 100% protection of animals immunized with this product.

Molecular Therapy published data from a 12-patient phase I study showing that our single-clade PENNVAX®-B HIV immunotherapy induced in HIV-infected patients CD8+ T cells with functional characteristics similar to those of long-term non-progressors (rare HIV-infected individuals who, without treatment, do not progress to further stages of the disease). This product provided the foundation for the design of our global, multi-clade PENNVAX®-GP preventive and therapeutic HIV DNA immunotherapy.

In September 2015 the first patient was dosed in a phase I trial evaluating immune responses, safety and tolerability of PENNVAX®-GP with and without an immune activator (DNA IL-12) in healthy subjects. This study is being conducted by the HIV Vaccines Trial Network (HVTN) and is funded by the National Institute of Allergy and Infectious Diseases (NIAID).

In January 2016 the Walter Reed Army Institute of Research began enrolling healthy subjects in a phase I study of Inovio's DNA vaccine (GLS-5300) for Middle East Respiratory Syndrome (MERS). This program is being advanced in collaboration with GeneOne Life Science Inc.

In January 2016 Inovio and its collaborator announced that its Zika virus vaccine (GLS-5700) induced robust and durable immune responses in mice. The company will next test the immunotherapy in non-human primates and initiate clinical product manufacturing with the goal of starting a phase I study in humans with its collaborator, GeneOne Life Science, by year end.

About Inovio Pharmaceuticals, Inc.

Inovio is taking immunotherapy to the next level in the fight against cancer and infectious diseases. We are the only immunotherapy company that has reported generating T cells in vivo in high quantity that are fully functional and whose killing capacity correlates with relevant clinical outcomes with a favorable safety profile. The company is advancing a growing clinical and preclinical stage product pipeline. Partners and collaborators include MedImmune, Roche, University of Pennsylvania, DARPA, GeneOne Life Science, Drexel University, NIH, HIV Vaccines Trial Network, National Cancer Institute, U.S. Military HIV Research Program, and University of Manitoba. For more information, visit **www.inovio.com**.

This press release contains certain forward-looking statements relating to our business, including our plans to develop electroporation-based drug and gene delivery technologies and DNA vaccines, our expectations regarding our research and development programs and our capital resources. Actual events or results may differ from the expectations set forth herein as a

result of a number of factors, including uncertainties inherent in pre-clinical studies, clinical trials and product development programs (including, but not limited to, the fact that pre-clinical and clinical results referenced in this release may not be indicative of results achievable in other trials or for other indications, that the studies or trials may not be successful or achieve the results desired, including safety and efficacy for VGX-3100 and INO-3112, that pre-clinical studies and clinical trials may not commence or be completed in the time periods anticipated, that results from one study may not necessarily be reflected or supported by the results of other similar studies and that results from an animal study may not be indicative of results achievable in human studies), the availability of funding to support continuing research and studies in an effort to prove safety and efficacy of electroporation technology as a delivery mechanism or develop viable DNA vaccines, our ability to support our broad pipeline of SynCon® active immune therapy and vaccine products, our ability to advance our portfolio of immune-oncology products independently, the ability of our collaborators to attain development and commercial milestones for products we license and product sales that will enable us to receive future payments and royalties, the adequacy of our capital resources, the availability or potential availability of alternative therapies or treatments for the conditions targeted by the company or its collaborators, including alternatives that may be more efficacious or cost-effective than any therapy or treatment that the company and its collaborators hope to develop, our ability to enter into partnerships in conjunction with our research and development programs, evaluation of potential opportunities, issues involving product liability, issues involving patents and whether they or licenses to them will provide the company with meaningful protection from others using the covered technologies, whether such proprietary rights are enforceable or defensible or infringe or allegedly infringe on rights of others or can withstand claims of invalidity and whether the company can finance or devote other significant resources that may be necessary to prosecute, protect or defend them, the level of corporate expenditures, assessments of the company's technology by potential corporate or other partners or collaborators, capital market conditions, the impact of government healthcare proposals and other factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2015, and other regulatory filings from time to time. There can be no assurance that any product in Inovio's pipeline will be successfully developed or manufactured, that final results of clinical studies will be supportive of regulatory approvals required to market licensed products, or that any of the forward-looking information provided herein will be proven accurate.

Inovio Pharmaceuticals, Inc.
CONSOLIDATED BALANCE SHEETS

	December 31,	
	2015	2014
ASSETS		
Current assets:		
Cash and cash equivalents	$ 57,632,693	$ 40,543,982
Short-term investments	105,357,277	53,075,974
Accounts receivable	7,333,059	2,804,207
Prepaid expenses and other current assets	917,257	797,973
Prepaid expenses from affiliated entity	610,652	1,382,375
Deferred tax asset	—	342,573
Total current assets	171,850,938	98,947,084
Fixed assets, net	7,306,695	4,583,204

Investment in affiliated entity - GeneOne	14,941,277	12,340,811
Investment in affiliated entity - PLS	5,045,915	—
Intangible assets, net	3,905,860	4,776,059
Goodwill	10,113,371	10,113,371
Common stock warrants	5,970	550,000
Other assets	670,833	474,568
Total assets	$ 213,840,859	$ 131,785,097
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 13,064,899	$ 6,383,170
Accounts payable and accrued expenses due to affiliated entity	165,047	28,407
Accrued clinical trial expenses	2,600,483	2,007,432
Common stock warrants	1,301,138	2,022,729
Deferred revenue	13,449,768	3,187,223
Deferred revenue from affiliated entity	504,442	394,791
Deferred rent	380,629	61,542
Total current liabilities	31,466,406	14,085,294
Deferred revenue, net of current portion	103,074	173,779
Deferred revenue from affiliated entity, net of current portion	677,371	836,694
Deferred rent, net of current portion	5,485,313	4,647,687
Deferred tax liabilities	175,642	504,049
Total liabilities	37,907,806	20,247,503
Commitments and contingencies		
Inovio Pharmaceuticals, Inc. stockholders' equity:		
Preferred stock—par value $0.001; Authorized shares: 10,000,000, issued and outstanding shares: 23 at December 31, 2015 and December 31, 2014	—	—
Common stock—par value $0.001; Authorized shares: 600,000,000 at December 31, 2015 and December 31, 2014, issued and outstanding: 72,217,965 at December 31, 2015 and 60,741,082 at December 31, 2014	72,218	60,741
Additional paid-in capital	534,004,564	443,327,915
Accumulated deficit	(361,097,896)	(331,910,290)
Accumulated other comprehensive income (loss)	2,708,339	(251,390)
Total Inovio Pharmaceuticals, Inc. stockholders' equity	175,687,225	111,226,976
Non-controlling interest	245,828	310,618
Total stockholders' equity	175,933,053	111,537,594
Total liabilities and stockholders' equity	$ 213,840,859	$ 131,785,097

Inovio Pharmaceuticals, Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year ended December 31,		
	2015	2014	2013
Revenues:			
Revenue under collaborative research and development arrangements	$ 26,876,533	$ 7,416,568	$ 9,239,547
Revenue under collaborative research and development arrangements with affiliated entity	779,167	479,464	425,000
Grants and miscellaneous revenue	12,916,411	2,560,734	3,802,799
Total revenues	40,572,111	10,456,766	13,467,346
Operating expenses:			
Research and development	57,791,923	34,095,039	21,368,604
General and administrative	18,063,890	15,857,688	13,643,074
Gain on sale of assets	(1,000,000)	—	(2,000,000)
Total operating expenses	74,855,813	49,952,727	33,011,678
Loss from operations	(34,283,702)	(39,495,961)	(19,544,332)
Other income (expense):			
Interest and other income, net	305,071	331,461	132,214
Change in fair value of common stock warrants	177,561	348,143	(45,632,669)
Gain (Loss) on investment in affiliated entity	2,600,467	2,676,224	(1,038,745)

Net loss before income tax benefit	(31,200,603)	(36,140,133)	(66,083,532)
Income tax benefit	2,097,766	—	—
Net loss	(29,102,837)	(36,140,133)	(66,083,532)
Net (income) loss attributable to non-controlling interest	(84,769)	18,420	55,084
Net loss attributable to Inovio Pharmaceuticals, Inc.	$ (29,187,606)	$ (36,121,713)	$ (66,028,448)
Net loss per common share attributable to Inovio Pharmaceuticals, Inc. stockholders			
Basic	$ (0.43)	$ (0.61)	$ (1.43)
Diluted	$ (0.44)	$ (0.64)	$ (1.43)
Weighted average number of common shares outstanding used in per share calculations:			
Basic	68,198,142	59,127,349	46,087,773
Diluted	68,365,265	59,408,252	46,087,773

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