



Hawaii Biotech, Inc.

LEIDOS AWARDED CONTRACT BY NATIONAL INSTITUTES OF HEALTH - ISSUES SUBCONTRACT TO HAWAII BIOTECH

Solutions company to improve the efficacy of public health and bioterror countermeasures by developing, manufacturing, applying and testing a novel adjuvant for West Nile virus and anthrax vaccine candidates.

(RESTON, VA, and HONOLULU, HI, Nov. 4, 2013) – Leidos (NYSE: LDOS), a national security, health and engineering solutions company, announced it has been awarded a prime vaccine adjuvant development contract by the National Institute of Allergy and Infectious Diseases (NIAID), part of the National Institutes of Health (NIH), to improve the efficacy of vaccine candidates for prevention of anthrax and West Nile virus (WNV) disease. Adjuvants are agents that help boost the body's immune response. The single-award, cost-plus-fixed-fee contract has a one-year period of performance valued at \$2.2 million, followed by four option years, for a total contract value of approximately \$12.4 million, if all options are exercised. Leidos has assembled a high-quality team to further develop and optimize a lead vaccine adjuvant to enhance the efficacy of recombinant anthrax and WNV vaccines. The Leidos Team comprises the Infectious Disease Research Institute (Seattle, Wash.); the Hawaii Biotech, Inc. (HBI) (Aiea, Hawaii); Pfenex, Inc. (San Diego, Calif.); Duke University (Durham, N.C.); Molecular Diagnostics Services (San Diego, Calif.); the IIT Research Institute, Inc. (Chicago, Ill.) and Colorado State University (Fort Collins, Colo.).

Under the contract, the Leidos Team will prepare and assess formulations of their lead adjuvant compound and either a recombinant Protective Antigen (rPA) from *Bacillus anthracis* or a WNV surface protein to optimize the breadth and longevity of immune responses generated against anthrax and WNV, respectively. The contract includes a future option to test the lead vaccine adjuvant in a potential human immunodeficiency virus (HIV) vaccine containing a specific HIV envelope glycoprotein antigen.

"We are pleased to begin this important work in vaccine development," said Steve Comber, group president, Leidos Health. "This program has the potential to make vaccine adjuvant candidates more effective, and by doing so, may help protect the public against biological agents that have a severe impact on human health or might be used in acts of bioterrorism."

About Hawaii Biotech Inc.:

Hawaii Biotech is a privately held biotechnology company focused on the development of prophylactic vaccines for established and emerging infectious diseases. HBI has developed proprietary expertise in the production of recombinant proteins that have application to the manufacture of safe and effective vaccines, diagnostic kits and as research tools. HBI completed successful first-in-human Phase 1 clinical studies with both West Nile virus and dengue vaccines in healthy human subjects. In 2010, HBI sold its dengue vaccine to Merck Sharp and Dohme. HBI is currently engaged in the development of a product pipeline of recombinant subunit vaccines, including vaccine candidates for West Nile virus tick-borne flavivirus, malaria, Crimean-Congo hemorrhagic fever, and other infectious agents. HBI, the oldest biotech company in Hawaii, is headquartered in suburban Honolulu.

About Leidos:

Leidos is a science and technology solutions leader working to address some of the world's toughest challenges in national security, health, and engineering. The Company's 23,000 employees support vital missions for our government and the commercial sector, develop innovative solutions to drive better outcomes, and defend our Nation's digital and physical infrastructure from 'new world' threats. Leidos is headquartered in Reston, Va. and had approximately \$6 billion in revenues for fiscal year 2013, on a pro forma basis, following the spin-off of the company's technical, engineering and enterprise IT business on Sept. 27, 2013. For more information, visit www.Leidos.com.

The company, formerly named Science Applications International Corporation, changed its name to Leidos, Inc. on September 27, 2013 [in connection with the spin-off of its former technical, engineering and enterprise information technology business, which has assumed the company's former name]. Leidos has submitted a change-of-name agreement to the U.S. government to recognize the name change, which is currently under review by the responsible Defense Contract Management Agency contracting officer.

Statements in this announcement, other than historical data and information, constitute forward-looking statements that involve risks and uncertainties. A number of factors could cause our actual results, performance, achievements, or industry results to be very different from the results, performance, or achievements expressed or implied by such forward-looking statements. Some of these factors include, but are not limited to, the risk factors set forth in Leidos' Annual Report on Form 10-K for the period ended January 31, 2013, and other such filings that Leidos makes with the SEC from time to time. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof.

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