Dynavax Announces Positive Primary Endpoint Results From Phase 2/3 Hepatitis B Vaccine Trial

Statistically Significant Protective Response Achieved in Difficult to

Immunize Population; Results to Be Presented at Upcoming Medical Meeting

BERKELEY, Calif., June 14 /PRNewswire-FirstCall/ Dynavax Technologies (Nasdaq: DVAX) announced positive data from the primary endpoint analysis of the company's hepatitis B virus (HBV) vaccine Phase 2/3 clinical trial. The data showed statistically significant superiority in protective antibody response and robustness of protective effect after three vaccinations when compared to GlaxoSmithKline's Engerix-B® vaccine in an older adult population that is difficult to immunize with conventional vaccine. The primary endpoint of the ongoing Phase 2/3 trial is seroprotection four weeks after administration of the third dose.

"The clear demonstration of superiority of our HBV vaccine in a population with weakened immune responses is the cornerstone of our global regulatory and commercial strategy," said Dino Dina, MD, president and chief executive officer. "Based on the compendium of clinical data showing enhanced efficacy, faster response and shorter regimens, we believe that our vaccine could become a new standard of care, especially for populations that are at high risk, that are currently underserved and whose need for protection is urgent. These populations include dialysis patients, individuals who are infected with hepatitis C virus, people who have failed to achieve seroprotection with conventional vaccines as well as healthcare workers and international travelers. We believe we could readily compete in these high-value markets with a differentiated product that is safe and offers greater effectiveness and convenience."

Data to be Presented at Upcoming Medical Meeting

Dynavax anticipates presenting the results of the primary endpoint analysis of the Phase 2/3 trial at an upcoming major medical meeting. An abstract entitled, Recombinant Hepatitis B Surface Antigen (rHBsAg) Co- administered with an Immunostimulatory Phosphorothioate Oligonucleotide (1018 ISS) Provides Superior Protection in Older Subjects, has been submitted. The Phase 2/3 trial is being conducted by Dr. Lim Seng Gee at the National University Hospital, and Dr. Chow Wan Cheng, at the Singapore General Hospital.

Dynavax's HBV vaccine combines its proprietary immunostimulatory sequence (ISS) co-administered with HBV surface antigen (HBsAg), designed to significantly enhance the level, speed and longevity of protection. Dynavax has previously reported positive interim results from the Phase 2/3 trial. Those results showed as well as positive results from a double-blind Phase 2 clinical trial conducted in young adults (18-28 years) that showed protective antibody responses were achieved faster (two vaccinations over two months compared to three over six months) and were maintained longer with Dynavax's HBV vaccine than with Engerix-B®.

Dynavax intends to initiate pivotal Phase 3 clinical trials of its HBV vaccine in the near-term. The first of these trials involving older adults in Asia will begin in mid-2005. A second Phase 3 trial is anticipated to begin in Canada and Europe in early 2006. The company also plans to conduct additional trials in selected high-risk populations, such as dialysis patients, in targeted markets in Europe, Canada and potentially in the United States.

The Public Health Challenge of Hepatitis B

Hepatitis B is a highly contagious, chronic infectious disease. It is estimated that one out of three people in the world is infected with HBV, and that 10-30 million people in the world become infected with HBV every year. Chronic HBV infections cause 80% of all primary liver cancers, and are the leading cause of liver transplantation.

Vaccination is central to managing the spread of the disease, particularly in regions of the world with large numbers of chronically infected individuals. While many countries have instituted infant vaccination programs, compliance is not optimal. There are large numbers of individuals born prior to the implementation of these programs who are unvaccinated and are at risk for the disease. Not all individuals respond to currently approved vaccines.

Compliance with the immunization regimen of currently approved HBV vaccines is a significant challenge, as many patients fail to receive all three doses. According to a survey of U.S. adolescents and adults published by the Centers for Disease Control, only 53% of those who received the first dose of vaccine received the second dose of vaccine and only 30% received the third.

Dynavax believes that compliance rates in other countries are similar, if not lower.

HBV vaccination represents today approximately $1 billion in sales worldwide. In many parts of the world such as China, Southeast Asia and India, and Eastern Europe, vaccination is managed through public health organizations and the price of vaccines used on a mass scale is very low. In other areas such as the US, Western Europe and high-value markets in Asia and the rest of the world, the private vaccine market is robust and differentiated products have the potential to command premium pricing. Dynavax's HBV commercial strategy targets these high value markets worldwide.

Dynavax is currently evaluating global commercialization and distribution strategies for its HBV vaccine. Dynavax has a long-term supply contract with Switzerland-based Berna Biotech that includes a commercialization option. The companies are at the early stages of discussing this option.

About Dynavax

Dynavax Technologies Corporation discovers, develops, and intends to commercialize innovative products to treat and prevent allergies, infectious diseases, and chronic inflammatory diseases using versatile, proprietary approaches that alter immune system responses in highly specific ways. Our clinical development programs are based on immunostimulatory sequences, or ISS, which are short DNA sequences that enhance the ability of the immune system to fight disease and control chronic inflammation. Dynavax's pipeline includes: a ragweed allergy immunotherapeutic, currently in a large-scale Phase 2/3 clinical trial, and in a supportive clinical trial in ragweed allergic children; a hepatitis B vaccine that is currently in a Phase 2/3 clinical trial; a cancer therapy currently in a Phase 2 clinical trial; and an asthma immunotherapeutic that has shown preliminary safety and pharmacology in a Phase 2a clinical trial.

Dynavax cautions you that statements included in this press release that are not a description of historical facts are forward-looking statements, including without limitation all statements related to the therapeutic and commercial potential of its HBV vaccine and plans to initiate a pivotal Phase 3 clinical program; statements concerning the company's other clinical programs and its ability to demonstrate the potential of its ISS technology. Words such as "believes," "anticipates," "plans," "expects," "intend," "will," "slated," "goal" and similar expressions are intended to identify forward- looking statements. The inclusion of forward-looking statements should not be regarded as a representation by Dynavax that any of its plans will be achieved. Actual results may differ materially from those set forth in this release due to the risks and uncertainties inherent in Dynavax's business including, without limitation, risks relating to: the ability of the company to demonstrate safety and effectiveness of its HBV vaccine in Phase 3 clinical trials; the progress and timing of initiating its Phase 3 clinical program in HBV; the ability of the company to develop and implement effective commercial strategies for its HBV vaccine; the progress and timing of clinical trials for the company's other products in development; difficulties or delays in developing, testing, obtaining regulatory approval of, producing and marketing its HBV and other products; the scope and validity of patent protection for its products; competition from other pharmaceutical or biotechnology companies; its ability to obtain additional financing to support its operations; its ability to maintain effective financial planning and internal controls; and other risks detailed in the "Risk Factors" section of Dynavax's Annual Report on Form 10-K filed on March 18, 2005, and in the section titled "Risk Factors" within Dynavax's quarterly report on Form 10-Q filed on May 9, 2005. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement and Dynavax undertakes no obligation to revise or update this news release to reflect events or circumstances after the date hereof.

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