

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2004 calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization AERAS GLOBAL TB VACCINE FOUNDATION Number and street (or P.O. box if mail is not delivered to street address) Room/suite 7500 OLD GEORGETOWN RD 800 City or town, state or country, and ZIP + 4 BETHESDA, MD 20814	D Employer identification number 52-2044704 E Telephone number 301-951-5881 F Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶
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• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

Hand I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? **N/A** Yes No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number ▶

G Website: ▶ **WWW.AERAS.ORG**

J Organization type (check only one) 501(c) (**3**) ◀ (insert no.) 4947(a)(1) or 527

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **27,372,548.**

M Check if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1	Contributions, gifts, grants, and similar amounts received:					
	a	Direct public support	1a	26,666,574.			
	b	Indirect public support	1b				
	c	Government contributions (grants)	1c	476,614.			
	d	Total (add lines 1a through 1c) (cash \$ 27,143,188. noncash \$)	1d	27,143,188.			
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2				
	3	Membership dues and assessments	3				
	4	Interest on savings and temporary cash investments	4	210,789.			
	5	Dividends and interest from securities	5				
	6 a	Gross rents	6a				
	b	Less: rental expenses	6b				
	c	Net rental income or (loss) (subtract line 6b from line 6a)	6c				
7	Other investment income (describe)	7					
Revenue	8 a	Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		8d
		Less: cost or other basis and sales expenses	8a		8b		
		Gain or (loss) (attach schedule)	8c		8c		
		Net gain or (loss) (combine line 8c, columns (A) and (B))			8d		
Revenue	9 a	Special events and activities (attach schedule). If any amount is from gaming , check here <input type="checkbox"/>			9c		
		Gross revenue (not including \$ of contributions reported on line 1a)	9a				
		Less: direct expenses other than fundraising expenses	9b				
c	Net income or (loss) from special events (subtract line 9b from line 9a)			9c			
Revenue	10 a	Gross sales of inventory, less returns and allowances	10a		10c		
		Less: cost of goods sold	10b				
		Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)				10c	
11	Other revenue (from Part VII, line 103)	11	18,571.				
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	27,372,548.				
Expenses	13	Program services (from line 44, column (B))	13	8,334,158.			
	14	Management and general (from line 44, column (C))	14	3,395,733.			
	15	Fundraising (from line 44, column (D))	15	272,050.			
	16	Payments to affiliates (attach schedule)	16				
	17	Total expenses (add lines 16 and 44, column (A))	17	12,001,941.			
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	15,370,607.			
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	397,843.			
	20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 1	20	<13,445.>			
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	15,755,005.			

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. Page 2

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule)				
	(cash \$ _____ noncash \$ _____)	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc.	25	493,270.	106,745.	30,232.
26	Other salaries and wages	26	3,226,984.	698,328.	197,781.
27	Pension plan contributions	27	139,562.	30,202.	8,554.
28	Other employee benefits	28	320,649.	69,389.	19,652.
29	Payroll taxes	29	258,294.	55,896.	15,831.
30	Professional fundraising fees	30			
31	Accounting fees	31			
32	Legal fees	32			
33	Supplies	33	997,595.	131,363.	
34	Telephone	34	80,552.	39,610.	
35	Postage and shipping	35	64,846.	18,332.	
36	Occupancy	36	784,983.	523,000.	
37	Equipment rental and maintenance	37	23,284.	10,016.	
38	Printing and publications	38	50,261.	39,266.	
39	Travel	39	474,144.	270,653.	
40	Conferences, conventions, and meetings	40			
41	Interest	41	5,716.	5,716.	
42	Depreciation, depletion, etc. (attach schedule) ...	42	370,084.	146,989.	
43	Other expenses not covered above (itemize):				
a	_____	43a			
b	_____	43b			
c	_____	43c			
d	_____	43d			
e	SEE STATEMENT 2	43e	4,711,717.	1,255,944.	
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15.	44	12,001,941.	3,395,733.	272,050.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____;

(iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? **SEE STATEMENT 3**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)

a	SEE STATEMENT 4				
			(Grants and allocations \$ _____)		1,636,118.
b	SEE STATEMENT 5				
			(Grants and allocations \$ _____)		3,048,336.
c	SEE STATEMENT 6				
			(Grants and allocations \$ _____)		1,171,384.
d	SEE STATEMENT 7				
			(Grants and allocations \$ _____)		1,146,616.
e	Other program services (attach schedule) STATEMENT 8		(Grants and allocations \$ _____)		1,331,704.
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)				8,334,158.

Part IV Balance Sheets

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year	(B) End of year
Assets	45 Cash - non-interest-bearing	44,271.	45 406.
	46 Savings and temporary cash investments	799,362.	46 14,041,083.
	47 a Accounts receivable	1,052.	47c
	b Less: allowance for doubtful accounts		
	48 a Pledges receivable	54,309.	48c 409,958.
	b Less: allowance for doubtful accounts		
	49 Grants receivable		49
	50 Receivables from officers, directors, trustees, and key employees		50
	51 a Other notes and loans receivable		51c
	b Less: allowance for doubtful accounts		
	52 Inventories for sale or use		52
	53 Prepaid expenses and deferred charges	49,865.	53 77,553.
	54 Investments - securities		54
	55 a Investments - land, buildings, and equipment: basis		55c
	b Less: accumulated depreciation		
56 Investments - other		56	
57 a Land, buildings, and equipment: basis	600,722.	57c 2,692,620.	
b Less: accumulated depreciation STMT 9			57a 3,164,407.
58 Other assets (describe ▶ DEPOSITS)	606,134.	58 183,895.	
59 Total assets (add lines 45 through 58) (must equal line 74)	2,155,715.	59 17,405,515.	
Liabilities	60 Accounts payable and accrued expenses	375,709.	60 1,471,768.
	61 Grants payable	537,793.	61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees, and key employees		63
	64 a Tax-exempt bond liabilities		64a
	b Mortgages and other notes payable		64b
	65 Other liabilities (describe ▶ SEE STATEMENT 10)	844,370.	65 178,742.
66 Total liabilities (add lines 60 through 65)	1,757,872.	66 1,650,510.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted	389,028.	67 208,325.
	68 Temporarily restricted	8,815.	68 15,546,680.
	69 Permanently restricted		69
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds		70
	71 Paid-in or capital surplus, or land, building, and equipment fund		71
	72 Retained earnings, endowment, accumulated income, or other funds		72
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	397,843.	73 15,755,005.
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	2,155,715.	74 17,405,515.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part VI Other Information		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76	X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77	X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year? N/A	78b	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	X
b	If "Yes," enter the name of the organization and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct or indirect political expenditures. See line 81 instructions 81a 0.		
b	Did the organization file Form 1120-POL for this year?	81b	X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? N/A	84a	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A	84b	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? N/A	85a	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? N/A	85b	
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c	Dues, assessments, and similar amounts from members 85c N/A		
d	Section 162(e) lobbying and political expenditures 85d N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A	85g	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A	85h	
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 86a N/A		
b	Gross receipts, included on line 12, for public use of club facilities 86b N/A		
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders 87a N/A		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b N/A		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 0.; section 4912 0.; section 4955 0.		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0.		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization 0.		
90 a	List the states with which a copy of this return is filed MARYLAND		
b	Number of employees employed in the pay period that includes March 12, 2004 90b 33		
91	The books are in care of THE CORPORATION Telephone no. 301-951-5881		
	Located at 7500 OLD GEORGETOWN RD SUITE 800, BETHESDA, MD ZIP + 4 20814		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A		

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
Note: Enter gross amounts unless otherwise indicated.					
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments ...			14	210,789.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a MISCELANNEOUS			01	18,571.	
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		229,360.	0.
105 Total (add line 104, columns (B), (D), and (E))					229,360.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
▼	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here

Signature of officer _____ Date _____ Type or print name and title _____

Paid Preparer's Use Only

Preparer's signature: **RSM MCGLADREY, INC.** Date _____ Check if self-employed Preparer's SSN or PTIN _____
 Firm's name (or yours if self-employed), address, and ZIP + 4: **700 N. FAIRFAX STREET, SUITE 400 ALEXANDRIA, VA 22314** EIN _____
 Phone no.: **(703) 549-7800**

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No. 1545-0047

2004

Name of the organization

AERAS GLOBAL TB VACCINE FOUNDATION

Employer identification number

52 2044704

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
<u>LEW BARKER</u> 7500 OLD GEORGETOWN RD, BETHESDA, MD 20814	SR MED ADV 40	185,090.	11,642.	0.
<u>DAVID HONE</u> 7500 OLD GEORGETOWN RD, BETHESDA, MD 20814	CSO 40	157,812.	15,780.	0.
<u>SHARON ROWLAND</u> 7500 OLD GEORGETOWN RD, BETHESDA, MD 20814	SR DIR RA 40	151,391.	14,658.	0.
<u>NATALIE WAUGH</u> 7500 OLD GEORGETOWN RD, BETHESDA, MD 20814	DIR EXT AFF 40	149,721.	14,202.	0.
<u>LARRY GEITER</u> 7500 OLD GEORGETOWN RD, BETHESDA, MD 20814	SR DIR EPID 40	143,040.	14,366.	0.
Total number of other employees paid over \$50,000 ▶	16			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<u>UNIVERSITY OF CAPE TOWN</u> RONDEBOSCH, 7700, CAPETOWN, SOUTH AFRICA	RESEARCH/COLLABORATION	1863900.
<u>CRUCELL HOLLAND B.V.</u> ARCHIMEDESWEG 4, PO BOX 2048, 2031 CA, LEIDEN, NET	RESEARCH/COLLABORATION	900,146.
<u>SMITH GROUP</u> 1825 EYE STREET, SUITE 250, WASHINGTON, DC 20006	ARCHITECT & DESIGN FIRM	159,783.
<u>BIOVAC SA (PTY) LTD</u> 1 MANCHESTER RD, WADEWILLE, GERMISTON SOUTH AFRICA	RESEARCH/COLLABORATION	117,008.
<u>PIEDMONT MEDICAL RESEARCH ASSOCIATES</u> 1901 S. HAWTHORNE RD #306, WINSTON-SALEM, NC 27110	MEDICAL RESEARCH	71,920.
Total number of others receiving over \$50,000 for professional services ▶	3	

Part III Statements About Activities (See page 2 of the instructions.)

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.) SEE STATEMENT 13		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
e	Transfer of any part of its income or assets?		X
3 a	Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)		X
b	Do you have a section 403(b) annuity plan for your employees?	X	
4 a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state ► SEE ATTACHED DETERMINATION LETTER**
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.** N/A
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	0.	0.	0.	0.	0.
24 Line 23 minus line 17					
25 Enter 1% of line 23					
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24	▶ 26a N/A				
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts	▶ 26b N/A				
c Total support for section 509(a)(1) test: Enter line 24, column (e)	▶ 26c N/A				
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____	▶ 26d N/A				
e Public support (line 26c minus line 26d total)	▶ 26e N/A				
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	▶ 26f N/A %				
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2003) _____ (2002) _____ (2001) _____ (2000) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2003) _____ (2002) _____ (2001) _____ (2000) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____	▶ 27c N/A				
d Add: Line 27a total _____ and line 27b total _____	▶ 27d N/A				
e Public support (line 27c total minus line 27d total)	▶ 27e N/A				
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)	▶ 27f N/A				
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	▶ 27g N/A %				
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	▶ 27h N/A %				

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 7 of the instructions.)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?		
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) _____ _____ _____		
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) _____ _____		
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities?	33h	
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) _____ _____		
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended?	34b	
	If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.) **N/A**

(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table -			
If the amount on line 40 is -	The lobbying nontaxable amount is -		
Not over \$500,000	20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	41	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities **N/A**

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h .)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h .)			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Schedule B
(Form 990, 990-EZ, or
990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

2004

Name of organization

Employer identification number

AERAS GLOBAL TB VACCINE FOUNDATION

52-2044704

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule-see instructions.)

General Rule-

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules-

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ► \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions
for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2004)

Name of organization AERAS GLOBAL TB VACCINE FOUNDATION	Employer identification number 52-2044704
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Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	<p>THE BILL AND MELINDA GATES FOUNDATION</p> <hr/> <p>P.O. BOX 23350</p> <hr/> <p>SEATTLE, WA 98102</p> <hr/>	\$ 26,664,075.	<p>Person <input checked="" type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
2	<p>NATIONAL INSTITUTES OF HEALTH</p> <hr/> <p>9000 ROCKVILLE PIKE</p> <hr/> <p>BETHESDA, MD 20892</p> <hr/>	\$ 476,615.	<p>Person <input checked="" type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
	<hr/> <hr/> <hr/> <hr/>	\$ _____	<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
	<hr/> <hr/> <hr/> <hr/>	\$ _____	<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
	<hr/> <hr/> <hr/> <hr/>	\$ _____	<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
	<hr/> <hr/> <hr/> <hr/>	\$ _____	<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 1

DESCRIPTION	AMOUNT
FOREIGN CURRENCY TRANSLATION LOSS	<13,445.>
TOTAL TO FORM 990, PART I, LINE 20	<13,445.>

FORM 990 OTHER EXPENSES STATEMENT 2

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
COLLABORATION AGREEMENT	2,262,312.	2,234,077.	28,235.	
PROFESSIONAL SERVICES	2,049,174.	1,055,319.	993,855.	
OUTSIDE SERVICES	227,535.	89,734.	137,801.	
INSURANCE	107,783.	47,249.	60,534.	
DUES AND SUBSCRIPTIONS	39,704.	18,875.	20,829.	
TRAINING	25,209.	10,519.	14,690.	
TOTAL TO FM 990, LN 43	4,711,717.	3,455,773.	1,255,944.	

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 3
PART III

EXPLANATION

TO INITIATE, COMMENCE, PROMOTE, CONTINUE AND CARRY ON SCIENTIFIC AND OTHER RESEARCH, STUDIES, AND EXPERIMENTS INTO THE DIAGNOSIS, MANAGEMENT, TREATMENT AND PREVENTION OF TUBERCULOSIS AND OTHER INFECTIOUS DISEASES.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 4

DESCRIPTION OF PROGRAM SERVICE ONE

SITE DEVELOPMENT COSTS ASSOCIATED WITH 1) CONTINUATION OF THE BCG TRIAL BEGUN IN 2001 CONTINUING THROUGH JULY 2006; 2) A STUDY ON ADULTS TO DETERMINE THE PREVALENCE OF INFECTION WITH TB; 3) CONSTRUCTION OF A NUMBER OF FACILITIES TO SUPPORT FUTURE CLINICAL TRIALS, INCLUDING IMMUNOLOGY AND MICROBIOLOGY LABORATORY SPACE AT THE UNIVERSITY OF CAPE TOWN MEDICAL CAMPUS AND OFFICE/LABORATORY SPACE IN WORCESTER, THE FIELD SITE FOR THE FOUNDATION'S STUDIES.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A	<hr/>	<hr/>
	<hr/>	<hr/>
		1,636,118.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 5

DESCRIPTION OF PROGRAM SERVICE TWO

LIVE BCG VACCINE RBCG30: LIVE, GENETICALLY MODIFIED BCG VACCINE STRAIN THAT INCORPORATES A PLASMID THAT OVER-EXPRESS MTB ANTIGEN AG85B IN A PREVIOUSLY FDA LICENSED BCG TICE VACCINE STRAIN. ANIMAL STUDIES WITH THIS VACCINE HAVE DEMONSTRATED AN INCREASED IMMUNE RESPONSE TO AG85B AND INCREASED PROTECTION IN GUINEA PIGS INFECTED WITH MTB.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE B	<hr/>	<hr/>
	<hr/>	<hr/>
		3,048,336.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 6

DESCRIPTION OF PROGRAM SERVICE THREE

VECTORED VACCINE ADENOVIRUS 35: ADENO 35 VIRUS IS USED AS A VACCINE TO VECTOR TO DELIVER TB ANTIGENS 85A, 85B AND TB 10.4. DESIGNED AS A VACCINE FOR INDIVIDUALS WHO HAVE BEEN PREVIOUSLY PRIMED TO THESE ANTIGENS BY VACCINATION. ALL OF THESE ANTIGENS HAVE INDEPENDENTLY DEMONSTRATED INCREASED PROTECTION TO MTB INFECTION IN ANIMAL MODELS.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE C		1,171,384.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 7

DESCRIPTION OF PROGRAM SERVICE FOUR

LABORATORY OVERHEAD COSTS ASSOCIATED WITH THE SUPPORT OF THE FOLLOWING PROGRAM SERVICES: 1) LIVE BCG VACCINE RBCG30, 2) VECTORED VACCINE ADENOVIRUS 35, 3) SUBUNIT W. ADJUVANT FUSION PROTEIN MTB 72F, 4) SUBUNIT W/ADJUVANT SSI & IDRI, 5) VECTORED VACCINE SHIGELLA, 6) NIH HIGH THROUGHPUT SCREENING, AND 7) NIH SHIGELLA AIDS.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE D		1,146,616.

FORM 990 OTHER PROGRAM SERVICES STATEMENT 8

DESCRIPTION	GRANTS AND ALLOCATIONS	EXPENSES
SUBUNIT W/ADJUVANT SSI & IDRI: A SUBUNIT VACCINE GENETICALLY DESIGNED AS A FUSION PROTEIN EXPRESSED IN E. COLI AND PURIFIED. THE FUSION PROTEIN IS A LINEAR AG85B-ESAT6 PROTEIN DELIVERED WITH AN ADJUVANT. THIS		276,321.

VACCINE HAS DEMONSTRATED DECREASES IN HISTOPATHOLOGY AND INCREASES IN IMMUNE RESPONSE AND PROTECTS GUINEA PIGS AND CYNOMOLGUS MONKEY MODELS.	
NIH HIGH THROUGHPUT SCREENING: SYNTHESIZING AND SCREENING APPROXIMATELY 100,000 ANALOGUES OF THE TB DRUG ETHAMBUTOL, USING ROBOTICS AND SOPHISTICATED ASSAY INSTRUMENTATION.	130,505.
NIH SHIGELLA AIDS: RESEARCH TO IDENTIFY A SALMONELLA HIV-1 DNA VACCINE VECTOR CONFIGURATION THAT INDUCES DURABLE, HIGH TITER NEUTRALIZING ANTIBODY RESPONSES TO HIV-1.	548,102.
SUBUNIT W. ADJUVANT FUSION PROTEIN MTB72F	376,776.
TOTAL TO FORM 990, PART III, LINE E	1,331,704.

FORM 990	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT	9
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DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
FURNITURE	543,254.	71,303.	471,951.
EQUIPMENT	1,884,443.	391,313.	1,493,130.
LEASEHOLD IMPROVEMENTS	704,394.	2,035.	702,359.
SOFTWARE	32,316.	7,136.	25,180.
TOTAL TO FORM 990, PART IV, LN 57	3,164,407.	471,787.	2,692,620.

FORM 990	OTHER LIABILITIES	STATEMENT	10
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DESCRIPTION	AMOUNT
CAPITAL LEASE	43,278.
DEFERRED RENT	135,464.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	178,742.

FORM 990 OTHER REVENUE NOT INCLUDED ON FORM 990 STATEMENT 11

DESCRIPTION	AMOUNT
FOREIGN CURRENCY TRANSLATION LOSS	<13,445.>
TOTAL TO FORM 990, PART IV-A	<13,445.>

FORM 990 PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 12

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DR. JERALD SADOFF 7500 OLD GEORGETOWN RD STE 800 BETHESDA, MD 20814	PRESIDENT/CEO 40	282,599.	21,160.	0.
R. GORDON DOUGLAS, JR. 7500 OLD GEORGETOWN RD STE 800 BETHESDA, MD 20814	DIRECTOR, CHAIR 1	0.	0.	0.
ANN GINSBERG 7500 OLD GEORGETOWN RD STE 800 BETHESDA, MD 20814	DIRECTOR 1	0.	0.	0.
MICHEL GRECO 7500 OLD GEORGETOWN RD STE 800 BETHESDA, MD 20814	DIRECTOR 1	0.	0.	0.
WAYNE HOCKMEYER 7500 OLD GEORGETOWN RD STE 800 BETHESDA, MD 20814	DIRECTOR 1	0.	0.	0.
MICHELE HOGAN 7500 OLD GEORGETOWN RD STE 800 BETHESDA, MD 20814	DIRECTOR 1	0.	0.	0.
DAVID MCMURRAY 7500 OLD GEORGETOWN RD STE 800 BETHESDA, MD 20814	DIRECTOR 1	0.	0.	0.
KENNETH SILVERBERG 7500 OLD GEORGETOWN RD STE 800 BETHESDA, MD 20814	DIRECTOR 1	0.	0.	0.

