*Not for distribution in or into the United States, Canada, Japan or Australia.*
*This communication is not offering material and is for information purposes only.*

**Press release**

From cells to therapeutics **Vivalis**

# VIVALIS SIGNS A NEW COMMERCIAL LICENSE FOR THE EB66® CELL LINE WITH BOEHRINGER INGELHEIM VETMEDICA

**Nantes (France) – July 19, 2010** – VIVALIS (NYSE Euronext: VLS), a biopharmaceutical company, announced today that BOEHRINGER INGELHEIM VETMEDICA, the animal health division of the global pharmaceutical company BOEHRINGER INGELHEIM , headquartered in Germany, exercised an option to acquire commercial licensing rights to produce two poultry vaccines on the duck embryonic stem cell derived EB66® cell line.

Terms of the agreement were not disclosed.

*"We are very pleased to add a new commercial agreement within the animal vaccine field. This new license further confirms that the EB66® cell platform is a reference cell substrate for the industrial manufacture of viral vaccines. It further evidences that the majority of our clients who enter into an evaluation license are pleased with the robustness, efficiency, and regulatory compliance of our EB66® cell line, and eventually extend their rights to commercial uses. With many advanced discussions with pharmaceutical and biotechnology companies, both for vaccine and protein productions, we are confident that 2010 will be another dynamic year for EB66® licensing, with the renewed objective to sign seven new licenses this year of which two are commercial licenses,"* said Franck Grimaud, CEO, and Majid Mehtali, CSO, co-managers of VIVALIS.

**********

**Next financial press release:**
**21 July 2010, after NYSE Euronext market closing: Second quarter 2010 revenues**

## About the EB66® cell line

The EB66® cell line, derived from duck embryonic stem cells, presents unique industrial and regulatory characteristics, such as long-term genetic stability, immortality and cell growth up to high cell densities in suspension in a serum-free medium (>40 millions cells/mL).

The BMF (Biologics Master File) for the registration of the EB66® cell line with the FDA (U.S. Food and Drug Administration) was filed on June 27, 2008.

The EB66® cells replicate a wide range of human and animal viruses and are currently used or being evaluated for the production of viral vaccines by the major players in vaccines.

The EB66® cells are easily genetically engineered to efficiently express recombinant proteins of interest (> 1 g/l). Monoclonal antibodies produced in EB66® cells have human-like glycosylation profile, with the remarkable additional feature of having reduced fucose content. This latter characteristic provides a better cytotoxic activity to antibodies, particularly useful in the treatment of cancer cells.

**About VIVALIS (www.vivalis.com)**

VIVALIS (Euronext code: VLS) is a biopharmaceutical company that provides innovative cell-based solutions to the pharmaceutical industry for the manufacture of vaccines and proteins, and develops drugs for the prevention and treatment of unmet medical needs. VIVALIS' expertise and intellectual property are exploited in three main areas:

1. EB66® Cell Line:
VIVALIS offers research and commercial licenses for its EB66® cell line, derived from duck stem cells, to pharmaceutical and biotechnology companies for the production of therapeutic and prophylactic viral vaccines, virosomes, VLPs and recombinant proteins, especially monoclonal antibodies with enhanced cytotoxic activity. VIVALIS receives upfront payment, clinical stage milestone payments and royalties on its licensees' net sales.

2. Humalex® platform
VIVALIS proposes customized solutions for the discovery, development and production of fully Human monoclonal antibodies. VIVALIS receives upfront payment, clinical stage milestone payments and royalties on its licensees' net sales.

3. 3D-Screen platform
VIVALIS performs discovery and early stage developments of small chemical molecules identified with VIVALIS proprietary screening platform, 3D-Screen, which identifies target protein conformational modulators. VIVALIS is building a portfolio of proprietary products for the treatment of Hepatitis C virus infection..

Based in Nantes (France), VIVALIS was founded in 1999 by the Grimaud group (ca. 1,500 employees), a worldwide leader in animal genetic selection. VIVALIS has established more than 30 partnerships and licenses with world leaders in this sector, including Sanofi Pasteur, GlaxoSmithKline, Merck, CSL, Kaketsuken, Merial, Intervet, SAFC Biosciences. VIVALIS is a member of the French ATLANTIC BIOTHERAPIES and LYON BIOPOLE bio-clusters.

VIVALIS
Listed on Euronext Paris – Compartment C of NYSE Euronext
Reuters: VLS.PA – Bloomberg: VLS FP
Included in NYSE Euronext's SBF 250, CAC Small 90 and Next Biotech indexes

VLS LISTED NYSE EURONEXT

*This document contains forward-looking statements and comments on the company's objectives and strategies. No guarantee can be given as to any of the events anticipated by the forward-looking statements, which are subject to inherent risks, including the risk factors described in the company's* document de référence*, changes in economic conditions, the financial markets or the markets in which the company operates.*

**PUBLIC INFORMATION:**

A French language prospectus including (i) the reference document (*document de référence*) of Vivalis filed with the *Autorité des marchés financiers* (AMF) on 22 April, 2010 under no. R. 10-026 as replaced by the reference document dated 1 July, 2010 and (ii) the securities note (*note d'opération*) (including a summary of the prospectus) approved by the AMF on 1 July 2010 under no 10-215, are available free of charge from Vivalis (6, rue Alain Bombard, 44 821 Saint-Herblain CEDEX), as well as on the websites of Vivalis (www.vivalis.com) and the AMF (www.amf-france.org).

Vivalis draws the attention of the public to the risk factors described in chapter 4 of the reference document and chapter 2 of the securities note.

This Press Release, together with the material set forth herein, does not constitute an offer of securities for sale nor a solicitation to purchase securities in any jurisdiction. Distribution of such Press Release in certain jurisdiction may constitute a breach of applicable laws and regulations.

With respect to the member states of the European Economic Area which have implemented the Directive 2003/71/EC of the European Parliament and the Council of November 4, 2003 (the "Prospectus Directive"), other than France, no action has been undertaken or will be undertaken to make an offer to the public of the securities referred to herein requiring a publication of a prospectus in any relevant member state (other than France). As a result, the securities may not and will not be offered in any relevant member state (other than France) except in accordance with the exemptions set forth in Article 3(2) of the Prospectus Directive, if they have been implemented in that relevant member state, or under any other circumstances which do not require the publication by Vivalis of a prospectus pursuant to Article 3(2) of the Prospectus Directive and/or to applicable regulations of that relevant member state.

This Press Release does not constitute an offer to sell or the solicitation of an offer to buy any financial instruments in the United States. Securities mentioned in this document have not been and will not be registered under the Securities Act of 1993, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act. Any public offer of securities in the United States shall be made by means of a prospectus that may be obtained from the Company containing detailed information regarding the Company, its management and financial statements. The Company does not intend to register this offering in all or in part or to make public offer of securities in the United States.

This Press Release is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000, as amended ("FSMA"). This document is directed only at (i) persons outside the United Kingdom; or (ii) persons in the United Kingdom that are "qualified investors" within the meaning of Article 2(1)(e) of Directive 2003/71/EC including any relevant implementing measure in each member state, that are also (a) persons authorized under FSMA or otherwise having professional experience in matters relating to investments and qualifying as investment professionals under article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"); or (b) institutions or corporations qualifying as high net worth persons under Article 49(2)(a) to (d) of the Financial Promotion Order; or (c) any other persons to whom this document for the purposes of Section 21 of FSMA can otherwise lawfully be made (all such persons together being referred to as "Relevant Persons"). Any person in the United Kingdom that is not a Relevant Person should not act or rely on this document.

No copy of this announcement has been or should be distributed or sent to the United States, Canada, Japan or Australia.

**Contacts**

***VIVALIS***
Franck Grimaud, CEO
Email: investors@vivalis.com

***NewCap***
Financial communications agency
Steve Grobet / Pierre Laurent
Tel.: +33 (0) 1 44 71 94 91
Email: vivalis@newcap.fr