

**VIVALIS AND KITASATO SIGN A RESEARCH LICENSE
TO EVALUATE EB66[®] CELL LINE FOR HUMAN VIRAL VACCINE PRODUCTION**

Nantes, Lyon (France), October 12, 2010 – VIVALIS (NYSE Euronext: VLS), a biopharmaceutical company, announced today that The Kitasato Institute, the vaccine co-leader in Japan, has signed a research license agreement to evaluate the replication of an undisclosed virus in VIVALIS' EB66[®] cell line for the manufacturing of human vaccines.

Terms of the agreement were not disclosed.

"We are very pleased to support Kitasato's continued commitment to deliver safer and higher quality vaccines. This new research license with one of the leading vaccine manufacturer in Japan is the third license or sublicense with leading vaccine Japanese companies signed in this country these last months. We are very happy that our EB66[®] cell line is gaining visibility in this very important market and receiving more recognition around the world. With six new EB66 licenses signed since the beginning of the year, we are convinced that we will reach the objective of seven new licenses before the end of 2010", said Franck Grimaud, CEO, and Majid Mehtali, CSO, co-managers of VIVALIS.

Next Financial Press Release

October 20, 2010: Third Quarter Revenues for 2010 (after NYSE Euronext market close)

About The EB66[®] Cell Line

The EB66[®] cell line, derived from avian 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 using serum-free media (>40 million cells/mL).

EB66[®] cells replicate a wide range of human and animal viruses and are currently used for the production of investigational viral vaccines by many major vaccine developers.

A Biologics Master File (BMF) for the EB66[®] cell line with the U.S. Food and Drug Administration (FDA) was filed on June 27, 2008 and is updated annually.

EB66[®] cells are also easily engineered to express recombinant proteins of interest (> 1.0 g/l). Monoclonal antibodies produced in EB66[®] cells have a human-like glycosylation profile with the additional benefits of reduced fucose content. This latter characteristic provides increased cytotoxic activity (ADCC) to antibodies, which may be useful in the treatment of cancer and infectious disease.

About VIVALIS (www.vivalis.com)

VIVALIS (Euronext: 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 leveraged in three main areas:

EB66[®] Cell Line

VIVALIS offers research and commercial licenses for its EB66[®] cell line, derived from duck embryonic stem cells, to pharmaceutical and biotechnology companies for the production of therapeutic and prophylactic viral vaccines, virosomes, VLP's, and recombinant proteins (with a focus on monoclonal antibodies having enhanced cytotoxic activity). Through these programs VIVALIS receives upfront, clinical, and milestone payments along with royalties on licensees net sales.

Humalex[®] Human Antibody Discovery Platform

Customized solutions for the discovery, development, and production of fully human monoclonal antibodies is now offered by VIVALIS. Through these programs VIVALIS receives upfront, clinical, and milestone payments along with royalties on licensees net sales.

3D-Screen Platform

VIVALIS performs discovery and early stage development of small molecules identified with VIVALIS' proprietary 3D-Screen platform, which identifies target protein conformational modulators. VIVALIS is also building a portfolio of proprietary products for the treatment of hepatitis-C infection using this platform.

Based in Nantes (France), VIVALIS was founded in 1999 by the Grimaud Group (ca. 1,500 employees), a world-wide 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, SAFIC Biosciences. VIVALIS is a member of both 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 indices



This document contains forward-looking statements and comments on the company's objectives and strategies. No guarantee can be given to any of the events anticipated by the forward-looking statements contained in this document, which are subject to inherent risks, including 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.

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