

**FOLLOWING POSITIVE RESULTS
VIVALIS AND BAVARIAN NORDIC EXTEND THE EBx[®] RESEARCH LICENCE**

Nantes (France) – Kvistgård (Denmark) – June 3th, 2008

BAVARIAN NORDIC (CSE : BAVA) has exercised its option to extend the EBx[®] embryonic stem cell line research license signed with VIVALIS (NYSE Euronext Paris: VLS) on March 30th, 2007.

The last 12 months collaboration allowed BAVARIAN NORDIC to produce positive data, and to demonstrate that its recombinant vaccines platform, MVA-BN[®], can be efficiently and consistently manufacture with the EBx[®] cell line.

For the record, BAVARIAN NORDIC is evaluating the EBx[®] cell line as a potential alternative production technology to its existing CEF process for the manufacturing of several vaccine candidates.

Franck GRIMAUD, VIVALIS CEO declares: *“VIVALIS is very pleased with the results obtained so far in its collaboration with BAVARIAN NORDIC, one of the world leaders in the exciting area of therapeutic recombinant vaccines. These results confirm again that the EBx[®] platform turns to be the reference cell substrate for poxvirus based vaccines production and is relevant for a wide range of therapeutics applications. We are strongly convinced that more and more companies will move from eggs to the EBx[®] cell line in a foreseeable future”.*

Terms of the agreement were not disclosed.

Next press release:

13 August 2008, after closure of the Euronext Paris market: Turnover for the 2nd quarter of 2008

About Bavarian Nordic:

Bavarian Nordic (CSE: BAVA) is a leading international biopharmaceutical company developing and producing innovative vaccines to prevent and treat infectious diseases and cancer. With operations in Denmark, Germany, the USA, and Singapore, Bavarian Nordic employs over 260 people. Bavarian Nordic's patented technology, MVA-BN[®], as demonstrated in clinical studies, is one of the world's safest, multivalent vaccine vectors for the development of vaccines against various infectious diseases such as smallpox, HIV/AIDS, as well as against breast and prostate cancer. Several MVA-BN[®]-based vaccines are in clinical Phase I and Phase II trials. Bavarian Nordic has ongoing development contracts with the US government to develop a third-generation smallpox vaccine, IMVAMUNE[®]. Bavarian Nordic has supplied several other governments with smallpox vaccines.

For more information please visit www.bavarian-nordic.com

About VIVALIS (www.vivalis.com)

VIVALIS (NYSE- 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 viral diseases. VIVALIS's expertise and intellectual property are exploited in three main areas:

1. The development and manufacturing of vaccines. VIVALIS offers research and commercial licenses for its EBx[®] embryonic stem cell lines to pharmaceutical and biotechnology companies for the production of viral vaccines.
2. The development of production systems for recombinant proteins and monoclonal antibodies. VIVALIS licenses its EBx[®] embryonic stem cell lines for the production of recombinant proteins to biotechnology and pharmaceutical companies.
3. The construction of a portfolio of proprietary products in the area of vaccines and anti-viral molecules (hepatitis C).

Based in Nantes (France), VIVALIS was founded in 1999 by the Grimaud group (1,450 employees), the second largest group worldwide in animal genetic selection. VIVALIS has established numerous partnerships with world leaders in this sector, including Sanofi Pasteur, GlaxoSmithKline, Novartis Vaccines, Kaketsuken, Merial and SAFC Biosciences. VIVALIS is a member of the French ATLANTIC BIOTHERAPIES cluster of competitive excellence.

Euronext Paris Compartment C - FR0004056851
Reuters: **VLS.PA** – Bloomberg: **VLS FP**

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