

**VIVALIS AND INTERVET SCHERING PLOUGH ANIMAL HEALTH SIGN
A LETTER OF INTENT FOR A COMMERCIAL LICENSE
TO USE EBx[®] CELL LINE FOR A VIRAL VACCINE PRODUCTION**

Nantes (France) – July 15th, 2008 – VIVALIS (NYSE Euronext :VLS) and INTERVET/SCHERING-PLOUGH ANIMAL HEALTH announced today that they have signed a letter of intent for a commercial license related to the avian embryonic stem cell derived **EBx[®]** technology. With this agreement, VIVALIS grants INTERVET/SCHERING-PLOUGH ANIMAL HEALTH rights to the **EB66[®]** cell line for the production and marketing of a veterinary vaccine.

*"VIVALIS is pleased to enter in this commercial agreement to support INTERVET's efforts for the development and marketing of cell based vaccines. With already more than 30 different vaccines currently evaluated or developed on VIVALIS **EB66[®]** cell line, we strongly believe that this cell line has the potential to replace the eggs, and to become a standard cell substrate for vaccine production in the foreseeable future",* said Franck GRIMAUD, VIVALIS CEO.

"INTERVET/SCHERING-PLOUGH ANIMAL HEALTH is world leader in the development and the production of animal health vaccines. The collaboration with Vivalis is a step ahead and fits into our strategic direction of safe and efficient cell based vaccine production technology" said INTERVET/SCHERING-PLOUGH ANIMAL HEALTH.

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 Intervet/Schering-Plough Animal Health

Intervet/Schering-Plough Animal Health is focusing on the research, development, manufacturing and marketing of animal health products. The company offers customers one of the broadest, most innovative animal health portfolios, spanning products to support performance and to prevent, treat and control disease in all major farm and companion animal species. For more information about Intervet/Schering-Plough Animal Health visit the following website: www.intervet.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' 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 EB66[®] cell line, derived from duck embryonic stem cells, to pharmaceutical and biotechnology companies for the production of viral vaccines. Vivalis receives up front, milestones, and royalties on its licensees net sales.
2. The development of production systems for recombinant proteins and monoclonal antibodies. VIVALIS licenses its EB66[®] cell line for the production of recombinant proteins to biotechnology and pharmaceutical companies. Vivalis receive up front, milestones, and royalties on its licensees net sales.
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, Meril and SAFC Biosciences. VIVALIS is member of the French ATLANTIC BIOTHERAPIES bio-cluster.

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

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