

VIVALIS: A very dynamic 2nd quarter for licensing

Half year cash position of M€ 21.4

Nantes (France) – Aug, 13th 2008

VIVALIS (Euronext Paris : VLS), a biopharmaceutical company specialised in development and marketing of technologies dedicated to the production of vaccines and development of antiviral diseases drugs, announces a half year cash position of M€ 21.4

Revenues of K€ 766 have been registered by the company during the 2nd quarter 2008, including fees for services invoiced by Vivalis and the proceeds of license agreements. Revenues increase in comparison with 1st quarter revenues demonstrates the impact of R&D first results and the dynamism of VIVALIS' business strategy with 4 new licence contracts signed since the beginning of the year. Milestones payments are planned to increase in the coming quarters.

The four licences signed since the beginning of the year are: 2 commercial licenses with Intervet-Schering Plough for a veterinary vaccine, and with Geovax for their HIV vaccines portfolio. 2 research licenses with Acambis in the human vaccine field, and with an undisclosed veterinary company.

First semester revenues amount to K€ 931, not including the upfront payment invoiced to Geovax in July 2008. Indeed, the current revenues, coming mainly from the initial up front payments and milestones payments under the EBx® platform license agreements, are bound to vary from one quarter to another and are not significant of Vivalis' technological and business breakthrough.

Fiscal Year	2008	2007
2 nd Quarter	766	470

(VAT, in thousands of Euros, French Accounting Principles)

Cash consumption:

Due to the strengthening of Research and Development efforts, net cash consumption amounted to M€ 1, 5 for the 2nd quarter 2008, after a net consumption of 2.1 m€ for the 1st quarter 2008. As of June 30, 2008, Vivalis presents a net cash consumption of M€ 3.6 and a cash position of M€ 21.4 which enables financing the company development in the coming 4 years.

The filing of the BMF (Biologics Master File) with the American FDA (Food and Drugs Administration), as well as the signing of a letter of intent for a commercial licence with Geovax reflects the company's business & technical dynamism during the 2nd quarter, which will accelerate in the coming months with new commercial agreements. This will strengthen Vivalis' business model and demonstrate the unique and innovative character of its EBx® breakthrough technology.

Next press release:

29 August 2008, after closure of the Euronext Paris market: First half 2008 results

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 receive 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. 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, Merial and SAFB Biosciences. VIVALIS is a member of the French ATLANTIC BIOTHERAPIES bio-cluster.

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Reuters: VLS.PA – Bloomberg: VLS FP

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