

VIVALIS SECURES IMPORTANT PATENTS COVERING THE USE OF EB66[®] PLATFORM TO PRODUCE RECOMBINANT VACCINES

Nantes (France) – December 10th, 2008 – VIVALIS (NYSE Euronext: VLS) announced today that it has been granted two major patents by the United States and Australian Patent and Trademark Offices.

The two patents US Pat. N° 7,432,101 and AU Pat. N° 004257939 cover the manufacturing on VIVALIS proprietary EB66[®] duck cell line of recombinant live vaccines based on poxviruses, such as Modified Vaccinia Ankara (MVA) virus or Fowlpox viruses.

The use of vaccinia virus as a smallpox vaccine led to the worldwide eradication of smallpox. In the 80's the demonstration that recombinant poxviruses expressing foreign antigens could be used as live vaccine in vivo has opened a new era in vaccine development. Today poxviruses, such as vaccinia viruses (MVA, Lister strains etc...) and avipoxviruses, two distinct poxvirus family members, were demonstrated to be extremely safe and useful recombinant vaccines for both animal and human health. Recombinant avipoxvirus based-vaccines for animals are already marketed. In Human health, more than 30 different recombinant vaccinia based vaccines are currently under clinical evaluation, 3 of them being in phase III clinical trials against cancer and HIV diseases.

8 EB66[®] licensees in the field of poxvirus-based recombinant vaccines.

VIVALIS has signed license agreements for its proprietary EB66[®] cell line with 8 of the 12 major companies developing poxvirus-based recombinant vaccines, including Sanofi Pasteur, Bavarian Nordic, Kaketsuken, Geovax and Merial. The company is in negotiation with several of the remaining companies active in the field.

VIVALIS technology offers the possibility to replace the egg-based production process and overcomes many related manufacturing concerns, such as harvesting primary cells from thousands and thousands of chicken embryos or risks of introduction of contaminants. The EB66[®] cell line, derived from duck embryonic stem cells, presents unique industrial and regulatory characteristics:

- EB66[®] cells display long term genetic stability and immortality;
- they can grow in suspension up to high cell densities in serum free medium;
- they can be scaled up for growth in large bioreactors for industrial productions;
- a biological master file (BMF) describing the history and sanitary status of the cell line is filed at the US Food and Drug Administration (FDA).

VIVALIS has already demonstrated efficient poxvirus production in 100L stirred tank bioreactor, allowing the production in a single run of 50 000 to 100 000 purified doses of vaccines.

VIVALIS patent portfolio.

VIVALIS has established a dominant patent position on avian embryonic stem cells through its unique and exhaustive worldwide intellectual property portfolio. VIVALIS is the applicant or licensee of more than 11 patent families that include already 65 granted patents and 42 patents applications.

VIVALIS is the exclusive licensee of North Carolina State University patents on "avian embryonic stem cells" (US5,340,740 ; US5,656,479; US5,830,510) and INRA/CNRS patents covering the "establishment and applications of avian ES cells" (US6,114,168 ; US6,500,668 ; EP787180).

VIVALIS has also filed its own patents (8 different patents families) among which the EBx[®] platform base patents family entitled "avian cell lines for the production of recombinant proteins and vaccines" (WO 03/076601) and the patent family covering the use of EBx[®] platform to produce poxviruses; the US and Australian patents of this latter family being just granted, this is the object of the present press release.

"Poxviruses, in particular MVA, are gaining more and more importance in the vaccine field as accredited by the many different clinical trials currently ongoing worldwide, including three in phase III in the fields of cancer and AIDS. VIVALIS is pleased to contribute to supporting the development of poxvirus-based vaccines. The grant of these patents that protect the production of poxviruses on VIVALIS EB66[®] platform are major milestones for VIVALIS and its licensing partners. They further strengthen VIVALIS' patent position in the field of cell-based production of biologicals", said Franck GRIMAUD, VIVALIS CEO.

**Next financial press release:
January 27, 2009, after NYSE Euronext market closing: 2008 annual revenues**

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 payments 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 payments 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 SAFC 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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