

**VIVALIS AND MERIAL SIGN A NEW COMMERCIAL LICENSE
FOR THE USE OF THE EB66[®] CELL LINE**

**2010 COMMERCIAL OBJECTIVES ACHIEVED WITH 7 NEW LICENSES SIGNED
OF WHICH 3 COMMERCIAL**

Nantes, Lyon (France) – January 11, 2011 – VIVALIS (NYSE Euronext : VLS), a biopharmaceutical company, announced today that Merial Ltd, a world leader in the veterinary vaccine field, signed a new commercial license for the production of a veterinary vaccine using VIVALIS' EB66[®] cell line in last December 2010.

Terms of the agreement were not disclosed.

« We are very pleased that Merial Ltd signed this second commercial license. This new agreement confirms that the EB66[®] cell platform is a reference cell substrate for the industrial manufacture of viral vaccines. It further evidences that the majority of our clients who enter into an evaluation license are pleased with the robustness, efficiency, and regulatory compliance of our EB66[®] cell line, and extend their rights to commercial uses. Lastly, this represents a significant corporate achievement through reaching our objective of seven licenses signed in 2010 and exceeding our 2010 commercial agreement estimates of three executed licenses over the predicted target of two” said Franck Grimaud, CEO, and Majid Mehtali, CSO, co-managers of VIVALIS.

**Next Financial Press Release:
27 January 2011, after NYSE Euronext market closing: Fourth quarter 2010 revenues**

About Merial

Merial is a world-leading, innovation-driven animal health company, providing a comprehensive range of products to enhance the health, well-being and performance of a wide range of animals. Merial employs approximately 5,700 people and operates in more than 150 countries worldwide. Its 2009 sales were \$2.6 billion. Merial is the Animal Health subsidiary of sanofi-aventis.

For more information, please see www.merial.com.

About VIVALIS (www.vivalis.com)

VIVALIS (Euronext code: 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 exploited in three main areas:

1. EB66® Cell Line:

VIVALIS offers research and commercial licenses for its EB66® cell line, derived from duck stem cells, to pharmaceutical and biotechnology companies for the production of therapeutic and prophylactic viral vaccines, virosomes, VLPs and recombinant proteins, especially monoclonal antibodies with enhanced cytotoxic activity. VIVALIS receives upfront payment, clinical stage milestone payments and royalties on its licensees' net sales.

2. Humalex® platform

VIVALIS proposes customized solutions for the discovery, development and production of fully Human monoclonal antibodies. VIVALIS receives upfront payment, clinical stage milestone payments and royalties on its licensees' net sales.

3. 3D-Screen platform

VIVALIS performs discovery and early stage development of small molecule compounds identified with its proprietary 3D-Screen platform. The 3D-Screen platform is designed to identify molecules that alter the three-dimensional structure of a target protein. With 3D-Screen, VIVALIS is building a portfolio of proprietary products for the treatment of hepatitis-C virus infection and other indications.

Based in Nantes (France), VIVALIS was founded in 1999 by the Grimaud group (ca. 1,500 employees), a worldwide 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, SAFC Biosciences. VIVALIS is a member of the French ATLANTIC BIOTHERAPIES and LYON BIPOLE bio-clusters.

VIVALIS

Compartiment C d'Euronext Paris de NYSE Euronext

Reuters : VLS.PA – Bloomberg : VLS FP

Membre des indices SBF 250, Small Cap 90 et Next Biotech de NYSE Euronext



Le présent document contient des informations prospectives et des commentaires relatifs aux objectifs et stratégies de la société. Aucune garantie ne peut être donnée quant à la réalisation de ces prévisions qui sont soumises à des risques dont les facteurs de risques décrits dans le Document de référence de la société, à l'évolution de la conjoncture économique, des marchés financiers et des marchés sur lesquels la société est présente.

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