

VIVALIS AND SANOFI PASTEUR EXTEND THEIR 2010 COLLABORATION AND LICENSE CONTRACT WITH A NEW HUMAN MONOCLONAL ANTIBODY DISCOVERY TARGET AGAINST A NEW INFECTIOUS DISEASE

Nantes, Lyon (France), Toyama (Japan) – January 17, 2012 – VIVALIS (NYSE Euronext: VLS) announced today the extension of the agreement signed in June 2010 with Sanofi Pasteur, the vaccines division of Sanofi (Euronext: SAN and NYSE: SNY), for the discovery of a fully human monoclonal antibody against an additional undisclosed infectious disease target.

Sanofi Pasteur and its affiliates have exclusive access to the Vivalis' platform for the discovery of human monoclonal antibodies targeting several clinically significant infectious diseases, and will obtain worldwide exclusive development and commercialization rights for the discovered antibodies. The Vivalis' platform, called VIVA|Screen™, is a potent technology for the discovery of fully human monoclonal antibodies using a combination of two technologies acquired by Vivalis:

- The HUMALEX® technology, a potent technology for the discovery of fully human monoclonal antibodies produced by activated and immortalized B lymphocytes isolated from selected human donors. Humalex® was developed by Humalys SAS, a Lyon-based biotechnology company acquired by Vivalis in January 2010,
- and the ISAAC technology, a high-throughput screening single-cell antibody discovery technology acquired by Vivalis from the company SC World, a Toyama-based company, in April 2011.

This combined technology, VIVA|Screen™, allows the rapid identification and recovery of extremely rare B lymphocyte clones, leading to the generation of biologically relevant, fully human monoclonal antibodies against virtually any antigen targeted by an immune response.

VIVALIS which has already reached significant milestones in the framework of its agreement with Sanofi Pasteur may receive, for this new target, development milestone payments up to 35 million Euros, as well as royalty payments associated with product sales. In addition, Sanofi Pasteur will continue to finance collaborative research activities.

Franck Grimaud, CEO, and Majid Mehtali, CSO, co-managers of VIVALIS declared: "*We are very happy that, after 1 year and a half of collaboration, Sanofi Pasteur decided to extend our agreement with an additional infectious disease target. It is a demonstration that we delivered good results within the first programs and a great sign of confidence from our partner that wants to progress quickly in this very competitive field.* "

**Next financial press release:
January 24, 2012, after NYSE Euronext market closing: 2011 fourth-quarter sales**

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 unmet medical needs. VIVALIS' expertise and intellectual property are leveraged in three main areas:

1. EB66® Cell Line:

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 therapeutic and prophylactic viral vaccines, virosomes, VLP's, and recombinant proteins (with a focus on monoclonal antibodies having enhanced cytotoxic activity). EB66® cell line based vaccines are currently in clinical trials in USA and in Japan. Through these programs VIVALIS receives upfront, clinical stage milestone payments along with royalties on licensees' net sales.

2. VIVAIScreen™ Human Antibody Discovery Platform:

Customized solutions for the discovery, development, and production of fully human monoclonal antibodies are now offered by VIVALIS. Through these programs VIVALIS receives upfront, clinical stage milestone payments along with royalties on licensees' net sales.

3. 3D-Screen™ Drug Discovery Platform:

VIVALIS performs discovery and development, up to pre-clinical evaluation, of original small chemical molecules identified with its proprietary platform, 3D-Screen™. This unique screening platform is designed to identify original molecules that alter the three-dimensional structure of a target protein, thus modulating its biological function through an innovative mode of action. VIVALIS is building a portfolio of proprietary new chemical entities for the treatment of hepatitis-C virus infection. VIVALIS also proposes, on a fee for service basis, to develop ready to use customized 3DScreen™ HTS assays directed against client's target protein of interest.

Based in Nantes & Lyon (France) and in Toyama (Japan) 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, Transgene, Pfizer Animal Health, Kaketsuken, Kitasato Daiichi Sankyo Vaccine, Merial, Merck Animal Health, SAFC Biosciences. VIVALIS is a member of the French ATLANTIC BIOTHERAPIES and LYON BIPOLE bioclusters and a member of the Japanese OKURIKU INNOVATION CLUSTER FOR HEALTH SCIENCE in Toyama.

VIVALIS

Listed on Euronext Paris – Compartment C of NYSE Euronext
Reuters: VLS.PA – Bloomberg: VLS FP
Included in NYSE Euronext's SBF 250, CAC Small 90 and Next
Biotech indexes



This document contains forward-looking statements and comments on the company's objectives and strategies. No guarantee can be given as to any of the events anticipated by the forward-looking statements, which are subject to inherent risks, including the risk factors described in the company's document de référence, changes in economic conditions, the financial markets or the markets in which the company operates.

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