

Press Release

From cells to therapeutics **Vivalis**

OPENING OF A NEW LABORATORY DEDICATED TO THE VIVA|SCREEN™ ANTIBODY DISCOVERY PLATFORM

Nantes & Lyon (France), Toyama (Japan) - 23 January 2012 - VIVALIS (NYSE Euronext: VLS) announced today the opening of a new facility for partnered VIVA|Screen™ antibody discovery programs in the Lyon Gerland Biotechnology Cluster. The Gerland biotechnology district offers the advantages of a centralized, world-class research and production environment in human and animal health. Resident companies include the likes of Sanofi Pasteur, Merial, and Genzyme along with research institutions such as the French Institute for Protein Biology and Chemistry.

With this new state-of-the-art laboratory, VIVALIS will be able to expand its research and development capacity and strengthen the VIVA|Screen™ platform in current and future industrial collaborations.

Franck Grimaud, CEO, and Majid Mehtali, CSO, co-managers of VIVALIS jointly stated, “*Since implementing the microarray technology into our antibody discovery platform, the demand for partnered activities and research into continually improving the technology has been at the forefront of our discovery efforts. Our capacity to engage in new clients programs and advance the platform becomes central to the success of VIVALIS as a whole and this new facility gives us the resources and power to do so.*”

Next Financial Press Release

January 24, 2012, after NYSE Euronext market closing: 2011 fourth-quarter sales

About the VIVA|Screen™ Platform

A Fully Human Monoclonal Antibody Discovery Platform

The VIVA|Screen™ technology is an innovative process for rapid generation of high value therapeutic antibodies that are fully human by nature by relying on the principle that humans spontaneously and naturally develop humoral immune responses against exogenous or self-antigens. Thanks to a close partnership with the national French Blood Transfusion Center (EFS), Vivalis benefits from access to a large panel of human donors allowing the screening of individuals with past and present conditions of therapeutic interest.

The VIVA|Screen™ platform is a sequential process consisting of selecting proper donors, isolating and expanding target b-lymphocytes, screening secreted antibodies via functional and/or binding assays, and recovering single b-lymphocytes using a high throughput microarray system. Further recovery of antibody sequences and the characterization of these human monoclonal antibodies are performed using well established methods (Figure 1).

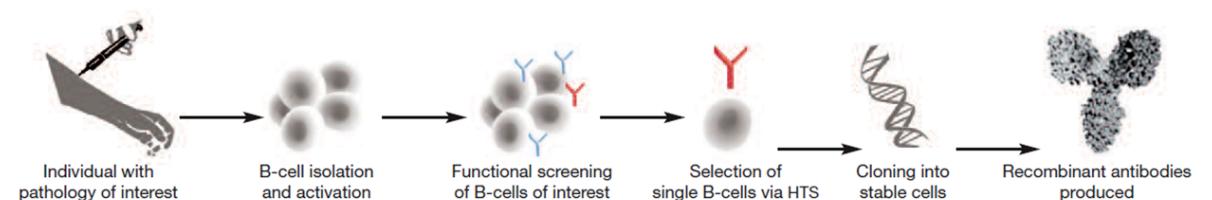


Figure 1: The VIVA|Screen™ antibody discovery process.

The VIVA|Screen™ microarray technology is what powers the isolation of individual b-lymphocytes. A single b-lymphocyte out of 200,000,000 peripheral blood mononuclear cells can be screened and chosen. The proverbial "finding a needle in a haystack" is now possible (Figure 2).

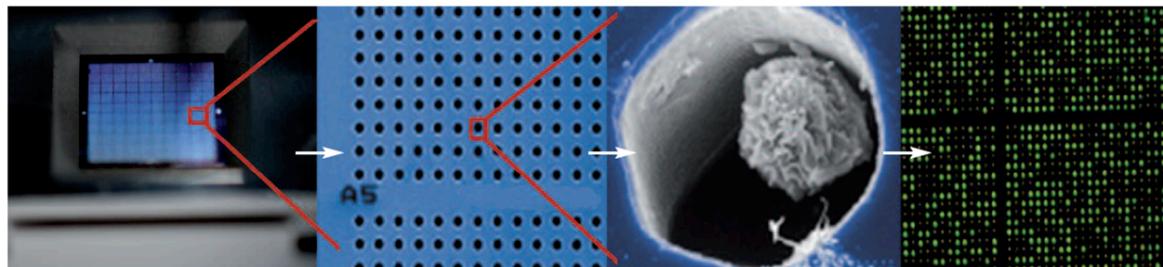


Figure 2: Detail of the VIVA|Screen™ microarray.

In addition to human b-lymphocytes, cells from immunized mice, rabbits or other species can also be used. The entire platform is a highly efficient method for the discovery of antibodies against virtually any antigen of interest, including tumor and viral antigens.

VIVA|Screen™ Technology Benefits

- Discovery of fully human antibodies that have been naturally selected by the host immune system having no molecular changes to help ensure specificity, activity and potential increased safety.
- Efficient, high-throughput screening benefiting from Vivalis's proprietary microarray format that allows the isolation of extremely rare b-lymphocytes.
- Functional screening for the identification of biologically relevant b-lymphocytes avoids time-consuming evaluation of candidates lacking therapeutic value.
- A multiplexed approach resulting in cross-reactive antibody candidates, including antibodies that react against both the human and species used in the pre-clinical studies.
- Generation of all classes of antibodies – IgA, IgD, IgE, IgG, and IgM – as the VIVA|Screen™ platform is not restricted to specific isotypes.

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:

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 the USA and Japan. Through these programs VIVALIS receives upfront, clinical stage milestone payments along with royalties on licensees net sales.

VIVA|Screen™ 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.

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 offers on a service basis to develop ready-to-use customized 3D-Screen™ HTS assays directed against target proteins 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, and SAFC Biosciences. VIVALIS is a member of the French ATLANTIC BIOTHERAPIES and LYON BIOPOLE bioclusters and a member of the Japanese OKURIKU INNOVATION CLUSTER FOR HEALTH SCIENCE in Toyama.

VIVALIS

Listed on Euronext Paris – Compartment B 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 registration document (document de référence), changes in economic conditions, the financial markets or the markets in which the company operates.

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