

**VIVALIS ANNOUNCES A NEW EB66<sup>®</sup> CELL LINE RESEARCH LICENSE AGREEMENT WITH MERCK ANIMAL HEALTH**

**Nantes & Lyon (France) – July 03<sup>rd</sup>, 2012** – VIVALIS (NYSE Euronext: VLS) announced today that it has executed a new research license agreement with Merck Animal Health (known as MSD Animal Health outside the USA and Canada) to evaluate the production of additional animal vaccine candidates using Vivalis' EB66<sup>®</sup> cell line. In 2009, Merck Animal Health signed an EB66<sup>®</sup> commercial license agreement for the production of a poultry vaccine.

Franck Grimaud, CEO, and Majid Mehtali, CSO, co-managers of Vivalis jointly stated, "This new agreement further expands our current commercial agreement with MSD Animal Health to the EB66<sup>®</sup> cell line. An experienced EB66<sup>®</sup> cell line licensee since 2009, the decision by MSD Animal Health to explore new applications of the platform demonstrates their continued support of the technology as they move closer toward commercial products. We look forward to continue supporting MSD Animal Health in their current and future endeavors. This license represents the fourth EB66<sup>®</sup> cell line agreement signed since January 1<sup>st</sup>, 2012."

Terms of the agreement were not disclosed.

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**Next Financial Press Release**

July 19<sup>th</sup>, 2012, after NYSE Euronext market closing: Second Quarter 2012 Revenues

**About The EB66<sup>®</sup> Cell Line**

The EB66<sup>®</sup> cell line, derived from avian embryonic stem cells, presents unique industrial and regulatory characteristics, such as long-term genetic stability, immortality, and cell growth up to high cell densities in suspension using serum-free media (>40 million cells/mL).

EB66<sup>®</sup> cells replicate a wide range of human and animal viruses and are currently used for the production of investigational viral vaccines by many major vaccine developers. A Biologics Master File (BMF) for the EB66<sup>®</sup> cell line with the U.S. Food and Drug Administration (FDA) was filed on June 27, 2008 and is updated annually. Several on going clinical trials with vaccines produced in EB66<sup>®</sup> cells are ongoing.

EB66<sup>®</sup> cells are also easily engineered to express recombinant proteins of interest (> 1.0 g/l). Monoclonal antibodies produced in EB66<sup>®</sup>-cells have a human-like glycosylation profile with the additional benefits of reduced fucose content, naturally. This latter characteristic provides increased cytotoxic activity (ADCC) to antibodies, which may be useful in the treatment of cancer and infectious disease.

**About VIVALIS ([www.vivalis.com](http://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 two main areas:

**EB66<sup>®</sup> Cell Line**

VIVALIS offers research and commercial licenses for its EB66<sup>®</sup> 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<sup>®</sup> 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.

## 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.

Based in Nantes & Lyon (France) and in Toyama (Japan) VIVALIS was founded in 1999 by the Grimaud Group (ca. 1,600 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 SAFB Biosciences. VIVALIS is a member of the French ATLANTIC BIOTHERAPIES and LYON BIOPOLE bioclusters and a member of the Japanese HOKURIKU 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 indices



*This document contains forward-looking statements and comments on the company's objectives and strategies. No guarantee can be given to any of the events anticipated by the forward-looking statements contained in this document, which are subject to inherent risks, including 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.*

### **Contacts**

#### **VIVALIS**

Franck Grimaud, CEO

Email: [investors@vivalis.com](mailto:investors@vivalis.com)

#### **NewCap**

Financial communications agency

Axelle Vuillermet / Pierre Laurent

Tel.: +33 (0) 1 44 71 94 91

Email: [vivalis@newcap.fr](mailto:vivalis@newcap.fr)