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Intercell and Vivalis provide update on the progress towards intended merger

Nantes (France) and Vienna (Austria), Jan. 28th, 2013 – On 16 December 2012, Vivalis SA ("Vivalis") and Intercell AG ("Intercell") announced their intention to merge and form Valneva SE ("Valneva"). The merger is progressing well, in line with the timeline communicated at time of announcement:

- The French merger document (Document E) has been registered by the Autorité des marchés financiers (AMF) on 23 January 2013
- The full set of applicable merger documents have been made available on Intercell and Vivalis websites
- Intercell and Vivalis General Meetings have been convened and will take place on 27 February 2013 and 4 March 2013 respectively
- Merger is expected to close in May 2013, after which Valneva intends to launch a EUR 40 million capital increase, subject to regulatory approval

Additionally, Vivalis and Intercell have finalized the proposed governance of Valneva, agreeing on the following initial Supervisory Board (*Conseil de Surveillance*) composition:

- Frédéric Grimaud (Chairman), Alain Munoz and Michel Gréco proposed by Vivalis
- Prof. Alexander von Gabain, James Sulat, and Prof. Hans Wigzell proposed by Intercell
- Anne-Marie Graffin proposed by the *Fonds Stratégique d'Investissement ("*FSI"), to be nominated upon closing of the planned capital increase

In addition to the listing of Valneva Ordinary Shares on NYSE Euronext Paris and on the Vienna Stock Exchange, Vivalis and Intercell have decided to also apply for the listing of the Preferred Shares on Euronext Paris, upon completion of the merger.

Thomas Lingelbach, future President and Chief Executive Officer of Valneva, and Franck Grimaud, future President and Chief Business Officer commented: "We are extremely pleased with the progress made on the merger and are moving according to our planned timeline. We expect the merger to close in May and are ready and very enthusiastic about the next phase."

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About Vivalis

Vivalis is a biopharmaceutical company that provides innovative cell-based solutions to the biotechnology and pharmaceutical industry for the manufacture of vaccines and recombinant proteins, and develops monoclonal antibodies for the prevention and treatment of diseases with unmet medical needs. Vivalis' expertise and intellectual property are leveraged in two 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, VLPs and recombinant proteins, including monoclonal antibodies. Clinical trials of EB66® produced vaccines are currently on-going in the USA and Japan and in 2012 a vaccine produced in EB66® cells received market approval in Japan for use in animal health. Through these programs, Vivalis receives an upfront payment, clinical stage milestone payments along with royalties on licensees' net sales.

2. VIVA|Screen™ Human Antibody Discovery Platform

Customized solutions for the discovery, development and production of rare, fully human monoclonal antibodies are offered by Vivalis. Through these programs, Vivalis receives payments associated with the funding of discovery research, an upfront payment, clinical stage milestone payments along with royalties on net sales of licensed antibodies that are commercially developed from the use of the platform.

Based in Nantes and Lyon (France) and in Toyama (Japan), Vivalis was founded in 1999 by the Groupe Grimaud (approx. 1,700 employees), one of the worldwide leaders in animal genetic selection. Vivalis has established more than 30 partnerships and licenses with world leaders in biopharmaceutical industry, including Sanofi Pasteur, GlaxoSmithKline Biologicals, Transgene, Pfizer Animal Health, Kaketsuken, Kitasato Daiichi Sankyo Vaccine, Merial, Merck Animal Health and SAFC Biosciences. Vivalis is a member of the French ATLANPOLE BIOTHERAPIES and LYON BIOPOLE bio-clusters and a member of the Japanese HOKURIKU INNOVATION CLUSTER FOR HEALTH SCIENCE based in Toyama.

About Intercell AG

Intercell AG is a vaccine-biotechnology company with the clear vision to develop and commercialize novel immunomodulatory biologicals to prevent disease and reduce suffering across the world.

Intercell's vaccine to prevent Japanese Encephalitis (JE) – IXIARO®/JESPECT® – is the Company's first product on the market. This is a next generation vaccine against the most common vaccine-preventable cause of encephalitis in Asia licensed in more than thirty countries. A comparable vaccine for endemic markets based on Intercell's technology was launched in 2012 by Biological E. Ltd. under the trade name JEEV® in India and is currently under review for WHO prequalification.

The Company's technology base includes novel platforms, such as the patch-based vaccine delivery system and the proprietary human monoclonal antibody discovery system eMAB®, in addition to well-established technologies upon which Intercell has entered into strategic partnerships with a number of leading pharmaceutical companies, including Merck & Co., Inc., and Sanofi.

The Company's pipeline of investigational products includes a development program for the pediatric use of Intercell's JE vaccine IXIARO®/JESPECT® in non-endemic markets. Furthermore, the portfolio comprises different product candidates in clinical trials: a Pseudomonas aeruginosa vaccine candidate (Phase II/III), a vaccine candidate against infections with C. difficile (Phase I) as well as numerous investigative vaccine programs using the Company's IC31® adjuvant, e.g. in a Tuberculosis vaccine candidate (Phase II).

Intercell has in-house cGMP capability to manufacture both clinical and commercial biologicals at its fully owned site in Livingston, Scotland. The manufacturing site is currently dedicated to the production of the Company‘s novel Japanese Encephalitis vaccine. It is licensed and operates under a Manufacturing Authorisation granted by the Medicines and Healthcare products Regulatory Agency (MHRA) and it is also registered by the FDA. As such, the facility is subject to routine inspection by the MHRA, FDA and other Competent Authorities in connection with the manufacture, sale and supply of Japanese Encephalitis vaccine (trade name IXIARO®/JESPECT®).

Intercell is listed on the Vienna Stock Exchange under the symbol "ICLL" (U.S. level one ADR symbol "INRLY").

For more information, please visit: www.intercell.com

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The merging companies are European companies. Information distributed in connection with the proposed merger and the related shareholder vote is subject to European disclosure requirements that are different from those of the United States. Financial statements and information may be prepared according to accounting standards which may not be comparable to those used generally by companies in the United States.

It may be difficult for you to enforce your rights and any claim you may have arising under the U.S. federal securities laws in respect of the merger, since the companies are headquartered outside the United States. You may not be able to sue the companies or their officers or directors in a European court for violations of the U.S. securities laws. It may also be difficult to compel the companies and their affiliates to subject themselves to a U.S. court's judgment.