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FOR IMMEDIATE RELEASE

VIVALIS AND INNATE PHARMA SIGN A COLLABORATION AND COMMERCIAL LICENSE AGREEMENT TO DEVELOP INNATE'S NOVEL MONOCLONAL ANTIBODY, TO BE MANUFACTURED WITH VIVALIS' EB66® PLATFORM, FOR RARE CUTANEOUS CANCERS

- ***For Vivalis, the collaboration will enable the development and validation of an ADCC[1]-enhanced antibody production process with Vivalis EB66® cell line, up to clinical trials; this is the first EB66® commercial license in the field of therapeutic antibodies***
- ***For Innate Pharma, the collaboration should significantly accelerate the development of IPH 4101, a cytotoxic monoclonal antibody targeting rare cutaneous lymphomas such as Sezary Syndrome***
- ***The collaboration is supported by a grant from the French innovation agency OSEO amounting €6.7m, which should cover around 45% of the collaborative costs up to the clinical proof-of-concept of the therapeutic antibody***

Nantes & Marseille (France) – January 21th, 2009 – Vivalis (NYSE Euronext: VLS) and Innate Pharma (NYSE Euronext: IPH) announced today that they have signed a joint collaboration and commercial license agreement related to the use of Vivalis EB66® cell line, for the set up of an industrial process and the manufacturing of clinical batches of Innate Pharma's IPH 4101, a novel cytotoxic monoclonal antibody for the treatment of rare cutaneous lymphomas such as Sezary Syndrome ("SS") and Transformed Mycosis Fungoides ("TMF").

[1] Antibody Dependant Cell Cytotoxicity, one of the mechanism of action of antibodies

This project is supported by a significant grant from the French innovation agency OSEO, which should cover around 45% of the development costs of the antibody up to its proof-of-concept in clinical trials. For this collaborative project, Vivalis should receive up to 3.0 million euros, part of a 6.0 million Euros Oséo grant, as announced on the 28th of August 2008. As announced in the 2008 half-year results, Innate Pharma should receive up to 3.7 million euros to support the pre-clinical development, as well as Phase I and Phase II clinical trials of IPH 4101 for the treatment of SS and TMF. The grant received by Vivalis and Innate Pharma will be refunded over time in the form of royalties on product sales in case of commercial success of the antibody for Innate Pharma. For Vivalis, repayment will be, over a set period, on the basis of a limited percentage on Vivalis' initial royalty revenue on the first vaccine and the first antibody following market approval.

Hervé Brailly, CEO of Innate Pharma, declares: "*This is a significant step forward in the development of IPH 4101: Vivalis' unique technology achieves the production of an ADCC-enhanced antibody which is important for the efficacy of our drug candidate. The cellular target that we identified appears to be very specific and, as such, this constitutes a promising therapeutic project addressing significant unmet medical needs for cancer indications".* Mr. Brailly added: *"The grant from OSEO is an interesting non-dilutive source of financing for our early stage drug candidates and an important support in the current market conditions".*

Franck GRIMAUD, CEO of Vivalis declares: "*We are pleased to enter into this collaboration with Innate Pharma, a company with a strong experience in immunopharmacology. This is our first commercial license in the field of therapeutic protein, happening one year ahead of our forecast. It demonstrates that the EB66® technology is not only very innovative for vaccine production: all results obtained during the last months confirmed that EB66® cell line has the potential to constitute a new cellular platform for the production of recombinant proteins, in particular anti-cancer monoclonal antibodies with enhanced ADCC activity, for which there is today a strong demand."*

IPH 4101 is currently in pre-clinical validation at Innate Pharma. During a previous collaboration, Vivalis and Innate Pharma confirmed that IPH 4101, when produced in EB66® cells, has a higher ADCC activity compared to the same antibody produced in CHO cells. Innate Pharma has and retains worldwide development and commercial rights for this novel antibody.

Financial terms of the agreement between Vivalis and Innate Pharma were not disclosed. However, each party shall fund its own expenditures, depending on development or process responsibilities assumed. Upfront and milestones payments as well as royalties on future IPH 4101 product sales are included in the agreement and will be due by Innate Pharma to Vivalis. The EB66® manufacturing process will be owned by Vivalis and will be available through other license agreements.

About IPH 4101

IPH 4101 is a cytotoxic monoclonal antibody targeting an antigen found on certain cutaneous T cell lymphomas such as SS and TMF, two orphan indications. IPH 4101 is currently in pre-clinical validation[2] at Innate Pharma and has shown encouraging activity to treat these diseases in various preclinical models. As part of the pre-clinical validation work, a process for the production of the antibody at an industrial scale will be developed, at which point IPH 4101 will enter into regulatory pre-clinical development (IND-enabling studies). Innate Pharma has the global rights to the targeted antigen.

About the Sezary Syndrome and Transformed Mycosys Fongoides

According to the Cutaneous Lymphoma Foundation, about 1,000 patients worldwide are concerned by SS and about 20,000 by MF. MF is usually a slowly evolving disease but can become aggressive in about 20% of cases (when it becomes a transformed MF – TMF). At this stage the disease becomes very aggressive, with debilitating symptoms. Median survival for SS is about 32 months from diagnosis. There is therefore a strong medical need for the treatment of this disease.

About the EB66® cell line: a new platform for the production of monoclonal antibodies with enhanced ADCC activity

EB66® cell line, derived from duck embryonic stem cells, presents unique industrial and regulatory characteristics such as long term genetic stability, immortality and cell growth to high cell densities (>20 million cells/mL) in suspension, in serum free medium.

The BMF (Biologics Master File) for the registration of the EB66® cell line with the FDA (Food and Drug Administration) has been filed on June 27th, 2008 and all results obtained to date are compliant with the specifications defined by the regulatory health authorities

EB66® cell line is currently used or tested by a large majority of the world players in vaccines, notably, Sanofi Pasteur, GSK, Novartis Vaccines, Bavarian Nordic, CSL, Kaketsuken, Schering Plough (Nobilon), Geovax, Merial, Intervet-Schering Plough or Virbac and has already been licensed to 4 companies for the production of proteins including Sanofi-Aventis, CSL limited and now Innate Pharma. With a portfolio of 22 licenses (9 research licenses and 13 commercial licenses), the EB66® cell line is becoming a new standard cell substrate for biologics production.

Vivalis demonstrated that EB66® cell line is easily genetically engineered to efficiently express recombinant proteins of interest. The glycosylation profile of such recombinant proteins is similar to human glycosylation profile, with the remarkable feature of having reduced fucose content. This

[2] M0 milestone in Innate Pharma's internal R&D system. More details about Innate Pharma's R&D organization are available on www.innate-pharma.com

latter feature is a major advantage, notably for the production monoclonal antibody, as it is known to be associated with a better antibody-dependent cell cytotoxicity (ADCC) activity, a biological activity particularly attractive for treating cancerous cells.

About VIVALIS

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 viral diseases. VIVALIS' expertise and intellectual property are exploited in three main areas:

1. The development and manufacturing of vaccines. 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 viral vaccines. Vivalis receives up front, milestones, and royalties on its licensees net sales.
2. The development of production systems for recombinant proteins and monoclonal antibodies. VIVALIS licenses its EB66® cell line for the production of recombinant proteins to biotechnology and pharmaceutical companies. Vivalis receives up front, milestones, and royalties on its licensees net sales.
3. The construction of a portfolio of proprietary products in the area of vaccines and anti-viral molecules (hepatitis C).

Based in Nantes (France), VIVALIS was founded in 1999 by the Grimaud group (1,450 employees), the second largest group worldwide in animal genetic selection. VIVALIS has established numerous partnerships with world leaders in this sector. VIVALIS is a member of the French ATLANTIC BIOTHERAPIES bio-cluster.

Learn more about Vivalis at www.vivalis.com

Practical Information about Vivalis shares:

Compartiment C d'Euronext Paris

ISIN Code : FR0004056851

Reuters : VLS.PA – Bloomberg : VLS FP

About Innate Pharma

Founded in 1999 and funded by reference venture capitalists up to its IPO on Euronext in Paris in 2006, Innate Pharma S.A. (Euronext Paris: FR0010331421 – IPH) is a biopharmaceutical company developing first-in-class* drugs targeting innate immunity.

The pioneering work of Innate Pharma's scientific founders and research groups has led to the development of three product platforms (gamma delta T cells, NK cells and TLR), each indirectly validated in clinical oncology settings.

Besides oncology, Innate Pharma's drug candidates have development potential in the treatment of infectious disease and chronic inflammation. Two of the Company's molecules are undergoing clinical development, the most advanced being today in Phase II trials in cancer and infections.

With its strong scientific position in innate immunity pharmacology, its robust intellectual property portfolio and its R&D expertise, Innate Pharma intends to become a leading player in the booming immunotherapeutics market.

Based in Marseille, France, Innate Pharma had 88 employees as of September 30, 2008.

Learn more about Innate Pharma at www.innate-pharma.com

Practical Information about Innate Pharma shares:

Compartiment C d'Euronext Paris

ISIN Code : FR0004056851

Ticker Code : IPH

* with new mechanisms of action.