



**GENFIT PURSUES RESEARCH IN THE THERAPEUTIC
APPLICATION OF NUCLEAR RECEPTOR MODULATORS
TO STEM CELL BIOLOGY**

Lille (France), Cambridge (Massachusetts, United States), November 12, 2009 – GENFIT (Alternext: ALGFT; ISIN: FR0004163111), a biopharmaceutical company at the forefront of drug discovery and development, focusing on the early diagnosis and preventive treatment of cardiometabolic and neurodegenerative diseases, today announces its commitment to stem cell research as a key approach to address major therapeutic areas, via the targeting of nuclear receptors (NRs).

Dean W. Hum, CSO of GENFIT, states: "The initiative to apply our well established expertise in nuclear receptors to the treatment of diseases by stem cell regulation is very opportune and timely considering recent scientific advancements in this field. We are advancing our drug discovery programs and are in the process of demonstrating novel activities of NRs in the preservation of functional beta-cell mass for the treatment of diabetes, which is a key therapeutic focus at GENFIT".

Recent results demonstrating the multiple roles of NRs in stem cell biology, including effects on cell proliferation and differentiation, have provided novel insights into the potential of targeting these receptors as an innovative therapeutic strategy. Moreover, several studies have shown the activities of different NRs on embryonic stem (ES) cells, to maintain their pluripotency, to repress the ES cell phenotype, and to promote differentiation into a specific cell type. In addition, the ability of NRs to regulate cell lineage specification, to guide differentiation and to influence transdifferentiation has been demonstrated in adult stem cells and in 'induced pluripotent stem cells'.

Considering that NRs are ligand-activated transcription factors, this target class represents an innovative pharmacological approach to (re)generate functional pancreatic beta-cells for the treatment of diabetes.

Pr. François Pattou, Director of Inserm unit 859 (Diabetes Biotherapy), Lille University 2 – CHRU Lille and clinical partner of GENFIT within the framework of the IT-Diab program, explains: "In the field of diabetes, it is clear that the use of NR ligands to aid the ex vivo generation and expansion of functional beta-cells for transplantation would provide a beneficial therapeutic strategy. Moreover, the potential clinical application of NR ligands to activate beta-cell progenitors to expand and differentiate in situ in individuals with insulin deficiency is another approach that should provide clear benefit for the diabetic patient".

Items in this press release may contain forward-looking statements involving risks and uncertainties. The Company's actual results could differ substantially from those anticipated in these statements owing to various risk factors which are described in the Company's prospectus. This press release has been prepared in both French and English languages. In the event of any differences between the two texts, the French language version shall supersede.

About GENFIT:

GENFIT is a biopharmaceutical company focused on the Discovery and Development of drug candidates in strategic therapeutic fields linked to cardiometabolic and neurodegenerative disorders (prediabetes/diabetes, atherosclerosis, dyslipidemia, obesity, Alzheimer's...). GENFIT uses a multi-pronged approach based on early diagnosis, preventive solutions, and therapeutic treatments to address these major public health concerns and their unmet medical needs. GENFIT's proprietary research programs and its partnerships with leading pharmaceutical companies, including SANOFI-AVENTIS, SOLVAY GROUP, and SERVIER, have resulted in the creation of a rich and diversified pipeline of drug candidates at different stages of development. GENFIT's lead proprietary compound, GFT505, is currently in Phase II and two other compounds, in partnership with SANOFI-AVENTIS (AVE0897) and SOLVAY (SLV341), are in the advanced stages of Phase I.

With facilities in Lille, France, and Cambridge, MA (USA), the Company has about 130 employees, including over 100 scientists. GENFIT is a public company listed on the Alternext trading market by Euronext™ Paris (Alternext: ALGFT; ISIN: FR0004163111).

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