

Merial -Scarab Genomics Press Release

September 09

Merial Licenses Scarab Genomics' Clean Genome® *E. coli* for Commercial Production of New Animal Vaccine.

Merial, a world leading animal health company, has licensed the Clean Genome *E. coli* developed by Scarab Genomics, LLC, a Madison, WI biotechnology company, for commercial production of an upcoming veterinary vaccine. Clean Genome *E. coli* are K-12 strains, which are flexible platforms due to the mobile DNA elements that have been removed, enhanced the genetic stability of the recombinant DNA template and products. In addition, Merial and Scarab will collaborate on a separate two-year research project using Scarab's unique *E. coli* strains to develop a novel technology for additional vaccines.

“As the leader for new technologies-based vaccines for animal health, Merial is very pleased to incorporate Scarab Genomic's breakthrough technologies for the development of new products in its R&D pipeline. I am looking forward to an exciting collaboration with the Scarab Genomics team” said Jean-Christophe Audonnet, DVM, Ph.D. Head of Research Strategy and Key Alliances, Bio R&D, Merial.

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About Scarab Genomics, LLC:

Scarab Genomics, a Madison, WI biotechnology company, offers unique Clean Genome® *E. coli* Strains for next generation DNA and protein production. Based on Dr. Fred Blattner's expertise in the new technology of genome engineering, the K-12 genome was reduced by over 15% to remove non-essential genes, recombinogenic and mobile DNA elements, and cryptic, virulent genes. Genome reduction provides enhanced genetic stability, while retaining robust growth on minimal media, making these strains the ideal choice for biotherapeutic production.

For further information on Scarab Genomics, please visit www.scarabgenomics.com.

About Merial:

Merial is a world-leading, innovation-driven animal health company, providing a comprehensive range of products to enhance the health, well-being and performance of a wide range of animals. Merial employs approximately 5,400 people and operates in more than 150 countries worldwide. Its 2008 sales were over \$2.6 billion. Merial Limited is a joint venture between Merck & Co., Inc. and sanofi-aventis. For more information, please see www.merial.com.