

Deltagen Reports 2009 Third Quarter Financial Results

SAN MATEO, California, December 10, 2009 - Deltagen, Inc. (Pink Sheets: DGEN), a leading provider of drug discovery tools to the biopharmaceutical industry, today reported unaudited consolidated financial results for the three months ended September 30, 2009.

Revenues: The Company's consolidated revenues for the three months ended September 30, 2009 totaled \$0.467 million. The revenues were attributable primarily to license fees associated with the provision of knockout mice and related phenotypic data pursuant to orders placed by customers under the Company's DeltaOne™ program.

Interest Income: The Company had interest income of \$0.003 million for the three months ended September 30, 2009.

Expenses: Total consolidated expenses for the three months ended September 30, 2009 were \$0.582 million. The operating expenses were attributable primarily to labor costs and other general and administrative expenses, including \$0.157 million in royalty and commission expenses. The expenses also included a total of about \$0.128 million relating to the Company's acquisition of Benten BioServices, Inc. ("Benten Expenses").

Net Loss/Profit: Net consolidated loss before provision for income taxes for the three months ended September 30, 2009 was \$0.111 million. Excluding the Benten Expenses, net profit before provision for income taxes would have been \$0.017 million.

Cash, Cash Equivalents and Accounts Receivable: As of September 30, 2009, the Company had \$4.620 million in consolidated cash and cash equivalents and \$0.203 million in accounts receivable.

Subsequent Events: On December 10, 2009, the Company announced its acquisition of Benten BioServices, Inc. ("Benten"), a Pennsylvania-based contract services organization dedicated to the provision of regulatory-compliant services to support the development and commercialization of biopharmaceutical products. Additional details of the acquisition of Benten are provided in the Company's December 10, 2009 press release.

The unaudited consolidated financial statements for the third quarter of 2009, accompanying notes, and Management's Discussion and Analysis of Financial Conditions and Results of Operations for such period will be posted on Deltagen's website (www.deltagen.com).

About Deltagen

Deltagen, Inc. is a leading provider of drug discovery tools to the biopharmaceutical industry. Deltagen offers access to its extensive inventory of knockout mouse lines and related phenotypic data, which enhance the efficiency of target validation and drug discovery. In addition, Deltagen offers target validation data in the areas of immunology and metabolic diseases. Deltagen's products and programs have been validated by customers and partners such as Eli Lilly & Co., GlaxoSmithKline, Merck & Co., Inc. and Pfizer Inc. For more information on Deltagen, visit the Company's website at www.deltagen.com.

Safe Harbor Statement

This press release contains “forward-looking statements,” including statements about Deltagen’s future revenues, cash flows and operating results, any possible future dividend declarations, third-party royalty obligations and third-party licenses and intellectual property, the impact of Deltagen’s restructuring efforts, as well as other matters that are not historical facts or information. These forward-looking statements are based on management’s current assumptions and expectations and involve risks, uncertainties and other important factors, specifically including those relating to Deltagen’s ability to achieve its operational objectives and revenue projections, that may cause Deltagen’s actual results to be materially different from any future results expressed or implied by such forward-looking statements. There are no assurances that the Company will declare any future dividends. Information identifying such important risk factors is contained in “Management’s Discussion and Analysis of Financial Conditions and Results of Operations”, which can be found at Deltagen’s website at www.deltagen.com. Deltagen undertakes no obligation to update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.

Contact:

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DELTAGEN, INC.
CONSOLIDATED BALANCE SHEET
(UNAUDITED)

Consolidated Balance Sheet
For Quarter Ended 9/30/09

(Dollars In Thousands)

Unaudited
9/30/09
Consolidated

Assets

Current assets:

Cash and cash equivalents	4,620
Accounts receivable, net	203
Prepays, Deposits and Tax Assets	96
Total current assets	4,919

Property and equipment, net 66

Non-current portion of deferred tax assets 1,586

Total assets 6,571

Liabilities and Stockholders' Equity

Current liabilities:

Accounts payable	187
Accrued expenses	73
Total liabilities	260

Stockholders' equity:

Common stock	39
Treasury Stock	(867)
Additional paid-in capital	229,061
Retained Earnings	(222,325)
Foreign currency translation adjustment	402
Total stockholders' equity	6,311

Total liabilities and stockholders' equity 6,571

DELTAGEN, INC.

CONSOLIDATED INCOME STATEMENT
(UNAUDITED)

**Consolidated Income Statement and
Statement of Retained Earnings
For Quarter Ended 9/30/09**

	Unaudited 9/30/09 <u>Consolidated</u>
(Dollars In Thousands)	
Revenue	467
Royalty and Commission Expenses	157
Operating Expenses	<u>425</u>
Income From Operations	(114)
Interest Income	3
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Income before provision for income taxes	(111)
Provision for income taxes	
Current income tax expense	-
Deferred income tax expense	-
Adjustment for valuation allowance	-
Total income tax expense/(income)	<u>0</u>
Net Income (Loss)	<u>(111)</u>
Retained earnings at beginning of period	<u>(222,213)</u>
Retained earnings at end of period	<u><u>(222,325)</u></u>

DELTAGEN, INC.

CONSOLIDATED CASH FLOW
(UNAUDITED)

**Consolidated Cash Flow
For Quarter Ended 9/30/09**

Unaudited
9/30/09
Consolidated

(Dollars In Thousands)

Cash flows from operating activities:

Net Income (Loss)	(111)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	4
Loss on disposal of fixed assets	-
(Increase)/Decrease in operating assets	
Accounts receivable	18
Prepays, deposits and tax assets	(51)
Purchase of assets	(21)
Deferred tax assets	-
Increase/(Decrease) in operating liabilities	
Accounts payable	78
Accrued expenses	11
Dividends Paid	-
Net Increase/(Decrease) in cash	(73)
Effect of foreign exchange rate change on cash and cash equivalents	(9)
Cash and cash equivalents, at beginning of period	<u>4,702</u>
Cash and cash equivalents, at end of period	<u><u>4,620</u></u>