

Deltagen Reports 2010 First Quarter Financial Results

SAN MATEO, California, June 4, 2010 - 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 March 31, 2010.

Revenues: The Company's consolidated revenues for the three months ended March 31, 2010 totaled \$0.499 million. The revenues in the first quarter 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 \$0.001 million for the three months ended March 31, 2010.

Expenses: Total consolidated expenses for the three months ended March 31, 2010 were \$0.590 million. The expenses in the first quarter were attributable primarily to labor costs and other general and administrative expenses, including \$0.200 million in royalty and commission expenses and expenses of \$0.136 million relating to the operation of the Company's wholly-owned subsidiary, Benten BioServices, Inc. ("Benten Expenses").

Net Losses: Consolidated net losses before provision for income taxes for the three months ended March 31, 2010 were \$0.090 million. Excluding Benten Expenses, the Company would have had a net profit of \$0.046 million before provision for income taxes for the three months ended March 31, 2010.

Cash, Cash Equivalents and Accounts Receivable: As of March 31, 2010, the Company had \$5.455 million in consolidated cash and cash equivalents and \$0.317 million in accounts receivable.

Subsequent Events:

Benten BioServices: On May 14, 2010, Benten BioServices, Inc. ("Benten"), entered into a lease for facilities located in Malvern, Pennsylvania ("Lease"). The facilities comprise premises of approximately 35,000 square feet. Under the terms of the Lease, the landlord of the facilities will provide specific improvements to make the premises suitable for Benten's operations. The premises are expected to be ready for occupancy in the first quarter of 2011. Payments of base rent under the Lease will commence seven months following Benten's taking possession of the premises. Additional details relating to the business plans of Benten are provided in the Company's December 10, 2009 press release.

Board of Directors: On May 6, 2010, Mr. Martin Herson resigned from the Company's board of directors due to other commitments relating to his firm, Boston Millennia Partners.

The unaudited consolidated financial statements for the first quarter of 2010, 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, third-party royalty obligations and third-party licenses and intellectual property, Benten’s business plans, 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
As of 03/31/10

(In Thousands)	Unaudited 3/31/10 <u>Consolidated</u>
Assets	
Current assets:	
Cash and cash equivalents	5,455
Accounts receivable, net	317
Prepays, Deposits and Tax Assets	<u>40</u>
Total current assets	5,812
 Property and equipment, net	 59
 Goodwill	 224
 Non-current portion of deferred tax assets	 1,586
 Total assets	 <u><u>7,681</u></u>
 Liabilities and Stockholders' Equity	
Current liabilities:	
Accounts payable	128
Accrued expenses	<u>135</u>
Total liabilities	263
 Stockholders' equity:	
Common stock	39
Treasury Stock	(867)
Additional paid-in capital	230,616
Retained Earnings	(222,773)
Foreign currency translation adjustment	<u>402</u>
Total stockholders' equity	7,418
 Total liabilities and stockholders' equity	 <u><u>7,681</u></u>

DELTAGEN, INC.

CONSOLIDATED INCOME STATEMENTS
(UNAUDITED)

**Consolidated Income Statement and
Statement of Retained Earnings
For Quarter Ended 03/31/10**

	Unaudited 3/31/10 <u>Consolidated</u>
(Dollars In Thousands)	
Revenue	499
Royalty and Commission Expenses	200
Operating Expenses	<u>390</u>
Income From Operations	(91)
Interest Income	1
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Income before provision for income taxes	(90)
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>(90)</u>
Retained earnings at beginning of period	<u>(222,683)</u>
Retained earnings at end of period	<u><u>(222,773)</u></u>

DELTAGEN, INC.
CONSOLIDATED CASH FLOWS
(UNAUDITED)

Consolidated Cash Flows
For Quarter Ended 03/31/10

Unaudited
3/31/10
Consolidated

(Dollars In Thousands)

Cash flows from operating activities:

Net Income (Loss)	(90)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	3
Stock-based compensation expense	1
Loss on disposal of fixed assets	-
(Increase)/Decrease in operating assets	
Accounts receivable	(186)
Prepays, deposits and tax assets	14
Purchase of assets	-
Deferred tax assets	-
Increase/(Decrease) in operating liabilities	
Accounts payable	(95)
Accrued expenses	104
	-
Change in goodwill	-
Dividends Paid	-
Net Increase/(Decrease) in cash	(249)
Effect of foreign exchange rate change on cash and cash equivalents	-
Cash and cash equivalents, at beginning of period	5,704
Cash and cash equivalents, at end of period	5,455