

**ADJUSTED
PRO FORMA INCOME STATEMENT
(NON-GAAP)**

EUR in thousands	3 months ended September 30,		9 months ended September 30,	
	2013	2012	2013	2012
Product sales	11,365	3,548	20,670	18,202
Revenues from collaborations and licensing	2,461	1,898	8,479	9,559
Revenues	13,826	5,446	29,148	27,761
Grant income	854	990	2,896	3,227
Revenues and Grants	14,680	6,436	32,045	30,988
Cost of goods sold	(6,625)	(2,673)	(13,676)	(12,254)
Research and development expenses	(7,816)	(7,228)	(24,560)	(23,066)
General, selling and administrative expenses	(7,001)	(3,729)	(17,842)	(13,789)
Other income and expenses, net	(855)	543	(520)	1,534
Amortization of intangible assets	(1,990)	(1,362)	(4,457)	(3,100)
OPERATING PROFIT/(LOSS)	(9,607)	(8,012)	(29,010)	(19,686)
Finance income	144	151	328	768
Finance expenses	(506)	(2,065)	(4,164)	(4,935)
PROFIT/(LOSS) BEFORE INCOME TAX	(9,969)	(9,925)	(32,847)	(23,853)
Income tax	1	(39)	(32)	(22)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	(9,968)	(9,964)	(32,879)	(23,874)
Loss from assets held for sale or discontinued operations	-	-	-	(657)
PROFIT/(LOSS) FOR THE PERIOD	(9,968)	(9,964)	(32,879)	(24,531)

IMPORTANT: The financial measures presented in the above non-GAAP adjusted pro forma income statement should be read in connection with the following important information, including definition of non-GAAP financial measures and reconciliation to the Company's consolidated financial statements under IFRS.

IMPORTANT INFORMATION IN CONNECTION WITH PRESENTED NON-GAAP PRO FORMA FINANCIAL INFORMATION

On May 28, 2013, the Company completed its merger with Intercell AG. As a result of the merger, Intercell's business has been included in the Group's half year consolidated financial statements under IFRS from the merger closing date. Therefore, results for 2012 and 2013 reporting periods under IFRS are not fully comparable. While the results of Vivalis SA (now Valneva SE) were fully included in the IFRS income statement for the first nine months of 2013 and the comparator period in 2012, the results from the ex-Intercell operations were only included starting from June 2013 and are not part of the results for the comparator period of the previous year.

Management believes that the non-GAAP financial measures included herein provide meaningful supplemental information regarding the Company's operating result to assist the financial community and the Company's shareholders in understanding Valneva's financial results and to better evaluate operating performance for all the periods presented. It also provides a tool for analyzing the Company's ongoing operations. These figures, however, are not a measure of financial performance under IFRS or any other GAAP and should not be considered as a substitute for measures determined in accordance with GAAP. A non-GAAP financial measure reflects an additional way of viewing aspects of Valneva's operations that, when viewed with the Company's GAAP results and the reconciliation to the corresponding GAAP financial measure, provide a more complete understanding of its business. Users of the financial statements are encouraged to review the Company's financial statements and publicly filed reports in their entirety and not to rely on any single financial measure. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures is included below. Amounts included in the adjusted pro forma income statement are in thousand Euro, unless indicated otherwise.

Definitions of non-GAAP financial indicators

For preparing the non-GAAP financial information presented herein, the following changes to the most directly comparable GAAP financial measures under IFRS have been applied.

- Adjusted pro forma income from continuing operations is defined as reported income from continuing operations, adjusted to include pro forma adjustments and to exclude certain non-recurring items in connection with the merger.
- Adjusted pro forma income includes in addition to the Valneva SE results the ex-Intercell operations for the first five months of 2013 and for the comparator period in 2012. For that purpose, Intercell AG financial statements have been restated to the form of presentation used by Valneva SE in its financial statements under IFRS.
- For the 2013 reporting periods, non-recurring merger transaction costs and costs related to the repayment of debt in connection with the merger in the aggregate amount of EUR 14,615 thousands have been excluded from adjusted pro forma income. These items represent significant charges that impact current results, but have been considered unrelated to the Company's ongoing operations and performance.

Reconciliation to the Company's consolidated financial statements under IFRS

EUR in thousands (unaudited)	9 months ended September 30, 2012			
	Reported interim income statement (IFRS)	Pro forma adjustments Inclusion of ex-Intercell income	Exclusion of non-recurring income	Adjusted pro forma income statement (non-GAAP)
Product sales.....	-	18,202		18,202
Revenues from collaborations and licensing	2,536	7,023		9,559
Revenues	2,536			27,761
Grant income.....	1,960	1,267		3,227
Revenues and Grants.....	4,496			30,988
Cost of goods sold.....	-	(12,254)		(12,254)
Research and development expenses	(8,783)	(14,283)		(23,066)
General, selling and administrative expenses	(3,366)	(10,423)		(13,789)
Other income and expenses, net.....	(330)	1,864		1,534
Amortization of intangible assets	(1,275)	(1,825)		(3,100)
OPERATING PROFIT/(LOSS)	(9,258)			(19,686)
Finance income	375	393		768
Finance expenses	(333)	(4,602)		(4,935)
PROFIT/(LOSS) BEFORE INCOME TAX	(9,217)			(23,853)
Income tax.....	(57)	35		(22)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	(9,274)			(23,874)
Loss from assets held for sale or discontinued operations ...	(657)			(657)
PROFIT/(LOSS) FOR THE PERIOD	(9,931)			(24,531)

EUR in thousands (unaudited)	9 months ended September 30, 2013			
	Reported interim income statement (IFRS)	Pro forma adjustments Inclusion of ex-Intercell income	Exclusion of non-recurrent income	Adjusted pro forma income statement (non-GAAP)
Product sales.....	16,697	3,973		20,670
Revenues from collaborations and licensing	4,870	3,609		8,479
Revenues	21,567			29,148
Grant income.....	2,784	112		2,896
Revenues and Grants.....	24,351			32,045
Cost of goods sold.....	(10,181)	(3,495)		(13,676)
Research and development expenses	(14,841)	(9,719)		(24,560)
General, selling and administrative expenses	(12,123)	(11,397)	5,678	(17,842)
Other income and expenses, net.....	(1,183)	663		(520)
Amortization of intangible assets	(3,340)	(1,117)		(4,457)
OPERATING PROFIT/(LOSS)	(17,318)			(29,010)
Finance income	240	89		328
Finance expenses	(974)	(12,128)	8,937	(4,164)
PROFIT/(LOSS) BEFORE INCOME TAX	(18,052)			(32,847)
Income tax.....	(29)	(3)		(32)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	(18,082)			(32,879)
Loss from assets held for sale or discontinued operations	-			-
PROFIT/(LOSS) FOR THE PERIOD	(18,082)			(32,879)