

PricewaterhouseCoopers Audit

63, rue de Villiers
92208 Neuilly-sur-Seine

Deloitte & Associés
Les Docks – Atrium 10.4
10, place de la Joliette
13002 Marseille

Valneva (formerly Vivalis)

European company (*société européenne*)

Gerland Plaza TechSud
70, rue Saint Jean de Dieu
69007 Lyon

**Statutory Auditors' report on
the share capital reduction – Combined General Meeting of
26 June 2014 – Tenth resolution**

For the year ended 31 December 2013

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**STATUTORY AUDITORS' REPORT ON THE SHARE CAPITAL REDUCTION
Combined General Meeting of 26 June 2014 – Tenth resolution**

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

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69007 Lyon

To the Shareholders,

In our capacity as Statutory Auditors of Valneva and in accordance with the provisions of Article L.225-209 of the French Commercial Code (*Code de commerce*), applicable in the event of a share capital reduction by cancellation of shares bought back by the Company, we hereby report to you on our assessment of the reasons for and conditions of the planned share capital reduction.

The Management Board is seeking an 18-month delegation of powers, from the date of the Combined General Meeting of 26 June 2014, to cancel, for up to a maximum of 5% of the share capital per period of 24 months, the shares bought back by Valneva pursuant to an authorisation to buy back its own shares in accordance with the provisions of the aforementioned article.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. Those standards require that we ensure that the reasons for and conditions of the planned share capital reduction, which is not considered to affect shareholder equality, comply with the applicable legal provisions.

We have no matters to report on the reasons for and conditions of the planned share capital reduction.

Neuilly-sur-Seine and Marseille, 4 June 2014

The Statutory Auditors

PricewaterhouseCoopers Audit

Deloitte & Associés

Thierry Charron

Vincent Gros