SANOFI

Q3 2018 Results

October 31, 2018

Forward Looking Statements

This presentation contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements are statements that are not historical facts. These statements include projections and estimates and their underlying assumptions, statements regarding plans, objectives, intentions and expectations with respect to future financial results, events, operations, services, product development and potential, and statements regarding future performance. Forward-looking statements are generally identified by the words “expects”, “anticipates”, “believes”, “intends”, “estimates”, “plans” and similar expressions. Although Sanofi’s management believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Sanofi, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include among other things, the uncertainties inherent in research and development, future clinical data and analysis, including post marketing, decisions by regulatory authorities, such as the FDA or the EMA, regarding whether and when to approve any drug, device or biological application that may be filed for any such product candidates as well as their decisions regarding labelling and other matters that could affect the availability or commercial potential of such product candidates, the absence of guarantee that the product candidates if approved will be commercially successful, the future approval and commercial success of therapeutic alternatives, Sanofi’s ability to benefit from external growth opportunities, to complete related transactions and/or obtain regulatory clearances, risks associated with intellectual property and any related pending or future litigation and the ultimate outcome of such litigation, trends in exchange rates and prevailing interest rates, volatile economic conditions, the impact of cost containment initiatives and subsequent changes thereto, the average number of shares outstanding as well as those discussed or identified in the public filings with the SEC and the AMF made by Sanofi, including those listed under “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” in Sanofi’s annual report on Form 20-F for the year ended December 31, 2017. Other than as required by applicable law, Sanofi does not undertake any obligation to update or revise any forward-looking information or statements.

Agenda

Key Highlights	Olivier Brandicourt	Chief Executive Officer
Financial Results	Jean-Baptiste de Chatillon	Executive Vice President, Chief Financial Officer
Q&A Session	Olivier Charmeil	Executive Vice President, General Medicines & Emerging Markets
	Karen Linehan	Executive Vice President, Legal Affairs and General Counsel
	David Loew	Executive Vice President, Sanofi Pasteur
	Alan Main	Executive Vice President, Consumer Healthcare
	John Reed	Executive Vice President, Global Head of R&D
	Bill Sibold	Executive Vice President, Sanofi Genzyme

Olivier Brandicourt

Chief Executive Officer

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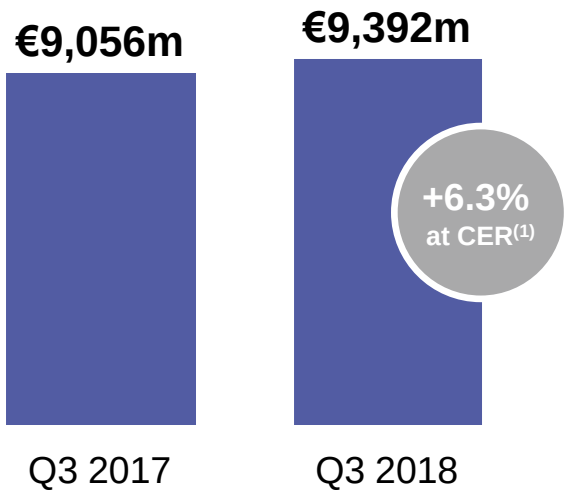
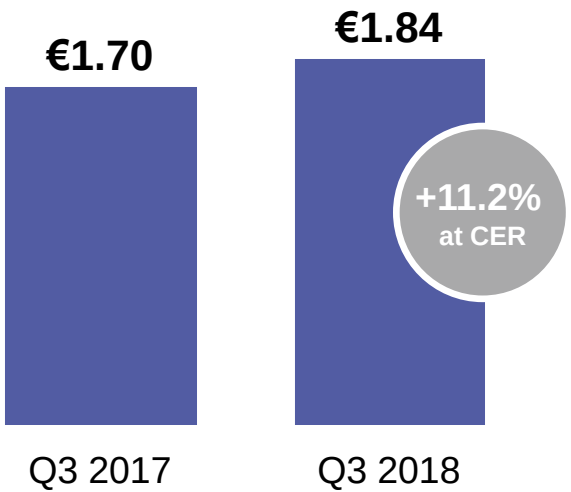
Key highlights

Sanofi entered a new growth phase with strong results in Q3 2018

Company sales



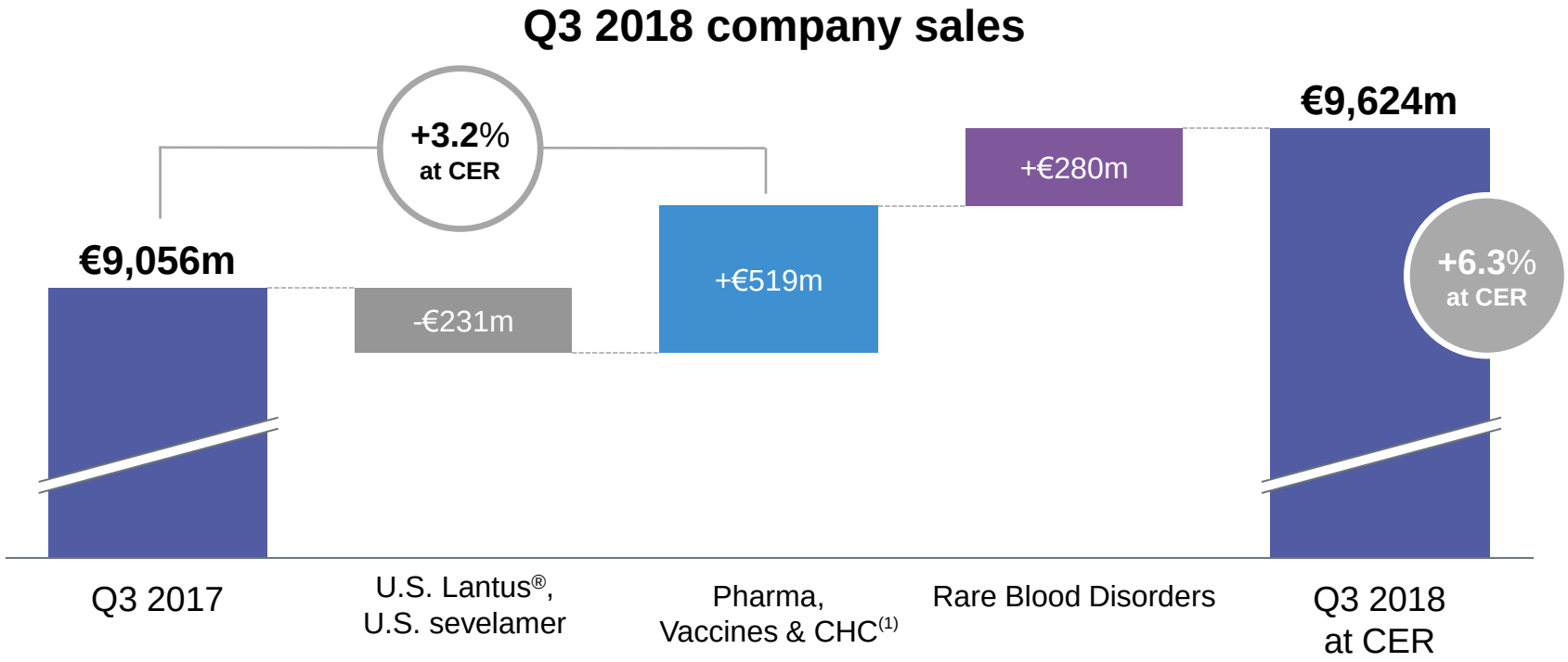
Business EPS



CER: Constant Exchange Rates

(1) Q3 2018 sales increased +3.4% at CER/CS; Constant Structure adjusting for Bioverativ acquisition

Solid sales growth achieved in Q3, further enhanced by contribution from Bioverativ acquisition



CER: Constant Exchange Rates

(1) Excludes U.S. Lantus®, U.S. sevelamer and Rare Blood Disorders franchise

Q3 2018 sales performance driven by Specialty Care, Vaccines and CHC

Q3 2018 sales by Global Business Unit

		Growth at CER/CS[1]
Company Sales	**€9,392m**	+3.4%
Sanofi Genzyme (Specialty Care)[2]	**€1,904m**	+14.9%[7]
Sanofi Pasteur (Vaccines)	**€2,069m**	+8.2%
Diabetes & Cardiovascular[8]	**€1,146m**	-12.1%
Consumer Healthcare[3]	**€1,113m**	+4.1%
General Medicines & Emerging Markets[4,5,6]	**€3,160m**	+0.6%

(1) Growth at Constant Exchange Rates and Constant Structure adjusting for Bioverativ acquisition (consolidated from March 9, 2018)
(2) Does not include Emerging Markets sales; Includes Bioverativ Products
(3) Consumer Healthcare includes sales in Emerging Markets
(4) Includes Emerging Markets sales for Diabetes & Cardiovascular and Specialty Care
(5) Emerging Markets: World excluding U.S., Canada, Western & Eastern Europe (except Eurasia), Japan, South Korea, Australia, New Zealand and Puerto Rico
(6) Excluding global Consumer Healthcare sales and Vaccines
(7) At CER growth was +36.1%, including €282m in sales from Rare Blood Disorders
(8) Does not include Emerging Markets sales

Strong sales growth in EM across franchises supported by recovery of Pentaxim® supply in China

Q3 2018 sales by franchise

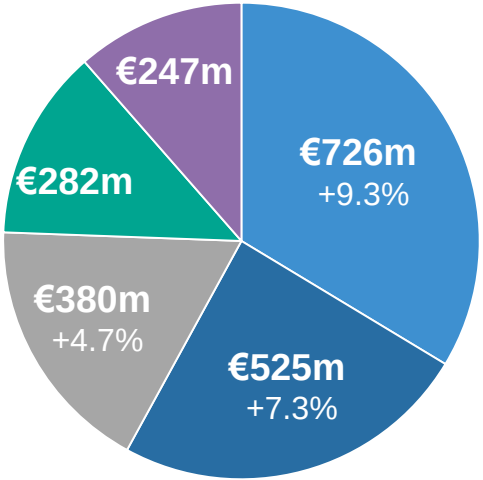
			Mature markets		Emerging markets[3]	
	Sales	Growth at CER/CS[1]	Sales	Growth at CER/CS[1]	Sales	Growth at CER/CS[1]
Specialty Care	**€2,160m**	+16.4%[2]	**€1,904m**	+14.9%[2]	**€256m**	+26.3%[2]
Vaccines	**€2,069m**	+8.2%	**€1,640m**	+5.4%	**€429m**	+19.8%
Diabetes & Cardiovascular	**€1,536m**	-6.3%	**€1,146m**	-12.1%	**€390m**	+14.2%
Consumer Healthcare	**€1,113m**	+4.1%	**€731m**	+3.8%	**€382m**	+4.6%
Established Rx Products	**€2,131m**	-3.2%	**€1,220m**	-9.1%	**€911m**	+5.5%
Generics	**€383m**	-5.6%	**€222m**	-9.8%	**€161m**	0.0%

EM: Emerging Markets
(1) Growth at Constant Exchange Rates and Constant Structure adjusting for Bioverativ acquisition (consolidated from March 9, 2018)
(2) At CER, growth was +34.6% for Specialty Care Sales, +36.1% for Developed Markets and +26.3% for Emerging Markets
(3) Pharmaceutical sales were up +9.7% at CER in Emerging Markets in Q3 2018

Double-digit growth in Specialty Care reflected solid contributions from all franchises

Sales by franchise

(% growth at CER)



Rare Diseases
Solid growth in Pompe (+13.7%), Gaucher (+8.1%) and Fabry (+12.0%)

Multiple Sclerosis
Strong Aubagio® sales in all geographies drove double-digit growth (+13%)

Oncology
Growth of legacy oncology portfolio supported by EM performance (+14%)

Rare Blood Disorders
Eloctate® increased U.S. share to 18%(1) driven by differentiated clinical profile

Immunology
Successful U.S. Dupixent® launch and global rollout in AD

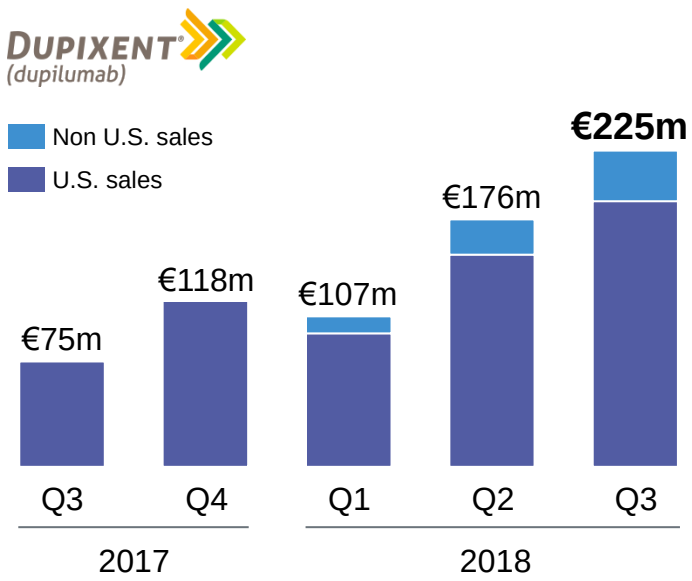
Specialty Care sales increased 16.4%(2) at CER/CS

AD: Atopic Dermatitis; EM: Emerging Markets
(1) Source: Internal data
(2) At CER, growth was 34.6%

Dupixent® is core driver of growing Immunology franchise

- Strong Q3 U.S. performance metrics for Dupixent®
  - 16% sequential increase in TRx(1)
  - Rx trends ahead of other biologic launches in dermatology
  - Trade inventory steady at ~4 weeks
- 13 countries launched; 4 country launches in Q3(2)
- Submitted sBLA to FDA for adolescent AD and positive results in two Phase 3 trials in CRSwNP
- Kevzara® launch continues to progress
  - 42% NBRx share in the SC IL-6 market(3,4)
  - TRx demand in the SC IL-6 market +31% year/year(5)

Quarterly sales evolution



All growth at CER; SC: sub-cutaneous; AD: Atopic Dermatitis; CRSwNP: Chronic Rhinosinusitis with Nasal Polyps; NBRx: New to Brand Prescriptions, TRx: Total Prescriptions

(1) IQVIA NPA Market Dynamics, National Prescription Audit, data through September 2018

(2) Including the UK, Luxembourg, Korea, and Taiwan

(3) Source: IQVIA NPA Market Dynamics, data through September 2018

(4) U.S. subcutaneous utilization represents 45% of total patients in the IL-6 market (IQVIA custom report, Y-o-Y June 2018)

(5) Source: IQVIA NPA Weekly; rolling 4-week average as of September 29, 2018

Three important regulatory approvals in Specialty Care

Immunology

DUPIXENT® (dupilumab)

FDA approved for treatment of moderate-to-severe asthma

- ~900,000 U.S. uncontrolled moderate-to-severe asthma patients
- ~80% of asthma patients suffer from type 2 co-morbidities(1)

Oncology

LIBTAYO® (cemiplimab-rwlc) Injection 350 mg

Only FDA approved treatment for advanced CSCC

- EMA decision expected in H1 2019
- ~7,000 patients die annually in the U.S. from CSCC

Rare Blood Disorders

Cablivi® caplacizumab

First therapeutic approved in EU for treatment of aTTP

- FDA action date Feb 6, 2019
- aTTP mortality rate of up to 20% with current standard of care(2)

CSCC: Cutaneous Squamous Cell Carcinoma; aTTP: Acquired Thrombotic Thrombocytopenic Purpura; EMA: European Medicines Agency

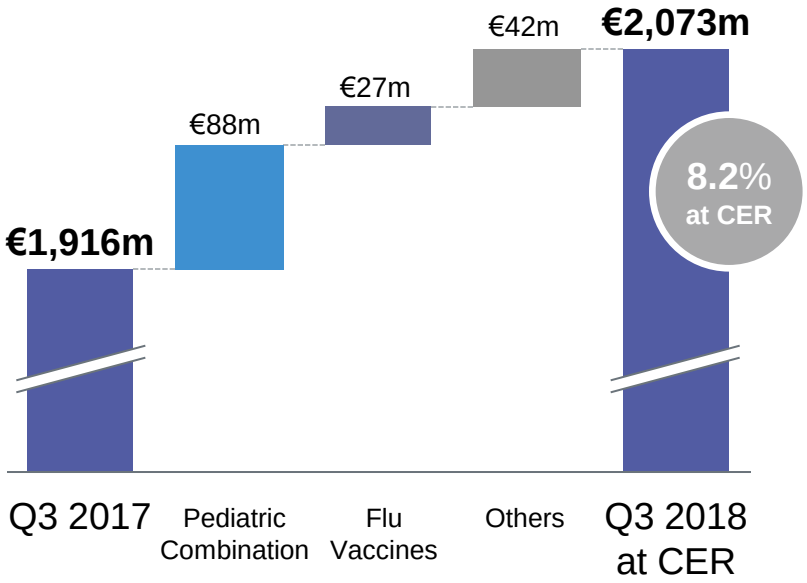
(1) Based upon Quest study in population of moderate/severe asthmatics

(2) Benhamou, Y. et al., Haematologica 2012

Strong Vaccines performance reflects Pentaxim® supply recovery in China and flu differentiation strategy

- PPH franchise grew 20% as supply constraint in China resolved
  - Slightly faster than expected supply recovery of Pentaxim®
- Flu vaccine sales increased 2.8% to €985m reflecting performance of Flublok® and Vaxigrip® QIV
- European sales growth of 10% to €219m
- Positive initial Phase 3 results for MenQuadTT® presented at IPNC
- H2 growth expected to be mid-to-high single digits

Q3 2018 Vaccines sales evolution



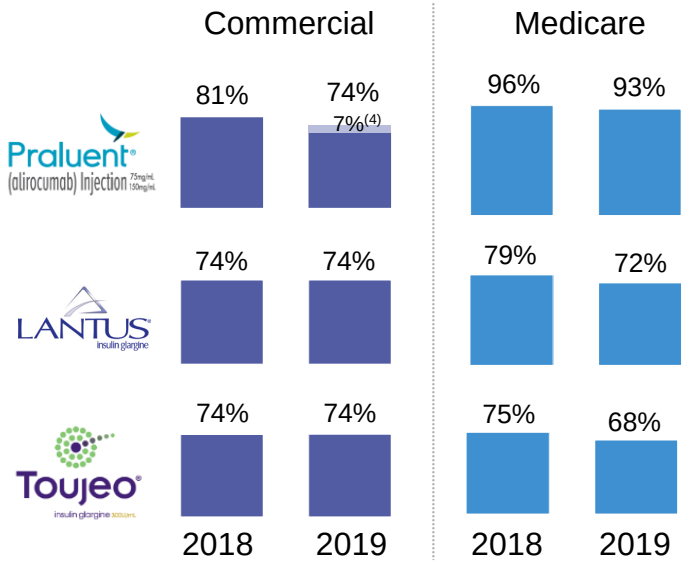
All growth at CER; IPNC: International Pathogenic Neisseria Conference PPH: Polio/Pertussis/Hib

Quality of access to Praluent® expected to improve in 2019; Global Diabetes benefited from growing non-U.S. sales

- Praluent® sales up 64% to €68m
  - U.S. TRx share gain largely due to ESI exclusive coverage(1)
  - Improved quality of access for significantly higher rebates
  - 39% of lives representing 52% of sales in the U.S. Commercial channel now benefit from simplified UM criteria
- Global Diabetes down 9% as anticipated
  - Non-U.S. sales +4.7%, ~60% of franchise; U.S. sales -24%
  - Admelog® sales of €26m due to access in Managed Medicaid
- Glargine expected to maintain broad payer coverage in 2019 across Commercial and Medicare lives

U.S. payer coverage(2,3)

(% of lives covered)



All growth at CER; UM: Utilization Management Source: MMIT / Total may not sum due to rounding

(1) As of July 1st 2018

(2) Number of Medicare Part D lives: 40.8m in 2018 and 2019; Commercial lives: 187m in 2018 and 2019

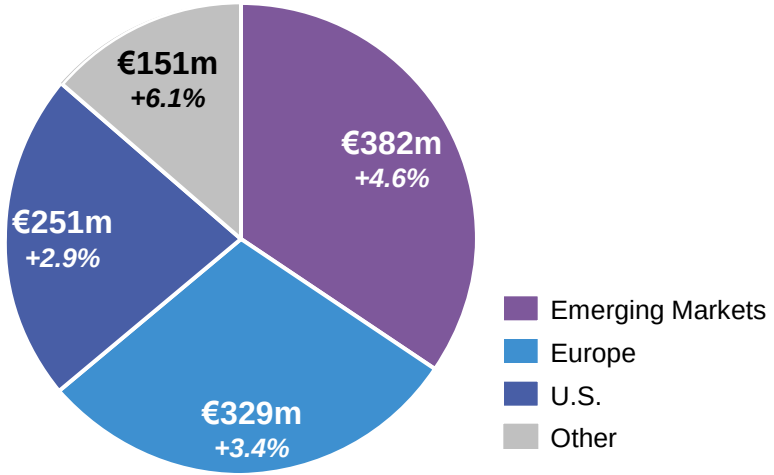
(3) Expected coverage as per individual account information

(4) Pending plan decisions

Consumer Healthcare franchise delivers balanced growth as sales increased in all geographies

- CHC sales increased 4.1% to €1,113m
  - Growth demonstrated in all four strategic growth categories(1)
- Emerging Markets sales up 4.6%
  - Growth primarily driven by LatAm and AME regions
- Mature Markets sales increased 3.8%

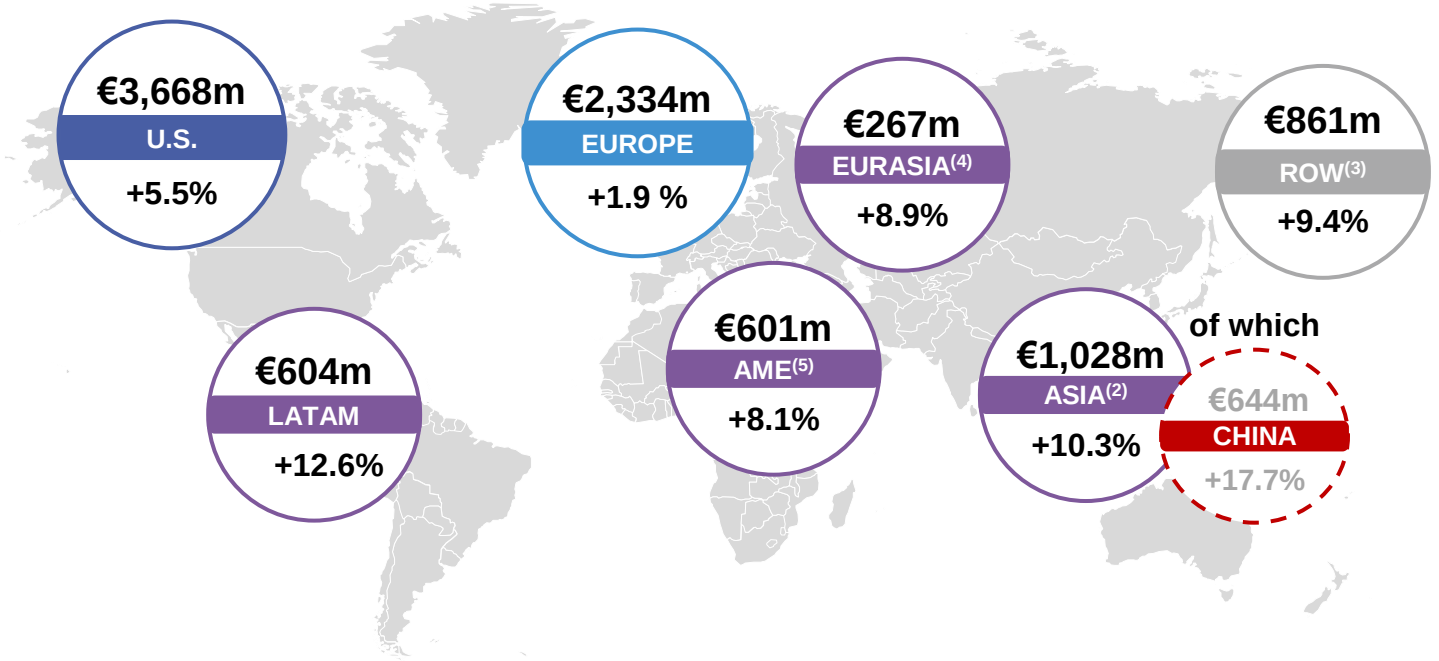
Q3 2018 CHC sales by geography



All growth at CER ; LatAm: Latin America; AME: Africa and Middle East
CHC: Consumer Healthcare
(1) Allergy, Cough & Cold; Pain; Digestive; Nutritionals

Strong Emerging Markets(1) growth of +10.4%(2) in Q3 2018

Geographic breakdown of Q3 2018 sales



All growth at CER unless specified otherwise

(1) World excluding U.S., Canada, Europe, Japan, South Korea, Australia, New Zealand and Puerto Rico

(2) Includes China

(3) RoW: Japan, South Korea, Canada, Australia, New Zealand and Puerto Rico

(4) Eurasia: Russia, Ukraine, Georgia, Belarus, Armenia and Turkey

(5) AME: Africa and Middle East

New organization to provide greater focus on operations in mature markets and across emerging markets(1)

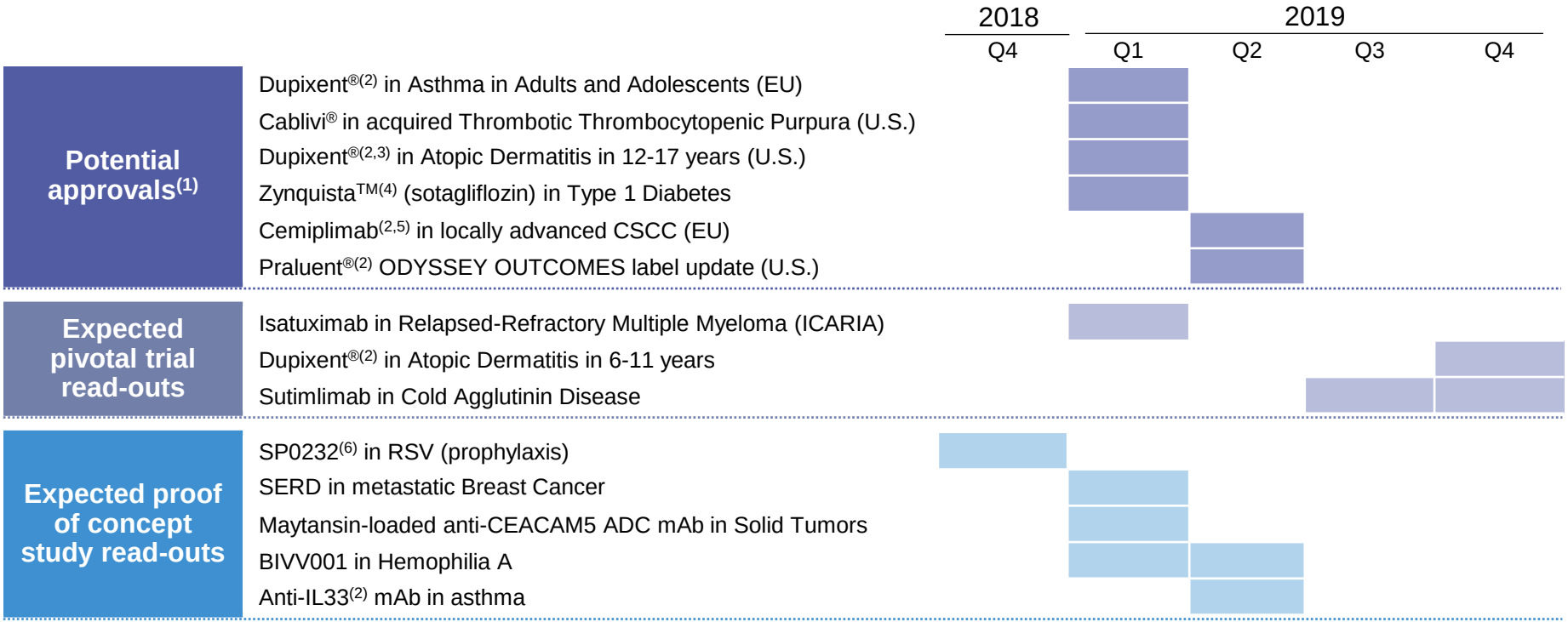
Primary Care (in Mature Markets) *Dieter Weinand*	China & Emerging Markets *Olivier Charmeil*	Specialty Care (in Mature Markets) *Bill Sibold*	Vaccines *David Loew*	Consumer Healthcare *Alan Main*
• Diabetes • Cardiovascular • Established products **(in Mature Markets)**	• Diabetes & Cardiovascular • Specialty Care • Established products **(in China and Emerging Markets)**	• Rare Diseases • Multiple Sclerosis • Oncology • Immunology • Rare Blood Disorders **(in Mature Markets)**	• Human vaccines	• CHC products

- Opportunity to enhance PCP support by leveraging EP “go-to-market” strategy
- Potential efficiencies arising from reduced number of GBUs in mature markets

PCP: Primary Care Physicians; EP: Established Products

(1) New organization to be implemented in January 2019 subject to the completion of legal and social consultation process as applicable

Several potentially significant approvals for new drugs and additional indications over the next 12 months



ADC: Antibody Drug Conjugate; CSCC: Cutaneous Squamous Cell Carcinoma; RSV: Respiratory Syncytial Virus; SERD: Selective Estrogen Receptor Degrader

(1) Unless specified otherwise, table indicates first potential approval in the U.S. or EU
(2) In collaboration with Regeneron
(3) Breakthrough designation granted, priority review pending
(4) In collaboration with Lexicon
(5) Also known as SAR439684 and REGN2810
(6) Also known as MEDI8897, in collaboration with MedImmune

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Jean-Baptiste de Chatillon
Executive Vice President,
Chief Financial Officer

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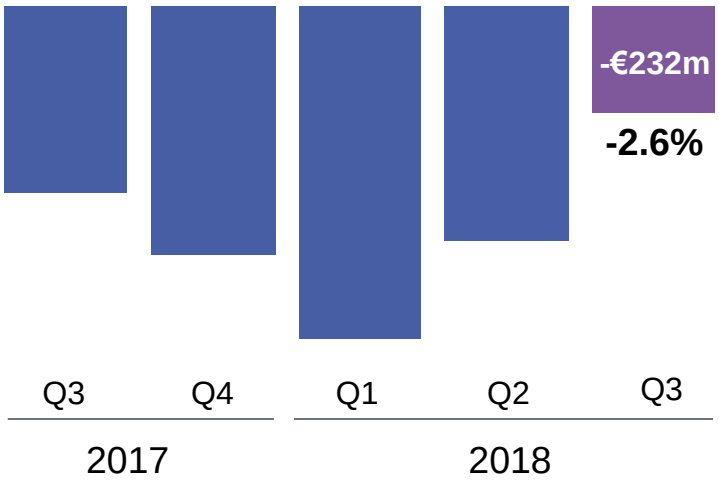
Financial results

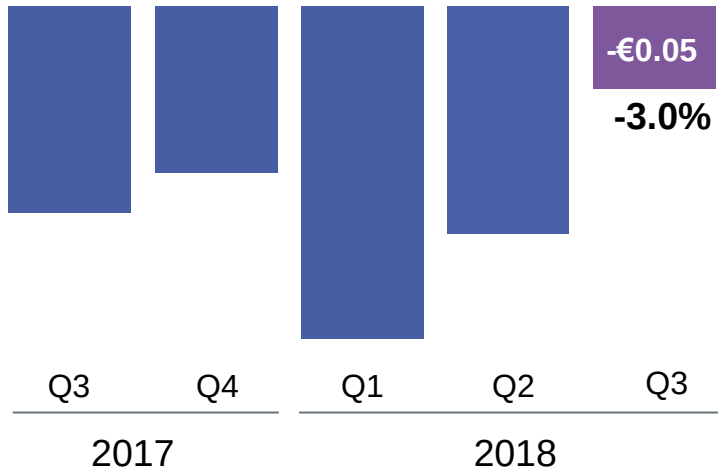
Currency impact on sales and EPS significantly diminished in Q3 as U.S. dollar strengthened

Currency impact

Company sales(1)



Business EPS



(1) Main currency impact on Company Sales in Q3 2018: US Dollar (+€38m), Brazilian Real (-€52m), Russian Ruble (-€14m), Japanese Yen (+€2m), Argentine Peso (-€96m) and Turkish Lira (-€50m)

Business EPS driven by strong sales, lower tax rate and decreased share count

€m	Q3 2018	Q3 2017 (1)	% Change (reported €)	% Change (CER)
Net Sales	**9,392**	**9,056**	**+3.7%**	**+6.3%**
Gross Profit	6,727	6,543	+2.8%	+4.8%
Gross Profit margin %	*71.6%*	*72.3%*	-	-
Business Operating Income	3,018	2,904	+3.9%	+6.4%
Business operating margin %	*32.1%*	*32.1%*	-	-
Effective tax rate	*22.0%*	*24.5%*	-	-
Net Financial Income/(Expense)	(106)	(77)	-	-
Total Business Net Income	**2,299**	**2,136**	**+7.6%**	**+10.3%**
Average number of Shares	1,247.1	1,254.3	-	-
Business EPS	**€1.84**	**€1.70**	**+8.2%**	**+11.2%**

CER: Constant Exchange Rates
(1) Reflects the new IFRS15 revenue standard which became effective in 2018

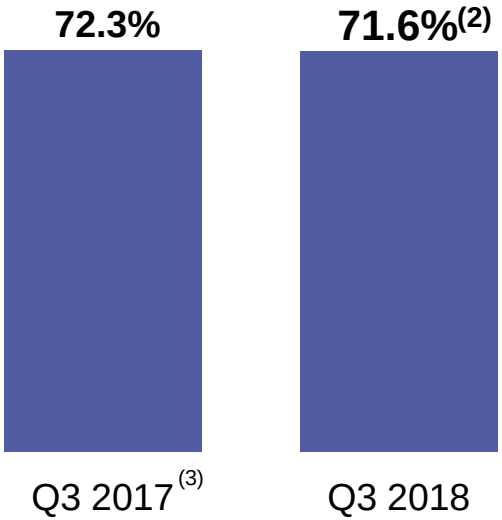
Higher Opex from acquisitions and high comparison base in OOI offset by increase in profit from associates

€m	Q3 2018	Q3 2017 (1)	% Change (CER)
Net Sales	**9,392**	**9,056**	**+6.3%**
Other revenues	352	340	+2.6%
Gross Profit	6,727	6,543	+4.8%
Gross margin %	*71.6%*	*72.3%*	
R&D	(1,461)	(1,341)	+9.5%
SG&A	(2,301)	(2,319)	+1.6%
Other current operating income & expenses	(74)	16	-
Share of profit/loss from associates	153	35	-
Minority interests	(26)	(30)	-
Business Operating Income	**3,018**	**2,904**	**+6.4%**
Business operating margin	*32.1%*	*32.1%*	

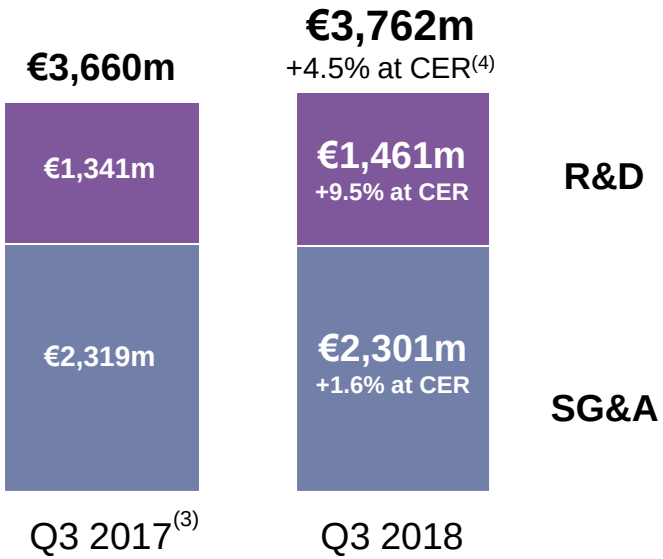
CER: Constant Exchange Rates; OOI: Other current operating income/expenses
(1) Reflects the new IFRS15 revenue standard which became effective in 2018

Gross margin declined due to product mix while investments in late stage pipeline accelerated

Gross margin ratio(1)



Operating expenses



CER: Constant Exchange Rates

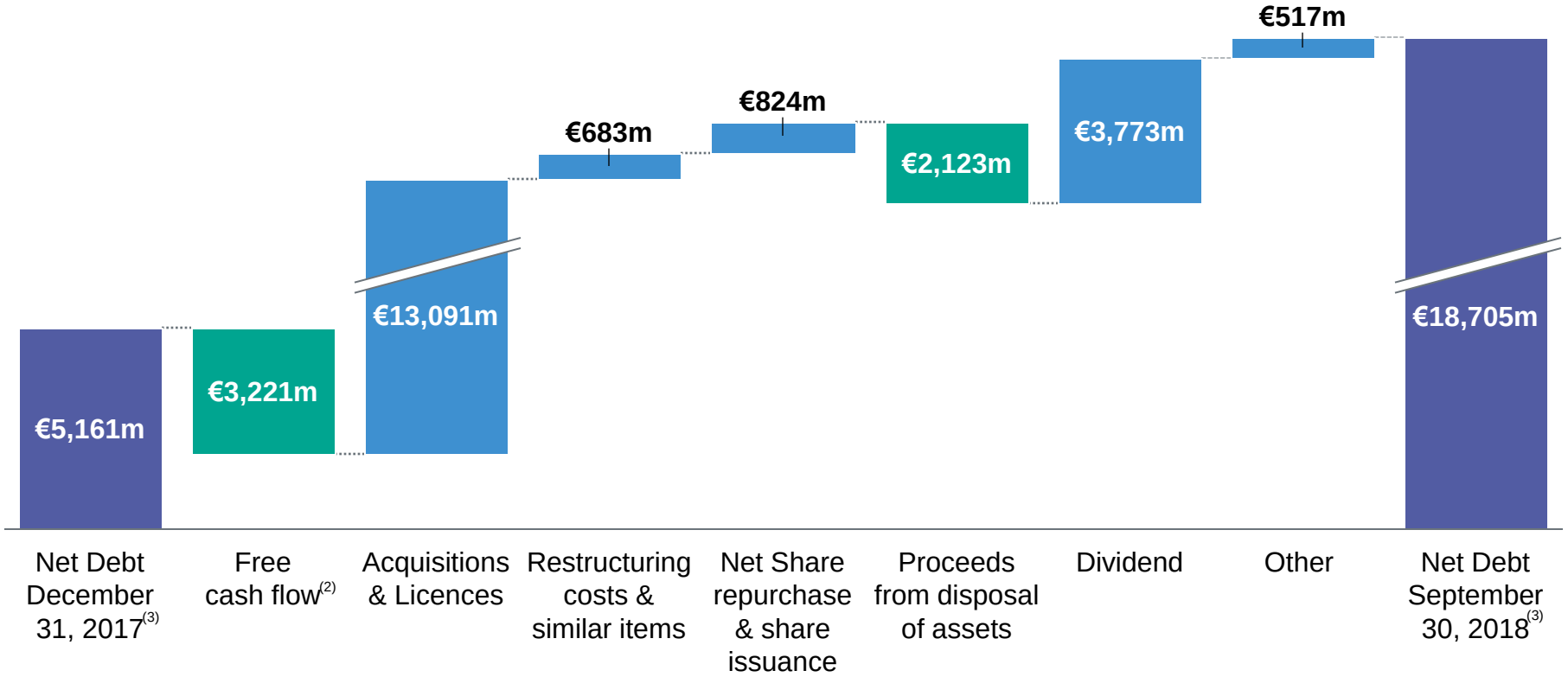
(1) Gross Margin is calculated as the ratio of Gross Profit to Company sales (excluding Other revenues)

(2) Gross Margin at CER was 71.2%

(3) Reflects the new IFRS15 revenue standard which became effective in 2018

(4) Operating Expense growth at CER ex-acquisitions was +1.3% (SG&A -0.6%; R&D +4.5%)

Net debt evolution in 9M 2018(1)



(1) Credit ratings reaffirmed: Moody's A1/stable, S&P AA/stable, Scope AA/stable as of September 30, 2018
(2) Excluding restructuring costs & similar items
(3) Including derivatives related to the financial debt: +€57m at December31 2017 and +€92m at September 30 2018

FY 2018 financial guidance confirms return to growth

FY 2018	SANOFI
Business EPS	**+4% to +5% at CER(1,2)**
FX impact on Business EPS	**Approximately -6%(3)** based on October 2018 average exchange rates

(1) Compared to FY2017 and barring major unforeseen adverse events
(2) FY 2017 Business EPS was €5.52 when applying the new IFRS15 revenue standard which became effective in 2018
(3) Difference between variation on a reported basis and variation at CER

Olivier Brandicourt

Chief Executive Officer

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Key highlights

New product sales contribution exceeded impact from U.S. LoEs in Q3 2018

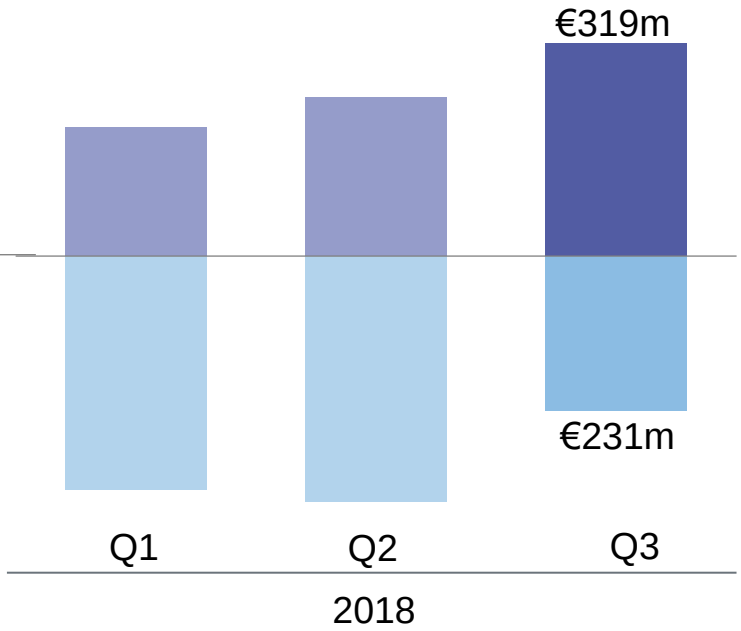
New Products(1)

Admelog insulin lispro injection 100 Units/mL
KEVZARA (sarilumab)
Praluent (alirocumab) Injection
Cablivi caplacizumab
SOLIQUA 100/33 insulin glargine & lixisenatide injection
DUPIXENT (dupilumab)
Flublok Influenza vaccine
Toujeo insulin glargine

Products with U.S. loss of exclusivity

- Lantus®
- sevelamer

Incremental sales year/year(2)



LoEs: Losses of Exclusivity

(1) New products launched since 2015
(2) At CER

Executing our strategic transformation

- ✓ Strong Q3 performance confirms return to growth
- ✓ Three important new regulatory approvals in Specialty Care
- ✓ Refocus of GBU structure

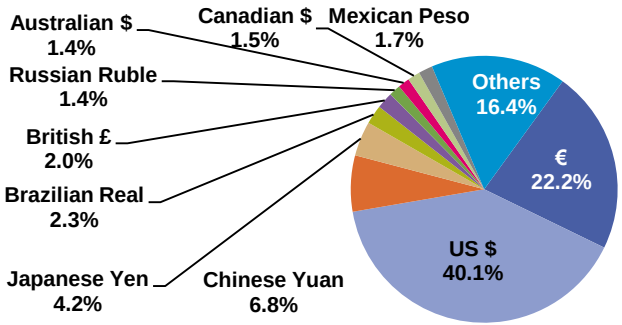
Finance appendices

2018 Currency Sensitivity and Q3 2018 Currency Exposure

2018 Business EPS Currency Sensitivity

Currency	Variation	Business EPS Sensitivity
U.S. Dollar	+ 0.05 USD/EUR	- EUR 0.10
Japanese Yen	+ 5 JPY/EUR	- EUR 0.01
Chinese Yuan	+ 0.2 CNY/EUR	- EUR 0.02
Brazilian Real	+ 0.4 BRL/EUR	- EUR 0.02
Russian Ruble	+ 10 RUB/EUR	- EUR 0.03

Currency Exposure on Q3 2018 Sales



Currency Average Rates

	Q3 2017	Q3 2018	*% change*
EUR/USD	1.17	1.16	*-0.9%*
EUR/JPY	130.38	129.66	*-0.6%*
EUR/CNY	7.84	7.92	*+1.1%*
EUR/BRL	3.71	4.60	*+24.0%*
EUR/RUB	69.28	76.28	*+10.1%*

Business Net Income Statement – Q3 2018

Third Quarter 2018	Pharmaceuticals			Consumer Healthcare			Vaccines			Others[2]			Total Group		
€ million	**Q3 2018**	**Q3 2017[1]**	*Change*	**Q3 2018**	**Q3 2017[1]**	*Change*	**Q3 2018**	**Q3 2017[1]**	*Change*	**Q3 2018**	**Q3 2017[1]**	*Change*	**Q3 2018**	**Q3 2017[1]**	*Change*
Net sales	**6,210**	**6,016**	***3.2%***	**1,113**	**1,124**	***(1.0%)***	**2,069**	**1,916**	***8.0%***	**-**	**-**		**9,392**	**9,056**	***3.7%***
Other revenues	51	73	*(30.1%)*	-	-	-	301	268	*12.3%*	-	(1)	*(100.0%)*	352	340	*3.5%*
Cost of Sales	(1,688)	(1,587)	*6.4%*	(370)	(371)	*(0.3%)*	(920)	(834)	*10.3%*	(39)	(61)	*(36.1%)*	(3,017)	(2,853)	*5.7%*
As % of net sales	*(27.2%)*	*(26.4%)*		*(33.2%)*	*(33.0%)*		*(44.5%)*	*(43.5%)*					*(32.1%)*	*(31.5%)*	
Gross Profit	**4,573**	**4,502**	***1.6%***	**743**	**753**	***(1.3%)***	**1,450**	**1,350**	***7.4%***	**(39)**	**(62)**		**6,727**	**6,543**	***2.8%***
As % of net sales	***73.6%***	***74.8%***		***66.8%***	***67.0%***		***70.1%***	***70.5%***					***71.6%***	***72.3%***	
Research and development expenses	(1,148)	(990)	*16.0%*	(37)	(30)	*23.3%*	(125)	(131)	*(4.6%)*	(151)	(190)	*(20.5%)*	(1,461)	(1,341)	*8.9%*
As % of net sales	*(18.5%)*	*(16.5%)*		*(3.3%)*	*(2.7%)*		*(6.0%)*	*(6.8%)*					*(15.6%)*	*(14.8%)*	
Selling and general expenses	(1,298)	(1,319)	*(1.6%)*	(337)	(359)	*(6.1%)*	(174)	(168)	*3.6%*	(492)	(473)	*4.0%*	(2,301)	(2,319)	*(0.8%)*
As % of net sales	*(20.9%)*	*(21.9%)*		*(30.3%)*	*(31.9%)*		*(8.4%)*	*(8.8%)*					*(24.5%)*	*(25.6%)*	
Other current operating income/expenses	(46)	12		3	35		(3)	(8)		(28)	(23)		(74)	16	
Share of profit/loss of associates* and joint-ventures	155	32		1	-		(3)	3		-	-		153	35	
Net income attributable to non controlling interests	(23)	(30)		(3)	(1)		-	1		-	-		(26)	(30)	
Business operating income	**2,213**	**2,207**	***0.3%***	**370**	**398**	***(7.0%)***	**1,145**	**1,047**	***9.4%***	**(710)**	**(748)**	***(5.1%)***	**3,018**	**2,904**	***3.9%***
As % of net sales	***35.6%***	***36.7%***		***33.2%***	***35.4%***		***55.3%***	***54.6%***					***32.1%***	***32.1%***	

Financial income & expenses	(106)	(77)	
Income tax expenses	(613)	(691)	
*Tax rate***	*22.0%*	*24.5%*	
Business net income	**2,299**	**2,136**	***7.6%***
As % of net sales	***24.5%***	***23.6%***	
Business earnings/share (in €)***	**1.84**	**1.70**	***8.2%***

* Net of tax.
** Determined on the basis of Business income before tax, associates, and non-controlling interests.
*** Based on an average number of shares outstanding of 1,247.1 million in the third quarter of 2018 and 1,254.3 million in the third quarter of 2017.
(1) Includes the effects of first-time application of IFRS 15 on revenue recognition.
(2) Others include the cost of Global Support Functions (Medical Affairs, External Affairs, Finance, Human Resources, Information Solution & Technologies, Sanofi Business Services, etc…).

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Business Net Income Statement – 9M 2018

Nine Months 2018	Pharmaceuticals			Consumer Healthcare			Vaccines			Others [2]			Total Group		
€ million	9M 2018	9M 2017[1]	Change	9M 2018	9M 2017[1]	Change	9M 2018	9M 2017[1]	Change	9M 2018	9M 2017[1]	Change	9M 2018	9M 2017[1]	Change
Net sales	**18,409**	**19,054**	***(3.4%)***	**3,466**	**3,610**	***(4.0%)***	**3,591**	**3,716**	***(3.4%)***	**-**	**-**		**25,466**	**26,380**	***(3.5%)***
Other revenues	185	221	*(16.3%)*	-	-	-	700	638	*9.7%*	-	-		885	859	*3.0%*
Cost of Sales	(4,918)	(5,006)	*(1.8%)*	(1,133)	(1,189)	*(4.7%)*	(1,988)	(1,957)	*1.6%*	(144)	(196)	*(26.5%)*	(8,183)	(8,348)	*(2.0%)*
As % of net sales	*(26.7%)*	*(26.3%)*		*(32.7%)*	*(32.9%)*		*(55.4%)*	*(52.7%)*					*(32.1%)*	*(31.6%)*	
Gross Profit	**13,676**	**14,269**	***(4.2%)***	**2,333**	**2,421**	***(3.6%)***	**2,303**	**2,397**	***(3.9%)***	**(144)**	**(196)**		**18,168**	**18,891**	***(3.8%)***
As % of net sales	***74.3%***	***74.9%***		***67.3%***	***67.1%***		***64.1%***	***64.5%***					***71.3%***	***71.6%***	
Research and development expenses	(3,261)	(2,989)	*9.1%*	(95)	(82)	*15.9%*	(393)	(391)	*0.5%*	(467)	(546)	*(14.5%)*	(4,216)	(4,008)	*5.2%*
As % of net sales	*(17.7%)*	*(15.7%)*		*(2.7%)*	*(2.3%)*		*(10.9%)*	*(10.5%)*					*(16.6%)*	*(15.2%)*	
Selling and general expenses	(3,946)	(4,126)	*(4.4%)*	(1,125)	(1,239)	*(9.2%)*	(500)	(531)	*(5.8%)*	(1,539)	(1,477)	*4.2%*	(7,110)	(7,373)	*(3.6%)*
As % of net sales	*(21.4%)*	*(21.7%)*		*(32.5%)*	*(34.3%)*		*(13.9%)*	*(14.3%)*					*(27.9%)*	*(27.9%)*	
Other current operating income/expenses	86	53		85	92		(3)	(7)		(84)	(20)		84	118	
Share of profit/loss of associates* and joint-ventures	305	103		1	-		(4)	2		-	-		302	105	
Net income attributable to non controlling interests	(75)	(84)		(9)	(12)		-	1		-	-		(84)	(95)	
Business operating income	**6,785**	**7,226**	***(6.1%)***	**1,190**	**1,180**	***0.8%***	**1,403**	**1,471**	***(4.6%)***	**(2,234)**	**(2,239)**	***(0.2%)***	**7,144**	**7,638**	***(6.5%)***
As % of net sales	***36.9%***	***37.9%***		***34.3%***	***32.7%***		***39.1%***	***39.6%***					***28.1%***	***29.0%***	

Financial income & expenses		(211)	(200)	
Income tax expenses		(1,478)	(1,820)	
*Tax rate***		*22.0%*	*24.5%*	
Business net income		**5,455**	**5,618**	***(2.9%)***
As % of net sales		***21.4%***	***21.3%***	
Business earnings/share (in €)**		**4.37**	**4.46**	***(2.0%)***

* Net of tax.
** Determined on the basis of Business income before tax, associates, and non-controlling interests.
*** Based on an average number of shares outstanding of 1,247.6 million in the nine first months of 2018 and 1,258.3 million in the nine first months of 2017.
(1) Includes the effects of first-time application of IFRS 15 on revenue recognition.
(2) Others include the cost of Global Support Functions (Medical Affairs, External Affairs, Finance, Human Resources, Information Solution & Technologies, Sanofi Business Services, etc…).

Consolidated Income Statements

€ million	Q3 2018	Q3 2017 [1]	9M 2018	9M 2017 [1]
Net sales	**9,392**	**9,056**	**25,466**	**26,380**
Other revenues	352	340	885	859
Cost of sales	(3,032)	(2,853)	(8,297)	(8,524)
Gross profit	**6,712**	**6,543**	**18,054**	**18,715**
Research and development expenses	(1,461)	(1,341)	(4,216)	(4,008)
Selling and general expenses	(2,310)	(2,319)	(7,129)	(7,373)
Other operating income	78	54	401	227
Other operating expenses	(152)	(38)	(317)	(109)
Amortization of intangible assets	(537)	(434)	(1,536)	(1,424)
Impairment of intangible assets	(191)	(19)	(292)	(31)
Fair value remeasurement of contingent consideration	107	(74)	117	(174)
Restructuring costs and similar items	(108)	(249)	(715)	(613)
Other gains and losses, and litigation	576	(147)	509	(154)
Operating income	**2,714**	**1,976**	**4,876**	**5,056**
Financial expenses	(130)	(103)	(332)	(321)
Financial income	24	26	121	121
Income before tax and associates and joint ventures	**2,608**	**1,899**	**4,665**	**4,856**
Income tax expense	(427)	(411)	(724)	(1,023)
Share of profit/(loss) of associates and joint ventures	123	37	198	64
Net income excluding the exchanged/held-for-exchange Animal Health business	**2,304**	**1,525**	**4,139**	**3,897**
Net income/(loss) of the exchanged/held-for-exchange Animal Health business[2]	(4)	63	(4)	4,484
Net income	**2,300**	**1,588**	**4,135**	**8,381**
Net income attributable to non-controlling interests	26	27	83	91
Net income attributable to equity holders of Sanofi	**2,274**	**1,561**	**4,052**	**8,290**
Average number of shares outstanding (million)	1,247.1	1,254.3	1,247.6	1,258.3
Earnings per share excluding the exchanged/held-for-exchange Animal Health business (in euros)	**1.83**	**1.19**	**3.25**	**3.02**
IFRS Earnings per share (in euros)	**1.82**	**1.24**	**3.25**	**6.59**

[1] Includes the effects of first-time application of IFRS 15 on revenue recognition.
[2] In 2017, net gain resulting from the divestment of the Animal Health business presented separately in accordance with IFRS 5, Non current assets held-for-sale and discontinued operations.

Reconciliation of Consolidated Net Income Attributable to Equity Holders of Sanofi to Business Net Income – Q3 2018

€ million	Q3 2018	Q3 2017[1]	Change
Net income attributable to equity holders of Sanofi	**2,274**	**1,561**	***45.7%***
Amortization of intangible assets[2]	537	434	
Impairment of intangible assets	191	19	
Fair value remeasurement of contingent consideration	(107)	74	
Expenses arising from the impact of acquisitions on inventories	15	-	
Other expenses related to business combinations	9	-	
Restructuring costs and similar items	108	249	
Other gains and losses, and litigation [3]	(576)	147	
Tax effect of the items listed above:	(147)	(280)	
Amortization and impairment of intangible assets	*(176)*	*(128)*	
Fair value remeasurement of contingent consideration	*24*	*(2)*	
Expenses arising from the impact of acquisitions on inventories	*(4)*	-	
Restructuring costs and similar items	*(32)*	*(90)*	
Other tax effects	*41*	*(60)*	
Other tax items[4]	(39)	-	
Share of items listed above attributable to non-controlling interests	-	(3)	
Restructuring costs of associates and joint ventures, and expenses arising from the impact of acquisitions on associates and joint ventures	30	(2)	
Animal Health items [5]	4	(63)	
Business net income	**2,299**	**2,136**	***7.6%***
IFRS earnings per share [6] (in euros)	**1.82**	**1.24**	

(1) Includes the effects of first-time application of IFRS 15 on revenue recognition.
(2) Of which related to amortization expense generated by the remeasurement of intangible assets as part of business combinations: €503 million in the third quarter of 2018 and €400 million in the third quarter of 2017.
(3) In 2018, separation costs for the European Generics business divestiture.
(4) In 2018, adjustments made to our preliminary analysis of the direct and indirect impacts of US tax reform. In 2017, relates to French 3% tax on dividends.
(5) In 2017, net gain resulting from divestment of the Animal Health business presented separately in accordance with IFRS 5, Non current assets held-for-sale and discontinued operations.
(6) Based on an average number of shares outstanding of 1,247.1 million in the third quarter of 2018 and 1,254.3 million in the third quarter of 2017.

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Reconciliation of Consolidated Net Income Attributable to Equity Holders of Sanofi to Business Net Income – 9M 2018

€ million	9M 2018	9M 2017[1]	Change
Net income attributable to equity holders of Sanofi	**4,052**	**8,290**	***(51.1%)***
Amortization of intangible assets[2]	1,536	1,424	
Impairment of intangible assets	292	31	
Fair value remeasurement of contingent consideration	(117)	174	
Expenses arising from the impact of acquisitions on inventories	114	176	
Other expenses related to business combinations	19	-	
Restructuring costs and similar items	715	613	
Other gains and losses, and litigation [3]	(509)	154	
Tax effect of the items listed above:	(622)	(908)	
Amortization and impairment of intangible assets	*(451)*	*(477)*	
Fair value remeasurement of contingent consideration	*35*	*(33)*	
Expenses arising from the impact of acquisitions on inventories	*(27)*	*(56)*	
Restructuring costs and similar items	*(215)*	*(216)*	
Other tax effects	*36*	*(126)*	
Other tax items[4]	(132)	111	
Share of items listed above attributable to non-controlling interests	(1)	(4)	
Restructuring costs of associates and joint ventures, and expenses arising from the impact of acquisitions on associates and joint ventures	104	41	
Animal Health items [5]	4	(4,484)	
Business net income	**5,455**	**5,618**	***(2.9%)***
IFRS earnings per share [6] (in euros)	**3.25**	**6.59**	

(1) Includes the effects of first-time application of IFRS 15 on revenue recognition.
(2) Of which related to amortization expense generated by the remeasurement of ntangible assets as part of business combination: €1,437 million in the nine first months of 2018 and €1,319 million in the nine first months of 2017.
(3) In 2018, separation costs for the European Generics business divestiture.
(4) In 2018, adjustments made to our preliminary analysis of the direct and indirect impacts of US tax reform. In 2017, relates to French 3% tax on dividends.
(5) In 2017, net gain resulting from the divestment of the Animal Health business presented separately in accordance with IFRS 5, Non current assets hel-for-sale and discontinued operations.
(6) Based on an average number of shares outstanding of 1,247.6 million in the nine first months of 2018 and 1,258.3 million in the nine first months of 2017.

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Research & Development appendices

R&D Pipeline – New Molecular Entities(*)

Phase 1 (Total:19)		Phase 2 (Total:12)		Phase 3 (Total:8)	Registration (Total:3)
SAR439794 TLR4 agonist Peanut Allergy	**BIVV001**[3] rFVIIIFc – vWF – XTEN[4] Hemophilia A	**SAR440340**[**] Anti-IL33 mAb Asthma	**SAR422459** ABCA4 gene therapy Stargardt Disease	**isatuximab** Anti-CD38 mAb 3L Relapsing Refractory MM (ICARIA)	**cemiplimab**[**] PD-1 inhibitor mAb Advanced CSCC (EU)
O **REGN3767**[1] Anti LAG-3 mAb Advanced Cancers	**ST400**[5] ZFN Gene Editing Technology Beta thalassemia	**SAR156597** IL4/IL13 bi-specific mAb Systemic Scleroderma	**SAR425899** GLP-1/GCG dual agonist Obesity/Overweight in T2D	**avalglucosidase alfa** Neo GAA Pompe Disease	**Zynquista™**[**] Oral SGLT-1&2 inhibitor Type 1 Diabetes (U.S./EU)
O **REGN4659**[1] Anti-CTLA-4 mAb Cancer	**SAR442168**[6][**] BTK inhibitor Multiple Sclerosis	**GZ389988** TRKA antagonist Osteoarthritis	**SAR407899** rho kinase Microvascular Angina	**venglustat** Oral GCS inhibitor ADPKD[12]	**Cablivi®** Bivalent anti-vWF Nanobody acquired Thrombotic Thrombocytopenic Purpura (U.S.)
O **REGN4018**[1] Anti MUC16-CD3 bispecific mAb Ovarian Cancer	**UshStat®** Myosin 7A gene therapy Usher Syndrome 1B	Combination **ferroquine / OZ439**[8][**] Antimalarial	**HIV** Viral vector prime & rgp120 boost vaccine	**fitusiran** RNAi therapeutic targeting anti-thrombin Hemophilia A and B	
SAR408701 Maytansin-loaded anti-CEACAM5 mAb Solid Tumors	**SAR228810** Anti-protofibrillar AB mAb Alzheimer's Disease	**ALX0171** Anti RSV Nanobody Respiratory Syncitial Virus	**SP0232**[11][**] Respiratory syncytial virus Monoclonal Antibody	**sutimlimab**[13] Anti Complement C1s mAb Cold Agglutinin Disease	
SAR439459 anti-TGFβ mAb Advanced Solid Tumors	**SAR438335** GLP-1/GIP dual agonist Type 2 Diabetes	R **olipudase alfa** rhASM Acid Sphingomyelinase Deficiency[9]		**SAR341402** Rapid acting insulin Type 1/2 Diabetes	
SAR439859 SERD Metastatic Breast Cancer	**SAR440181**[7][**] Myosin activation Dilated Cardiomyopathy	O **SAR339375**[10] miRNA-21 Alport Syndrome		**efpeglenatide**[**] Long-acting GLP-1 agonist Type 2 Diabetes	
SAR442720[2] SHP2 inhibitor Solid Tumors	**SAR247799** S1P1 agonist Cardiovascular indication			**mavacamten**[14][**] Myosin inhibitor Obstructive Hypertrophic Cardiomyopathy	
SAR440234 T cell engaging multi spe mAb Leukemia	**Herpes Simplex Virus Type 2** HSV-2 vaccine				
	Respiratory syncytial virus Infants Vaccines				

R Registrational Study (other than Phase 3)

O Opt-in rights products for which rights have not been exercised yet

- Immuno-inflammation
- Oncology
- Rare Diseases
- Rare Blood Disorders
- MS & Neuro
- Diabetes
- Cardiovascular & metabolism
- Vaccines

(1) Regeneron product for which Sanofi has opt-in rights
(2) Developed in collaboration with REVOLUTION Medicines; also known as RMC-4630
(3) Sanofi Product for which Sobi has opt-in rights
(4) Recombinant Coagulation Factor VIII Fc – von Willebrand Factor – XTEN Fusion protein
(5) Developed in collaboration with Sangamo
(6) Also known as PRN2246
(7) Also known as MYK491
(8) Developed in collaboration with MMV
(9) Also known as Niemann Pick type B
(10) Regulus product for which Sanofi has opt-in rights
(11) Also known as MEDI8897
(12) Autosomal Dominant Polycystic Kidney Disease
(13) Also Known as BIVV009
(14) Also known as SAR439152 and MYK461
(*) Phase of projects determined by clinicaltrials.gov disclosure timing
(**) Partnered and/or in collaboration – Sanofi may have limited or shared rights on some of these products

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Additional Indications(*)

Phase 1 (Total:6)	Phase 2 (Total:17)		Phase 3 (Total:23)		Registration (Total:6)
O **cemiplimab(**) + REGN3767(1)** PD-1 inhibitor mAb + anti LAG-3 mAb Advanced Cancers	**dupilumab(**)** Anti-IL4Rα mAb Grass Immunotherapy	**isatuximab + atezolizumab(**)** Anti-CD38 mAb + PD-L1 inhibitor mAb Advanced Malignancies	**dupilumab(**)** Anti-IL4Rα mAb Asthma 6 - 11 years old	**isatuximab** Anti-CD38 mAb Newly Diagnosed MM Te	**dupilumab(**)** Anti-IL4Rα mAb Asthma 12y+ (EU)
O **cemiplimab(**) + REGN4659(1)** PD-1 inhibitor mAb + Anti-CTLA-4 mAb NSCLC	R **sarilumab(**)** Anti-IL6R mAb Polyarticular Juvenile Idiopathic Arthritis	**venglustat** Oral GCS inhibitor Fabry Disease	**dupilumab(**)** Anti-IL4Rα mAb Nasal Polyposis	**isatuximab** Anti-CD38 mAb 1L Newly Diagnosed MM Ti(4) (IMROZ)	**Dupixent®(**)** dupilumab Atopic Dermatitis 12 – 17 years old (U.S.(5)/EU)
O **cemiplimab(**) + REGN4018(1)** PD-1 inhibitor mAb + Anti-MUC16-CD3 bispecific mAb - Ovarian Cancer	**sarilumab(**)** Anti-IL6R mAb Systemic Juvenile Arthritis	**venglustat** Oral GCS inhibitor Gaucher Type 3	**Dupixent®(**)** dupilumab Atopic Dermatitis 6 – 11 years old	**Aubagio®** teriflunomide Relapsing Multiple Sclerosis - Pediatric	**Praluent®(**)** alirocumab CV events reduction (U.S./EU)
SAR439859 SERD + Palbociclib Metastatic Breast Cancer	**SAR440340(**)** Anti-IL33 mAb COPD	**venglustat** Oral GCS inhibitor Gaucher related Parkinson's Disease	**Dupixent®(**)** dupilumab Atopic Dermatitis 6 months - 5 years old	**Lemtrada®** alemtuzumab Relapsing Remitting Multiple Sclerosis - Pediatric	**VaxiGrip® QIV IM** Quadrivalent inactivated Influenza vaccine 6 - 35 months
SAR439459 + cemiplimab(**) Anti-TGFβ mAb + PD-1 inhibitor mAb Advanced Solid Tumors	**dupilumab (**)+ AR101-CODIT** Anti-IL4Rα mAb Peanut Allergy - Pediatric	**mavacamten(3)(**)** Myosin inhibitor Non-Obstructive Hypertrophic Cardiomyopathy	**dupilumab(**)** Anti-IL4Rα mAb Eosinophilic Esophagitis	**Zynquista™(**)** Oral SGLT-1&2 inhibitor Type 2 Diabetes	**PR5i** DTP-HepB-Polio-Hib Pediatric hexavalent vaccines (U.S.)
sutimlimab(2) Anti Complement C1s mAb Immune Thrombocytopenia	R **cemiplimab(**)** PD-1 inhibitor mAb Advanced Basal Cell Carcinoma	**Rabies VRVg** Purified vero rabies vaccine	**sarilumab(**)** Anti-IL6R mAb Giant Cell Arteritis	**Zynquista™(**)** Oral SGLT-1&2 inhibitor Worsening Heart Failure in Diabetes	**Fluzone® 0.5 mL QIV** Quadrivalent inactivated Influenza vaccine 6 months+
	cemiplimab(**) PD-1 inhibitor mAb 2L NSCLC	**Adacel+** Tdap booster	**sarilumab(**)** Anti-IL6R mAb Polymyalgia Rheumatica	**Cerdelga®** eliglustat Gaucher Type 1, switch from ERT - Pediatric	
	isatuximab + cemiplimab(**) Anti-CD38 mAb + PD-1 inhibitor mAb Relapsing Refractory MM	**Shan 6** DTP-HepB-Polio-Hib Pediatric hexavalent vaccine	**cemiplimab(**)** PD-1 inhibitor mAb 1L NSCLC	**Praluent®(**)** alirocumab LDL-C reduction - Pediatric	
	isatuximab + cemiplimab(**) Anti-CD38 mAb + PD-1 inhibitor mAb Advanced Malignancies		**cemiplimab(**) + ipilimumab** PD-1 inhibitor mAb + CTLA4 mAb 1L NSCLC <50% PDL1 +	**Fluzone® QIV HD** Quadrivalent inactivated Influenza vaccine - High dose	
			cemiplimab(**) + ipilimumab PD-1 inhibitor mAb + CTLA4 mAb 1L NSCLC ≥ 50% PDL1 +	**Men Quad TT** Advanced generation meningococcal ACYW conjugate vaccine	
			cemiplimab(**) PD-1 inhibitor mAb 2L Cervical Cancer	**Pediatric pentavalent vaccine** DTP-Polio-Hib Japan	
			isatuximab Anti-CD38 mAb 1-3L Relapsing Refractory MM (IKEMA)		

- Immuno-inflammation
- Oncology
- Rare Diseases
- Rare Blood Disorders
- MS & Neuro
- Diabetes
- Cardiovascular & metabolism
- Vaccines

R Registrational study (other than Phase 3)

O Opt-in rights products for which rights have not been exercised yet

(1) Regeneron product for which Sanofi has opt-in rights
(2) Also known as BIVV009
(3) Also known as SAR439152 and MYK461
(4) Transplant ineligible
(5) U.S. filing pending acceptance by FDA
(*) Phase of projects determined by clinicaltrials.gov disclosure timing
(**) Partnered and/or in collaboration - Sanofi may have limited or shared rights on some of these products

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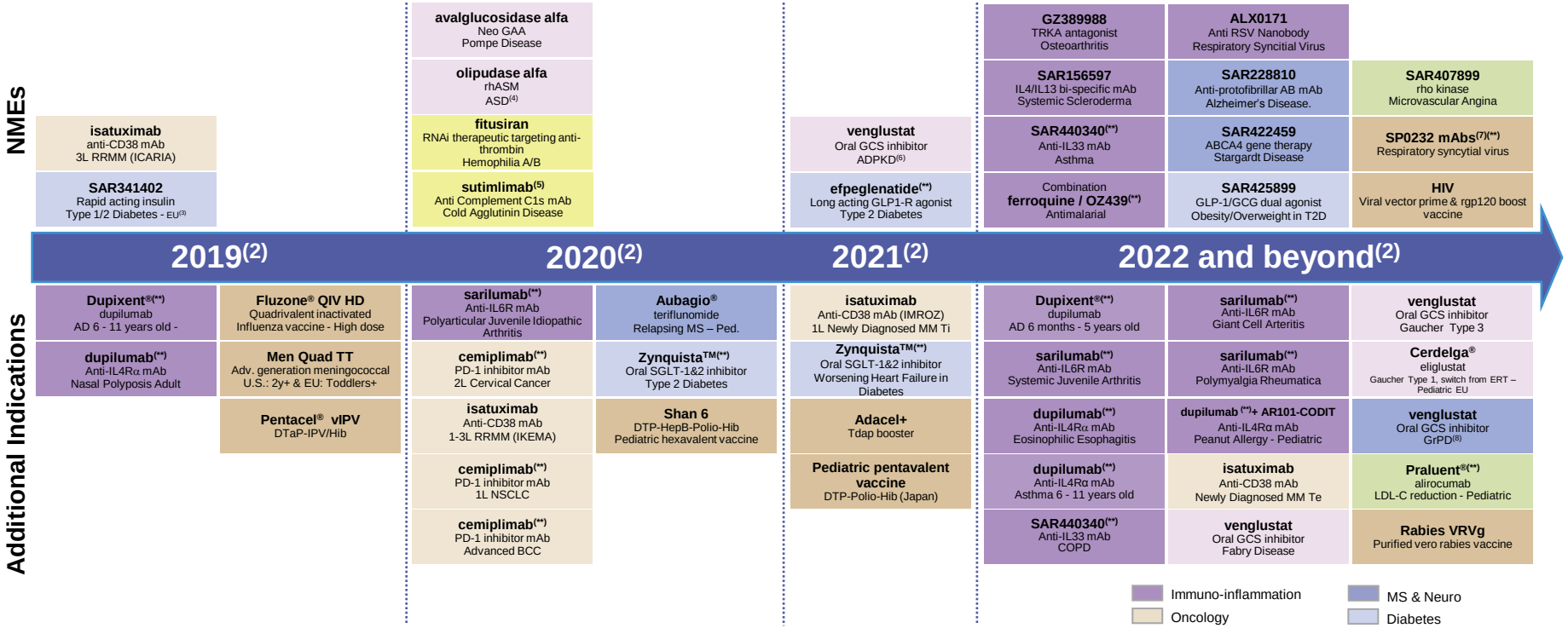
Expected Submission Timeline[1]



(1) Excluding Phase 1
(2) Projects within a specified year are not arranged by submission timing
(3) Submission strategy for the U.S. under evaluation
(4) Acid Sphingomyelinase Deficiency
(5) Also known as BIVV009; Currently operating as separate entities. Reported dates are based on prior Bioverativ disclosure of study completion date
(6) Autosomal Dominant Polycystic Kidney Disease
(7) Also known as MEDI8897
(8) Gaucher Related Parkinson's Disease
(**) Partnered and/or in collaboration – Sanofi may have limited or shared rights on some of these products

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Pipeline Movements Since Q2 2018

	Additions		Removals
Registration	**Dupixent®(**)** dupilumab Atopic Dermatitis 12 – 17 years old (U.S.(1)/EU)		
Phase 3	**sarilumab(**)** Anti-IL6R mAb Giant Cell Arteritis	**dupilumab(**)** Anti-IL4Rα mAb Eosinophilic Esophagitis	
	sarilumab(**) Anti-IL6R mAb Polymyalgia Rheumatica	**isatuximab** Anti-CD38 mAb Newly Diagnosed MM Te	
Phase 2	**dupilumab(**)+ AR101-CODIT** Anti-IL4Rα mAb Peanut Allergy - Pediatric	**isatuximab + atezolizumab(**)** Anti-CD38 mAb + PD-L1 inhibitor mAb Advanced Malignancies	
Phase 1	**SAR442720(**)** SHP2 inhibitor Solid Tumors	**SAR440234** T cell engaging multi spe mAb Leukemia	

(**) Partnered and/or in collaboration – Sanofi may have limited or shared rights on some of these products
(1) U.S. filing pending acceptance by FDA

R&D Pipeline Summary – Total Projects(1)

	Phase 1	Phase 2	Phase 3	Registration	TOTAL
Immuno-inflammation	1	10	7	2	20
Oncology	13	5	8	1	27
Rare Diseases	0	4	3	0	7
Rare Blood Disorders	3	0	2	1	6
Multiple Sclerosis and Neurology	3	2	2	0	7
Diabetes	1	1	4	1	7
Cardiovascular Disease	2	2	2	1	7
Vaccines	2	5	3	3	13
TOTAL	**25**	**29**	**31**	**9**	

54 **40**

94 **Total Projects**

(1) Includes 6 Phase 1 products and 1 Phase 2 product for which Sanofi has Opt-in rights but has not yet exercised these rights

Expected R&D Milestones

Products	Expected milestones	Timing
Fluzone® QIV HD	Phase 3 results for prevention of Influenza	**Q4 2018**
efpeglenatide	Start of Phase 3 in Type 2 Diabetes as add-on to basal insulins	**Q4 2018**
Dupixent®	U.S. FDA filing in Atopic Dermatitis in Adolescent patients	**Q4 2018**
isatuximab	Phase 3 results in Multiple Myeloma in combination with PomDex (ICARIA)	**Q1 2019**
dupilumab	U.S. sBLA filing in Nasal Polyposis	**Q1 2019**
dupilumab	Start of Phase 2b/3 trial in Chronic Obstructive Pulmonary Disease	**Q1 2019**
Dupixent®	EU regulatory decision in Asthma in Adult/Adolescent patients	**Q1 2019**
Dupixent®	U.S. regulatory decision in Atopic Dermatitis in Adolescent patients	**Q1 2019**
Zynquista™ (sotagliflozin)	EU regulatory decision expected in Type 1 Diabetes	**Q1 2019**
Zynquista™ (sotagliflozin)	U.S. regulatory decision expected in Type 1 Diabetes	**Q1 2019**
Praluent®	EU regulatory decision in CV events reduction ODYSSEY OUTCOMES	**Q1 2019**
Cablivi® (caplacizumab)	U.S. regulatory decision in acquired Thrombotic Thrombocytopenic Purpura	**Q1 2019**
Praluent®	U.S. regulatory decision in CV events reduction ODYSSEY OUTCOMES	**Q2 2019**
cemiplimab	EU regulatory decision expected in Advanced Cutaneous Squamous Cell Carcinoma	**Q2 2019**
BIVV001	Expected proof of concept study read-out in Hemophilia A	**H1 2019**
Dupixent®	EU regulatory decision in Atopic Dermatitis in Adolescent patients	**Q3 2019**
sutimlimab	Expected pivotal trial read-out in Cold Agglutinin Disease	**H2 2019**