Letter to shareholders

N° 36

Dear Shareholders,

2014 will be an important year for Sanofi. Following the good performance achieved in the fourth quarter of 2013, Sanofi's growth profile is expected to emerge in 2014. Our growth platforms now account for close to 73% of total sales and continue to perform strongly.

New product launches are underway or imminent in most of Sanofi's core businesses. And, more importantly, we have several high potential projects in our R&D pipeline, mainly biologic products that provide encouraging prospects for the coming years.

We are committed to sharing our achievements with you and maintain a high total shareholder return. Thus, we propose a dividend of €2.80 per share.

I will be happy to meet with you on May 5, 2014 on the occasion of the shareholders' General Meeting.

€2.80

Dividend submitted for approval by the shareholders' General Meeting on May 5, 2014

Thank you for your trust and continuing loyalty.

Serge Weinberg
Chairman of the Board of Directors

Dear Shareholders,

Sanofi returned to growth in the fourth quarter of 2013. The increase of sales we saw in September 2013 continued into the last 3 months of the year. Thus, full-year 2013 sales were stable.

Our growth platforms – Emerging Markets, Diabetes Solutions, Vaccines, Consumer Healthcare, Animal Health, Genzyme and Other Innovative Products – clearly emerged since the end of the patent cliff in August 2013. This dynamic growth trend is expected to continue, led by our Diabetes business and the excellent performance of Genzyme in rare diseases and multiple sclerosis. It was also reassuring to see that sales in Emerging Markets have returned to double digit growth in the fourth quarter of 2013 and Sanofi Pasteur, our Vaccines division, has made good progress in resolving manufacturing supply issues of certain vaccines in 2013.

« Today, Sanofi is one of the industry's leading biopharmaceutical companies. »

One of Sanofi's core missions is to bring new solutions to patients throughout the world, so I am particularly proud of our progress in Research & Development. In 2013 we obtained seven regulatory approvals of new products from health authorities and have rarely launched as many products in such short time. We have been able to build a very robust late stage pipeline with 9 new particularly promising products that could potentially be filed with regulatory authorities between 2014 and 2018. 80% of our projects in development are biologics and 45% of our sales come from biologics - these products generally have a longer life cycle. Therefore today, Sanofi is one of the industry's leading biopharmaceutical companies.

Thank you for your support.

Christopher A. Viehbacher
Chief Executive Officer

Sanofi - Shareholder Relations
54, rue La Boétie - 75008 Paris - France
Toll free number in the U.S.: +1 888 516 3002 - Tel. Europe: +33 800 075 876
E-mail: individualshareholders@sanofi.com - Website: www.sanofi.com/shareholders

SANOFI

SANOFI AND GENZYME CONFIRM STRONG COMMITMENT IN RARE DISEASES

Genzyme and Alnylam expand collaboration commenced in 2012

Genzyme Center, Cambridge, United States

On January 13, 2014, Genzyme and Alnylam Pharmaceuticals significantly expanded their strategic agreement to develop and commercialize treatments for rare genetic diseases.

In 2012, Alnylam and Genzyme formed an exclusive alliance to develop and commercialize Alnylam's lead product, **patisiran, which is in Phase III development for the treatment of transthyretin (TTR)-familial amyloid polyneuropathy,** a rare life-threatening disease that damages the nervous system.

Genzyme becomes a major Alnylam shareholder

Genzyme will have significant rights to Alnylam's portfolio of clinical and pre-clinical stage drug candidates. Alnylam will retain most product rights in North America and Western Europe, and will have significantly expanded development and commercial opportunities for its genetic medicine pipeline through Genzyme's established global infrastructure in rare diseases.

Finally, Genzyme will become a major Alnylam shareholder with **a stake of approximately 12% through a $700 million investment.**

NEW SCIENTIFIC PARTNERSHIP IN IMMUNE-MEDIATED DISEASES

Sanofi and UCB, a global biopharmaceutical company, have entered into a scientific and strategic collaboration for the discovery and development of innovative anti-inflammatory small molecules, which have the potential to treat a wide range of immune-mediated diseases in areas such as gastroenterology and arthritis.

Poorly understood diseases representing a significant public health burden

A wide range of human diseases are driven by dysregulated immune function. There are hundreds of immune-mediated disorders that include joint diseases such as rheumatoid arthritis, inflammatory bowel diseases such as ulcerative colitis and Crohn's disease. Often these diseases are characterized by inappropriate activation of molecules termed cytokines, which are important mediators of normal immune function. When inappropriately activated, these powerful molecules can cause severe damage to multiple body systems. Manifestations of immune-mediated diseases range from mild skin rashes to severe organ failure to death.

In addition to the significant suffering of patients, these diseases represent an important socioeconomic burden.

UCB research center

SANOFI PASTEUR IS COMMITTED TO GLOBAL POLIO ERADICATION

Administration of an IPV dose

Sanofi Pasteur works with global partners to make available unparalleled quantities of affordable Inactivated Polio Vaccine (IPV). UNICEF, the organization that procures the vaccine to meet global needs, announced it will purchase significant quantities of IPV from Sanofi Pasteur and make it available based on country needs and vaccination plans.

To achieve the goal of polio eradication by 2018, the World Health Organization (WHO) recommends that by end 2015, all children receive routinely at least one dose of IPV in over 120 countries that solely use Oral Polio Vaccine (OPV).

An unprecedented, global rollout

In order to support rapid and widespread adoption of IPV, Sanofi Pasteur and the Bill & Melinda Gates Foundation have developed a joint price support mechanism, including a financial contribution from both organizations. This mechanism allows Sanofi Pasteur to offer IPV at a price of **€0.75 per dose (approximately US$ 1) to 73 of the world's poorest countries.**

Towards a world without polio

In February 2014, India celebrated three years without a case of polio. India was the biggest of four remaining polio endemic countries and, many thought, was going to prove the biggest challenge in the effort to eradicate polio globally. In 2013, **only three countries remain polio-endemic** (Afghanistan, Nigeria and Pakistan), down from more than 125 in 1988.

ANIMAL HEALTH: A NEW GENERATION OF TREATMENTS AGAINST FLEAS AND TICKS FOR COMPANION ANIMALS

Broadline™ - a broad spectrum parasite treatment for cats

The European Medicines Agency (EMA) has approved Broadline™, a unique product in the fight against external parasites offering additional internal parasite control for cats and kittens.

Broadline™ is a topical product combining 4 active ingredients and helps protect cats for one month.

NexGard® - a new oral parasiticide for dogs

Less than 6 months after its approval in the United States, the European Commission has approved NexGard® (afoxolaner) for the treatment of flea and tick infestations in dogs. It's the **first and only monthly beef-flavored oral treatment** that kills fleas for at least 5 weeks and ticks for up to one month.

NexGard® can also be used as part of a treatment strategy for the control of Flea Allergy Dermatitis.

Launch of two new products to support Merial's future growth

NexGard™ Broadline™

With the launch of NexGard® in the United States and Europe and the rollout of Broadline™ in Europe in time for the next flea and tick season, Sanofi's Animal Health division confirms its global leadership for pets parasiticide products.

SANOFI RETURNS TO GROWTH IN Q4 2013

- From September to December 2013, the underlying growth profile of Sanofi emerged.
- Throughout 2013, we left the patent cliff further behind us and took decisive action to resolve temporary operational challenges.
- Growth platforms account for close to 73% of sales in Q4 2013, compared to 43% in 2008.
- On February 6, 2014, Sanofi had 12 projects in late stage development, of which 9 high-potential projects (see page 6).
- 45% of sales come from biologics and 80% of development pipeline projects are biologics(1).

Q4 2013	Group net sales	Business net income(2)	Business EPS(2)
	€8,457M	€1,810M	€1.37
Change at CER	+6.5%	+30.5%	+30.8%
Change on a reported basis	- 0.8%	+16.8%	+17.1%

7 APPROVALS OF NEW PRODUCTS AND VACCINES IN 2013

- 2 in multiple sclerosis (Europe)

Once-daily AUBAGIO® (teriflunomide)

LEMTRADA® alemtuzumab

- 1 in colorectal cancer (Europe)

ZALTRAP® aflibercept

- 1 in homozygous familial hypercholesterolemia (U.S.)

KYNAMRO® mipomersen sodium

- 1 in diabetes (Europe & Japan)

Lyxumia® lixisenatide

- 1 quadrivalent flu vaccine (U.S.)

Fluzone® Quadrivalent

- 1 6-in-1 pediatric vaccine (Europe)

Hexyon® Hexacima®

(1) Sales from biologics include insulins (Lantus®, Apidra®, Insuman®), Genzyme rare disease products, Lovenox®, vaccines from Sanofi Pasteur, vaccines from Merial, selected oncology products (Thymoglobulin®, Mozobil®, Zaltrap®), Lemtrada™ and half of SPMSD sales (non-consolidated). In R&D, 39 New Molecular Entities and vaccines are biologics, out of a total of 49.

*(2) **Business net income** is defined as net income attributable to equity holders of Sanofi excluding (i) amortization of intangible assets, (ii) impairment of intangible assets, (iii) fair value remeasurement of contingent consideration liabilities related to business combinations, (iv) other impacts associated with acquisitions (including impacts of acquisitions on associates), (v) restructuring costs, (vi) other gains and losses (including gains and losses on disposals of non-current assets), (vii) costs or provisions associated with litigation, (viii) tax effects related to the items listed above as well as effects of major tax disputes. The items (v), (vi) and (vii) correspond to those reported in the income statement line Restructuring costs and Gains and losses on disposals, and litigation.*
***Business EPS:** Business earnings per share is a specific financial indicator that we define as business net income divided by the weighted average number of shares outstanding.*

STABLE NET SALES IN 2013[1]

As sales returned to growth in Q4 2013 (up 6.5% to €8,457M), full-year 2013 sales were stable (-0.5%) at constant exchange rates, at €32,951 million. On a reported basis, full-year sales decreased by 5.7% as **exchange rate movements had an unfavorable effect of 5.2 percentage points** mainly driven by the depreciation of the Japanese Yen, U.S. Dollar, Brazilian Real, Venezuelan Bolivar, Australian Dollar, South African Rand and Russian Ruble against the Euro.

2013 BUSINESS EPS DOWN 9.8% IN LINE WITH ANNOUNCED GUIDANCE

Despite the strong growth of business EPS in Q4 2013 (+30.8% at CER), full-year 2013 business EPS was down -9.8% at CER, at €5.05. This decrease reflects generic competition on key legacy products, temporary difficulties encountered by our Generics business in Brazil and supply constraints of certain vaccines in the United States.

2014 GUIDANCE

ANNOUNCED ON FEBRUARY 6, 2014[2]

The continued performance of growth platforms, investments in new product launches and in late-stage pipeline should lead to a **2014 business EPS growth between 4% and 7% at CER,** barring major unforeseen adverse events.

GROWTH PLATFORMS UP 6.6% AT €23,905M IN 2013

2013 sales, change at CER

Emerging Markets[3]	**€10,957M**	**+4.4%**	Sanofi confirms its leadership[6] in fast-growing emerging markets.
Diabetes Solutions	**€6,568M**	**+18.7%**	Over 8 million patients worldwide are treated with Lantus®, the world's leading diabetes brand.
Vaccines	**€3,716M**	**-0.1%**	Record flu vaccines sales have offset temporary supply constraints of certain vaccines.
Consumer Healthcare	**€3,004M**	**+5.2%**	Sanofi is the world's third largest Consumer Healthcare player[7] and exceeded sales of €3 billion in 2013.
Genzyme[4]	**€2,142M**	**+25.9%**	Genzyme sales were driven by the strong growth of the rare diseases franchise and the succesful launch of Aubagio®.
Animal Health	**€1,985M**	**-5.3%**	Sales decreased, reflecting increased competition to the parasiticide Frontline® and the weak flea and tick season.
Other Innovative Products[5]	**€705M**	**+18.8%**	New products in the cardiovascular, oncology and allergy areas achieve solid growth.

(1) Growth in net sales is expressed at constant exchange rates (CER) unless otherwise indicated.

(2) See forward-looking statements on page 8.

(3) World less the U.S. and Canada, Western Europe, Japan, Australia and New Zealand.

(4) Genzyme consists of rare diseases and multiple sclerosis products.

(5) Includes products launched since 2009 which do not belong to the other growth platforms: Multaq®, Jevtana®, Zaltrap®, Auvi-Q™ and Mozobil®.

(6) Source: IMS MIDAS MAT Q3 2013.

(7) Source: Nicholas Hall & Company: MAT Dec 2013.

HIGH-POTENTIAL PROJECTS OF NEW PRODUCTS AND VACCINES IN LATE-STAGE DEVELOPMENT

U300 in diabetes

Investigational new insulin U300 is a new formulation based on the glargine molecule, the biological entity of Lantus®. Studies demonstrated it has even flatter and more prolonged profiles than Lantus®.

- Submission expected in the United States and Europe in Q2 2014

6-in-1 pediatric vaccine PR5I

PR5I is a new vaccine co-developed with Merck, protecting against 6 diseases: poliomyelitis, diphtheria, tetanus, pertussis, whooping cough, invasive infections caused by Haemophilus influenzae type b (Hib) and hepatitis B.

- Submission expected in the United States in Q3 2014

Alirocumab in hypercholesterolemia

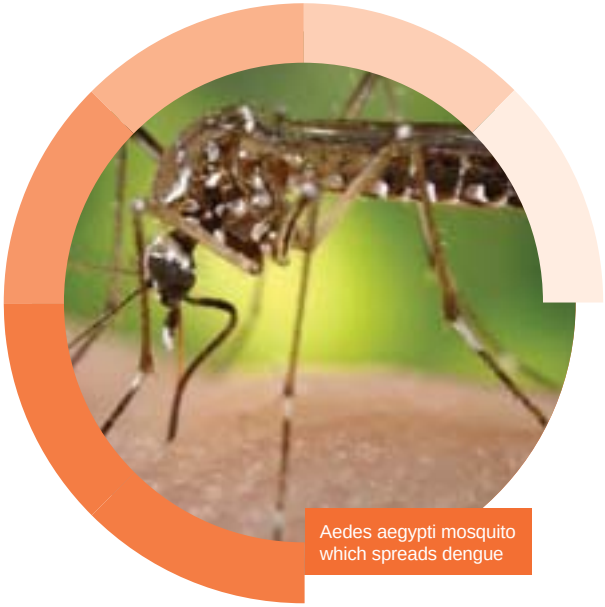
This monoclonal antibody targeting PCSK9, co-developed with Regeneron, targets hypercholesterolemic patients at high cardiovascular risk.

- Submission expected in 2015

Dengue vaccine

Currently, there is no specific treatment or vaccine available against dengue fever, a mosquito-borne disease representing a threat for almost half of the world's population.

- Phase III results expected in H2 2014



Aedes aegypti mosquito which spreads dengue

9 potential filings with regulatory authorities in 2014-2018

Lixisenatide in diabetes

Lixisenatide has been approved in Europe under the brand name Lyxumia® for the treatment of type 2 diabetes in combination with oral glucose-lowering medicinal products and / or basal insulin. Lyxumia® is commercially available in Germany, the United Kingdom, Spain, Japan and Mexico.

- Submission in the United States expected in 2015 after the completion of an additional study

Sarilumab in rheumatoid arthritis

This fully human monoclonal antibody co-developed with Regeneron is directed against the inflammatory mechanism of rheumatoid arthritis.

- First submissions expected in 2015

LixiLan in diabetes

The Phase III program for LixiLan, the fixed-ratio combination of Lantus® / Lyxumia® administered via a disposable pen device, has started.

- Submission expected in the United States at the end of 2015

Dupilumab in atopic dermatitis and asthma

This fully human monoclonal antibody co-developed with Regeneron is currently in Phase II development.

- Start of Phase III trial in atopic dermatitis expected in H2 2014

Clostridium difficile (C. diff) vaccine

The vaccine candidate is developed to respond to a major public health challenge. In fact, C. diff is emerging as a leading cause of life-threatening, healthcare-associated infections worldwide.

- Phase III studies are expected to be completed by the end of 2017

MAIN TOPICS ON THE AGENDA

Sanofi's General Meeting will be held on May 5, 2014 at the Palais des Congrès in Paris, France.

Additional information on the event is available on our website at: **www.sanofi.com/AGM2014**

The detailed presentation of how to participate in the meeting, the agenda and all proposed resolutions are available in the notice of meeting.

For further information on the conditions for participation and voting, you may also visit our website at: **www.sanofi.com/participateAGM**

Approval of the individual Company financial statements

The shareholders are invited to approve the financial statements for the year ended December 31, 2013 and the payment of a dividend set at €2.80 per share.

Composition of the Board of Directors

The shareholders will vote on the reappointment of Christopher A. Viehbacher, Robert Castaigne and Christian Mulliez. Lord Douro did not express the desire to have his mandate renewed. The Board also proposes to appoint Patrick Kron as a Director.

Agreements and undertakings referred to in articles L. 225-38 et seq. of the French Commercial Code

In accordance with the Law of August 21, 2007 on Labor, Employment and Purchasing Power, the shareholders are invited to vote on the report of the statutory auditors related to past undertakings which were previously submitted to the vote of the shareholders and are still valid. These undertakings concern the severance conditions as well as the complementary pension arrangements for Christopher A. Viehbacher in his capacity as Chief Executive Officer.

Say on Pay

For the first time and pursuant to the AFEP-MEDEF Code, to which Sanofi refers, elements of compensation due or granted to each executive director of the Company for the year ended 2013 are submitted to the shareholders' advisory vote. This vote concerns Serge Weinberg, Chairman of the Board of Directors and Christopher A. Viehbacher, Chief Executive Officer.

Renewal of financial authorizations: share repurchase program

The general meeting seeks to renew the authorization granted to the Board of Directors to carry out transactions in shares issued by the Company on the same terms upon which it had last been granted to the Board of Directors. The Board of Directors may use the other financial authorizations previously granted to it at the shareholders' meetings held on May 4, 2012 and May 3, 2013.

2013 DIVIDEND

- **€2.80 per share**
  submitted for approval by the shareholders' General Meeting on May 5, 2014
- Dividend **increase for 20 consecutive years**
- **Payout ratio of 55%** of 2013 business EPS
- Between 2008 and 2013, **5% annual growth** on average

TOTAL SHAREHOLDER RETURN

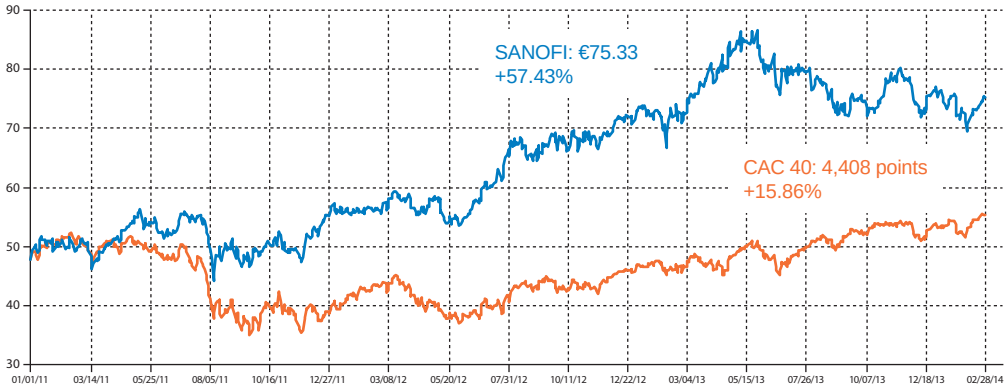
- Between September 1, 2008 and December 31, 2013, total shareholder return was **98.9%.**

NEXT STEPS

- **May 12:** Ex-dividend date.
  The opening share price on May 12 will be reduced by the amount of the dividend.
- **May 14:** Record date.
  All shares recorded on May 14 are entitled to receive the 2013 dividend.
- **May 15:** Payment date.
  Shareholders will receive their dividend in the following days depending on treatment time. Fully registered shareholders will be paid automatically by BNP Paribas, while holders of administered registered shares or bearer shares will be paid by the financial intermediary that manages their shares.

SHARE PERFORMANCE IN PARIS

SHARE PRICE TREND BETWEEN JANUARY 1, 2011 AND FEBRUARY 28, 2014



CAC 40 rebased on the Sanofi share price - Source: vwdgroup

Euronext Paris, compartiment A
Member code: SAN
ISIN code: FR 0000120578
New York Stock Exchange
Symbol: SNY
CUSIP number: 80105N105000

Share performance in 2013
High: €86.67 (05/28/13)
Low: €66.60 (02/07/13)
Closing share price: €77.12 (12/31/13)
Change: +8.03%
Market capitalization on Dec 31, 2013: €102.1bn
#2 market capitalization in the CAC 40 index

ZOOM

KEY INFORMATION FOR AMERICAN DEPOSITARY RECEIPTS (ADR) HOLDERS

Voting at the shareholders' General Meeting

Sanofi will be providing all ADR holders with proxy cards in order to be able to vote at the shareholders' General Meeting. Instructions on how to complete these cards will be included, as well as deadlines for voting the ADRs.

Registered holders should contact the JPMorgan Service Centre for assistance if necessary. Beneficial holders, those holding stock through a nominee, bank or broker, should contact said institution if a proxy card is not received and for any other question they may have.

JPMorgan Contacts Phone:
General: +1 800 990 1135
From outside the U.S.: +1 651 453 2128
Global Invest Direct: +1 800 428 4237

Regular correspondence:
JPMorgan Chase & Co.
PO Box 64504
St. Paul, MN 55164-0504
E-mail: jpmorgan.adr@wellsfargo.com

ADR dividends

Dividends are paid by check, or they may be directly deposited into a bank account of your choice. Please let your brokerage or JPMorgan Chase Bank know how you would like to receive your dividend. The record date for ADRs is May 9, 2014.

Further information on ADR dividends is available on our website at: **www.sanofi.com/ADRdividend**

SANOFI

CALENDAR

March 27, 2014
Shareholder meeting in Mulhouse, France

April 29, 2014
First quarter results 2014

May 5, 2014
Annual General Meeting
Palais des Congrès, Paris

May 13, 2014
Shareholder meeting in Strasbourg, France

June 10, 2014
Shareholder meeting in Lyon, France

July 31, 2014
Second quarter results 2014

Forward-looking statement:

This letter contains projections and other forward-looking statements that are not historical facts. Although the management of Sanofi believes that these projections and forward-looking statements, and their underlying assumptions, are reasonable as of the date of this letter, investors are cautioned that such projections, assumptions, intentions and forward-looking 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 or implied. These risks and uncertainties include those discussed elsewhere in this letter, as well as in the filings of Sanofi with the U.S. Securities and Exchange Commission (SEC) and the French "Autorité des marchés financiers (AMF)", notably under the caption "Risk Factors" in the company's annual report on Form 20-F. Other than as required by applicable law, Sanofi does not undertake any obligation to update any statement that is not a historical fact.

Photographs:
Page 1: Marthe Lemelle
Page 2: Genzyme; UCB
Page 3: Sanofi Pasteur/Aiko Kawamura - EMOTION; G. Ramon/Capa Pictures; Jean-Michel Labat/Interlinks Image
Page 4: Cedric Arnold/Capa Pictures
Page 6: James Gathany
Page 7: Abdelmalek Bahi
Page 8: Image Source/Getty Images

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54 rue La Boétie – 75008 Paris – France

www.sanofi.com/shareholders

Mobile application for iPad and iPhone: SANOFI IR (available in the App Store)

Status: March 11, 2014