LETTER TO SHAREHOLDERS

MARCH 2019

SANOFI

RESULTS

MESSAGE FROM THE CHAIRMAN

Serge Weinberg, Chairman of the Board of Directors

Dear shareholders,

2018 was a pivotal year for Sanofi. After three years of transformation and execution of an ambitious roadmap, our teams have made significant progress: a refocusing of the company towards human healthcare, with a focus on Specialty Care and Vaccines; strengthening our positions in emerging markets with strong growth potential; and expanding our research portfolio to new technologies that ensure continuous innovation for patients.

This progress has also allowed us to return to growth and achieve our financial performance objectives. In line with our commitment to progressive dividend growth, the Board of Directors has proposed a dividend of €3.07 per share, the 25th consecutive year of growth, subject to approval by the general meeting on April 30th.

We wish to mark our confidence in Sanofi's future. The growth initiated in the second half of 2018 marks the beginning of a new phase for the company. Facing the industry changes, Sanofi will continue its transformation in 2019 in order to fulfill its mission as a healthcare leader at the forefront of innovation.

I thank you for your trust and continuing loyalty.

"The growth initiated in the second half of 2018 marks the beginning of a new phase for the company."

ANNUAL RESULTS 2018

COMPANY SALES[1]
€34,463M
+2.5% (-1.7%)

BUSINESS NET INCOME[1]
€6,819M
+4.2% (-1.8%)

BUSINESS EPS[1,2]
€5.47
+5.1% (-0.9%)

2018 Dividend[3]
€3.07
per share

INTERVIEW WITH THE CHIEF EXECUTIVE OFFICER

Olivier Brandicourt, Chief Executive Officer

Full-Year 2018 sales growth from new products and Emerging Markets more than offset impact of U.S. loss of Exclusivity[4]

Net sales in 2018 were €34,463 million, down 1.7% on a reported basis and up 2.5% at CER (up 0.6% at CER/CS[5]), exchange rate movements had an unfavorable effect of 4.2 percentage points.

Specialty Care franchise sales recorded a 29.0% growth to €8,269 million benefiting from the contribution of the new Rare Blood Disorders business and the progression of all other activities: Rare Disorders, Immunology, Multiple Sclerosis and Oncology. At constant structure[5] and CER, sales growth was up 14.8%.

Vaccines franchise (Sanofi Pasteur) sales increased 2.4% to €5,118 million driven by influenza vaccines.

CHC sales were up 3.0% to €4,660 million, reflecting a strong performance in the U.S. and Emerging Markets.

Diabetes and Cardiovascular franchise sales declined 7.9% to €6,083 million, mainly due to the Diabetes decline in the U.S.

Emerging Markets sales were up 7.5%, supported by strong performance in China (up 12.7%).

Sales by franchise	2018	Change at CER
Specialty Care	€8,269M	+29.0%[7]
Diabetes & Cardiovascular	€6,083M	-7.9%
Established Products	€8,843M	-6.1%
Consumer Healthcare	€4,660M	+3.0%
Generics	€1,490M	-9.8%[6]
Vaccines	€5,118M	+2.4%

Financial guidance for 2019

Sanofi anticipates the 2019 Business EPS to grow between 3% and 5%[8] at CER, barring major unforeseen adverse events.
The positive impact of exchange rates on the 2019 business EPS is expected to be between 1% and 2%, based on January 2019 exchange rates.

1 - Growth rates are expressed at constant exchange rates (CER). Growth rates in parentheses are expressed on a reported basis. For definitions of financial indicators, please consult the press release issued on February 7, 2019; 2 - Earnings per share; 3 – Dividend submitted for approval at the April 30, 2019 General meeting; 4 - Changes in net sales are expressed at constant exchange rates (CER) unless otherwise indicated; 5 - CS: constant structure: adjusted for the Bioverativ acquisition; 6 - -0.6% variation at CS; 7 - +14.2% at CER/CS; 8 - 2018 business EPS was €5.47.

What is your assessment of 2018?

In the fourth quarter, we continued the momentum of the previous quarter and delivered a 5% full-year business EPS growth at CER, at the high end of our guidance.

We owe this performance to our transformation strategy, driven in 2015, which has enabled us to refocus the company on our priority areas of activity that can offset the impact of exclusivity losses and the slowdown in activities such as Diabetes.

In 2018, we executed on important Specialty Care launches including Dupixent® in asthma, Libtayo® for skin cancer and Cablivi® for a rare blood disorders, as the headwinds from our U.S. loss of exclusivities began to moderate. Additionally, the acquisitions of Bioverativ and Ablynx provided the foundation to build a leading Rare Blood Disorder franchise and to enhance our biologic discovery capabilities. Finally, at the end of 2018, we initiated a refocusing of our organization to further support our growth ambitions, particularly in Emerging Markets.

What to remember from the evolution of your R&D strategy?

In order to best meet our mission to bring new solutions to patients, we must continually strengthen our capacity for innovation.

After a detailed review of our portfolio, we decided to concentrate our resources on Specialty Care and Vaccines with a particular focus on biologics, in-house research projects and products with the potential to be first or best-in-class. In addition, we are expanding the development of new technology platforms, including cell and gene therapies.

What is your outlook for 2019?

In 2019, we intend to continue the momentum initiated last year. We need to further improve our performance in a more competitive and evolving market than ever before. For this, we will continue to transform Sanofi and concentrate our efforts on achieving our strategic priorities.

"In 2019, we intend to continue the momentum initiated in 2018."

FOCUS

INNOVATION - SANOFI DETAILS ITS RESEARCH AND DEVELOPMENT STRATEGY

On February 7, 2019, Sanofi presented the evolution of its R&D strategy and reaffirmed its ambition to be a leader in innovation. In the long term, Sanofi plans to allocate 80% of the investments to molecules likely to be first or best-in-class, to increase the proportion of biologics from 50% to 70% and to generate 70% of the portfolio internally.

John **Reed, MD, PhD**
Executive Vice President, Global Head of R&D

"Our priority is to target our investments in therapeutic areas where the needs of patients are most urgent and where the scientific and medical landscape offers the most opportunities."

REFOCUSING ON SPECIALTY CARE

Under the aegis of John Reed, who took the reins of R&D in July 2018, and after an in-depth analysis of the portfolio, Sanofi decided to refocus its R&D activities first and foremost on **Specialty Care**, including Oncology, Immunology, Rare Diseases and Rare Blood Disorders, while maintaining a **strong commitment to Vaccines**.

Since 2017, the number of projects in these areas has increased significantly. They now represent **more than 90% of Sanofi's clinical portfolio**.

Sanofi plans to maintain its R&D budget at around €6 billion through 2021.

TARGETED INVESTMENTS ON THE MOST PROMISING PROJECTS

Sanofi has rigorously prioritized its R&D portfolio to accelerate the development of its most promising programs. Thus, **17 molecules including 8 in oncology have been identified as priority**.

In addition, Sanofi decided to **discontinue projects with a less attractive return on investment**, ie 13 projects in development and 25 research projects. Stopping these projects permits refocusing investments on drugs with the potential to be the first and / or the best in their class.

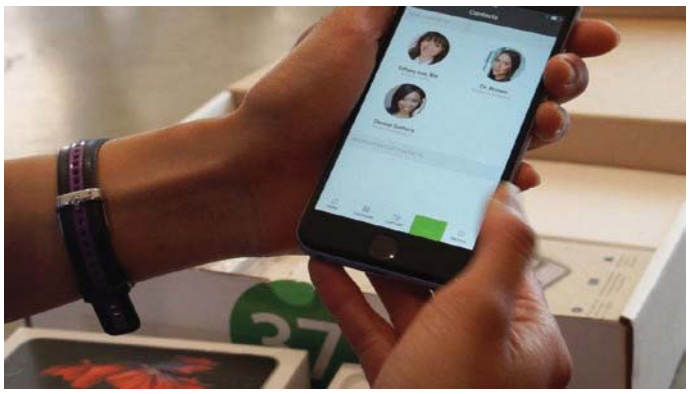
BREADTH OF TECHNOLOGICAL PLATFORMS

In recent years, Sanofi has made significant progress in understanding human biology and has expanded its development capabilities in this area. In addition, leading-edge innovation partnerships and acquisitions have helped Sanofi access a wide range of therapeutic tools that enable a more personalized, targeted and scientific approach to disease treatment.

This approach includes the development of a new generation of biological agents, such as multispecific antibodies, genomic drugs and through the acquisition of the Ablynx research platform, nanobodies.

LEVERAGING DIGITAL

Sanofi is also investing in digital in R&D. Real-life data analysis, machine learning, artificial intelligence and digital clinical studies are expected to generate better quality data, accelerate development and regulatory submissions, and reduce costs.



Sanofi has partnered with Science 37, a technology and clinical research services company, to decentralize and dematerialize, through digital technology, the conduct of its clinical trials.

Overall, Sanofi could potentially submit

9

new medicines
and

25

additional indications
to regulatory authorities from 2019 to 2022*

*Data as of February 7, 2019

MAIN MILESTONES IN RESEARCH & DEVELOPMENT

POSITIVE PHASE 3 RESULTS FOR DUPIXENT®
IN NASAL POLYPS

Dupixent® showed in two Phase 3 trials significant improvement on all primary and secondary endpoint in patients with severe chronic rhinosinusitis with nasal polyps who had failed previous treatment with surgery and/or systemic corticosteroids. In these severe patients, Dupixent® reduced the need for systemic corticosteroid use and the need for nasal/sinus surgery.

POSITIVE PHASE 3 RESULTS FOR ISATUXIMAB
IN MULTIPLE MYELOMA

The pivotal Phase 3 trial of isatuximab, an investigational agent, in patients with relapsed/refractory multiple myeloma met the **primary endpoint of prolonging progression free survival**. The study evaluated the benefit of isatuximab in combination with standard of care as compared to standard of care only.

There are currently multiple ongoing Phase 3 studies with isatuximab, in combination with standard of care therapies in newly diagnosed and relapsed/refractory multiple myeloma.

Isatuximab received orphan designation for relapsed/refractory multiple myeloma by the U.S. Food and Drug Administration and the European Medicines Agency but the safety and efficacy has not been evaluated yet by these authorities.

OTHER MILESTONES

- CHMP recommends approval of Praluent® (alirocumab) to reduce cardiovascular risk in people with established atherosclerotic cardiovascular disease.
- CHMP recommends Zynquista™ (sotagliflozin) for the treatment of adults with type 1 diabetes.
- CHMP recommends approval of Dupixent® (dupilumab) for asthma indication.

NEWS

FEXINIDAZOLE APPROVED FOR SLEEPING SICKNESS

In January 2019, fexinidazole, the first all-oral treatment for sleeping sickness, was approved in Democratic Republic of Congo. Fexinidazole will contribute to international efforts to eliminate sleeping sickness, a fatal neglected tropical disease endemic to Africa, by 2020. Democratic Republic of Congo bears the majority of the sleeping sickness disease burden, with around 85% of reported cases. This approval paves the way for the distribution of fexinidazole in endemic countries this year, with another submission planned in Uganda.

Sleeping sickness is usually fatal without treatment. Transmitted by the bite of a tsetse fly, it causes neuropsychiatric symptoms; including aggression, psychosis, and a debilitating disruption of sleep patterns that have given this neglected disease its name. About 65 million people in sub-Saharan Africa are at risk.

DUPIXENT® FOR MODERATE-TO-SEVERE ATOPIC DERMATITIS IN ADOLESCENTS APPROVED BY THE FDA

The U.S. Food and Drug Administration (FDA) has approved in March 11, 2019, Dupixent® (dupilumab) for adolescent patients 12 to 17 years of age with moderate-to-severe atopic dermatitis whose disease is not adequately controlled with topical prescription therapies, or when those therapies are not advisable.
Dupixent® can be used with or without topical corticosteroids.

CABLIVI® APPROVED IN THE U.S.

The U.S. Food and Drug Administration (FDA) has approved Cablivi® (caplacizumab) in combination with plasma exchange and immunosuppression for the treatment of acquired thrombotic thrombocytopenic purpura (aTTP) in adults. Cablivi® is the first medicine approved in the U.S. specifically for the treatment of aTTP, a rare blood-clotting disorder. Cablivi® has been developped by Ablynx, a company acquired by Sanofi in 2018. This medicine was approved in the European Union in September 2018.

REGENERON COLLABORATION

Sanofi and Regeneron have restructured their global Immuno-oncology Discovery and Development Agreement for new immune-oncology cancer treatments. The 2015 Agreement was scheduled to end in approximately mid-2020, and this revision provides for ongoing collaborative development of two clinical stage bispecific antibody programs. This provides Sanofi increased flexibility to advance its early-stage immuno-oncology pipeline independently while Regeneron retains all rights to its other immuno-oncology discovery and development programs.

SANOFI LISTED ON NASDAQ

On December 18, 2018, Sanofi announced it would transfer the listing of its American Depository Shares (ADS) from New York Stock Exchange (NYSE) to The Nasdaq Global Select Market (Nasdaq), starting on January 2, 2019. Sanofi continues to be listed under the ticker symbol "SNY" in the U.S. and this transition will not impact the company's primary listing on Euronext (EURONEXT: SAN).

Sanofi shares have been listed on Euronext Paris since May 25, 1999. They were also listed on the New York Stock Exchange in the form of ADSs (one ordinary share represents two ADSs) between July 1, 2002 and December 31, 2018.

SNY
Nasdaq Listed

EVENT

Sanofi will hold its General Meeting on April 30, 2019 at the Palais des Congrès in Paris.

TOPICS TO REMEMBER

The main items on the agenda of this year's AGM will be:

- the approval of the 2018 financial statements and the payment of the dividend;
- the composition of the Board of Directors: reappointment of Suet-Fern Lee and Serge Weinberg and ratification of the co-optation of Christophe Babule following the resignation of Christian Mulliez;
- the vote on the remuneration policy 2018 applicable to the Chairman of the Board and the Chief Executive Officer;
- the renewal of financial authorizations and authorizations to increase or reduce the share capital.

All information and documentation relating to the General Meeting will be available on our website: www.sanofi.com/AGM2019

NEW BOARD MEMBER

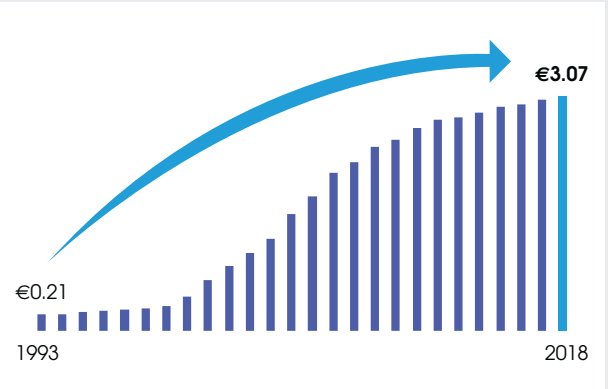
Christophe Babule is Executive Vice-President, Chief Financial Officer and member of L'Oréal's Executive Committee since mid-February 2019. He graduated from HEC (Ecole des Hautes Etudes Commerciales) Paris before joining L'Oréal in 1988 where he held various international managing positions.

25TH CONSECUTIVE INCREASE IN ANNUAL DIVIDEND

The Board of Directors convened on February 6, 2019, and proposed a dividend of €3.07 per share. If approved by the Shareholder's General Meeting on April 30, 2019, this would mark the 25th consecutive annual increase.

Key dates for ordinary shares
- April 30, 2019: Annual General Meeting
- May 9, 2019: Ex-dividend date: The opening share price will be reduced by the amount of the dividend
- May 10, 2019: Record date
- May 13, 2019: Payment of the dividend

Key dates for ADRs
- May 31, 2019: ADR payment date

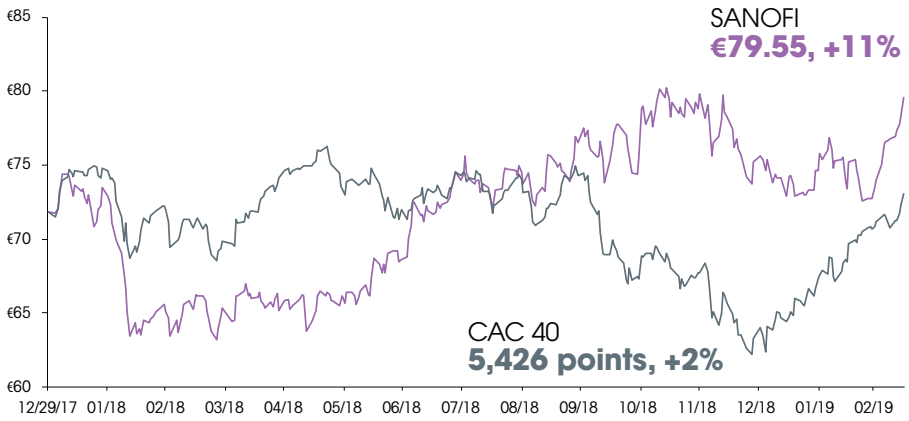


SHAREHOLDER INFORMATION

Share performance in Paris

SANOFI SHARE PRICE TREND

Euronext Paris, from January 1, 2018 to March 15, 2019



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

On March 15, 2019, Sanofi had a market capitalization of over €99bn.

CALENDAR

April 26:
First quarter 2019 results

April 30:
Annual General Meeting

SANOFI STOCK

Euronext Paris, compartment A
Member code: SAN
ISIN code: FR 0000120578

Nasdaq
Symbol: SNY
CUSIP number: 80105N105000

SNY
Nasdaq Listed

SHAREHOLDER RELATIONS

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Toll-free tel. U.S.: +1 888 516 3002

individualshareholders@sanofi.com

sanofi.com/shareholders

Mobile app: SANOFI IR
(available in the App Store and Google Play)

2018 Annual Report on Form 20-F

Sanofi has filed its Annual Report on Form 20-F to the U.S. Securities and Exchange Commission (SEC) and its Document de référence to the Autorité des Marchés Financiers (AMF) on March 8, 2019.
The Annual Report on Form 20-F, which includes the Annual Financial Report, is made freely available to the public under the conditions provided by the regulations in force and can be consulted in the "Reports & Publications" section of the website: www.sanofi.com/en/investors/reports-and-publications, on the SANOFI IR mobile app as well as on the SEC and AMF websites.

The Letter to Shareholders is published by Sanofi Investor Relations / Shareholder Relations.

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Design/production: SEITOSEI
Status: March 15, 2019

SANOFI

Regular increase in employee shareholding

Participation in our Employee Stock Purchase Plans has increased in recent years. The last program hit the record participation rate of 28.1%, a constant increase since 2013.

We would like to express our gratitude for your long term engagement and for your trust in the future of the company. We reiterate our willingness to continue increasing the Sanofi employee share ownership level in order to strengthen the alignment of employee and shareholder interests and to share the benefits of our successful projects and the Company's growth.

Our recent Employee Stock Purchase Plans	ACTION 2018	ACTION 2017	ACTION 2016	ACTION 2013
Subscription price	€52.66	€70.01	€57.25	€59.25
Number of participants (in % of eligible employees)	27,680 (28.1%)	25,760 (26%)	24,218 (23.6%)	14,770 (14.5%)
Number of subscribed shares	2.3 million	1.5 million	1.8 million	1.7 million
Amount of capital increase	€121M	€107M	€101M	€99M

On 31 December 2018, nearly 76,500 current and former employees held more than 21 million Sanofi shares via two Funds. This employee shareholding represents 1.7% of Sanofi share capital valued at more than 1.5 billion euros.

Good to know:

Subject to the approval by the Sanofi Board of Directors, **the next Employee Stock Purchase Plan should take place in 2020**.

CUSTODY OF YOUR SHARES

Sanofi employees are holding company shares mainly through three banks:

NATIXIS INTEREPARGNE administers shares acquired by employees via a Fund under the Employees Stock Purchase Plans.

BNP PARIBAS SECURITIES SERVICES manages direct shareholding when local regulations do not allow share subscription via a Fund. The shares must be deposited in a pure registered securities account in the name of the employee.

SOCIETE GENERALE Securities Services manages the performance shares awarded by Sanofi to beneficiaries employed by a group Company. At vest, the granted shares are deposited in a registered securities account in the name of the employee.

Good to know:

Participants in the last employee shareholding plans are signed up by default to e-statements. They are alerted by email when a document is available on the bank website.

If you have not activated your online account yet, contact the bank administrating your shares in order to get your login credentials then sign up to receive e-statements.

SETTLEMENT OF YOUR DIVIDEND

For those who participated in the last Employee Stock Purchase Plan, the €3.07 dividend to be approved by the Shareholders General Meeting on April 30, 2019 will represent a pre-tax return of nearly 6%.

If your Shares are held in a Fund administered by Natixis Interepargne, you dividend will be automatically reinvested in the Fund and you will receive additional units of the Fund, increasing the total number of units you are holding. Your reinvested dividend will be available at the same time as the Sanofi shares to which it relates.

If your Sanofi shares are in a registered securities account with BNP Securities Services or Societe Generale Securities Services, your dividend will be paid to you by bank transfer. If you are a non-French tax resident, your dividend will be subject to 12.8% French withholding tax.

French withholding tax is not applicable to the dividend reinvested in the Fund administered by Natixis Interepargne.

Good to know:

If BNP Securities Services or Societe Generale Securities Services does not have your bank account details, your dividend will be held at your disposal during 5 years. Any pending dividend amount will be paid to you as soon as you have entered your bank account details.

After the 5-year holding period, any unpaid dividend will be transferred to the Caisse des Dépôts et Consignations from whom you can claim payment for 25 years.