

LETTER TO SHAREHOLDERS

AUGUST 2019

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SANOFI

RESULTS

MESSAGE FROM THE CHAIRMAN



Serge Weinberg, Chairman of the Board of Directors

Dear shareholders,

The first half of 2019 marked the continuation of the growth phase which began in the second half of 2018. Sales of new products in Specialty Care, the growing Vaccines business as well as the dynamism in the emerging markets, have once again more than offset the decline in sales from losses of exclusivity in the United States.

This return to growth opens a new chapter in Sanofi's story. I want to thank Olivier Brandicourt, who has decided to retire, for the energy with which he has steered the Group through a complex period. As a result of the actions undertaken during his term of office, Sanofi entered a new growth phase.

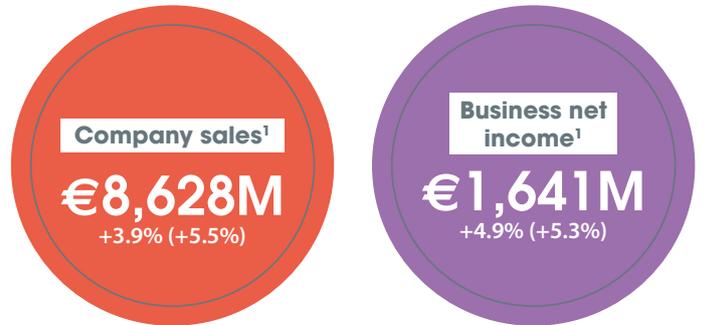
We are very pleased to welcome Paul Hudson who agreed to join Sanofi as CEO. His skills and experience will be especially valuable in accelerating growth and leading the company's adaptation to new strategic challenges.

Furthermore, Paul Hudson will be tasked with mobilizing the energy and agility of the company to face the new challenges of our industry and the changes in the healthcare systems around the world.

I thank you for your trust and continuing loyalty.

“Sanofi has entered a growth phase.”

SECOND QUARTER 2019 RESULTS



INTERVIEW WITH THE CHIEF EXECUTIVE OFFICER



Olivier Brandicourt, Chief Executive Officer

Second-quarter 2019 sales growth¹ driven by Sanofi Genzyme and Sanofi Pasteur

Net sales were €8,628 million, up 5.5% on a reported basis, up 3.9% at CER and up 5.8% at CER/CS³.

Sanofi Genzyme sales up 21.8% due to strong launch performance of Dupixent[®].

Vaccines sales increased 24.7% mainly reflecting the recovery and growth of Pentaxim[®] in China and low basis for comparison.

CHC sales up 1.1%, as U.S. growth more than offset lower sales in Europe impacted by non-strategic brand divestments.

Primary Care GBU sales declined 10.4% at CER/CS mainly as a result of lower Diabetes sales.

Emerging Markets sales⁴ grew double digits (up 10.0%) supported by higher Vaccines and Rare Disease sales.

Net sales by franchise	Q2 2019	Change at CER
Specialty Care	€2,620m	+22.9%
Primary Care	€3,844m	-8.7% ⁶
Consumer Healthcare	€1,143m	+1.1%
Vaccines	€1,021m	+24.7%



2019 business EPS guidance revised upward

Business EPS² in 2019 is now expected to grow approximately 5% at CER⁵, barring unforeseen major adverse events. Applying the average July 2019 exchange rates, the currency impact on 2019 business EPS is estimated to be between 1% and 2%.

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 July 29, 2019. ; 2 - Earnings per share ; 3 - Constant Structure: Adjusted for divestment of European Generics business and sales of Bioerativ products to SOBI ; 4 - World excluding U.S., Canada, Western & Eastern Europe (except Eurasia), Japan, South Korea, Australia, New Zealand and Puerto Rico ; 5 - 2018 business EPS was €5.47 ; 6 - -5.2% at Constant Structure.

What are the highlights of the second quarter 2019?

This second quarter 2019 marks the fourth consecutive quarter of growth for Sanofi, with a solid business performance led by the strong launch of Dupixent[®] driven by the accelerated uptake in atopic dermatitis and asthma in the U.S. Specialty Care and Vaccines were significant contributors across all geographies. Also noteworthy is the good performance in China, where sales are up 17.1% at CER, driven in particular by the recovery and strong demand for Pentaxim[®].

What can you tell us about recent approvals and new R&D milestones?

We have received several product approvals in the second quarter this year, including Libtayo[®], which has been approved in the EU for advanced cutaneous squamous cell carcinoma and Dupixent[®], which has been approved in the U.S. for nasal polyposis; its third U.S. indication since March 2017.

We also had some regulatory milestones: the FDA has accepted to review isatuximab for approval in relapsed/refractory multiple myeloma (also submitted to the European Medicines Agency) and MenQuadfi[™], a meningococcal vaccine candidate. In Europe, the CHMP (Committee for Medicinal Products for Human Use), has recommended the approval of Dupixent[®] in atopic dermatitis in adolescents.

What can you tell us about your outlook for 2019?

With this momentum supported by growth in Specialty Care and Vaccines as well as dynamism in emerging markets, we are confident in the growth outlook for our business for the year. Consequently, we revised upward our guidance and now expect full-year business EPS to grow approximately 5% at CER.

Sanofi's future will then be written by Paul Hudson, my successor as of September 1st. I am proud of the journey we have accomplished since I joined your company as CEO on April 2015. After a period of transformation, we have driven Sanofi back to growth. However this would not have been possible without the remarkable commitment of Sanofi employees worldwide, whom I wish to thank one last time for their dedication to our mission, which is summed up in our signature: "Empowering Life".

"We are confident in the growth outlook for our business for the year."

DUPIXENT® APPROVED IN THE UNITED STATES FOR THE TREATMENT OF NASAL POLYPOSIS



DUPIXENT® 
(dupilumab)

An innovative biologic medicine

Dupixent® is now **approved in the U.S. for three diseases** associated with type 2 inflammation:

- Moderate-to-severe atopic dermatitis,
- Moderate-to-severe asthma,
- Chronic rhinosinusitis with nasal polyposis (CRSwNP)

FIRST BIOLOGIC MEDICINE IN NASAL POLYPOSIS

On June 26, 2019, the American Food and Drug Administration (FDA) approved Dupixent® (dupilumab) for use with other medicines to treat chronic rhinosinusitis with nasal polyposis (CRSwNP) in adults whose disease is not controlled. The nasal polyposis disease is a **chronic disease of the upper airway** that obstructs the sinuses and nasal passages. It can lead to breathing difficulties, nasal congestion and discharge, reduced or loss of sense of smell and taste, and facial pressure.

Nasal polyposis can be a **debilitating condition**, with many patients opting for systemic steroids or nasal surgery which often cannot control this disease.

Many patients with nasal polyposis have other type 2 inflammatory diseases like **asthma**, and these patients often have more severe asthma and are often more difficult to treat.

A SIGNIFICANT IMPROVEMENT IN THE NASAL POLYPOSIS TREATMENT

Dupixent®, which has been evaluated by the FDA under priority review, demonstrated during clinical trials significant reduction of polyps size, nasal congestion and loss of sense of smell and taste, and limited the need for nasal/sinus surgery.

Dupixent® also **improved the lung function** in patients with severe asthma associated with nasal polyposis.

THIRD INDICATION FOR DUPIXENT®

Approval in nasal polyposis is the third indication for Dupixent® in the U.S. after its initial approval in March 2017 for the treatment of moderate-to-severe atopic dermatitis in adults (also approved since then for adolescents from age 12), followed by the approval in moderate-to-severe asthma in adults and adolescents.

Outside the U.S., Dupixent® was approved in a number of countries for the treatment of moderate-to-severe atopic dermatitis in adults. Dupixent® is also approved in the European Union, Japan and Australia for the treatment of severe asthma for patients above 12 years old.

ONGOING EVALUATION IN EUROPE

At the end of June 2019, the European Medicines Agency's Committee for Medicinal Products for Human Use (CHMP) has adopted a **positive opinion** for Dupixent® (dupilumab) recommending extending its approval in the European Union (EU) to also include **adolescents 12 to 17 years of age with moderate-to-severe atopic dermatitis** who are candidates for systemic therapy.

A final decision on the Dupixent® application by the European Commission is expected in the coming months.



LIBTAYO® APPROVED IN THE EUROPEAN UNION FOR THE TREATMENT OF A SKIN CANCER

On July 1, 2019, the European Commission approved Libtayo® (cemiplimab) for the treatment of adults with metastatic or locally advanced cutaneous squamous cell carcinoma (CSCC) who are not candidates for curative surgery or curative radiation. CSCC is one of the **most common skin cancers worldwide** and is especially difficult to treat in advanced stages.

RESEARCH & DEVELOPMENT MILESTONES



FDA REVIEWS ISATUXIMAB AS A POTENTIAL TREATMENT FOR A BLOOD CANCER

The U.S. Food and Drug Administration (FDA) accepted on July 10, 2019 for review the Biologics License Application (BLA) for isatuximab for the treatment of patients with relapsed/refractory multiple myeloma (RRMM). Multiple myeloma is the second most common hematologic malignancy, affecting more than 138,000 people worldwide.

The target action date for the FDA decision is April 30, 2020.

FDA REVIEWS MENQUADFI™, A MENINGOCOCCAL VACCINE CANDIDATE

On June 27 this year the U.S. FDA has accepted for review the Biologics License Application (BLA) for Sanofi's MenQuadfi™, a vaccine candidate to help prevent meningococcal meningitis (Groups A, C, Y, W) **a rare but potentially deadly bacterial infection**. Hundreds of cases of meningococcal disease occur throughout the U.S. annually and no one can predict where or when those cases will occur.

The target action date for the FDA decision is April 25, 2020.

JOHN REED'S UPDATE ON R&D

On July 29, 2019, John Reed, Executive Vice President, Global Head of Research & Development, gave an update on the continuing evolution of Sanofi R&D during the second quarter 2019 results audio webcast.

After reminding the audience the vision, strategy and long-term objectives of the R&D, John Reed highlighted the positive pipeline momentum Sanofi has recently achieved with five main projects: two in Oncology (isatuximab and anti-CEACAM5), two in Rare Blood Disorder (fitusiran and BIVV001) and one in Vaccines (nirsevimab). For more information, please refer to the Q2 2019 results presentation.

TOP MANAGEMENT

RETIREMENT OF OLIVIER BRANDICOURT AND APPOINTMENT OF PAUL HUDSON



Olivier Brandicourt

Olivier Brandicourt, Chief Executive Officer of Sanofi since April 2015, has decided to retire and will leave office on August 31, 2019.

As of September 1, 2019, he will be replaced by Paul Hudson, who most recently was Chief Executive Officer of Novartis Pharmaceuticals and Member of the Executive Committee of Novartis. Paul Hudson, 51 years old, is a seasoned leader with strong international experience, particularly in the United States, Japan and Europe.



Paul Hudson

During his twenty-eight year career, he worked with major pharmaceutical companies such as Schering-Plough, Astra Zeneca and Novartis. Throughout his various management positions, he has proven his strategic vision, strong leadership and ability to achieve great results.

Mr. Hudson has a very robust track record in major product launches.

PARTNERSHIP

SANOFI AND GOOGLE TO DEVELOP NEW HEALTHCARE INNOVATION LAB

On June 18, 2019, Sanofi and Google announced the creation of a new virtual Innovation Lab with the ambition to radically transform how future medicines and health services are delivered by tapping into the power of emerging data technologies.

This collaboration aims to change how Sanofi develops new treatments and will focus on three key objectives:

- better understand patients and diseases,
- increase Sanofi's operational efficiency,
- improve the experience of Sanofi's patients and customers.

Sanofi and Google will leverage deep analytics across data sets to better understand key diseases and extract related patient insights. This will enable Sanofi to research and develop **more personalized approaches to treatment** and identify accompanying technologies to **improve health outcomes**.

Sanofi and Google also plan to apply artificial intelligence (AI) across diverse datasets to better forecast sales and inform marketing and supply chain efforts.

INTERVIEW WITH AMEET NATHWANI, CHIEF DIGITAL OFFICER, CHIEF MEDICAL OFFICER AND EXECUTIVE VICE PRESIDENT, MEDICAL AFFAIRS



Ameet Nathwani

What can you tell us about this partnership between Sanofi and Google?

I think it is incredibly exciting. Google is one of the biggest tech players in the world and it is known for its ambition and vision to change health fundamentally. This makes them the right partner to work with us in our innovation labs.

What makes you excited about this partnership?

I'm excited because we are combining our biologic innovations and scientific data with Google's industry-leading

capabilities to serve a shared objective: how do we improve health outcomes, healthcare systems and patients' data? Together, we will look for common solutions for patients with completely different mindsets using the best of both knowledges.

What makes this unique from other companies approaches?

Many other companies are collaborating with technology companies. What makes this partnership unique is our broader vision, which focuses not only on efficiency and timeliness but also on how we can bring new solutions to patients.

ANNUAL GENERAL MEETING 2019



The Combined General Shareholders' Meeting of Sanofi was held on April 30, 2019 in Paris. All resolutions submitted to the vote were adopted by its shareholders, among which the individual company and consolidated financial statements, the distribution of a cash dividend and the renewal of the Board of Directors. More information is available on www.sanofi.com/AGM2019

The Chairman of the Board of Directors, Serge Weinberg, introduced the meeting reminding shareholders about 2018 milestones for Sanofi, such as:

- the strong growth of Specialty Care, Vaccines and pharmaceuticals in emerging markets,
- the launch of Dupixent® in asthma in the U.S. and the marketing authorization for Cablivi® in Europe,
- the significant investments with the acquisitions of Bioverativ and Ablynx as well as the restructuring of the Alnylam alliance which gave Sanofi global rights on fitusiran,
- the growing revenue in the second half of 2018.

The Chairman of the Board then discussed the main challenges the company has to face in order to fulfill its mission, 'to treat and cure diseases in areas of high unmet medical need', carried everyday by Sanofi's 100,000 employees he thanked warmly.

Serge Weinberg also presented the activity of the Board and its Committees in 2018, before commenting the evolution of the stock price and the dividend. He then gave the floor to Patrick Kron, Chairman of the Compensation Committee.

Olivier Brandicourt, Chief Executive Officer, reminded the audience about the company's strategic outlook and in particular the progress since 2015 and the definition of the 2020 strategic roadmap: sustaining innovation in R&D, launching new medicines and vaccines, reshaping the portfolio on human healthcare and simplifying the organization.

The Chief Executive Officer concluded his speech mentioning the major actions carried out in 2018 for public health, in particular disease awareness campaigns, the Sanofi Espoir Foundation's action programs, youth integration initiatives and programs of tutoring.

Philippe Luscan, Executive Vice President, Global Industrial Affairs, then took the floor to present Sanofi's Industrial Affairs and their roles in the timely launch of medicines, the audits carried out by the regulatory authorities and the improvement of the environmental footprint of the company.

Finally, Jean-Baptiste Chasseloup de Chatillon, Executive Vice President, Chief Financial Officer, presented the financial performance and the results of the company for the 2018 financial year.

BOARD OF DIRECTORS

The General Meeting also renewed as Directors Suet-Fern Lee and Serge Weinberg and ratified the co-opting of Christophe Babule.

Following the General Meeting, the Board of Directors is still comprised of 16 members, of whom six are women and two are Directors representing employees. The Board of Directors remains for a large majority comprised of independent Directors.

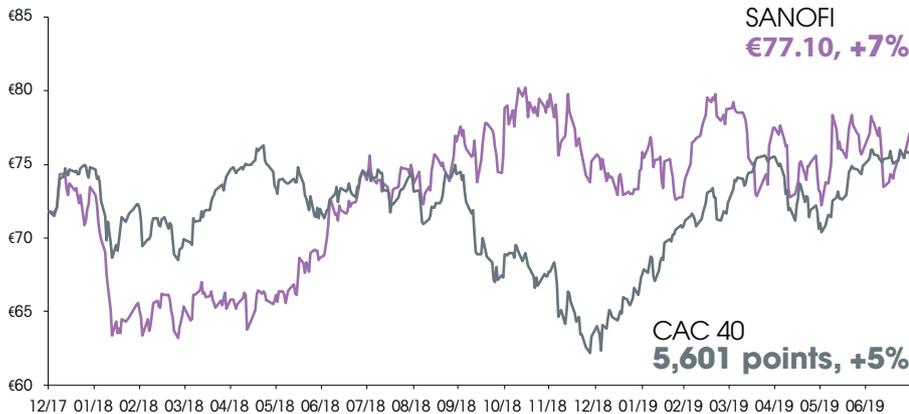
During the Board of Directors session following the meeting, Serge Weinberg was renewed as Chairman of the Board, Melanie Lee was appointed as member of the Appointment, governance and CSR Committee and Carole Pivnicca was appointed as member of the Compensation Committee.

SHAREHOLDER INFORMATION

Share performance in Paris

SANOFI SHARE PRICE TREND

Euronext Paris, from January 1, 2018 to July 29, 2019



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

On July 29, 2019, Sanofi had a market capitalization of around €96.5bn.

Find out the latest publications online

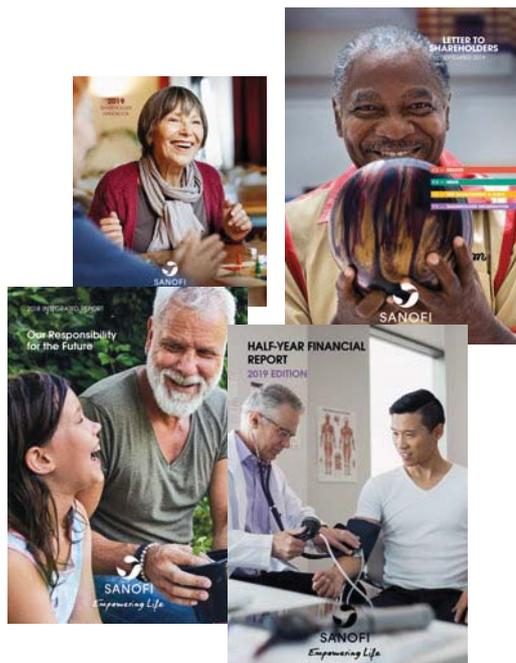
Find out all your shareholder and financial publications on our website: the 2019 Shareholder Handbook as well as the latest Letters to shareholders, the 2018 Integrated Report “Our Responsibility for the Future” and the Financial Half-Year Report 2019: all are available on the IR mobile app and on the online website:

<https://www.sanofi.com/en/investors/reports-and-publications>

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CALENDAR

October 31

Third quarter 2019 results

February 6

Fourth quarter and Full-Year 2019 results

SANOFI STOCK

∨ Euronext Paris, compartiment A

Member code: SAN

ISIN code: FR 0000120578

∨ New York Stock Exchange

Symbol: SNY

CUSIP number: 80105N105000

SNY
Nasdaq Listed

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Mobile app: SANOFI IR

(available in the App Store and Google Play)

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.

Please note that not all products indications described in this document are necessarily available in each of the markets in which the products are approved. For specific information, please refer to the full labeling approved in each market.

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