Paris, July 2, 2019

Pre-quarterly Results Communication

Sanofi (EURONEXT: SAN, NASDAQ: SNY) has compiled the following items for consideration to assist in the financial modeling of the Company's Q2 2019 results.

Q2 2018 sales and business EPS

In Q2 2018, Sanofi consolidated sales were €8,176 million. In Q2 2018, business net income was €1,558 million and business EPS was €1.25.

Business Items

Diabetes

As stated on the Q4 2018 earnings call, Sanofi expects in 2019 a further net pricing decline in the U.S. glargine business as a result of higher rebates and the increase in coverage gap expenses related to Part D. As previously disclosed, Sanofi expects the full year 2019 additional coverage gap contribution to be $240 million, largely related to Diabetes. As stated on the Q1 2019 earnings call, the $240m coverage gap impact is expected to be spread evenly over the year.

In Q1 2019, global Diabetes sales decreased 6.9% at CER* to €1,294 million, due to lower glargine (Lantus® and Toujeo®) sales in the U.S. In Q1 2019, U.S. Diabetes sales were down 22.8% at CER to €445 million.

Praluent®

In Q1 2019, Praluent® sales increased 10.2% at CER to €56 million driven by growth in Europe (up 52.6% at CER to €29 million). In the U.S., Q1 2019 sales decreased 26.9% at CER to €20 million, impacted by significantly higher rebates. As previously communicated, continued pressure on average U.S. net pricing for Praluent® is expected as a result of negotiations to further improve patient access and affordability throughout the remainder of 2019.

CHC

In Q1 2019, Consumer Healthcare (CHC) sales increased 0.6% at CER to €1,256 million, impacted by non-core brand divestments in Europe and Canada in the course of 2018. As previously communicated on the Q1 2019 earnings call, excluding these divestments, growth in CHC sales would have been a percentage point higher in Q1 2019 and further portfolio rationalization is expected in the coming quarters.

Vaccines

As stated on the Q1 2019 earnings call, "*Looking forward, I remind you that Pentaxim® resupply in China will benefit year-on-year comparisons for Vaccines in the second quarter - as will a low base for comparison of CDC orders. As we move into the second half of 2019, these factors will normalize*."

In Q2 2018, Vaccines sales decreased 15.7% at CER to €811 million. The supply constraint of Pentaxim® in China was resolved in Q3 2018.

Bioverativ

On March 8, 2018, Sanofi announced the successful completion of its acquisition of Bioverativ, which was consolidated in the Company's Financial Statements from that date.

In Q1 2019, Eloctate® sales were €174 million, down 4.2% at CS**. In the U.S., sales of the product decreased 7.3% at CS**, as share gains in the factor replacement category were more than offset by the overall increased competitive environment. In the rest of the world, Eloctate® sales decreased 3.2% at CS** to €33 million, impacted by a decline in sales in Canada following the previously-announced tender loss in April 2018.

** CER : constant exchange rates.*
***Growth comparing first-quarter 2019 sales versus full first-quarter 2018 sales at CER. Unaudited data.*

Ablynx

On May 14, 2018, Sanofi announced the successful completion of its acquisition of **Ablynx**, which was consolidated in the Company's Financial Statements after that date.

China

In Q1 2019, sales in China increased 22.3% at CER to €798 million.

As stated on the Q1 2019 earnings call, the new volume based procurement system has recently been introduced in 11 large cities and is expected to result in lower growth rates for Plavix® and Aprovel® for full year 2019. As a result, the first quarter is expected to be the strongest quarter of 2019 for China.

European Generics business

Sanofi completed the divestment of its European generics business Zentiva for €1.9 billion (enterprise value) to Advent International, effective September 30, 2018. As a consequence, Sanofi no longer consolidates this business from the beginning of Q4 2018. In Q2 2018, Zentiva sales were €183 million.

Financials

Operating Expenses

In Q2 2018, R&D expenses included clinical materials for comparator studies purchased from a third party (which were recorded in R&D expenses); as part of the agreement, the expense (€58 million) was offset by income related to data shared with this same third party on a previously divested product candidate, which was recorded under the "other current operating income net of expenses" line. Excluding the impact of this transaction, second-quarter R&D expenses grew 8.6% at CER.

As previously communicated on the Q4 2018 earnings call, Sanofi expects to grow **Operating Expenses** around 1% at CER in 2019 with a similar trend over the next two years. However, in Q2 2019 Operating Expenses growth includes the full impact of the consolidation of Ablynx (May 2018). The impact of cost efficiency measures on Operating Expenses is anticipated to be progressive over the course of the year.

In Q1 2019, operating expenses increased 4.9% and 2.1% at CER. Excluding the impact of acquisitions (Bioverativ and Ablynx) and Generics in Europe, operating expenses would have risen by 0.7% at CER in Q1 2019.

Other operating income net of expenses

In Q2 2018, the other operating income net of expenses was €189 million including €123 million of capital gains on disposals of some small products in Latin American and Europe, in line with our portfolio simplification efforts.

In Q2 2018, the other operating income net of expenses also benefited from the aforementioned data share agreement.

Non-controlling interests

In Q2 2018, **non-controlling interests** were -€28 million. In 2019, a decline of non-controlling interests should be anticipated due to the end of BMS Alliance.

In Q1 2019 non-controlling interests were -€10 million.

Net financial expenses

In Q2 2018, **net financial expenses** were -€107 million and included the cost associated with the Bioverativ and Ablynx (from May) acquisitions.

Foreign Currency Impact

The main currency variations were:

EUR/…	Q2 2018	Q2 2019	Variation
Developed Markets			
U.S. Dollar	1.19	1.12	*-5.7%*
Japanese Yen	130.15	123.48	*-5.1%*
Canadian Dollar	1.54	1.50	*-2.3%*
Australian Dollar	1.58	1.61	*+2.0%*
British Pound	0.88	0.87	*-0.2%*
Swiss Franc	1.17	1.13	*-4.1%*
Emerging Markets			
Chinese Yuan	7.60	7.68	*+1.1%*
Brazilian Real	4.30	4.40	*+2.5%*
Mexican Peso	23.12	21.51	*-7.0%*
Argentine Peso	27.89	49.38	*+77.1%*
Russian Ruble	74.02	72.56	*-2.0%*
Turkish Lira	5.22	6.60	*+26.5%*
South African Rand	15.07	16.17	*+7.3%*
Indian Rupee	79.90	78.17	*-2.2%*
Egyptian pound	21.22	19.11	*-9.9%*

Based on this evolution of foreign currencies, Sanofi estimates that the favorable currency impact will be approximately between +1.0% and 2.0% on Q2 2019 sales and approximately between +1.5% and +2.5% on Q2 2019 business EPS.

The full year 2019 business EPS sensitivity to the U.S. Dollar, Japanese Yen, Chinese Yuan, Brazilian Real and Russian Ruble are the following:

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

Share Buyback

In Q2 2019, Sanofi repurchased 147 793 shares totaling €11.7 million. Year-to-date, Sanofi repurchased 147 793 shares.

Number of Shares

The average number of shares for the calculation of EPS is expected to be around 1,248.4 million in Q2 2019 versus 1,247.4 million in Q2 2018 and around 1,247.1 million in H1 2019 versus 1,247.8 million in H1 2018.

Investor News Flow:
All press releases issued during Q2 2019 are available on our website:
https://mediaroom.sanofi.com/en/press-releases/

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Forward-Looking Statements

This document 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, 2018. Other than as required by applicable law, Sanofi does not undertake any obligation to update or revise any forward-looking information or statements.