



Cowen China Opportunity Conference
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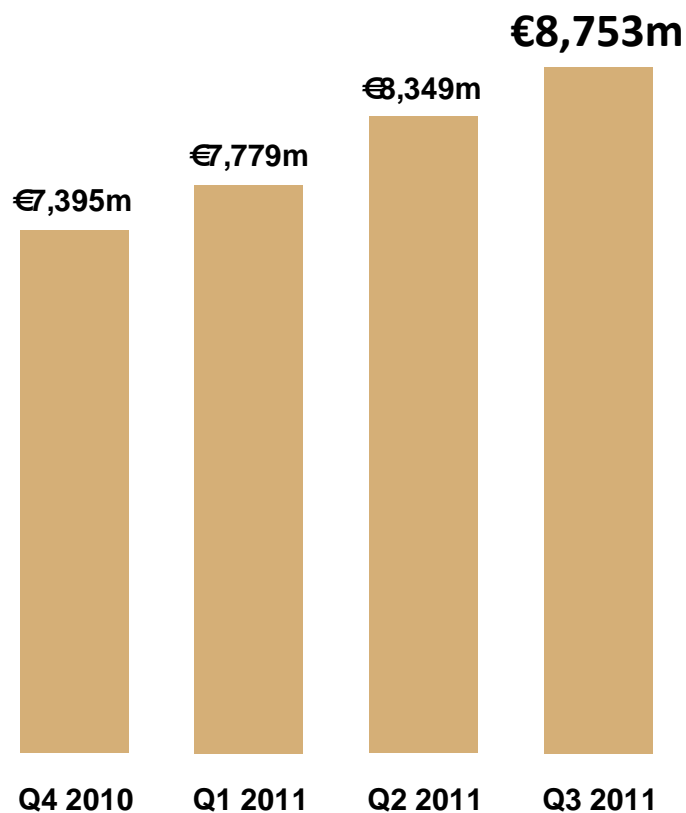
Beijing - November 15, 2011

Forward Looking Statements

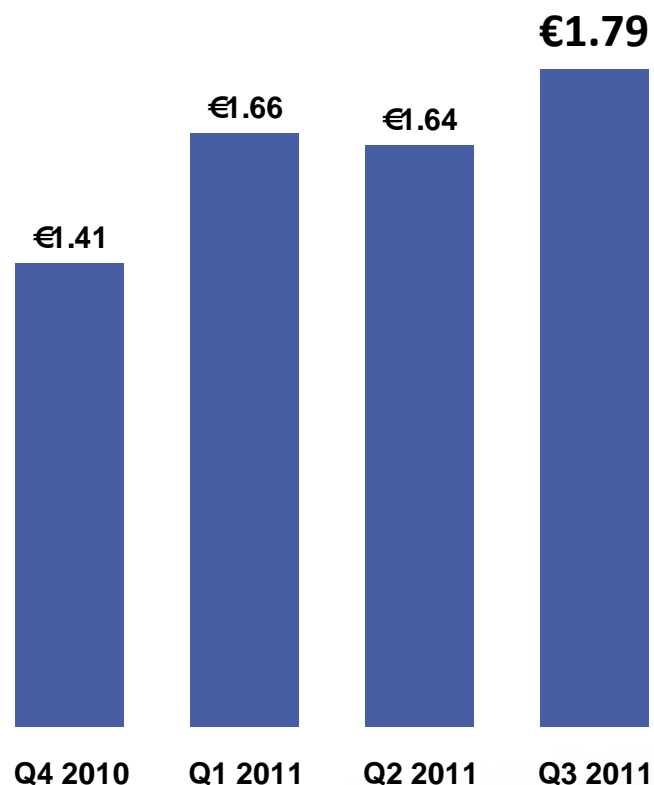
This presentation contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements are statements that are not historical facts. These statements include projections and estimates and their underlying assumptions, statements 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 products candidates, the absence of guarantee that the products candidates if approved will be commercially successful, the future approval and commercial success of therapeutic alternatives, the Group’s ability to benefit from external growth opportunities 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, 2010. Other than as required by applicable law, Sanofi does not undertake any obligation to update or revise any forward-looking information or statements.

Sanofi Demonstrates its Ability to Overcome the Patent Cliff in Q3 2011

Total Sales (€m)



Business EPS (€)



Growth Platforms Sustain Double-Digit Sales Increase for Three Consecutive Quarters in 2011

Growth Platforms : +11.1% in Q3 2011 and +11.9% in first 9M 2011
excluding A/H1N1 vaccines and Genzyme sales⁽¹⁾



Emerging Markets
€2,565m, +6.8%
excluding A/H1N1 vaccines and Genzyme sales⁽²⁾



Consumer Healthcare
€665m, +20.3%



Vaccines
€1,343m, +19.9%
excluding A/H1N1 vaccines⁽³⁾



Animal Health
€470m, -5.2%



Diabetes Solutions
€1,161m, +12.4%



Innovative Products⁽⁴⁾
€111m, +34.5%

Growth is at CER (Constant Exchange Rates)

(1) Q3 2011 Growth Platforms sales increased by +26.5% at CER including €33m of A/H1N1 vaccine sales in Q3 2010 and €768m of Genzyme sales in Q3 2011

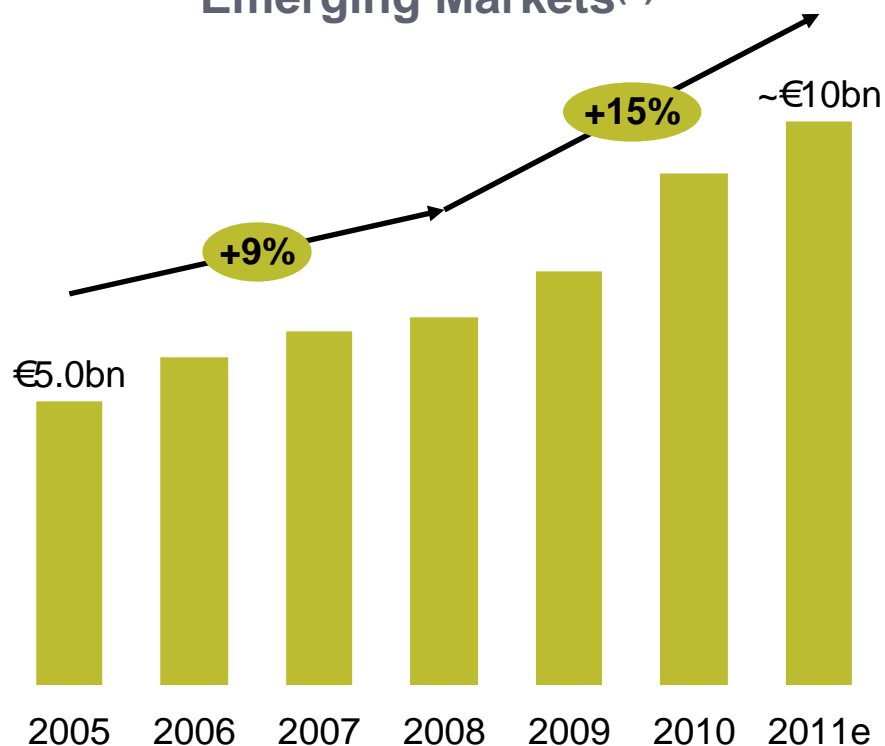
(2) Q3 2011 Emerging Markets sales increased by +12.0% at CER including €117m of Genzyme sales in Q3 2011

(3) Q3 2011 Vaccines sales increased by +16.7% at CER when including €33m of A/H1N1 vaccine sales in Q3 2010

(4) Multaq® and Jevtana®

Emerging Markets Growth Historically at Double-digit Rates from a Large Base

Sanofi's Performance in Emerging Markets⁽¹⁾



- Leading position built on historical strengths
- Around €10bn of sales in Emerging Markets expected in 2011e
- ~30% of Group sales in Emerging Markets in 2011e vs. 24% in 2008
- Most active company in M&A in last 3 years in Emerging Markets resulting in accelerated sales growth⁽²⁾

Sanofi is the #1 Healthcare Company in Emerging Markets

Sanofi's Scorecard in Emerging Markets⁽¹⁾

Number one company in Emerging Markets by market share

#1
with
5.5% market share

A top position in most of the fast growing economies

#1
in BRIC and non-BRIC

Largest proportion of sales generated in Emerging Markets among peers

>30%
of global sales

One of the biggest sales forces in Emerging Markets

~21,000
sales representatives

















A wide network of industrial sites across Emerging Markets

42
industrial sites

A commercial presence in a large number of Emerging Markets

~100
countries with commercial presence

Significant Contribution from Legacy Brands in Emerging Markets despite Generic Competition

Top Brands in Emerging Markets	Sales 2011e in Emerging Markets	% of Global Product Sales in 2011e	Sales Growth H1 2011 (at CER)
	~€730m	 35%	+8.3%
	~€540m	 26%	+12.7%
	~€370m	 29%	+11.4%
	~€310m	 33%	-23.5%
	~€250m	 53%	+7.2%
	~€220m	 59%	+12.6%
	~€200m	 48%	+0.1%
	~€160m	 15%	+12.9%

China's Macro Economy Points toward Strong Growth under 12th Five-Year-Plan from 2011 to 2015

Population in 2011⁽¹⁾

1.34bn

Estimated Real GDP Growth 2011-2016⁽²⁾

>8%

Healthcare Expenditures as % of GDP⁽³⁾

5%

Middle-class and Affluent Population in 2015⁽⁴⁾

52%

Estimated Pharma Market Growth 2010-2015⁽⁵⁾

17.2%

(1) China 2010 population consensus

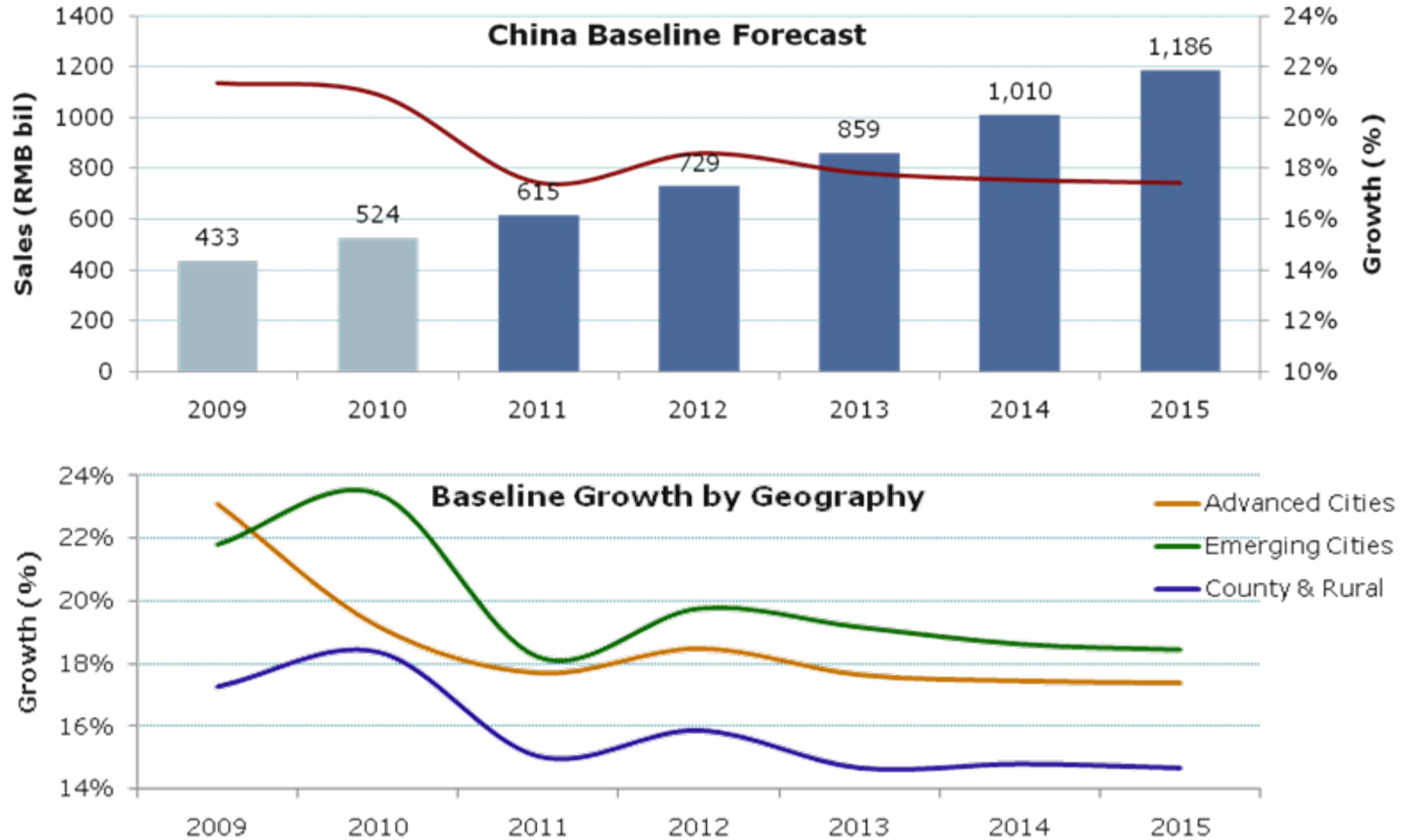
(2) IMF World Economic Outlook, September 2011

(3) WHO 2011, Global Health Expenditure Database; country data 2009

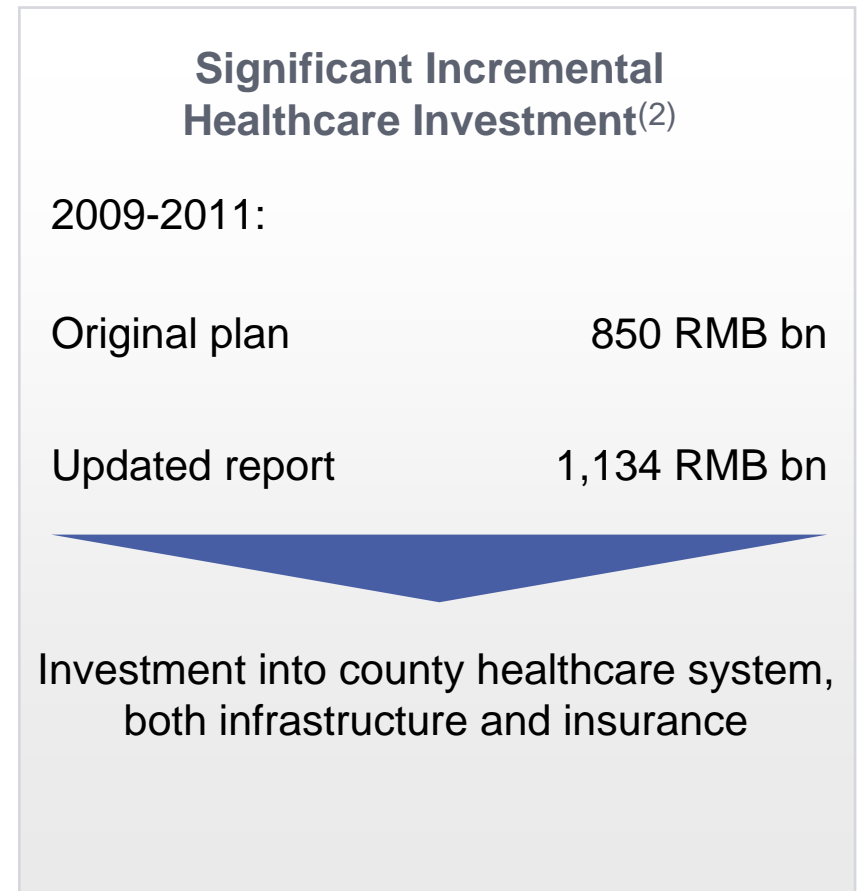
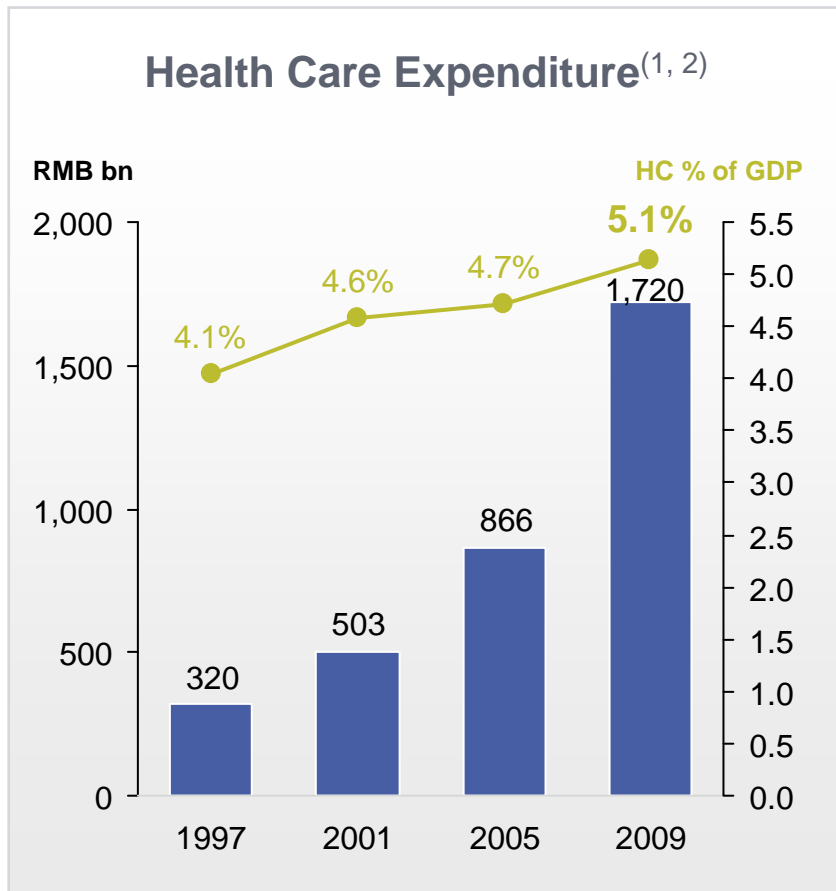
(4) Annual house hold income > US\$10,000; BCG and internal analysis

(5) IMS Prognosis 2011-2015; September 2011

China to Become a Trillion RMB Market by 2015 Driven by Continued Growth in Cities and Counties⁽¹⁾



The 2009 - 2011 Healthcare Reform Has Led to a Significant Increase in Healthcare Investment



In Parallel, Policies to Reduce Drug Prices and Lower Healthcare Costs Have Emerged

Multiple Rounds of Mandated Price Cuts over Past Few Years⁽¹⁾

	Target	Average % of price drop
● May 2007	260 western drugs	↓ 19%
● Nov 2010	176 drugs	↓ 19%
● Mar 2011	162 anti-infective and circulatory drugs	↓ 21%
● Sep 2011	128 drugs, including hormone treatments, endocrine system and neurological disorders drugs	↓ 14%

Hospital Capping Policies

	Categories	Examples
1	Global budget paid to hospitals	Zhejiang
2	Diagnosis-related Group (DRG)	Chengdu Beijing
3	Prescription capping	Wuhan Shanghai
4	Drugs expenditures to total expenditures ratio	Multiple provinces

China Is Expected to Become the Third Largest Market by 2015⁽¹⁾

China is projected to generate 27% of world pharma market growth over 2011-2015⁽²⁾

Increasing incidence of chronic diseases

- Largest diabetes population in the world
- Obese population tripling from 2002 to 2010

Growing and aging population

- ~ 8% of population > 65 years old in 2009
- Expected to rise to 10% by 2015

Healthcare reforms

- Broaden coverage & benefit (95% of total population in 2010)
- Strengthen primary care and rural healthcare services

Increased investment from all players

- Multinational corporations and governments
- Local consolidation and increased M&A activities

Sanofi Has Progressively Built a Leading Position in the Chinese Healthcare Market

Sanofi's Scorecard in China

Strong heritage and one of the 1st foreign pharmaceutical companies

#1
to open offices in China

Fast growing, fully integrated local presence in China

#1
growing pharmaceutical company over last 4 years⁽¹⁾

Among top players in the fragmented pharmaceuticals market

#2
by sales since June 2011⁽²⁾

Broad portfolio of leading brands in China

#1
Plavix[®] largest Rx brand by sales⁽³⁾

Leading network of industrial sites to support our growth strategy

6
industrial sites

One of the largest sales forces in the health care market in Greater China

>4,000
sales representatives



Sanofi Is Well Established in Greater China with a Fully Integrated Local Presence

- Sales estimates of ~€1.2bn for Greater China in 2011
- 11 regional offices with ~7,000 employees in Greater China
 - Of which >4,000 sales force
- A network of 6 manufacturing sites
- A newly established CHC platform
- Among top MNC⁽²⁾ vaccines players
- Meril with local production
- Integration of Genzyme
- A regional R&D platform

Sanofi's Presence in China



Sanofi Has Significantly Invested in its People in China



- Strong investment in sales force and talent development
- Talent Center in Shanghai for management training established

Sanofi Offers a Portfolio that Fits the Growing Local Needs

China's Top 10 Causes of Death⁽¹⁾

- ① Cancer
- ② Heart diseases
- ③ Cerebro-vascular diseases
- ④ Respiratory
- ⑤ Injury / Poisoning
- ⑥ Metabolic/Endocrine
- ⑦ Digestive diseases
- ⑧ Genito urinary diseases
- ⑨ CNS
- ⑩ Infectious diseases

A Broad Offering of Flagship Brands in Key Disease Areas

Diabetes

- In China, largest number of people with diabetes worldwide



Anti-platelet

- Number of PCI procedures in China expected to double between 2008 and 2011⁽²⁾



Hypertension

- ~200m prevalent population⁽³⁾
- ARB class growing at 22%⁽⁴⁾
- Aprovel[®] #1 by volume in ARB class⁽⁴⁾



Liver Care

- Increasing prevalence of fatty liver as "wealthy disease"
- Essentiale[®] #1 oral hepatic protector⁽⁴⁾



Oncology

- Sanofi cancer portfolio covers top 4 cancer types, representing 59% of all cancer cases in China⁽⁵⁾



(1) China Top 10 causes of death (urban), health statistics report 2010, Ministry of Health

(2) China Medical Devices Industry Association, 2010

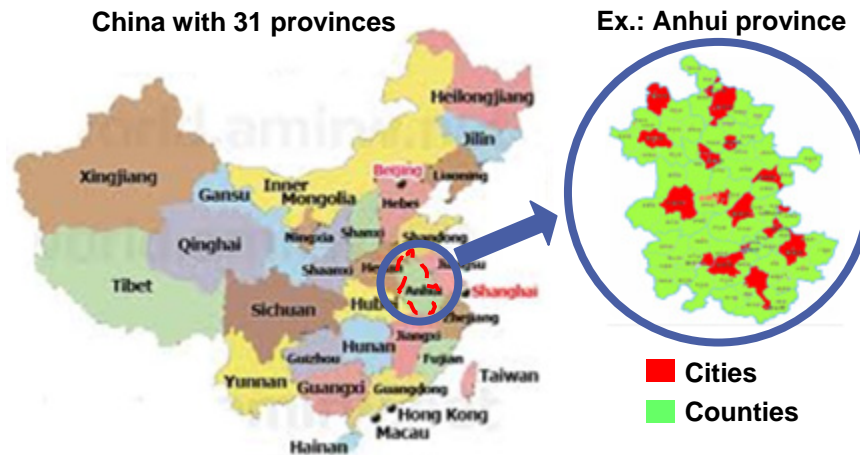
(3) Ministry of Health; 2007 yearly report on Cardiovascular Diseases in China

(4) IMS CHPA MAT August 2011; ARB (Angiotensin Receptor Blockers); Market: C09C+D ARB brand families, Essentiale market: A05B orals

(5) Synovate China, Tandem oncology Monitor 2011 wave 1 (Lung, Colorectal, Breast and Stomach Cancer)

Reaching out to the Next Billion Customers in China

China's NBC located in ~2,000 counties







283 Cities ⁽¹⁾		1,950 Counties ⁽²⁾	
Population		~900m	
Characteristics		<ol style="list-style-type: none"> 1. Huge base 2. Lower affordability, higher out-of-pocket spend 3. Geographically broad 	

Strategy

- ✓ Diversify geographic concentration
- ✓ Fully leverage broad portfolio
- ✓ Strategic Business Unit implemented
- ✓ Dedicated sales forces
- ✓ Cover main Provinces with several hundred Counties
- ✓ Addressing medical need of a huge population

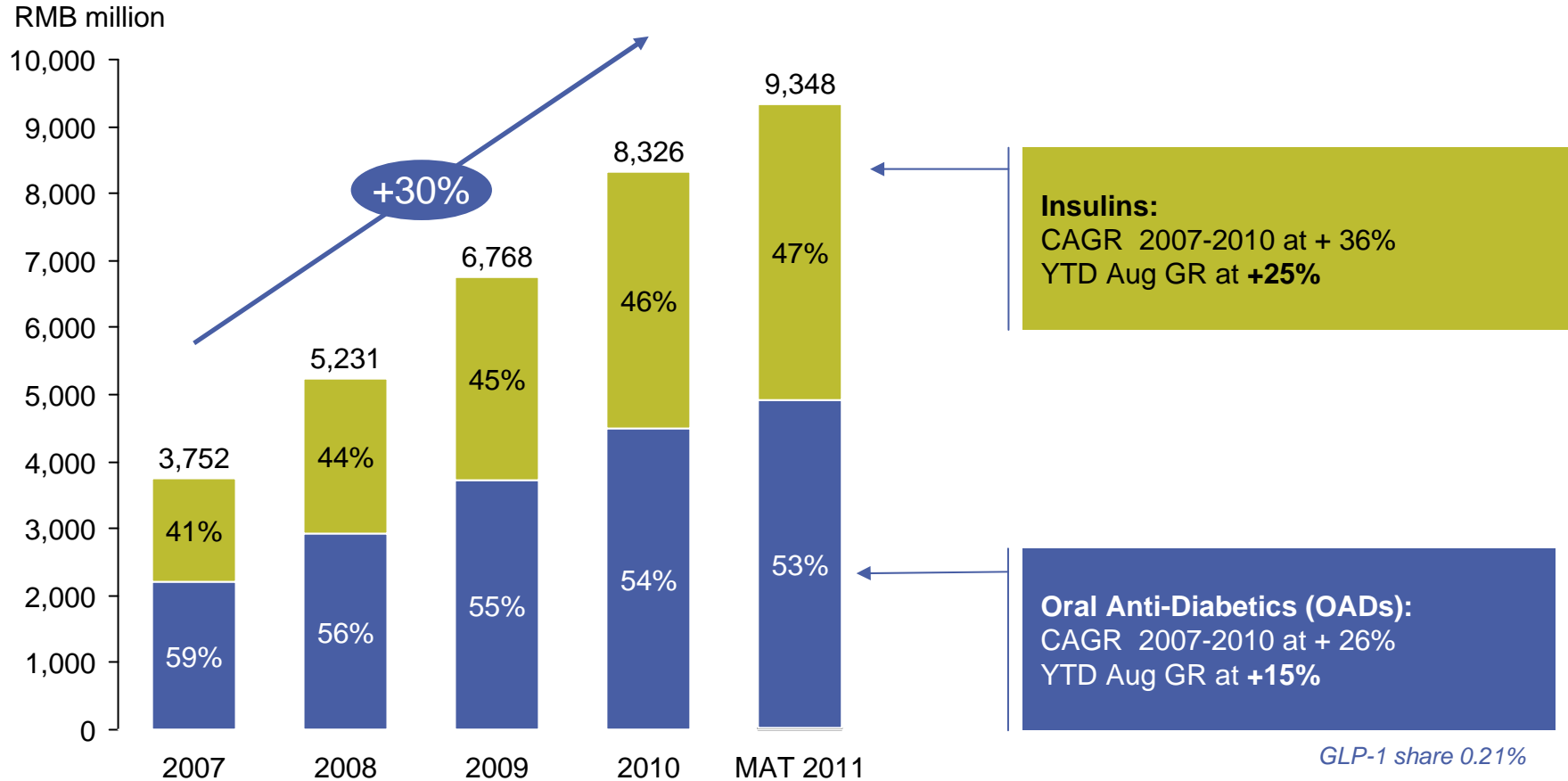
The Diabetes Epidemic Is Fast Expanding in China

Key Epidemiology Facts

				
People with diabetes 2010	26m	24m	56m	9m
Rate of diagnosis	75%	75%	36%	58%
Expected diabetes population growth 2010-2015	+14%	+9%	+34%	+14%
Insulinized patients 2010	5.6m	5.1m	4.6m	1.3m
Expected insulinized patients 2015	6.9m	6.4m	8.9m	1.7m

Insulins Are the Fastest Growing Diabetes Segment in China - Representing Almost Half of the Diabetes Market

Sales Value of Diabetes Therapy Segments



Sanofi Has Reached the Top 3 Position in the Chinese Diabetes Market

- Disease burden increasing dramatically
 - Diabetes patient population up 4-fold from 2001 to 2008⁽¹⁾
 - Healthcare expenditures on diabetes are estimated to have reached \$6.9bn in 2010⁽²⁾
- Sanofi Diabetes BU created in 2009 in China
 - Sanofi now #3 in the Diabetes market in China⁽³⁾
 - Sanofi's diabetes franchise outpacing market growth

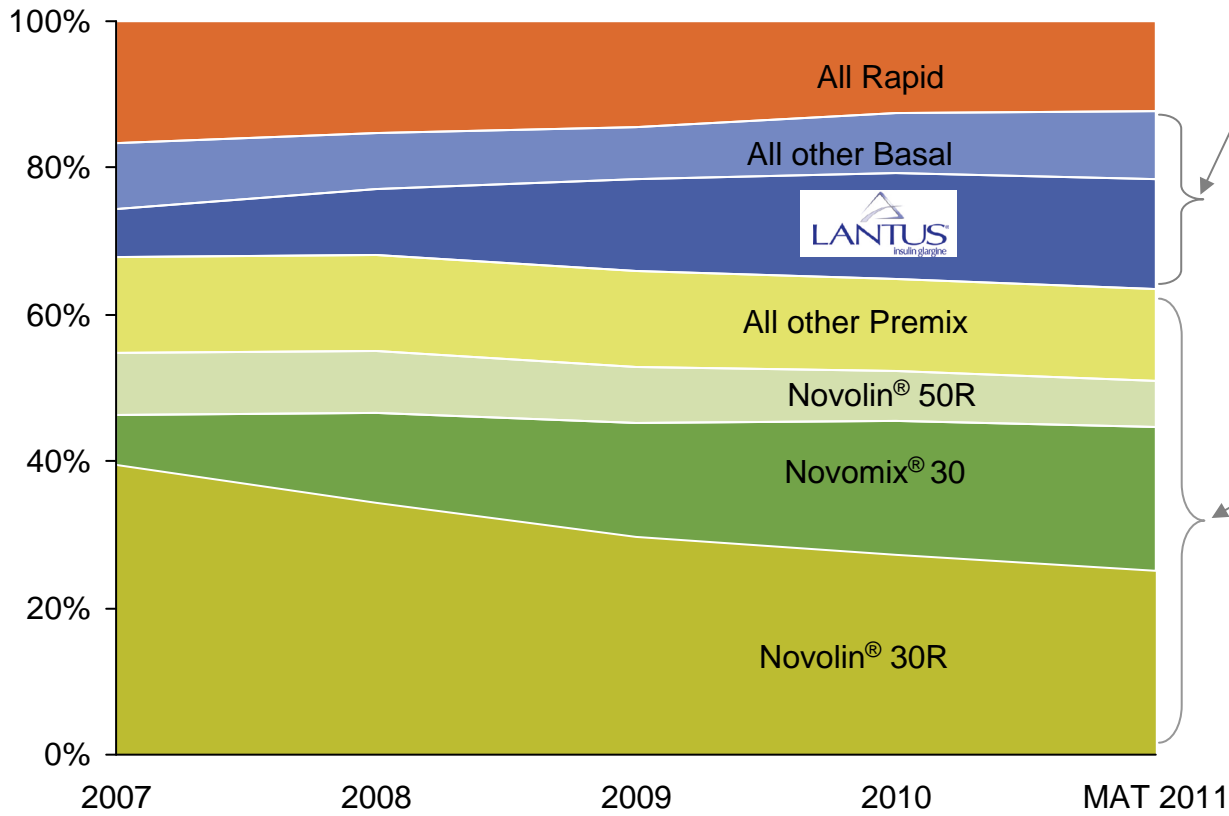
Companies in the Chinese Diabetes Market Ranked by Market Share⁽³⁾

2007			2011		
RK	CORP	MS%	RK	CORP	MS%
	NOVO			NOVO	
1	NORDISK	34.1%	1	NORDISK	36.7%
2	BHC	16.8%	2	BHC	14.6%
3	ELI LILLY	5.7%	3	SANOFI	9.4%
4	SERVIER	4.2%	4	ELI LILLY	6.3%
5	BMS	3.9%	5	BMS	4.0%
6	GSK	3.7%	6	HUADONG	3.2%
7	SANOFI	3.5%	7	SERVIER	2.7%

Lantus[®] Success Story in China: Progressively Shifting the Market to Basal

Market Share of Key Insulin Brands

Market share - Sales (%)



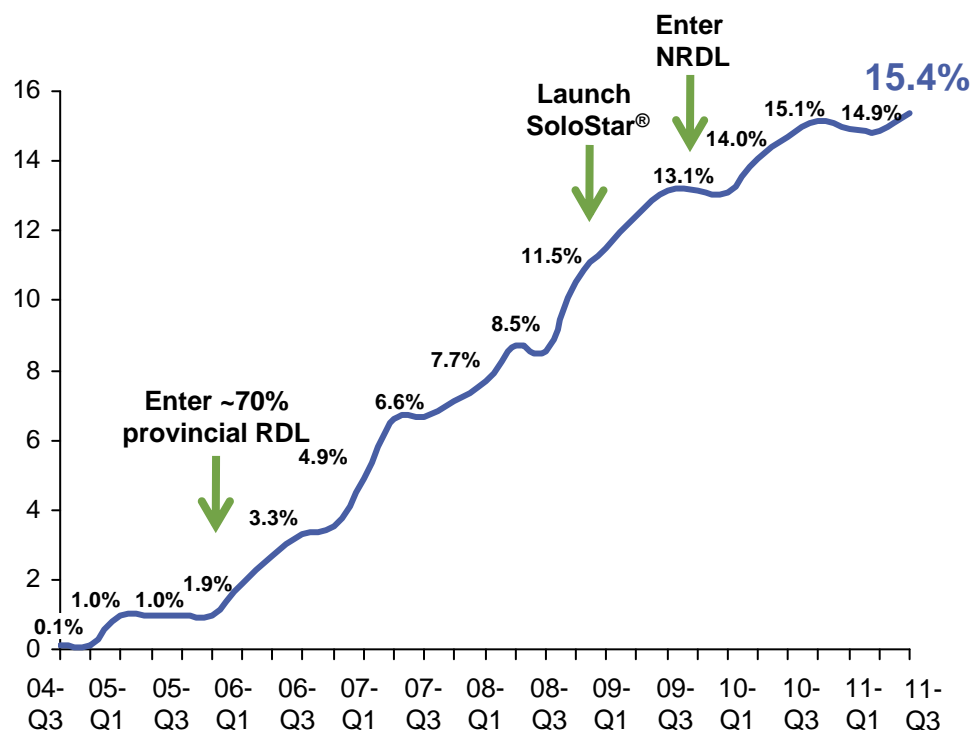
Basal Insulins Market share of 24%, mainly driven by growth of Lantus[®] with 14.9% share in total insulins and 61.7% in basal insulins

Premix Insulins Market share of 64%, mainly due to decrease in Human premix insulin share

Lantus[®] Has Reached over 15% Market Share of Total Insulins in China⁽¹⁾



Lantus[®] Value Market Share in Insulin (%)



- Lantus[®] launched in China in 2004
 - SoloStar[®] launched in 2009
- Recent improved market access in China's two largest insulin markets
 - Shanghai (December 2010)
 - Beijing (July 2011)
- Leading insulin in several big cities⁽²⁾ ahead of Novo Nordisk
- Only available in disposable pens
- Low average daily dosing per patient

“China Initiative for Diabetes Excellence” - A Major Public-Private Partnership in Diabetes

5
years program

Train **500**
emerging KOLs

Cascade to **10,000**
country doctors

Educate **millions**
of patients

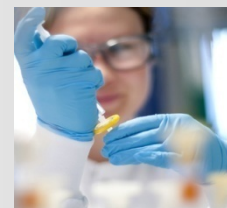
- First public-private partnership to develop a patient-centric, integrated diabetes management program in China
- Landmark program for the prevention and control of diabetes announced in May 2011
 - 5-years initiative led by the Bureau of Disease Prevention and Control of the Ministry of Health
 - Collaboration with the Chinese Diabetes Society
- Train 500 emerging experts, followed by 10,000 community and county doctors
- Enhancing patients' self-management capabilities through education and organized peer support groups





Driving Continued Strong Growth in Diabetes

- Further expand basal insulin treatment paradigm
- Grab untapped opportunities with Apidra[®], Insuman[®] and BGM devices
- Expand reach to physicians
 - Continued investment in field force to expand coverage to up to ~4,000 target hospitals
- Leverage growth initiatives in Medical & Marketing
 - Large program of clinical development activities
 - Strong sponsorships/partnerships with the Chinese Diabetes Society



CONCLUSION

Key Success Factors to Sustain our Unmatched Leadership Position in China

- ✓ Historical presence
 - Leverage unique accumulated experience and diversified product portfolio
- ✓ Market reach
 - Expand sales forces to address rural areas
- ✓ Manufacturing capacity
 - Leverage network of industrial sites to serve increasing volume
- ✓ Quality of management
 - Attract, train and retain local management talent
- ✓ Tapping into local innovation
 - Broaden R&D networks in Asia
- ✓ Bolt-on acquisitions
 - Continue to enlarge our portfolio by successfully identifying and integrating M&A targets

Sanofi - A Strong Scorecard for 2012-2015



2012-2015 Sales CAGR

At least 5%

Diversified sources of growth

✓

Scale in businesses with significant barriers to entry

✓

Low small molecule patent exposure in mature markets⁽¹⁾

~6%

Large Emerging Markets presence⁽²⁾

38-40%

Potential new product launches⁽³⁾

19

Operating margin evolution

Rebounding

2012-2015 Business EPS CAGR

> Sales CAGR

Increased dividend payout ratio

50% by 2014⁽⁴⁾

(1) 2012 sales from chemical products exposed to patent expiry in the U.S., Japan and Western Europe over 2012/2015

(2) Based on 2015 internal estimates

(3) Over 2012-2015

(4) Dividend paid in 2014

Questions & Answers