



# Deutsche Bank Healthcare Conference

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Boston – May 4, 2017

# 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 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, the Company’s ability to benefit from external growth opportunities 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, 2016. Other than as required by applicable law, Sanofi does not undertake any obligation to update or revise any forward-looking information or statements.

# Q1 2017 - A Solid Start to the Year

1	<b>Delivering top line growth</b>	<ul style="list-style-type: none"><li>• Growth driven by Specialty Care, Vaccines and EM<sup>(1)</sup></li><li>• Q1 reflects acquisition of BI's CHC business and the consolidation of Sanofi's European vaccine operations</li></ul>
2	<b>Robust financial results</b>	<ul style="list-style-type: none"><li>• Simplified organization continues to contribute to Sanofi's financial performance</li><li>• 2017 guidance confirmed</li></ul>
3	<b>Sustaining innovation</b>	<ul style="list-style-type: none"><li>• Dupixent<sup>®</sup> now available to adult patients in the U.S.<sup>(2)</sup></li><li>• Kevzara<sup>™</sup> BLA for the treatment of rheumatoid arthritis granted PDUFA date of May 22</li></ul>

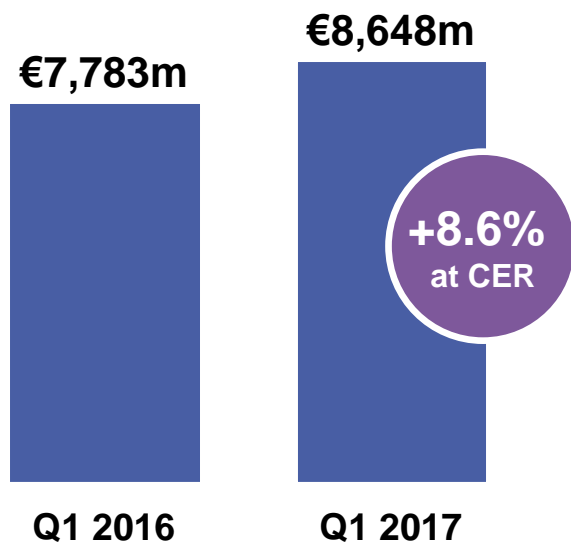
(1) Emerging Markets: World excluding U.S., Canada, Western & Eastern Europe (except Eurasia), Japan, South Korea, Australia, New Zealand and Puerto Rico

(2) DUPIXENT<sup>®</sup> is indicated for the treatment of adult patients with moderate-to-severe atopic dermatitis whose disease is not adequately controlled with topical prescription therapies or when those therapies are not advisable. DUPIXENT<sup>®</sup> can be used with or without topical corticosteroids.

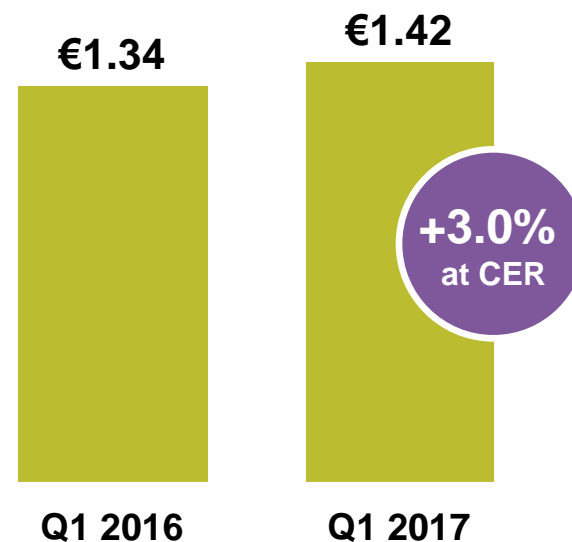


# Q1 2017 Sales Benefited from Change in Structure and Simplified Organization Supported Business EPS Growth

## Company Sales








## Business EPS



# Diversified Business Model Drives Growth and More than Offset Diabetes Performance in Q1 2017

## Q1 2017 Sales by Global Business Unit

Company Sales	€8,648m	Growth at CER/CS <sup>(1)</sup> +3.5%
 <b>Sanofi Genzyme (Specialty Care)<sup>(2)</sup></b>	€1,379m	+15.5%
 <b>Sanofi Pasteur (Vaccines)</b>	€784m	+13.2% <sup>(3)</sup>
 <b>Diabetes &amp; Cardiovascular<sup>(2)</sup></b>	€1,419m	-7.7%
 <b>Consumer Healthcare<sup>(4)</sup></b>	€1,341m	+4.7% <sup>(5)</sup>
 <b>General Medicines &amp; Emerging Markets<sup>(6,7,8)</sup></b>	€3,725m	+2.1%

(1) Growth at CER and Constant Structure on the basis of Q1 2016 sales including CHC sales from Boehringer Ingelheim, SPMSD sales and others

(2) Does not include Emerging Markets sales

(3) On a CER basis, growth was +22.2%

(4) Consumer Healthcare includes sales in Emerging Markets

(5) On a CER basis, growth was +42.7%

(6) Includes Emerging Markets sales for Diabetes & Cardiovascular and Specialty Care

(7) Emerging Markets: World excluding U.S., Canada, Western & Eastern Europe (except Eurasia), Japan, South Korea, Australia, New Zealand and Puerto Rico

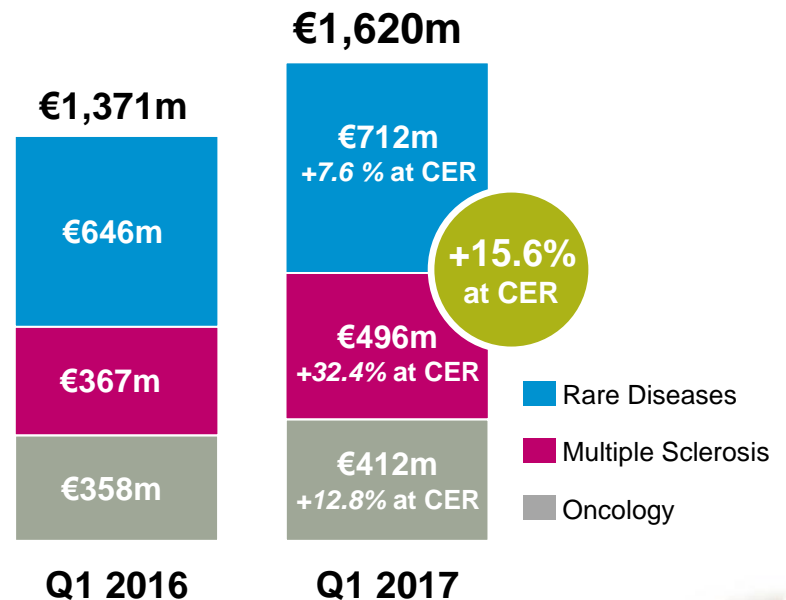
(8) Excluding global Consumer Healthcare sales and Vaccines  
Pictures by Freepik



# Sanofi Genzyme Delivers Strong Growth Across All Franchises

- Specialty Care franchise continues to grow double digits in both developed and emerging markets
  - Myozyme<sup>®</sup> and Fabrazyme<sup>®</sup> up double digits
  - Gaucher franchise broadly stable (-1%) due to order pattern in Latin America
- Multiple Sclerosis franchise up over 30%
  - Aubagio<sup>®</sup> sales up +30% to €371m, now the #1 switched to DMT<sup>(1)</sup> in the U.S.<sup>(2)</sup>
  - Lemtrada<sup>®</sup> sales up +41% to €125m
- Oncology franchise up +12.8% due to U.S. government order for Leukine<sup>®</sup> in Q1 2017

## Global Specialty Care Franchise Sales



- U.S. launch focused on ~300,000 adult AD patients with highest unmet medical need
- Detailing ~7,000 physicians who treat AD and have experience prescribing biologics
  - >1,200 HCPs have written a prescription
- U.S. Market Access Progressing
  - Secured Express Scripts and CVS coverage effective at launch with only one step edit<sup>(1)</sup>
  - Discussions with other major payers ongoing with appropriate UM<sup>(2)</sup> criteria expected
- European decision expected by end 2017
  - Positive CAFÉ study<sup>(3)</sup> results



(1) Express Scripts Commercial and Medicare plans, CVS Commercial plan

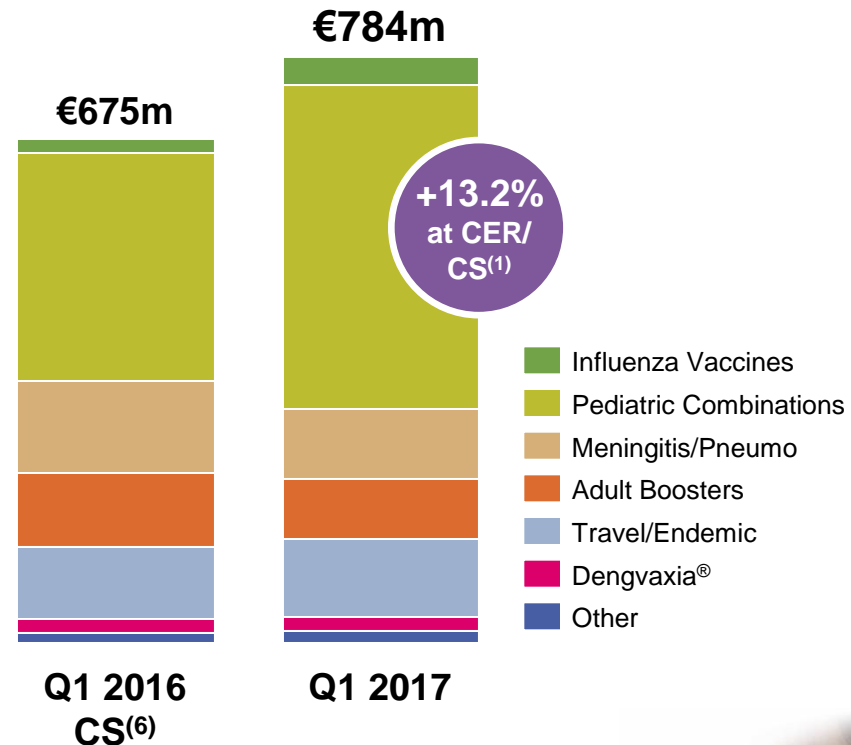
(2) Utilization Management

(3) In patients with severe Atopic Dermatitis who are not adequately controlled with, or are intolerant to, oral Cyclosporine A, or when this treatment is currently not medically advisable.

# Vaccines Growth Accelerated Due To Strong Pediatric Combination Sales

- Vaccines sales up +13.2% at CER/CS<sup>(1)</sup>
- Pediatric combination<sup>(2)</sup> franchise +38% at CER/CS to €432m in Q1 2017
  - Strong growth across geographies
  - Pentacel<sup>®</sup> increased in the U.S. supported by CDC<sup>(3)</sup> allotment and supply recovery
  - AcXim family up +19% boosted by the recovery of the Chinese market
- Agreement to develop and commercialize SP0232<sup>(4)</sup> for the prevention of RSV<sup>(5)</sup> associated illness in newborns and infants

## Sanofi Pasteur Sales

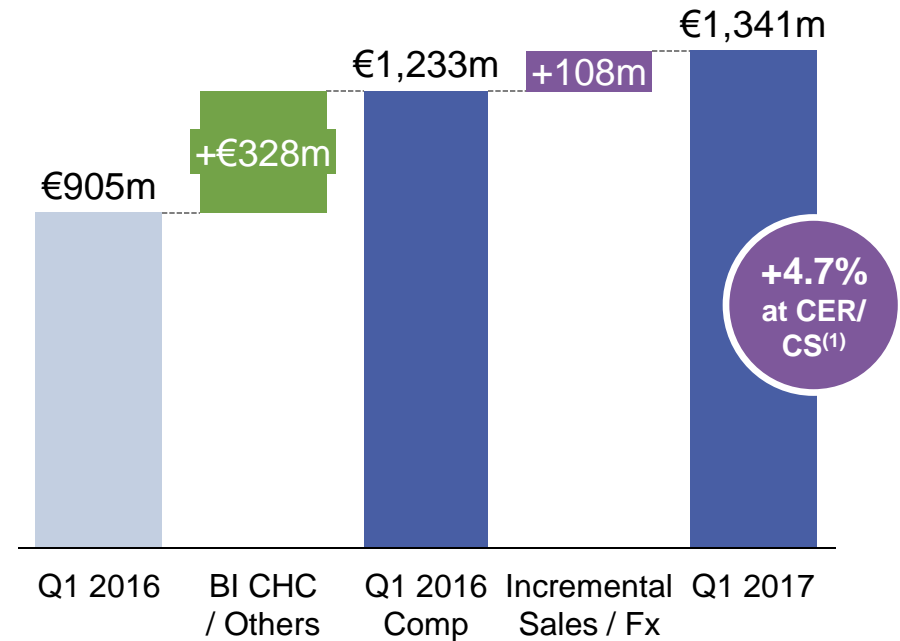




# CHC: Stronger GBU Focus Drives Improved Growth Sequentially

- Reported sales up +43% at CER and +4.7% at CER/CS<sup>(1)</sup>
  - Solid growth in Allergy/Cold/Cough and Pain mainly driven by early season in Europe
  - XYZAL ALLERGY 24HR** launch generated €43m
- Integration of BI progressing well
  - Aligning on strategic priorities to drive future growth based on consumer insight driven innovation

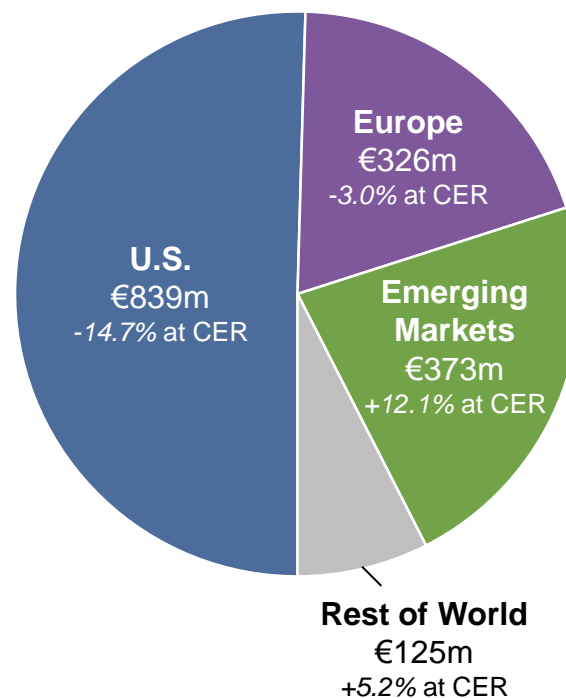
## Q1 2017 Global CHC Sales



# DCV<sup>(1)</sup> Sales Evolution Impacted by U.S. Formulary Changes Only Partially Offset by Strong EM Performance

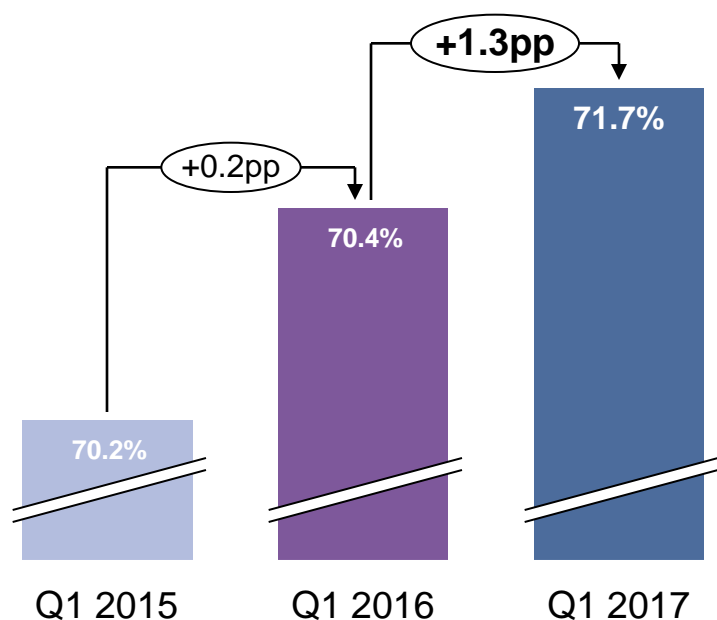
- Global Diabetes sales decline -6.0% at CER to €1,663m
- U.S. diabetes sales decline (-15% in Q1 2017) expected to accelerate over the remainder of the year
  - Incremental impact of CVS expected in Q2
  - United Health exclusion started on April 1<sup>st</sup>
- Soliqua™ 100/33 market access progressing
- Praluent® - clinical evidence building for the PCSK9 class
  - ODYSSEY OUTCOMES top-line results expected in Q1 2018

## Q1 2017 Global Diabetes Sales

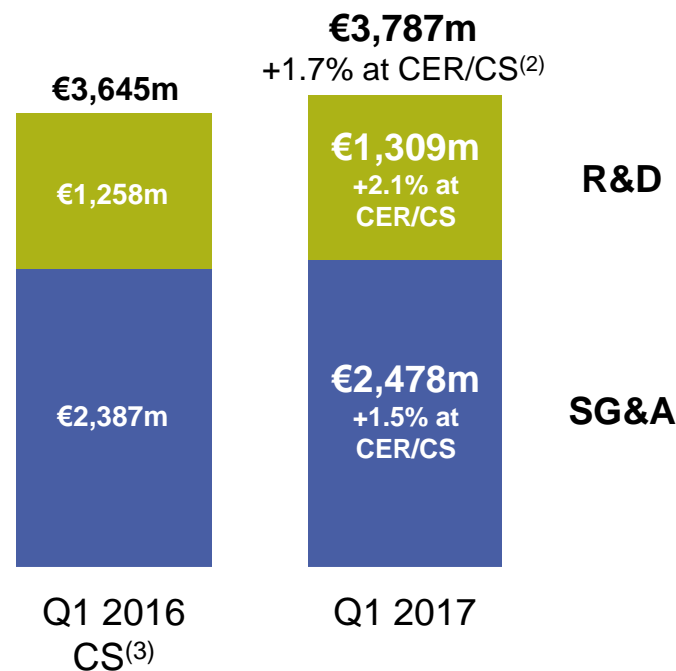


# Gross Margin Increased in Q1 2017 Due to Product Mix and Productivity Improvements

## Gross Margin Ratio<sup>(1)</sup>



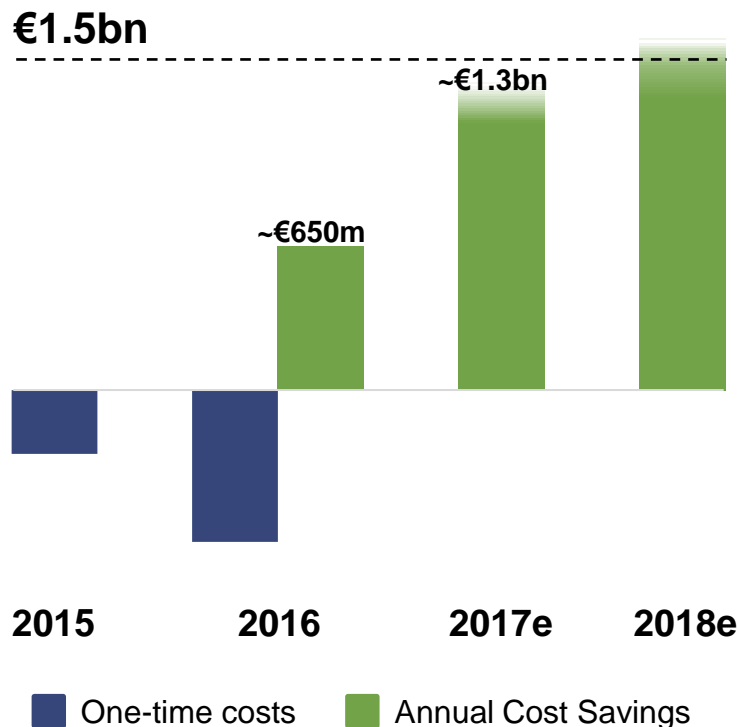
## Operating Expenses



Disciplined expense management while investing in launches and pipeline

# Creating a More Agile Sanofi Through a Strategic Cost Savings Program

## Progression of Cost Savings



- Primary sources of cost savings in 2016/2017:
  - Simplification via new GBU structure and creation of global functions<sup>(1)</sup>
  - Manufacturing operational improvement and productivity efforts
  - Product portfolio streamlining in Established Products franchise
  - Resizing of sales forces to evolving market dynamics
- Reinvestment decisions scaled to the needs of the business

On track to deliver at least €1.5bn in cost savings in 2018

# Reaffirming Outlook for 2017

**FY 2017**

**SANOFI** 

Business EPS

**Stable to -3%  
at CER<sup>(1,2)</sup>**

FX impact on Business EPS

**+3% to +4%<sup>(3)</sup>  
based on March 2017 average exchange rates**



# Executing on our 2020 Strategic Roadmap

- 1 Diversified business model delivered strong Q1 results
- 2 Simplified organization supported operational execution
- 3 CHC integration progressing well and new strategy in place
- 4 Managing challenging U.S. payer environment in diabetes
- 5 Focused on building our Immunology franchise
- 6 Investing in innovation to sustain future growth