Specialty Care growth, strong launch uptake of Beyfortus® and ALTUVIIIO® drive solid Q3 results

PUBLISHED OCT 26, 2023
BY SANOFI

Specialty Care growth, strong launch uptake of Beyfortus® and ALTUVIIIO® drive solid Q3 results

Q3 2023 sales growth of 3.2% at CER and business EPS(1) decrease of 2.1% at CER

- Specialty Care grew 13.5% driven by Dupixent® (€2,847 million, +32.8%) and ALTUVIIIO® more than offsetting the impact of Aubagio® generic competition in the U.S.

- Stable Vaccines sales (-0.6%) benefited from strong Beyfortus® launch offsetting lower influenza vaccines sales

- General Medicines core assets grew 3.1%, non-core assets declined mainly due to Lantus® (€343 million, -32.9%)

- CHC sales grew 4.6% driven by Digestive Wellness and Allergy categories

- Business EPS(1) of €2.55, down 11.5% on a reported basis and down 2.1% at CER with Aubagio® LOE

- IFRS EPS of €2.01 (up 21.1%)

Key R&D milestones and regulatory achievements in Q3

- Beyfortus® U.S. approval for prevention of RSV lower respiratory tract disease in infants

- ALTUVIIIO® approval for hemophilia A in Japan and Nexviazyme® for the treatment of Pompe disease in China

Progress on Corporate Social Responsibility strategy in Q3

- Sanofi Global Health Unit: first deliveries of cardio-metabolic products under the Impact brand to the Republic of Djibouti and to global non-governmental organizations

Full-year 2023 business EPS guidance reiterated

- Sanofi expects 2023 business EPS(1) to grow mid single-digit(2) at CER, barring unforeseen major adverse events. Applying average October 2023 exchange rates, the currency impact on 2023 business EPS is estimated between -6.0% to -7.0%. This guidance includes approximately €400 million of expected one-off COVID vaccine revenues in the fourth quarter.

Paul Hudson, Sanofi Chief Executive Officer, commented:

> The continued impressive performance of Dupixent®, the highly anticipated launch of Beyfortus® for the protection of all infants against RSV and the strong uptake of ALTUVIIIO® in hemophilia were key drivers in the quarter, exemplifying our successful strategy execution towards sustainable growth from innovative medicines. The underlying strength of our growth drivers more than offset the expected impact from generic competition on Aubagio® in U.S. and lower sales from mature products across the General Medicines portfolio in the quarter. With our two recent business development deals in immunology and vaccines, we are further strengthening the core of our innovative pipeline and follow our strategic focus of transforming the practice of medicine through breakthrough science. As we enter a compelling next chapter of our company’s Play to Win strategy, we remain confident in the outlook for the last quarter and consequently keep our full-year earnings guidance unchanged.

| Q3 2023 | Change | Change at CER | 9M 2023 | Change | Change at CER | |

| IFRS net sales reported | €11,964m | -4.1% | +3.2% | €32,151m | -0.4% | +3.9% |

| IFRS net income reported | €2,525m | +21.6% | _ | €5,955m | +13.2% | — |

| IFRS EPS reported | €2.01 | +21.1% | _ | €4.76 | +13.3% | — |

| Free cash flow(3) | €1,853m | -31.2% | _ | €4,982m | -16.1% | — |

| Business operating income | €4,028m | -10.4% | -1.0% | €10,087m | -2.2% | +4.1% |

| Business net income(1) | €3,196m | -11.4% | -1.9% | €8,072m | -1.6% | +4.8% |

| Business EPS(1) | €2.55 | -11.5% | -2.1% | €6.45 | -1.5% | +4.9% |

Changes in net sales are expressed at constant exchange rates (CER) unless otherwise indicated (definition in Appendix 7). (1) In order to facilitate an understanding of operational performance, Sanofi comments on the business net income statement. Business net income is a non-IFRS financial measure (definition in Appendix 7). The consolidated income statement for Q3 2023 is provided in Appendix 3 and a reconciliation of reported IFRS net income to business net income is set forth in Appendix 4; (2) 2022 business EPS was €8.26; (3) Free cash flow is a non-IFRS financial measure (definition in Appendix 7).

Sanofi Enters Next Chapter of Play to Win Strategy

- Increases investments in its pipeline to fully realize long-term growth potential, bolstered by successful launches and R&D progress.

- Launches strategic cost initiatives, with most of the savings to be reallocated to fund innovation and growth drivers.

- Announces intention to separate the Consumer Healthcare Business at the earliest in Q4 2024 via the creation of a publicly listed entity1 headquartered in France.

- Reiterates capital allocation policy and 2023 Business EPS growth target, and provides preliminary 2024 and 2025 outlook.

Sanofi’s press release on Next Chapter of Play to Win Strategy can be found at:

https://www.sanofi.com/en/media-room/press-releases

1 Subject to markets conditions and consultations of social partners and work councils.

Press release distributed by Wire Association on behalf of Sanofi, on Oct 26, 2023. For more information subscribe and follow us.

Media Assets

Embedded Media

Visit the online press release to interact with the embedded media.

https://wireassociation.eu/newsroom/sanofi/releases/en/specialty-care-growth-strong-launch-uptake-of-beyfortus-and-altuviiio-drive-solid-q3-results-1495

Sanofi

Newsroom: https://wireassociation.eu/newsroom/sanofi
Website: https://www.sanofi.com/
Primary Email: uk-mr@sanofi.com

Social Media

Twitter - https://twitter.com/sanofi
Youtube - https://www.youtube.com/user/sanofiaventisTVen
Linkedin - https://www.linkedin.com/company/sanofi
Instagram - https://www.instagram.com/sanofi/
