

## Sanofi offers to acquire Medivation for \$9.3 bn

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This would represent an all-cash transaction valued at approximately \$9.3 billion.

Combining Sanofi and Medivation represents a compelling strategic and financial opportunity to drive significant value for the respective companies' shareholders, employees, patients and caregivers.

The proposed purchase price represents a premium of over 50 percent to Medivation's two-month volume weighted average

price (VWAP) prior to there being takeover rumors.

"Last November, Sanofi outlined our mid-term strategy which includes rebuilding our position in oncology, one of the largest and fastest growing therapeutic areas in the biopharmaceutical sector," said Sanofi Chief Executive Officer Dr Olivier Brandicourt. "With Medivation's best-in-class offerings in prostate cancer, we believe a combination would benefit patients and, at the same time, generate value for shareholders of both companies."

Medivation has one marketed prostate cancer therapy, Xtandi, and two additional oncology assets in clinical development.

Sanofi has a significant presence in prostate cancer and a strong heritage in oncology.

Despite advances in cancer treatments there remains a significant unmet medical need for prostate cancer, which is the second most common cancer in men worldwide, behind lung cancer.

Approximately one in seven men will be diagnosed with prostate cancer during their lifetime.

The transaction would create a stronger company with a complementary range of offerings to treat prostate cancer across the continuum of care, from urologists to oncologists.

Sanofi has a strong track record of successfully integrating acquired companies, particularly in specialty care. Medivation would benefit from Sanofi's global capabilities, significant resources, internal pipeline of assets and complementary product offerings.

The proposed combination has an attractive financial rationale as it would be immediately accretive to earnings and would offer value creation opportunities for Sanofi shareholders.

There can be no assurance that any transaction will result from this proposal.

Sanofi is confident in its ability to close the proposed transaction and receive all necessary regulatory approvals.

The transaction would not be contingent on any financing condition.

The full text of Sanofi's April 28, 2016 letter to Medivation is below.

David T. Hung, M.D  
President, Chief Executive Officer and Director, Medivation, Inc.  
525 Market Street, 36th floor  
San Francisco, CA 94105

Paris, April 28, 2016

Dear David,

It has been over a month since we first talked and I expressed my view that a combination would make strong strategic sense, and I said we were prepared to make a very attractive proposal. During our first call on March 25, you said that you were unwilling to meet, and in our subsequent conversation on April 3 you said that, after a review with your Board, there was no interest in discussing a transaction. Given your unwillingness to meet or to hear our proposal, we sent you a letter on Friday, April 15, setting forth a proposal (the "Proposal") to acquire Medivation for \$52.50 per share in cash, representing a premium of over 50% to the two-month volume weighted average trading price (VWAP) prior to there being takeover rumors. We have not heard anything from you for almost two weeks, other than an acknowledgment of receipt of our letter.

We do not understand the delay in responding to our letter. The price we put forth represents a very substantial premium, and it would be all cash without any financing condition. In these circumstances we believe it is appropriate to make this letter public, which we are doing today.

As we previously discussed, since I joined Sanofi in April 2015, we have set a clear strategic roadmap for 2020 and oncology plays an important role as part of that plan. As we aim to further develop our capabilities in this important area, we believe that Medivation represents a very strong fit and, together with our own clinical pipeline and existing infrastructure, will play an important role in our long-term strategy in oncology.

We are excited by the prospect of accelerating Medivation's growth by leveraging Sanofi's infrastructure and capabilities. We

are convinced that Medivation's employees would find a very attractive environment within our Sanofi Genzyme specialty business unit and our R&D organization, giving them the opportunity to fully develop their skills and help bring new treatments to patients on a worldwide basis. We also strongly believe that Medivation shareholders would find our Proposal to be compelling.

Working with our advisors, our team has reviewed your business based on publicly available information and our knowledge of the markets in which you compete to validate our views on value. Given the amount of work we have done to date, we are well-positioned to swiftly consummate a transaction that will be in the best interests of, and provide immediate and certain value for, your stockholders.

Our Proposal is subject to satisfactory completion of confirmatory due diligence, negotiation and execution of a mutually acceptable definitive written agreements, and approval of Sanofi's Board of Directors.

We are prepared to meet promptly so we can mutually work towards a transaction that benefits our respective stockholders.

Sincerely,  
Olivier Brandicourt  
Chief Executive Officer

-- End of Letter --