

Business Report

2006



sanofi aventis

Because health matters

The vitality of an international Group

As a global player in the healthcare sector, sanofi-aventis is conscious of its social responsibility and works in partnership with national health authorities and healthcare professionals to better serve the patient community through:

A substantial investment in R&D

- A budget of 4.4 billion euros
- Representing a 9.5% increase in 2006
- Targeting crucial public health needs
- 46 compounds and vaccines in Phases IIb and III of clinical investigation

Appropriate preventive and therapeutic options for every type of patient

- Innovative medicines
- Vaccines
- Mature prescription medicines and consumer health products (OTC and base business)
- Generic drugs

A well-balanced geographical presence between the Northern and Southern Hemispheres

- Strong positions in the major markets
- An extensive "Access to Medicines" program enabling even the most underprivileged populations to gain access to the most essential medicines and vaccines

A vigorously expanding portfolio

- 4 major products in the area of cardiometabolism: Lovenox®, Plavix®, Aprovel® and Lantus®
- 2 in oncology: Eloxatin® and Taxotere®
- 2 targeting Central Nervous System disorders: Stilnox®/Ambien® and Copaxone®
- An increasingly extensive range of vaccines

The human factor: one of our key strengths

- 100,000 employees in 100 countries
- A strong sense of corporate social responsibility towards our employees
- A code of ethics and ambitious corporate sponsorship programs

No. 1

pharmaceutical company in France and Europe

Consolidated sales of

28.4 billion

euros in 2006

4.0%

sales growth on a comparable basis* despite a highly challenging year

125

pharmaceutical compounds and vaccines in development

100,000

employees in 100 countries

4.4 bn €

R&D budget of

* See definition page 10.

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Sanofi-aventis is one of the leading pharmaceutical companies worldwide and number 1 in Europe.

Its mission is to improve health throughout the world through innovative research and development and an international presence.

The Group is focusing its R&D efforts on therapeutic areas which show strong growth and address major public health needs: Thrombosis, Cardiovascular and Metabolic diseases, Central Nervous System disorders, Oncology, Internal Medicine and Vaccines.

In keeping with its principle that there are “no small countries and no small products”, sanofi-aventis employs a unique regional strategic approach based on its capacity to generate growth everywhere on the basis of its major pharmaceutical products and vaccines, while developing partnerships tailored to individual countries by complementing its portfolio with additional mature prescription medicines, consumer health (OTC) products and generics.

As a socially responsible player in the healthcare sector, sanofi-aventis is committed to ensuring access for the most underprivileged populations to vaccines and medicines which combat scourges like malaria, tuberculosis, sleeping sickness, leishmaniasis and epilepsy.



Sanofi-aventis is present in 100 countries and employs 100,000 people, working in Research and Development, Production, Distribution and Marketing of the Group's pharmaceuticals and vaccines.

The capacity to react quickly and effectively

Jean-François Dehecq, Chairman
Gérard Le Fur, Chief Executive Officer



The pharmaceutical industry is currently undergoing radical changes likely to have a lasting structural effect. Medicines are a major concern everywhere, but the crucial issues differ greatly from one market to another, each country implementing its own particular strategy for balancing its healthcare budget. It is essential for the pharmaceutical industry to ensure that its intellectual property rights and its patents are clearly recognized, the alternative being an inexorable decrease in its research efforts, the key to future therapeutic progress for patients. Certain countries nevertheless try to circumvent patent rights to allow their underprivileged populations to gain access to medicines. In addition, the industry currently faces increasingly long and complex drug registration processes, exposing the huge research efforts needed to make novel, innovative medicines available to patients to ever greater risks. Finally, with the aim of curbing the increase in healthcare costs, public health policies in all countries are progressively incorporating structural measures designed to reduce the price of pharmaceutical products. In the face of these increasing difficulties, a key determinant for the success of this industry in the future will be its capacity to adapt its product range to the various situations engendered by the policies implemented by healthcare authorities, the specific characteristics of different geographic regions and the needs of particular populations.

2006, a highly challenging year

2006 was an especially difficult year for sanofi-aventis, marked by the internal and external challenges inherent in this complex environment.

The introduction of generic competitors to four of our major products in the U.S, including Allegra®, was taken into account in our forecasts for 2006. In contrast, the “at risk” launch of a generic of Plavix® in that country, while the trial to defend our intellectual property was still ongoing, was not foreseeable. This launch substantially affected our 2006 results, despite our success in obtaining a “preliminary injunction” ordering cessation of any new deliveries of this generic to the market from August 31st 2006 onwards.



*Our mission:
producing medicines
and vaccines for all patients.*



The negative effect of these events was exacerbated by the particularly drastic price reduction measures adopted in Europe, especially in France and Germany, where their impact was particularly felt by pharmaceutical companies with a historically strong position in these markets, such as sanofi-aventis, the market leader.

Despite these adverse circumstances, your Group showed itself to be highly reactive, achieving a 4% growth in sales on a comparable basis*. Furthermore, even though profits increased to a lesser extent than in previous years, 2006 culminated in a new record in both operating profits and net profits, when one might reasonably have feared a decrease.

This performance was attained thanks to increased sales of the major products in our portfolio, particularly vaccines, the successful launch of Ambien CR™ in the U.S., and the strong growth achieved in the new markets of Central and Eastern Europe, Latin America and Asia.

These results were achieved without in any way endangering the future of your Group. Investments for the launch of Acompli® were accelerated, particularly in Europe. The resources directed into future major markets such as Brazil, Russia, India and China continued to increase. Our industrial capacity was strengthened, particularly with regard to vaccines and the new markets.



Investment in research was again increased in 2006 to enable the continued clinical development of innovative products in an advanced phase.

Meeting tomorrow's challenges

Finally, to face tomorrow's challenges, we launched an initiative several years ago to facilitate access to medicines for the most disadvantaged populations. The year 2006 saw the implementation of this initiative in several of the major areas of need identified, notably tuberculosis. This activity constitutes one of the expressions of our commitment to sustainable development.

Our strategy therefore remains the same. Our priority is to develop innovative medicines for patients, but we also intend to continue marketing our older high-quality products which help to balance public health budgets in numerous countries. Our vision of this mission is embodied in the statement "there are no small products and no small countries". These considerable difficulties faced by your company in 2006 were successfully overcome above all by the energy, commitment and talent of all the men and women making up your Group. We would like to thank them in your name and assure you that you can count on their absolute determination to meet tomorrow's challenges.

* At constant group structure and exchange rates.

Corporate Governance

Management Committee



- A. Gérard Le Fur,
Chief Executive Officer

B. Hanspeter Spek,
Executive Vice President
Pharmaceutical Operations

C. Jean-Claude Leroy,
Executive Vice President
Finance and Legal
- D. Pierre Chancel,
Senior Vice President
Global Marketing

E. Olivier Charmeil,
Senior Vice President
Pharmaceutical Operations
Asia/Pacific

F. Marc Cluzel,
Senior Vice President
Scientific and Medical
Operations

G. Laurence Debroux,
Senior Vice President
Chief Financial Officer
- H. Philippe Fauchet,
Senior Vice President
Pharmaceutical Operations
Japan

I. Belén Garijo,
Senior Vice President
Pharmaceutical Operations
Europe (excluding France
and Germany) and Canada

J. Gregory Irace,
Senior Vice President
Pharmaceutical Operations U.S.

K. Michel Labie,
Senior Vice President
Communications, Institutional
and Professional Relations
- L. Marie-Hélène Laimay,
Senior Vice President
Audit and Internal Control
Assessment

M. Christian Lajoux,
Senior Vice President
Pharmaceutical Operations
France

N. Jean-Michel Lévy,
Senior Vice President
Business Development

O. Gilles Lhernould,
Senior Vice President
Industrial Affairs

P. Karen Linehan,
Senior Vice President
Legal Affairs and General
Counsel
- Q. Heinz-Werner Meier,
Senior Vice President
Pharmaceutical Operations
Germany and Corporate
Human Resources

R. Antoine Ortoli,
Senior Vice President
Pharmaceutical Operations
Intercontinental

S. Philippe Peyre,
Senior Vice President
Corporate Affairs

T. David Williams,
Senior Vice President
Vaccines

Corporate Governance

The long-prepared separation of the office of Chairman of the Board of Directors and Chief Executive Officer will assure continuity in the strategy, dynamism and culture of sanofi-aventis. Decided by the Board of Directors on December 14th 2006, this separation came into force on January 1st 2007.

As of January 1st 2007, Jean-François Dehecq is Chairman of the Board of Directors of sanofi-aventis, while Gérard Le Fur is Chief Executive Officer. This new organization is the culmination of a process initiated in 2002. The by-laws of the Company were modified at that time to enable the Board of Directors to decide, as appropriate, to separate the office of Chairman and Chief Executive Officer. On May 31st 2006, at the Annual General Meeting, Jean-François Dehecq announced his intention to propose to the Board of Directors the appointment of Gérard Le Fur as Chief Executive Officer. The Annual General Meeting voted to appoint Gérard Le Fur Director and to extend to 70 years the age limit for exercising the function of Chairman. On December 14th 2006, the Board of Directors appointed Gérard Le Fur Chief Executive Officer, with effect from January 1st 2007, Jean-François Dehecq remaining Chairman of the Board of Directors.

THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

- The Chairman represents the Board of Directors and organizes and directs its activities, reporting these at the Annual General Meeting. He assures the smooth functioning of the bodies he chairs (Board of Directors and Annual General Meeting).
- The Chief Executive Officer is responsible for managing and representing the Company. He has extensive powers to act in the Group's name.

THE BOARD OF DIRECTORS

Subject to the authority vested in the shareholders' meetings and within the scope of corporate purposes, the Board of Directors discusses all issues relating to the proper management of the Company and settles all matters concerning this.

In 2006, the Board of Directors met seven times.

SPECIALIZED COMMITTEES

Two committees, each chaired by an independent director, are charged with assisting the Board in its discussions and decisions. Their members, selected on the basis of their experience, are appointed by the Board of Directors.

THE AUDIT COMMITTEE

- Klaus Pohle, Chairman,
- René Barbier de La Serre,
- Jean-Marc Bruel, and
- Gérard Van Kemmel.

The Audit Committee comprises four independent Directors, one of whom is a qualified financial expert as required by the Sarbanes-Oxley Act. This committee is responsible for continuously assessing the existence and efficacy of the Company's financial control and risk control procedures. In 2006, it met seven times.

THE COMPENSATION, APPOINTMENTS AND GOVERNANCE COMMITTEE

- René Barbier de La Serre, Chairman,
- Thierry Desmarest,
- Jürgen Dormann,
- Jean-René Fourtou,
- Serge Kampf, and
- Lindsay Owen-Jones.

Integrating the terms of the Sarbanes-Oxley Act

As a company publicly traded in the U.S., sanofi-aventis must comply with the provision of article 404 of the Sarbanes-Oxley Act and assess the effectiveness of the internal control structure and procedures for financial reporting. These obligations came into force for the first time in 2006 for non-U.S. companies. A structured approach based on risk analysis was defined and piloted by a central team and has subsequently been implemented in all the Group's activities. As of December 31st 2006, on the strength of the work accomplished, the Group can show that the terms of the U.S. legislation are respected and confirm that the internal control structures and procedures for financial reporting are effective. This compliance demonstrates the Group's commitment to continuously improve its internal control structures and procedures for financial reporting and to guarantee the reliability of its accounting system.

The Compensation, Appointments and Governance Committee comprises six Directors, of whom four are independent. It issues recommendations and proposals concerning the various forms of compensation paid to corporate officers and the appointment of new Directors, and ensures the implementation of structures and procedures permitting

the application of good corporate governance practice within the Group. Finally, it implements the procedure for appraising the Board of Directors. A first appraisal was performed in 2006, the corresponding report being communicated during the meeting of the Board of Directors held on February 12th 2007. In 2006, the committee met twice.



As of January 1st 2007, Gérard Le Fur was appointed Chief Executive Officer, Jean-François Dehecq continues to serve as Chairman of the Board of Directors

Composition of the Board of Directors

The Board of Directors comprises 17 Directors, of whom 9 are independent. An independent Director is one who has no association whatsoever with the Company, the Group, or its management likely to compromise the free exercise of his or her judgment. The Board of Directors is responsible for drawing up the list of its members meeting these criteria. Directors are appointed for a period of four years, renewable on a rolling basis. The number of members older than 70 years of age cannot exceed a third of the serving Directors. According to the Group's by-laws, each Director must personally own at least one share of the Company throughout his term of office.

Jean-François Dehecq,

Chairman of the Board of Directors as of January 1st 2007.
Chairman and Chief Executive Officer until December 31st 2006.
Director
First elected: May 1999
Term expires: 2008
67 years.

Gérard Le Fur

Chief Executive Officer as of January 1st 2007.
Senior Executive Vice-President until December 31st 2006.
Director
First elected: May 2006
Term expires: 2010
56 years.

Jürgen Dormann

Vice Chairman
Independent Director
First elected: August 2004
Term expires: 2008
67 years.

René Barbier de La Serre

Independent Director
First elected: May 1999
Term expires: 2008
66 years

Jean-Marc Bruel

Independent Director
First elected: August 2004
Term expires: 2008
71 years

Robert Castaigne

Independent Director
First elected: February 2000
Term expires: 2008
60 years

Thierry Desmarest

Director
First elected: February 2000
Term expires: 2008
61 years

Lord Douro

Independent Director
First elected: May 2002
Term expires: 2010
61 years

Jean-René Fourtou

Independent Director
First elected: August 2004
Term expires: 2008
67 years

Serge Kampf

Independent Director
First elected: August 2004
Term expires: 2008
72 years

Igor Landau

Director
First elected: August 2004
Term expires: 2008
62 years

Hubert Markl

Independent Director
First elected: August 2004
Term expires: 2008
68 years

Christian Mulliez

Director
First elected: June 2004
Term expires: 2008
46 years

Lindsay Owen-Jones

Director
First elected: May 1999
Term expires: 2008
61 years

Klaus Pohle

Independent Director
First elected: August 2004
Term expires: 2008
69 years

Gérard Van Kemmel

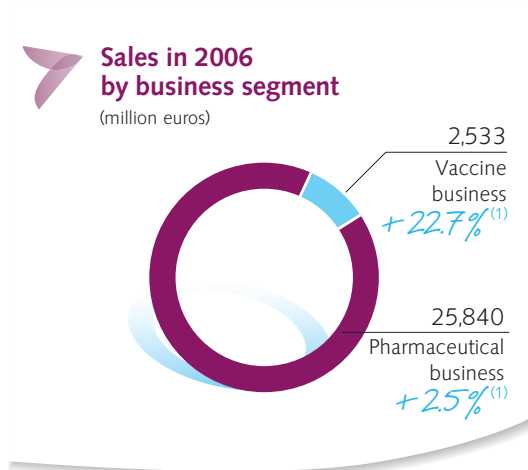
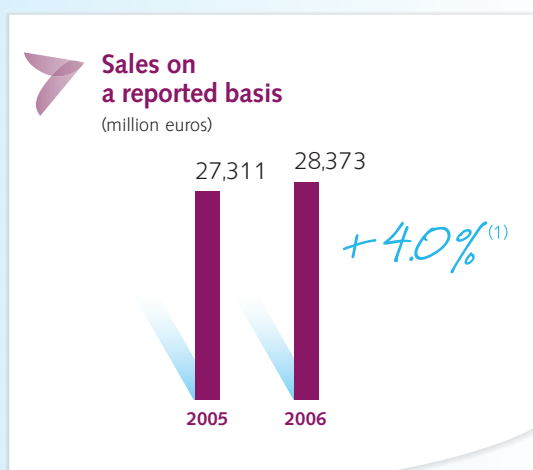
Independent Director
First elected: May 2003
Term expires: 2007
67 years

Bruno Weymuller

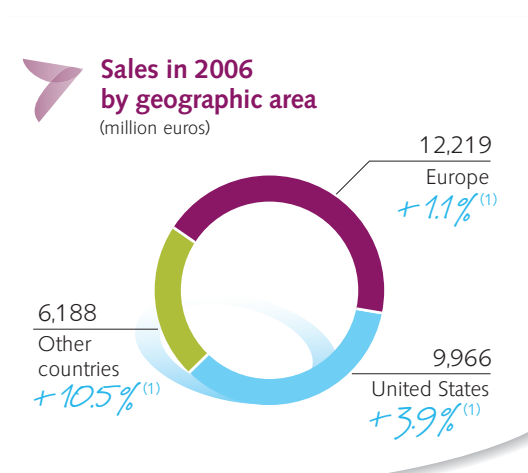
Director
First elected: May 1999
Term expires: 2008
58 years

Key Figures 2006

SALES

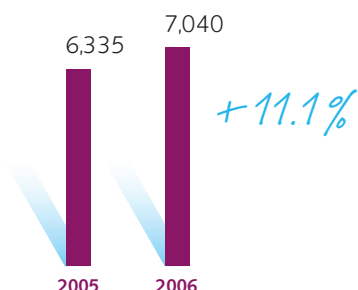


(1) Changes in sales figures on a comparable basis: excluding the impact of variations in exchange rate and modifications of group structure (including acquisitions or divestments of capital holdings, acquisitions or divestments of product rights and changes in consolidation methods).

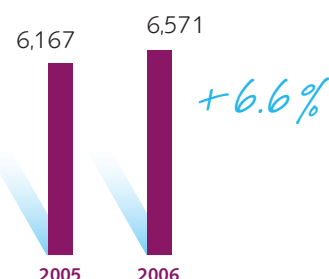


NET PROFIT IN 2006

Adjusted net income⁽¹⁾ (million euros)



Adjusted net income⁽¹⁾ excluding selected items⁽²⁾ (million euros)



(1) The adjusted net income. This is defined as consolidated net income determined under IFRS, adjusted to exclude the material impacts of the application of purchase accounting to acquisitions (primarily the acquisition of Aventis) and certain restructuring costs associated with acquisitions. Sanofi-aventis believes that excluding these non-cash charges will enhance understanding of the Group's underlying economic performance.

The purchase-accounting effects on net income primarily relate to:

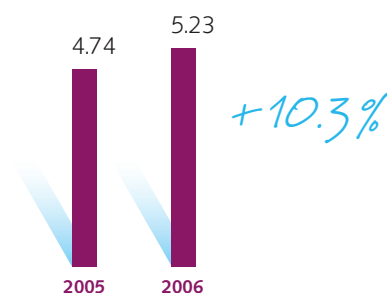
- Charges resulting from the workdown of acquired Aventis inventory, net of tax;
- Amortization and impairment charges related to intangible assets, net of tax;
- Charges related to the impairment of the goodwill.

Sanofi-aventis also eliminates from the adjusted net income integration and restructuring costs, net of tax applying specifically to the acquisition of Aventis.

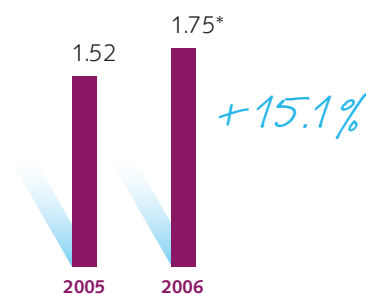
(2) Trends in selected adjusted income statement items

Million euros (after tax)	2006	2005
Restructuring costs	(122)	(17)
Net gains/(losses) on disposals	553	135
Provisions for financial instruments, litigation, tax inspections and other items	38	50
Total (after tax)	469	168

Adjusted net earnings per share (euros)



Dividend (per share, euros)



* Dividend for the financial year 2006 to be proposed for approval at the Annual General Meeting on May 31st 2007.

PHARMACEUTICAL BUSINESS

Sales generated by the top 15 prescription pharmaceuticals in 2006: 17,289 million euros (+6.4%)(1)

(million euros)	Europe	Change on a comparable basis ⁽¹⁾	United States	Change on a comparable basis ⁽¹⁾	Other countries	Change on a comparable basis ⁽¹⁾
Lovenox®/Clexane®	689	+6.5%	1,502	+16.0%	244	+13.5%
Plavix®/Iscover®	1,617	+9.5%	156	-26.1%	456	+32.2%
Stilnox®/Ambien®/Ambien CR™	95	-12.0%	1,838	+38.1%	93	+14.8%
Taxotere®	714	+14.2%	708	+1.0%	330	+13.8%
Eloxatin®	564	+3.7%	965	+7.3%	164	+29.1%
Lantus®	520	+26.5%	1,006	+39.7%	140	+62.8%
Copaxone®	279	+20.8%	733	+17.5%	57	+9.6%
Aprovel®/Avapro®/Karvea®	808	+11.4%	-	-	207	+21.1%
Delix®/Tritace®/Triatec®	509	-11.5%	16	+100.0%	452	+2.0%
Allegra®	51	-1.9%	384	-62.7%	253	-11.2%
Amaryl®	174	-31.5%	15	-91.9%	262	+10.1%
Xatral®	210	-10.3%	92	+73.6%	51	+21.4%
Actonel®	242	+3.4%	-	-	109	+14.7%
Depakine®	210	-10.3%	-	-	91	+8.3%
Nasacort®	41	+7.9%	214	-0.5%	28	0.0%

(1) Changes in sales figures on a comparable basis: excluding the impact of variations in exchange rate and modifications of group structure (including acquisitions or divestments of capital holdings, acquisitions or divestments of product rights and changes in consolidation methods).

VACCINE BUSINESS

Sales generated
by Vaccine type in 2006: 2,533 million euros (+ 22.7%)

(million euros)	Sales in 2006	Change on a comparable basis
Polio/Whooping cough/Hib vaccines	633	+18.5%
Adult Booster Vaccines	337	+23.4%
Influenza Vaccines	835	+27.5%
Travel Vaccines	239	+34.3%
Meningitis/Pneumonia Vaccines	310	+22.0%
Other Vaccines	179	+5.3%
Total	2,533	+22.7%

R&D EXPENDITURE IN 2006

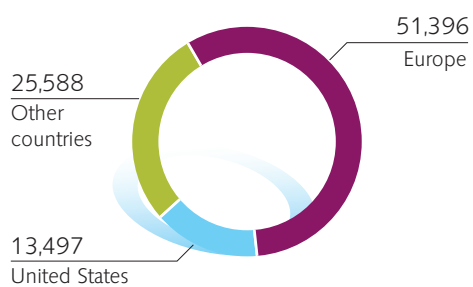
4.4 bn€

+9.5%
relative to 2005

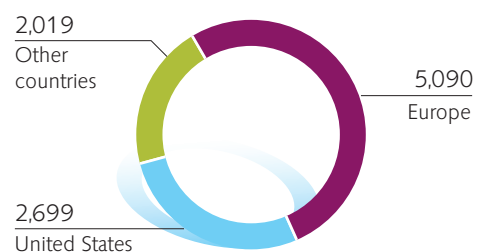
Corresponding to
15.6%
of sales

EMPLOYEES

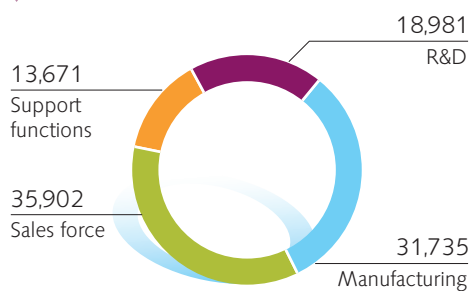
Pharmaceutical sector employees by geographic area



Vaccine sector employees by geographic area



Employees by function



TOTAL EMPLOYEES WORLDWIDE

100,000

Strategy

Sanofi-aventis is dedicated to the discovery, development and manufacture of innovative, effective and well-tolerated medicines and making these available to physicians and their patients.

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Christian Congy, Francis Barth,
Murielle Rinaldi-Carmona and Serge Martinez
(from left to right) in Montpellier, four members of the team responsible
for the cannabinoid program leading to the discovery of rimonabant (in 1993).

Research and Development

Addressing major healthcare needs

Sanofi-aventis' R&D ambition is to provide patients with effective and well-tolerated medicines and vaccines, as rapidly as possible, in those therapeutic areas where there are major healthcare needs.



Sanofi-aventis focuses on fast-growing therapeutic areas which present crucial public health challenges. These areas represent the leading causes of mortality worldwide: thrombosis and cardiovascular disease, metabolic disorders, cancer, internal medicine, central nervous system disorders, and infectious diseases. With regard to these therapeutic areas, the Group has a dual approach which

is both curative through the development of new medicines or new indications, and preventative, with the design and development of innovative vaccines. With 18,981 Research and Development staff, and investments that rose by 9.5% in 2006, sanofi-aventis now has one of the most fertile and innovative R&D portfolios in the pharmaceutical industry, including 125 compounds and vaccines in development, of which 46 are in Phases IIb or III of clinical development. To develop innovative treatments, offering patients real benefits in complex diseases, such as diabetes, cancer and Alzheimer's disease... Sanofi-aventis R&D teams employ a variety of pharmacological and scientific approaches which culminate in major therapeutic advances. Today, 30 to 40% of the sanofi-aventis R&D portfolio comprises "first in class" compounds which, as far as the Group is aware have mechanisms of action that have no equivalent among products which are currently on the market or in development.

Vaccination against influenza: considerable potential

Worldwide demand for influenza vaccines is expected to continue to progress substantially within the coming years. Some countries have lowered the threshold age for vaccination against seasonal influenza to 50 years, while others (in particular, the U.S. and Mexico) recommend vaccination of children aged between 0 and 5 years. In addition, vaccination coverage is still very limited in certain regions. Whereas 70% of elderly people are immunized in the U.S. and Europe, only 20 million Chinese and a very small proportion of the Indian population are vaccinated each year.

125
Number of compounds
and vaccines in development

R&D staff and number of sites:
18,981
employees on 29 sites
(26 in the Pharmaceutical sector
and 3 in the Vaccine sector)

R&D budget:
4.4
billion euros

The Group's R&D teams are also striving to improve the formulation of existing medicines. Parallel research strategies are therefore focusing on the development of new therapeutic indications and new pharmaceutical formulations. Research scientists are employing a broad range of techniques, including molecular, pathophysiological and exploratory approaches. Lastly, biotechnologies, genomics and proteomics represent promising avenues for the future. In 2006, sanofi-aventis strengthened its presence in the biotechnology area, particularly through an agreement with Innogenetics and Inserm (through its affiliate Inserm Transfert) for a two-year joint project in Alzheimer's disease.

Yet another important aspect of Research and Development is the implementation of Life Cycle Management programs. Approximately 30% of the clinical studies undertaken by sanofi-aventis teams are designed to identify and validate new indications for products in the Group's portfolio.



Two questions for Marc Cluzel, Senior Vice President, Scientific and Medical Operations

What is your vision for pharmaceutical research?

"We are convinced that a pharmaceutical company cannot base its success on a single drug. That is why our vision focuses instead on a therapeutic class as a whole. Improving public health means providing both clinical and economic benefits, with systematic consideration of the patient as a whole and the full range of his or her health concerns. The most recent example of this is the concept of cardiometabolism. There are clearly multiple pathophysiological links between comorbidities and various risk factors such as hypercholesterolemia, hypertension and diabetes, necessitating new therapeutic strategies such as Acomplia®."

How can innovation and creativity be maintained in a global Group structure?

"Most pharmaceutical companies have opted for vertical integration, by therapeutic area. Conversely, we believe that it is very difficult to foresee at the start of a research program what the ultimate application of a new compound might be. We therefore strive to foster a spirit of sharing expertise within our teams and to work according to project lines, increasing delegation of responsibility. The same project teams, composed of pharmacologists, clinicians, chemists, toxicologists, regulatory affairs and marketing specialists, etc., are responsible for the development of a new product, right up to approval of its final indication. We believe this is a good way of enabling each person to contribute to innovation."

125 compounds development in

and vaccines under 2006

➤ **18**
new chemical entities and vaccines
could be submitted for registration
in 2007 and 2008

➤ **46 products**
in Phase IIb or III, representing
a progression of 25%

Sanofi-aventis considers its R&D portfolio to be one of the most innovative and extensive in the industry. Well balanced between the various therapeutic areas, it is particularly strong in both oncology and disorders of the central nervous system. In the latter area, there are substantial needs to combat neurodegenerative disorders, dementia and psychosis. Cardiometabolism and thrombosis remain major focuses of research and development within sanofi-aventis.



A balanced portfolio

With 67 products in the Preclinical Phase and Phase I, and 46 products in Phases IIb and III (compared to 35 in 2005, i.e. a 25% increase), the Group's R&D portfolio constitutes a major source of compounds in the early phases of development and also includes an increasing number of drug candidates.

	Preclinical development	Clinical development				Total
		Phase I	Phase IIa	Phase IIb	Phase III	
Thrombosis	3	1	0	3	2	9
Cardiovascular	2	5	1	4	1	13
Metabolic Disorders	2	1	2	4	0	9
Oncology	7	4	1	0	6	18
Central Nervous System	8	8	1	4	6	27
Internal Medicine	9	5	5	4	2	25
Vaccines	7	5	2	2	8	24
Total	38	29	12	21	25	125

Portfolio of medicinal products and vaccines as of February 13th 2007

Preclinical development Clinical development

Objective: To improve the properties and activity of the lead compounds identified by research and to select the most promising and active of these for testing in humans.

To evaluate candidate compounds in humans

- **Phase I:** Assessment of their safety in healthy volunteers.
- **Phase II:** Assessment of their efficacy in patients and determination of the optimal dosage regimen.
- **Phase III:** Assessment of their efficacy and safety in a large number of patients compared with current reference treatments.

Development of the Group's vaccine portfolio in 2006

A global leader in the vaccine business, sanofi pasteur reaffirmed the effectiveness of its research programs in 2006, with the demand for vaccines continuing to grow worldwide.



With 24 vaccines in development, including 12 in Phases II and III, sanofi pasteur's portfolio is both extensive and well balanced. It includes innovative vaccines and combination vaccines, as well as products generated by life cycle management and range extension programs.

PEDIATRIC VACCINATION

An application to license the vaccine in the U.S. market was submitted in 2005 for Pentacel®, a pentavalent pediatric vaccine

requiring a smaller number of injections for immunization. Over 7,000 children participated in clinical studies on this vaccine. The Consultative Committee of the FDA voted unanimously in favor of granting it a product license. If Pentacel® is approved, it will be the first pediatric vaccine association in the U.S. to protect against tetanus, diphtheria, whooping cough, polio and *Haemophilus influenzae* type b.

One of the major objectives, with regard to pediatric vaccination, is to make vaccines available to countries in the international zone to help eradicate polio, some cases of which are linked with the use of oral polio vaccines (OPV). Another objective is to provide increasingly better tolerated vaccines. Sanofi pasteur has therefore invested heavily in various penta and hexavalent combination vaccines based on acellular whooping cough antigen and inactivated polio vaccine (IPV), in accordance with the highest standards.

A partnership to combat dengue fever

Dengue fever represents a threat to over 2.5 billion inhabitants of tropical and subtropical regions, and 50 to 100 million cases are declared every year. Sanofi pasteur's principal vaccine candidate has now entered Phase II, with large-scale clinical trials ongoing in adults in the U.S. and in adults and children in Latin America, Asia and the Pacific region. In 2006, with a view to achieving further progress and accelerating use of this vaccine in the infant populations of endemic zones, sanofi pasteur entered into a partnership with the Initiative for a Pediatric Dengue Fever Vaccine Initiative (PDVI), one of the programs of the International Vaccination Initiative financed by the Bill & Melinda Gates Foundation.

12

projects are in Phases II and III of clinical investigation

4

new products entered clinical development programs in 2006

28,000

subjects participated in development studies

150

new product licenses were obtained worldwide in 2006

INFLUENZA

Leader in the development of influenza vaccines, sanofi pasteur, in partnership with Becton Dickinson, has created a research program to develop a new mode of administration of the influenza vaccine by micro-injection. The proof-of-concept for this mode of administration was demonstrated and Phase III clinical trials began in 2006. Micro-injection offers easier administration and is clinically effective and more readily acceptable by patients. It should lead to better overall efficacy of influenza vaccination campaigns.

PNEUMOCOCCAL INFECTIONS

Streptococcus pneumoniae is the principal agent responsible for infections such as meningitis, pneumonia, septicemia and otitis which together account for three million deaths annually worldwide. To combat these pneumococcal infections, sanofi pasteur's R&D teams are currently exploring two avenues: conjugated vaccines and protein vaccines. The latter, highly innovative approach has entered clinical development. A Phase I study is now under way.



Two questions for Michel DeWilde, Senior Vice President Research & Development, sanofi pasteur

The threat of a pandemic caused by the H5N1 virus was one of the major concerns in 2006. How are you preparing to confront this threat?

"We have several development projects under way. A first-generation vaccine has been approved in the U.S. and we will submit a marketing authorization application to the EMEA before the summer of 2007. Our main objective today is to reduce the doses injected, so as to be able to produce this vaccine on a very large scale and very quickly."

In which areas are you working with regard to pediatric vaccinations?

"One of the trends, especially in the U.S., is to reduce the number of injections. By working on combination vaccines, we are striving to meet this demand and thereby achieve improved immunization of the population through increased vaccination coverage. However, the dates and needs of vaccination campaigns vary from continent to continent and even from country to country and we are tailoring our efforts to these specific needs. Besides combination vaccines, we are targeting meningitis B and pneumococcal diseases."

Pharmaceutical Operations

2006 - a challenging year

A rapid and highly focused reaction

Despite the difficult context for pharmaceutical activities in France, in Germany and in the U.S., the Group demonstrated a high level of reactivity and continued to progress internationally. In the vaccine sector, excellent performance levels were achieved worldwide in 2006.

A TURBULENT MARKET FOR PHARMACEUTICAL PRODUCTS

For the third consecutive year, the pharmaceutical market registered a slowing of worldwide growth in 2006. It nevertheless continued to progress overall by 6 to 7%, showing particularly strong growth in certain areas such as the Asia/Pacific region and South America. In the U.S., where an increase in market growth might have been expected in view of the expansion of social security coverage, growth in fact slowed during the first half of the year. In France and Germany, the stringent measures designed to reduce healthcare expenditure had

substantial repercussions on the market. In Japan, the year 2006 saw a decrease in the prices of pharmaceutical products. For sanofi-aventis, two unfavorable factors were particularly important. The "at risk" launch of a generic form of Plavix® in the U.S. had a considerable impact on the Group's profits in this market. Furthermore, sanofi-aventis was more vulnerable than other pharmaceutical companies to the effects of government measures intended to limit healthcare expenditure in France and Germany, due to its long-standing presence in these markets.

The Group reacted rapidly and precisely to these events, by reducing the number of its employees in France, Germany and the U.S., and by adjusting its investments in favor of high-growth countries in the Asia-Pacific region and in South America. In the U.S., the Group continued to develop Ambien® and Lantus®. The effects of these measures became apparent in the second half of 2006, with a renewal of the North American market.





Two questions for Hanspeter Spek, Executive Vice President Pharmaceutical Operations

What is your analysis of the good results achieved in the BRIC countries?

"They confirm that our strategy is the right one, both economically and ethically. As an industrial company, we cannot avoid our ethical responsibilities and ignore these markets. From the economic point of view, these markets clearly represent key sources of growth for our company both today and, to an even greater extent, in the future."

How have recent changes affected our relationships with our clients?

"Cost containment measures affecting the health care sector in the majority of European countries and in the U.S. have had numerous repercussions. 'Managed care' organizations, the expanding roles of national health insurance schemes, medical specialists, hospitals and pharmacists, and the strict application of treatment guidelines, have together created a new model for our industry. It is now up to us to adapt our way of working accordingly through our marketing and sales teams."



Europe: Gardasil®, a major therapeutic advance for cervical cancer

In Europe, vaccines are marketed by Sanofi Pasteur MSD, a joint venture equally owned by sanofi pasteur and Merck & Co. In 2006, the sales of Sanofi Pasteur MSD reached 724 million euros. The highlight of the year was the launch in European markets of Gardasil®, the first vaccine in the world for the prevention of cervical cancer, which affects 120 million women worldwide. Gardasil® represents a major advance in the prevention of cervical cancer, and meets a crucial public health need. The HPV vaccine is a product of Merck Research and Gardasil® is a trade mark of Merck & Co.

An extensive portfolio enabling us to achieve good our social responsibility

Sanofi-aventis has an extensive portfolio of innovative pharmaceutical products, vaccines, mature prescription medicines, OTC products and pharmaceutical products proposed at tiered prices. This portfolio is the basis for the development of sanofi-aventis and for the Group's contribution to the implementation of healthcare policies worldwide.

Vaccines – vigorous international growth

In 2006, sanofi pasteur, the Group's Vaccines division, achieved significant sales growth in all its business units, boosted in particular by the successful launches of Menactra® and Adacel® in the U.S. The robust sales of pediatric vaccines, the results of seasonal influenza vaccination campaigns and the agreements entered into with several governments for pre-pandemic influenza vaccines also contributed to this good performance in 2006.

Drugs no longer protected by patents at tiered prices

In this sector, sanofi-aventis confirmed in 2006 its strategy of maintaining its presence by a targeted approach through its Winthrop brands, notably in France, Germany, Italy and the UK. Thanks to Winthrop, the Group is contributing both to wider access to medicines in emerging countries (e.g. Mexico and South Africa) and to containment of healthcare costs in Northern Hemisphere countries. In addition, in March 2006, the Group became the reference shareholder in Zentiva, a company specialized in the development, production and marketing of tiered-price medicines, operating mainly in Eastern Europe where it has a strong position.

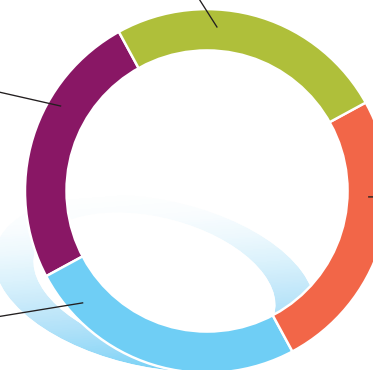
results while respecting

Innovative prescription pharmaceuticals: a major launch in 2006

The year 2006 saw the launch of a major innovation: Acomplia® (rimonabant), which was approved in Europe in June and subsequently marketed in Germany, the United Kingdom and other European countries, as well as in Latin America. In the U.S., the NDA for this product is currently under review by the Food and Drug Administration (FDA). Acomplia® has been favorably received by specialists in diabetes and cardiologists, as well as by primary care physicians. The innovative aspect of Acomplia® has been widely acknowledged, as physicians in both the U.K. and Germany are now using the product to target obese or overweight patients with concomitant cardiometabolic risk factors.

Mature prescription medicines and consumer health (OTC) products – a solid foundation

These products, accounting for approximately a third of the Group's sales worldwide (with a wide variation between different geographic regions) provide a solid basis for our activity and performed well in 2006. In the Southern Hemisphere, they represent over 40% of our business and allow us to propose medicines at tiered prices for these markets, with appropriate marketing support.



Industrial Affairs

An industrial infrastructure at the service of performance



Sanofi-aventis has chosen to integrate its manufacturing processes. This strategy enables the company to anticipate changes in the sector, while maintaining control of the quality of its products and the reliability of its supplies from start to finish.

THE CHOICE OF INTEGRATION

Sanofi-aventis now has one of the largest industrial infrastructures in the pharmaceutical industry, with more than 130 sites worldwide and over 30,000 employees engaged in the production of its active ingredients and the manufacture, packaging and distribution of its pharmaceutical products and vaccines. This integrated manufacturing chain constitutes a real strength which underpins the growth of the Group and enables it to anticipate product launches and re-launches.

RE-INTEGRATION AND TRANSFERS

Since 2004, the Group has initiated the re-integration into its industrial facilities of processes which had formerly been contracted out. In addition, to bring its facilities into closer proximity to the markets they serve, the Group initiated a site-to-site transfer program in 2005. This strategy was pursued in 2006. In Latin America, there are four main industrial poles: Brazil, Mexico and Venezuela now function as hubs for Central America, while Colombia

is the hub for generics. In Africa, industrial projects are distributed between North Africa, Egypt (the hub for Near Eastern and Middle Eastern markets), Senegal and South Africa.

MANAGING INDUSTRIAL CAPACITY ON A WORLDWIDE SCALE

Several factors have contributed to the optimization of the Group's industrial infrastructure. Sanofi-aventis has diversified its supplies by allocating the manufacture of a particular drug to several facilities, each producing for specific markets and functioning at less than full capacity. The aim of this strategy is to avoid any capacity-related problems and to be able to cope with a sudden increase in demand. Finally, the production of generics and third-party contract manufacturing contribute to volume maintenance and development.



Two questions for Gilles Lhernould, Senior Vice President Industrial Affairs

Doesn't integrating production result in a loss of flexibility?

"It did not prevent us from being highly reactive in 2006. The decision not to contract out our manufacturing processes also gives us total control over the quality and traceability of our products. In an unstable context, with a strong pressure on costs, it enables us to guarantee the quality of the medicines we market, since they are produced in our own factories."

Medicine counterfeiting is increasing at an alarming rate. How are you reacting to this problem from an industrial standpoint?

"By systematically taking this factor into account when we launch our major products. With regard to Acomplia®, for example, specific efforts were focused on the packaging to combat counterfeit medicines."



Producing for Southern Hemisphere countries

Within the framework of its policy of facilitating access to medicines, the Group has decided to concentrate certain types of manufacturing in Southern Hemisphere countries, thereby not only ensuring closer proximity between manufacturing and markets, but also maintaining industrial employment in the countries concerned. In accordance with this principle, all anti-malaria agents will henceforth be produced in Morocco and Senegal. In 2006, the Group decided to concentrate in South Africa, on the Waltloo site, the entire production of its anti-tuberculosis agents, which until then had been distributed between three sites. Finally, its anti-leishmaniasis agent will be produced from now on solely in Brazil and exported, allowing for implementation of a tiered price strategy.

Major therapeutic areas

Find out more about the medicines and vaccines we offer today and plan to offer in the near future, in each of our areas of expertise: Thrombosis, Cardiovascular diseases, Metabolic diseases, Oncology, Central nervous system disorders, Internal medicine and Vaccines.

- p. 28 Thrombosis
- p. 34 Cardiovascular diseases
- p. 40 Metabolic disorders
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- p. 58 Internal Medicine
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M. Yutaka Sato,
Medical Representative
in Tokyo.

Thrombosis

*One of the main causes
of mortality worldwide*

➤ **4 million**
people worldwide
suffer from venous thrombosis

➤ **17 million**
people suffer from disorders
caused by atherothrombosis

Thrombotic diseases, in their venous or arterial forms, today represent one of the principal causes of mortality worldwide.

Deep-vein thrombosis (DVT, still also known as phlebitis) and its complication, pulmonary embolism (PE), are responsible for more deaths in Europe every year than breast cancer, prostate cancer, HIV infection and road accidents combined.

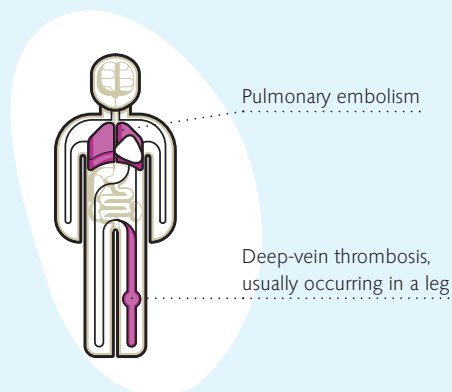
An estimated 1.5 million Europeans are affected by this disease annually and over 500,000 die as a result.

Atherothrombosis is an underlying cause of myocardial infarction, stroke and peripheral arterial disease. Over 20 million deaths from myocardial infarction and stroke are expected in 2020 and more than 24 million in 2030. Today, one man in four and one woman in three still die as a result of their first infarction, even in countries with the highest levels of healthcare.

Venous thrombosis

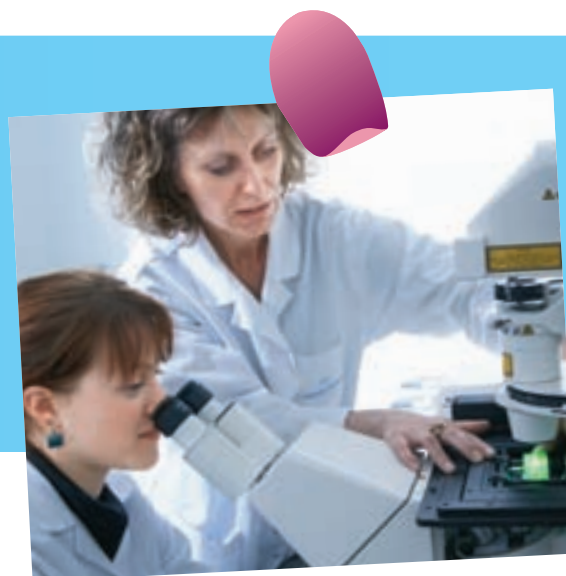
Venous thrombosis occurs when a blood clot forms in one of the deep veins of the legs. The likelihood of its occurrence is increased by prolonged bed rest, heart failure, certain types of tumor and reduced mobility. In the absence of treatment, the clot may migrate and cause pulmonary embolism, an often fatal condition. A third of deep-vein thrombosis cases occur outside hospital.

➤ **4 million**
people affected worldwide



Our therapeutic responses today

Approximately 185 million patients in 96 countries have been treated with Lovenox®/Clexane® since its introduction in 1987. This product is approved for more clinical indications than any other low-molecular-weight heparin.



Sales of

2,435 m€

in 2006

+ 12.9%

on a comparable basis

➤ Lovenox®/Clexane®

Sodium enoxaparin

Lovenox® is the most extensively studied and most widely used low-molecular-weight heparin in the world. Numerous studies have demonstrated its advantages with regard to treating or significantly reducing the incidence of deep-vein thrombosis in a broad spectrum of patients, as well as in effectively preventing, in conjunction with other treatments, the ischemic complications of unstable angina and myocardial infarction. The year 2007 will see the initiation or the results of several trials:

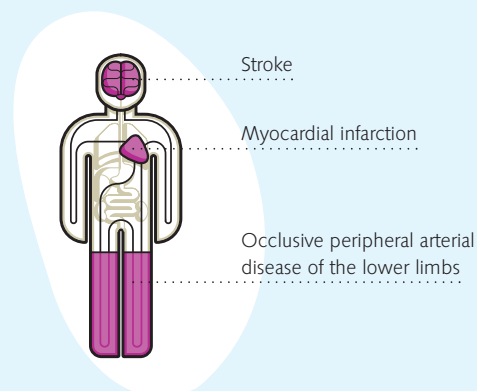
- the PREVAIL trial showed that in the medical context, Lovenox® is more effective than unfractionated heparin in preventing venous thrombosis in patients presenting with acute stroke;
- the year 2007 should see the results of the EXCLAIM trial, assessing the benefit of a 28-day prophylactic treatment with Lovenox® (compared to that of a treatment lasting 6 to 14 days) in patients presenting risk factors for thrombosis and suffering from various medical conditions resulting in a temporary reduction in their mobility;
- the STEEPLE trial, published in the New England Journal of Medicine, showed that in the prevention of arterial thrombosis, Lovenox® is associated with fewer major hemorrhages and more predictable levels of anticoagulation than the standard treatment in patients having undergone a percutaneous coronary intervention;
- the EXTRACT trial, also published in the New England Journal of Medicine, demonstrated the superiority of Lovenox® over unfractionated heparin in patients suffering from myocardial infarction and receiving thrombolytic treatment. In early 2007, these results formed the basis for a new drug application, in the U.S. and in Europe, for the treatment of acute myocardial infarction.

Atherothrombosis

Acute coronary syndrome, myocardial infarction, stroke, transient ischemic attack and peripheral arterial disease are all expressions of a single disease: atherothrombosis, itself a consequence of atherosclerosis. Atherosclerosis results from the thickening and hardening of the arterial wall due to accumulation of fat and calcium deposits in the form of a plaque. When the atherothrombotic plaque cracks or ruptures, a clot forms in the damaged artery, reducing blood flow or even totally blocking the vessel: this condition is known as atherothrombosis.

➤ *one disease,
several forms*

➤ *17 million*
people suffer from disorders
of atherothrombotic origin



Our therapeutic responses today

Over 52 million patients worldwide have been treated with Plavix®/Iscover® since its launch. On May 9th 2006, Plavix® was launched in Japan.



Sales of

2,229 m€
in 2006

+9.6%

on a comparable basis

Sales amounting to

4,584 m€
worldwide*

➤ Plavix®/Iscover®

Clopidogrel

Plavix®, is an antiplatelet agent acting as an adenosine diphosphate receptor antagonist. It is indicated for the long-term prevention of atherothrombotic events in patients with a recent history of myocardial infarction or stroke, or in patients presenting documented peripheral arterial disease.

Plavix® is currently the only drug indicated for the secondary prevention of atherothrombosis, irrespective of the location of the arteries initially affected (heart, brain or lower limbs), on the basis of the results of the CAPRIE trial demonstrating the superior efficacy of Plavix® versus acetylsalicylic acid (ASA: the active ingredient of aspirin) with a comparable safety profile.

* See the Form 20-F 2006, page 82.



Plavix® is also indicated for the treatment of acute coronary syndrome (non-Q-wave myocardial infarction and unstable angina), in combination with aspirin, based on the crucial results of the CURE trial. Finally, the findings of the CLARITY and COMMIT trials, published in 2006, led to approval of a new indication for Q-wave myocardial infarction in the U.S. and Europe.

The results of the CHARISMA study were presented at the American College of Cardiology (ACC) congress in March 2006. The objective of this study, with over 15,600 patients enrolled, was to demonstrate the clinical efficacy of Plavix®, in conjunction with a standard aspirin-based treatment, in patients presenting a high risk of an adverse cardiovascular event. The overall results of this study did not show any improvement in the benefit/risk ratio, but marked differences were seen in specific subgroups.



Several other clinical trials are ongoing with the objective of demonstrating the long-term value of Plavix®. The results of the CASPAR trial in patients treated after bypass surgery prompted by peripheral artery disease are expected in 2007. The findings of the ACTIVE trial, designed to establish the value of Plavix® in the prevention of thromboembolic events in patients with atrial fibrillation, are expected in 2008. The development of a pediatric indication is also ongoing with the Phase III trial CLARINET.

Finally, the CURRENT trial was initiated this year, with the objective of optimizing the dosage regimen of Plavix® in patients suffering from acute coronary syndrome and scheduled to undergo placement of a coronary stent.

The clinical program for Plavix® is one of the most extensive programs ever undertaken and will ultimately include more than 100,000 patients.

Our responses for tomorrow

The formation of a blood clot is a process in which the mechanisms of blood coagulation and platelet aggregation are closely entwined. In this area, sanofi-aventis' objective is to develop new products capable of specifically inhibiting the factors implicated in blood coagulation, in particular, factors Xa and IIa.

IDRAPARINUX SODIUM

Idraparinux sodium is a new selective and indirect inhibitor of coagulation factor Xa. It is **a synthetic, potent and long-acting anticoagulant**, permitting weekly subcutaneous administration. Three major clinical trials (VAN GOGH) were presented this year. In patients with acute asymptomatic deep-vein thrombosis, idraparinux was as effective as, and better tolerated than the reference treatment, combining a low-molecular-weight heparin (LMWH) and a vitamin K antagonist (VKA). Non-inferiority in terms of efficacy could not be demonstrated in patients presenting pulmonary embolism. Finally, with regard to the long-term prevention of pulmonary embolism or deep-vein thrombosis, in patients who had completed six months of treatment with idraparinux or a VKA, continuation of idraparinux treatment for a further six months led to a significant reduction in the relative risk of recurrence of venous thromboembolic events, associated with a low rate of major bleeding.



BIOTINYLATED IDRAPARINUX

Biotinylated idraparinux has the same structure as idraparinux except that it incorporates a biotin moiety acting as a "hook", permitting, if necessary, the rapid elimination of biotinylated idraparinux by its neutralizing agent. The design of the development program for this product incorporated the results obtained with idraparinux, including a bioequipotency study in patients suffering from DVT (EQUINOX) and an assessment of safety and efficacy in pulmonary embolism (CASSIOPEA). Finally, a clinical study evaluating biotinylated idraparinux in atrial fibrillation will be initiated in 2007.

SR123781

The targeted indications for SR123781 (a short-acting hexadecasaccharide) are **the treatment of acute coronary syndrome (ACS) and the prevention of deep-vein thrombosis (DVT)**. SR123781 contains two functional domains, one binding antithrombin, the other binding thrombin. This explains its dual anticoagulant activity through indirect inhibition of coagulation factors Xa and IIa. SR123781 is currently being investigated in patients undergoing total hip replacement surgery (the DRIVE study) and in patients with ACS without ST-segment elevation (the SHINE study). The results of these studies are expected during the second half of 2007.

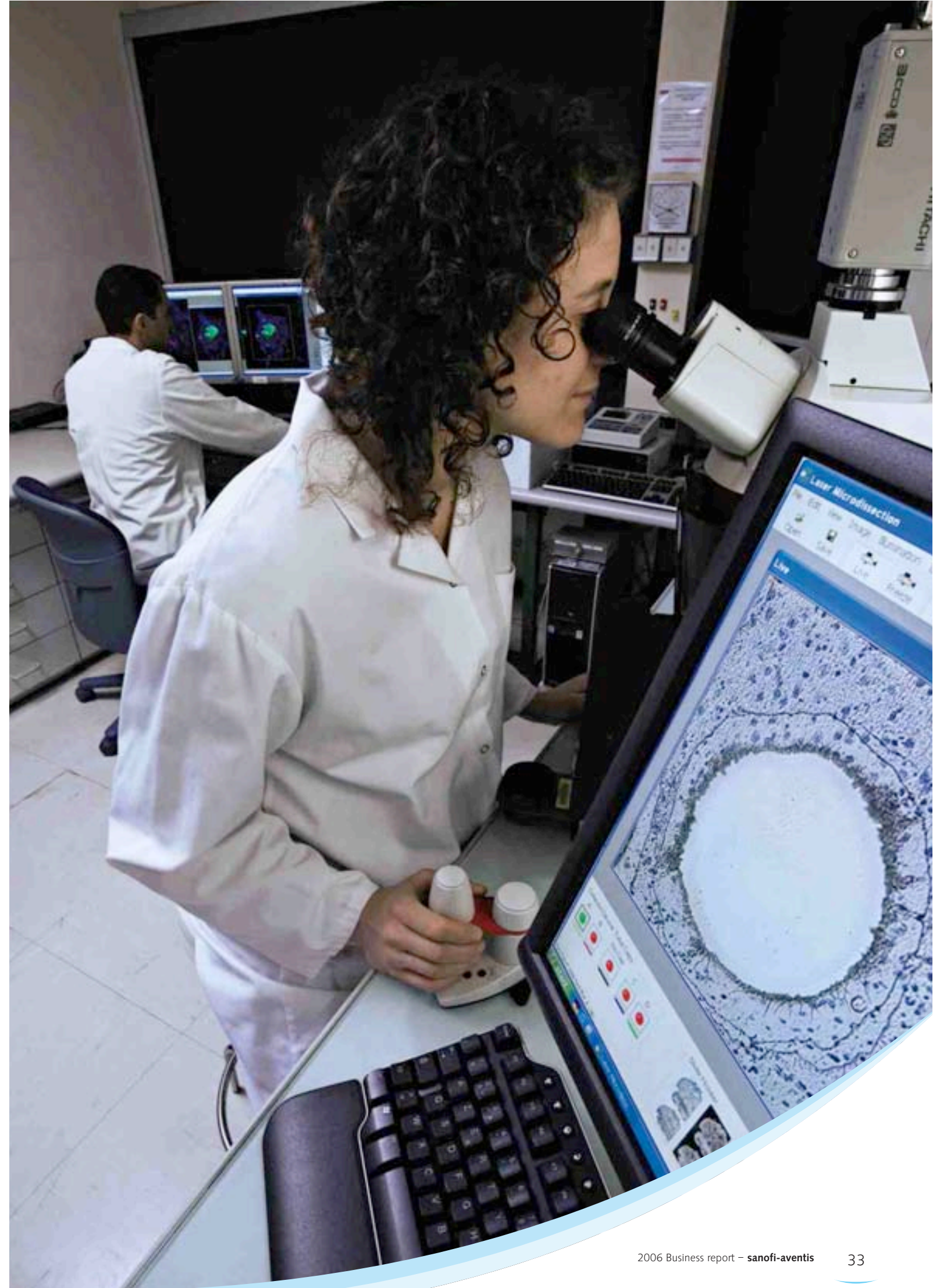
AVE5026

AVE5026 is a very low-molecular weight heparin, with a higher anti-factor Xa/antifactor IIa activity than low-molecular-weight heparins. The target indication of AVE5026, taken once daily, is **primary prevention of venous thromboembolic events in cancer patients**. The results of a Phase II study are expected in mid-2007.

OTAMIXABAN

Otamixaban is a direct selective inhibitor of factor Xa. This synthetic agent is designed for intravenous administration, at a dose adjusted according to the patient's weight. The principal indication is the treatment of acute coronary syndrome (ACS). The Phase IIa study SEPIA-PCI demonstrated a good safety profile for Otamixaban, together with its dose-dependent and predictable anticoagulant activity. Enrollment of patients in the Phase IIb SEPIA-ACS 1 study started in early 2007.

Discovery Research identifies the most relevant biological targets in terms of therapeutic innovation and makes full use of available biological and chemical approaches to discover new drug candidates which it then proposes for development.



Cardiovascular Diseases

*The leading cause of invalidity
and premature death*



The cause of

30%

of human deaths



Progress in management
of these patients has led to
a decrease in risk factors

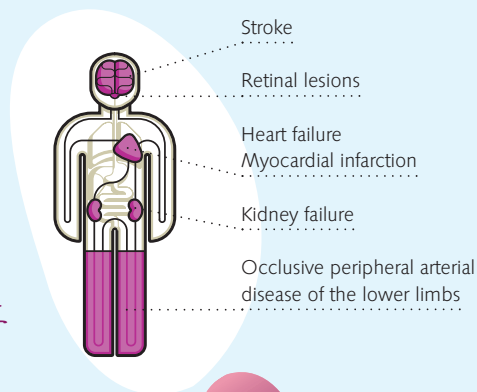
Worldwide, more than 17 million people die every year as a result of cardiovascular diseases. Exposure to tobacco smoke, hypercholesterolemia, diabetes, stress, a sedentary life style and ageing of the population are all factors favoring these diseases. Although developed countries are the most affected, a trend towards convergence of the rates of cardiovascular disease may be observed due to changes in life style throughout the world. Each year, 10 million cases of **myocardial infarction** are recorded worldwide, principally among men. Within 5 to 10 years after the menopause, however, women have the same risk of myocardial infarction as men. Cardiovascular diseases are the major cause of disability and premature death, especially among men. During the last 30 years, the progress made as a result of healthier lifestyles and the prescription of prophylactic treatments has led to a decrease in risk factors and consequently in morbidity and mortality rates.

Hypertension

Hypertension is the most common cardiovascular disease, affecting 25% of the population worldwide. A silent, asymptomatic disease, it presents a real public health problem in view of its numerous complications, affecting the brain, heart, vascular system, kidneys and eyes. Hypertension is defined by an increase in arterial blood pressure above the normal value of 140/90 mmHg. Even today, less than one-third of the patients treated for hypertension succeed in achieving the recommended blood pressure values.

➤ *Leading*
cardiovascular risk
factor

➤ Hypertension is defined as an
arterial blood pressure of
140/90 mmHg
or above



Our therapeutic responses today

Aprovel®/Avapro®, an angiotensin II receptor antagonist (AIIRA), is the leading treatment for hypertension, with documented renal protective effects.



Sales of
1,015 m€
in 2006

+13.3%
on a comparable basis

Sales amounting to
1,764 m€
worldwide*

Marketed in over
80 countries

➤ Aprovel®/Avapro®/Karvea®

Irbesartan

Aprovel® is indicated as a first-line treatment for hypertension. It is a member of the antihypertensive class showing the most vigorous growth: angiotensin II receptor antagonists (AIIRA). It acts by blocking the effect of angiotensin, the hormone responsible for the contraction of blood vessels, thereby permitting normalization of arterial blood pressure.

In addition to Aprovel®/Avapro®/Karvea®, sanofi-aventis markets CoAprovel®/Avalide®/Karvezide®, a fixed-dose combination of irbesartan and hydrochlorothiazide, a diuretic adding to the antihypertensive effect by increasing the excretion of water by the kidneys.

Aprovel® and Co-Aprovel® restore normal arterial blood pressure in over 80% of patients and are very well tolerated.

Aprovel® is also approved, in Europe and in the U.S., for the treatment of diabetic nephropathy in hypertensive patients suffering from type 2 diabetes.

* See the Form 20-F 2006, page 82.

In August 2006, the European Medicines Agency (EMA) approved a new fixed-dose combination comprising 300 mg irbesartan and 25 mg hydrochlorothiazide: CoAprovel® 300 mg/25 mg. With this new combination, the treatment of hypertensive patients can be optimized and the criteria for blood pressure normalization more effectively met.

Several studies are ongoing to demonstrate the protective effects of Aprovel® over and above its antihypertensive effect: **i-RESPOND** (the results of which are expected in 2007) is designed to study the metabolic effect of Aprovel® in hypertensive patients presenting a metabolic syndrome. **INVOLVE**, the results of which are expected in 2007, should permit assessment of the cardiovascular benefits of Aprovel®, **i-PRESERVE**, the results of which are expected at the end of 2007, will evaluate the benefits of Aprovel® in the treatment of diastolic heart failure. Finally, **ACTIVE-I** (initiated in 2003, with results expected in 2008) is investigating the efficacy of Aprovel® and clopidogrel (the active ingredient of Plavix®) in the prevention of vascular complications in patients presenting atrial fibrillation.



Tritace®/Triatec®/Delix®/Altace®

Ramipril

Tritace® is an angiotensin converting enzyme (ACE) inhibitor indicated for the treatment of hypertension, congestive heart failure resulting from myocardial infarction and nephropathy. Its use has increased considerably since the publication of the HOPE (Heart Outcomes Prevention Evaluation) trial in 2000. This study demonstrated the efficacy of Tritace® in reducing the incidence of stroke, myocardial infarction and cardiovascular mortality in high-risk patients.

Tritace® is the only ACE inhibitor approved for the prevention of stroke, heart attack and cardiovascular mortality in high-risk patients.

Although the results of the DREAM trial, published in 2006 in the New England Journal of Medicine, did not show a significant reduction in the onset of diabetes with Tritace® compared to placebo, they nevertheless demonstrated a significant positive effect of Tritace® with regard to the normalization of blood glucose levels in patients intolerant to glucose and/or presenting abnormal fasting blood glucose levels.

Tritace® is therefore a treatment worth considering for hypertensive patients with a high risk of developing diabetes.

Sales of

977 m€
in 2006

Apart from hereditary factors, sex and age, the principal risk factors for cardiovascular disease can be modified by simple lifestyle measures, in particular ceasing to smoke, consuming alcohol in moderation, controlling body weight, practicing a physical activity and adhering to a balanced diet.



OUR OTHER THERAPEUTIC RESPONSES

In numerous parts of the world, sanofi-aventis markets a very wide range of prescription pharmaceuticals in the cardiovascular area. Among diuretics, **Lasilix**® (furosemide) remains a reference product. With over 60 million units sold each year throughout the world, it is one of the sanofi-aventis products with the highest sales in terms of volume. **Cordarone**® (amiodarone), a valued antiarrhythmic agent, continues to progress steadily throughout the world 35 years after its market launch. **Tildiem**® (diltazem), permitting the treatment of both angina and hypertension, is marketed in 54 countries in Europe, Asia, Africa, the Middle East and Latin America. **Selectol**® (celiprolol), an antihypertensive agent, **Lipantor**® (ciprofibrate), a lipid-lowering agent and **Ikorel**® (nicorandil), an anti-anginal agent, are also performing well in several European markets.



Our therapeutic responses for tomorrow

Within the cardiovascular area, sanofi-aventis is continuing efforts to develop new therapeutic agents, particularly for cardiac rhythm disorders, one of its spheres of excellence.

DRONEDARONE

Multaq® (dronedarone) is a new antiarrhythmic agent, developed for **the prevention of atrial fibrillation**. Dronedarone is structurally related to amiodarone (currently marketed by sanofi-aventis), but does not contain an iodinated radical, a difference which should confer better tolerability. In patients suffering from atrial fibrillation, the phase III trials EURIDIS and ADONIS demonstrated the good efficacy and safety of dronedarone used as an antiarrhythmic. The ERATO trial showed the benefit of dronedarone treatment in the maintenance of ventricular rate. On the strength of these study results, a product license application for dronedarone was submitted to the European and U.S. health authorities.



When this application was not accepted in the U.S., sanofi-aventis withdrew its application to the European authority. The Group intends to resubmit this in the first half of 2008 at the same time as in the U.S., after completing the dossier with the data of the ATHENA trial.

The primary objective of the ATHENA study is to evaluate the efficacy of dronedarone in preventing hospitalization for cardiovascular events and all-cause mortality, and to establish its safety in a large population (4,630 patients included).

CELIVARONE

The Phase IIb study MAIA, conducted on 673 patients suffering from atrial fibrillation, evaluated the effect of several doses of Celivarone on the **maintenance of sinus rhythm**. This study showed a trend towards a decrease in the rate of recurrence of atrial fibrillation at the dose of 50 mg/day compared to placebo. It also demonstrated the good safety profile of the product at all dose levels tested. A further study is in preparation to evaluate lower doses.

XRP0038

XRP0038 is an injectable gene therapy using non-viral plasmid DNA (NV1FGF: non-viral fibroblast growth factor 1) designed **to stimulate angiogenesis in patients with peripheral arterial disease**. The encouraging results obtained in a Phase IIb study in patients suffering from critical lower limb ischemia were presented at the annual congress of the

American College of Cardiology in Atlanta, Georgia, U.S. In this study, recourse to amputation was delayed to a statistically significant extent in the group treated with XRP0038 compared to the placebo group. Entry of XRP0038 into Phase III is planned in the second quarter of 2007.

ILEPATRIL

Ilepatril (AVE7688) is an orally administered vasopeptidase inhibitor with antihypertensive properties. Its expected indications are **the treatment of hypertension and the treatment of diabetic nephropathy**. The efficacy and safety of Ilepatril in hypertension are being assessed in comparison to losartan in the ongoing Phase IIb study RAVEL1, with 1,700 patients enrolled.

SL650472

SL650472 is a 5-HT_{1B}/5-HT_{2A} antagonist developed for **the treatment of peripheral arterial disease**. In 2006, the MASCOT study was initiated to compare the efficacy and safety of SL650472 added to treatment with clopidogrel versus cilostazol in patients suffering from intermittent claudication (Fontaine stage II). This study is currently enrolling patients.

The role of preclinical development is to evaluate the properties and activity of the compounds identified by Research. The development teams study the biological effects of the products, their metabolic profile after administration and their safety, and also define a pharmaceutical formulation suitable for humans.



Metabolic disorders

Risk factors for cardiometabolic disease

Over
230 million
people worldwide suffer from diabetes

80 million
Americans present
a cardiometabolic risk factor

Over 230 million people in the world live with **diabetes** and more than 3 million die from its consequences every year.

Type 2 diabetes represents 90 to 95% of diabetes cases. The prevalence of type 1 diabetes, affecting young people in particular, is increasing at an alarming rate throughout the world, progressing by 3% annually.

Hypertension, raised levels of "bad cholesterol", abdominal obesity and inflammation are among the **risk factors for cardiometabolic disease**.

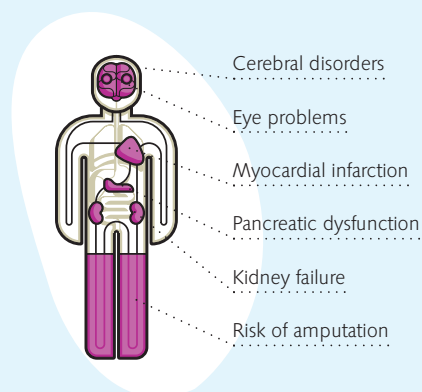
These factors often occur together in the same patient, the existence of multiple risk factors increasing the overall risk of developing type 2 diabetes or cardiovascular disease.

The prevalence of these risk factors is high throughout the world. The U.S. leads with over 80 million people concerned. Abdominal obesity alone is present in almost 46% of men and women aged over 20 years.

Diabetes

Diabetes is a chronic disorder in which the organism either does not synthesize or does not utilize insulin (the action of which facilitates the entry of glucose into the cells). In people with diabetes, this problem is manifested by hyperglycemia (raised levels of blood glucose). There are two types of diabetes. Type 1 diabetes is characterized by a total absence of insulin production and secretion. Type 2 diabetes is a progressive and evolutive disorder due to inefficacy of the insulin produced (insulinoreistance)

and a decrease in the quantity produced to a level that is no longer sufficient to adequately control blood glucose levels. Diabetes monitoring is based on the measurement of blood glucose levels (which should be as close as possible to normal values) and assay of HbA1C (glycosylated hemoglobin), enabling an estimation of the mean blood glucose level over the past two or three months. People suffering from diabetes should strive to maintain their HbA1c levels at 7% or below (6.5%).



➤ **350 million**
cases of diabetes are expected
20 years from now

Our therapeutic responses today

Since August 2005, Lantus® has been the leading brand of insulin worldwide, with sales exceeding 1 billion euros, and in August 2006, it also became the leading insulin worldwide in terms of the number of units sold (source:IMS/GERS data).



Insulin glargine

Lantus® is an insulin analog with a prolonged action, administered once a day by subcutaneous injection. It is indicated in adults presenting type 2 diabetes, and also in adults and children aged over 6 years suffering from type 1 diabetes. Lantus® is the first basal insulin offering 24-hour peak-less efficacy. It can therefore be taken once daily at any time of the day (but at the same time every day). It permits dose titration under excellent safety conditions and induces less hypoglycemia than insulin NPH (Neutral Protamin Hagedorn), insulin with an intermediate duration of action.

Lantus® allows patients more freedom to choose their own treatment regimen. This is a major advantage as numerous studies have demonstrated the efficacy of simplified treatments that allow patients with type 2 diabetes a greater role in managing the titration of their insulin dose.

In their most recent recommendations, the American Diabetes Association (ADA) and European Association for the Study of Diabetes (EASD) emphasize the importance of achieving and maintaining close to normal blood glucose levels in patients with type 2 diabetes, first by a change in lifestyle combined with metformin treatment and then by rapid initiation of insulin treatment in patients who fail to attain these objectives. The randomized 24-week studies assessed the efficacy and safety of Lantus® in conjunction with oral antidiabetics (OAD) in patients with type 2 diabetes: The 24-week **TREAT TO TARGET** study showed that a significantly higher proportion of patients with type 2 diabetes treated with Lantus® attained the objective of an HbA1c level of 7% or less, without presenting nocturnal hypoglycemic episodes, compared to those receiving NPH insulin.

Sales of

1,666 m€

in 2006

+36.9%

on a comparable basis

Marketed in over

70 countries

A NEW GENERATION OF DISPOSABLE INSULIN PENS

The disposable insulin pen, SoloSTAR®, was approved by the European Commission in September 2006 and is currently under review by the Food and Drug Administration (FDA) in the US. Sanofi-aventis, which markets LANTUS®SoloSTAR® and APIDRA®SoloSTAR®, has a large industrial capacity and last April launched LANTUS®SoloSTAR® in Germany.

The **LANMET** study demonstrated the efficacy of individually tailored titration of Lantus® in reducing HbA1c levels.

The **INSIGHT** study demonstrated that early addition of Lantus® to the usual antidiabetic treatments, using a simplified algorithm, permitted better control of blood glucose levels with no risk to the patient, and was more effective than a standard treatment involving a change in lifestyle or administration of an oral antidiabetic.

The **LAPTOP** study showed that the addition of Lantus®, administered once a day at the same time as the oral antidiabetic, led to greater efficacy in controlling blood glucose levels.

The results of a meta-analysis including four studies lasting from 24 to 48 weeks confirmed that Lantus®, administered once daily, reduced the risk of hypoglycemia in comparison to NPH insulin.

Lantus® is currently being tested in clinical trial **ORIGIN**, a worldwide clinical trial focusing on mortality and morbidity, designed to determine whether the normalization of blood glucose levels achieved with Lantus® reduces cardiovascular events in patients presenting a high risk of abnormal blood glucose levels. Patient enrollment has now been completed, with a total of 12,612 subjects included in 40 countries. The patients will be monitored for at least four years.

A further achievement in 2006 was the launch in France, Germany, Spain and the U.K. of **OptiClik®**, a reusable pen injector offering diabetic patients a new, very simple mode of administration.

Amaryl®/Amarel®/Solosa®

Glimepiride

Amaryl® is a sulfamide hypoglycemic agent administered orally once a day. It is indicated for the treatment of type 2 diabetes, in conjunction with a dietary regimen and physical exercise.

Hypoglycemic sulfamides are recommended in the initial phase of treatment of type 2 diabetes. Studies have also proved the efficacy of Amaryl® combined with Lantus® when an oral treatment alone does not succeed in achieving sufficient control of diabetes.

Amaryl® diminishes blood glucose levels via a dual mode of action: by helping the body to produce more insulin at mealtimes and between meals, and by reducing insulin resistance. It permits an excellent level of control, with a low risk of hypoglycemia.

Sales of

451 m€

in 2006

Approved in
approximately

100 countries

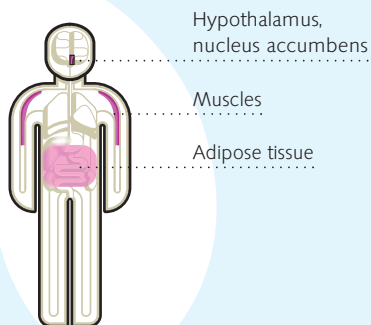
OUR OTHER THERAPEUTIC RESPONSES

Sanofi-aventis is devoting particular attention to mature drugs for the treatment of type 1 and type 2 diabetes. The Group has the ability to largely address the medical needs of patients and healthcare professionals while at the same time responding to the economic constraints of developing countries with its **Insuman®** range of human insulins and its portfolio of oral antidiabetics (including the sulfamide **Daonil®**). These products have proved their efficacy and good safety profile, and are still relevant in the management of diabetes.

Apidra®

Insulin glulisine

Apidra®, is sanofi-aventis' new rapidly-acting insulin analog. The primary structure of human insulin was modified through replacement of lysine by glutamic acid in position 29, and replacement of asparagine by lysine in position 3 of the B-chain. Apidra® should be used in the context of regimens including a prolonged-action insulin or a basal insulin analog. It should be administered within the 15 minutes preceding or following a meal. Apidra® is designed for subcutaneous injection or continuous subcutaneous infusion using a pump. It is supplied with the pen injector OptiClik®, in ampoules and in cartridges for OptiPen® and OptiSet®. The mechanism of action of Apidra® is characterized by a more rapid absorption, a greater peak effect and a shorter duration of action than rapidly acting human insulin. In addition, it is just as effective in slim diabetic adults as in those who are obese. Insulin treatment regimens including both a prandial insulin and a basal insulin achieve an effect more closely reproducing the physiological response. In this respect, Lantus® and Apidra® are complementary.



Overall cardiometabolic risk

The overall cardiometabolic risk is the risk of developing type 2 diabetes or a cardiovascular disease.

Hypercholesterolemia (raised levels of LDL cholesterol or "bad cholesterol"), hypertension, type 2 diabetes, smoking

and insulin resistance (frequently observed in patients presenting abdominal obesity) are the principal risk factors.

Our therapeutic responses today

Sanofi-aventis is the leader in the management of cardiometabolic risk and cardiometabolic disease. Since June 2006, Acomplia® (rimonabant) is indicated in Europe for "the treatment of obese or overweight patients with associated risk factors, such as type 2 diabetes or dyslipidemia, in conjunction with a dietary regime and physical activity".



Acomplia®

Rimonabant

Acomplia® is indicated for the treatment of obese or overweight patients presenting additional cardiometabolic risk factors, such as type 2 diabetes and dyslipidemia. It was registered in Europe in June 2006 and in the same year was marketed in Germany and the U.K, as well as in other countries in Europe and Latin America. In the U.S, the product license application is currently under review by the Food and Drug Administration (FDA). Acomplia®, the active ingredient of which is rimonabant, is the first agent of a new therapeutic class called selective CB1 receptor antagonists. These receptors play a major role in the regulation of body weight and glucose and lipid metabolism. An extensive phase III clinical development program (the RIO program) has demonstrated that treatment with Acomplia® induces a decrease in body weight and abdominal circumference, as well as an improvement in HDL cholesterol and triglyceride levels and control of blood glucose levels in patients presenting cardiometabolic risk factors. The direct effect of Acomplia® on peripheral CB1 receptors in metabolically active tissues, such as the liver adipose tissues and skeletal muscles, accounts for approximately half the overall improvement in metabolic parameters achieved by the medicine. An ambitious clinical development program is currently in progress to establish the efficacy of Acomplia® in patients with type 2 diabetes and to demonstrate its role in the prevention of type 2 diabetes and cardiovascular disease. In early 2006, the results of SERENADE, the first of the phase IIIb studies, confirmed the therapeutic value of Acomplia® in patients with type 2 diabetes.

**Acomplia®, a
"first in class"
drug for the treatment
of obesity and
overweight with
associated risk factors
in conjunction with
a mild hypo-caloric
regimen and physical
activity, as per the
labelling in Europe**

Our responses for tomorrow

In the area of metabolic disorders, some of the ongoing development projects are focusing on the elaboration of insulin analogs with optimized rapidity of action and mode of administration. Others are designed to develop compounds targeting the mechanisms controlling blood glucose levels, including Na⁺/glucose cotransporter inhibitors, glycogen phosphorylase inhibitors and peroxisomal proliferator-activated receptor (PPAR) agonists. Other projects are focusing on regulation of the endocannabinoid system.

AVE1625

AVE1625 is a selective and potent antagonist of CB1 cannabinoid receptors, with the same mechanism of action as Acomplia® (rimonabant). It is currently in Phase IIb for **the treatment of obesity and associated disorders. It is also being developed for indications involving the central nervous system.**

AVE0010

AVE0010, an injectable GLP-1 (Glucagon-like peptide-1) receptor agonist, is now completing Phase IIb in patients with type 2 diabetes. Compounds inducing an increase in circulating levels of GLP-1 are not only capable of reducing blood glucose levels, but can also **restore the capacity of beta cells to produce insulin.** The rights to AVE0010 were obtained in the context of a licensing agreement with Zealand Pharma.

AVE2268

AVE2268 is an orally active sodium-glucose transporter 2 (SGLT-2), which can **reduce hyperglycemia** by increasing the renal secretion of glucose. The activity of AVE2268 was demonstrated in Phase I, and a Phase IIb program has now been initiated in patients with type 2 diabetes.

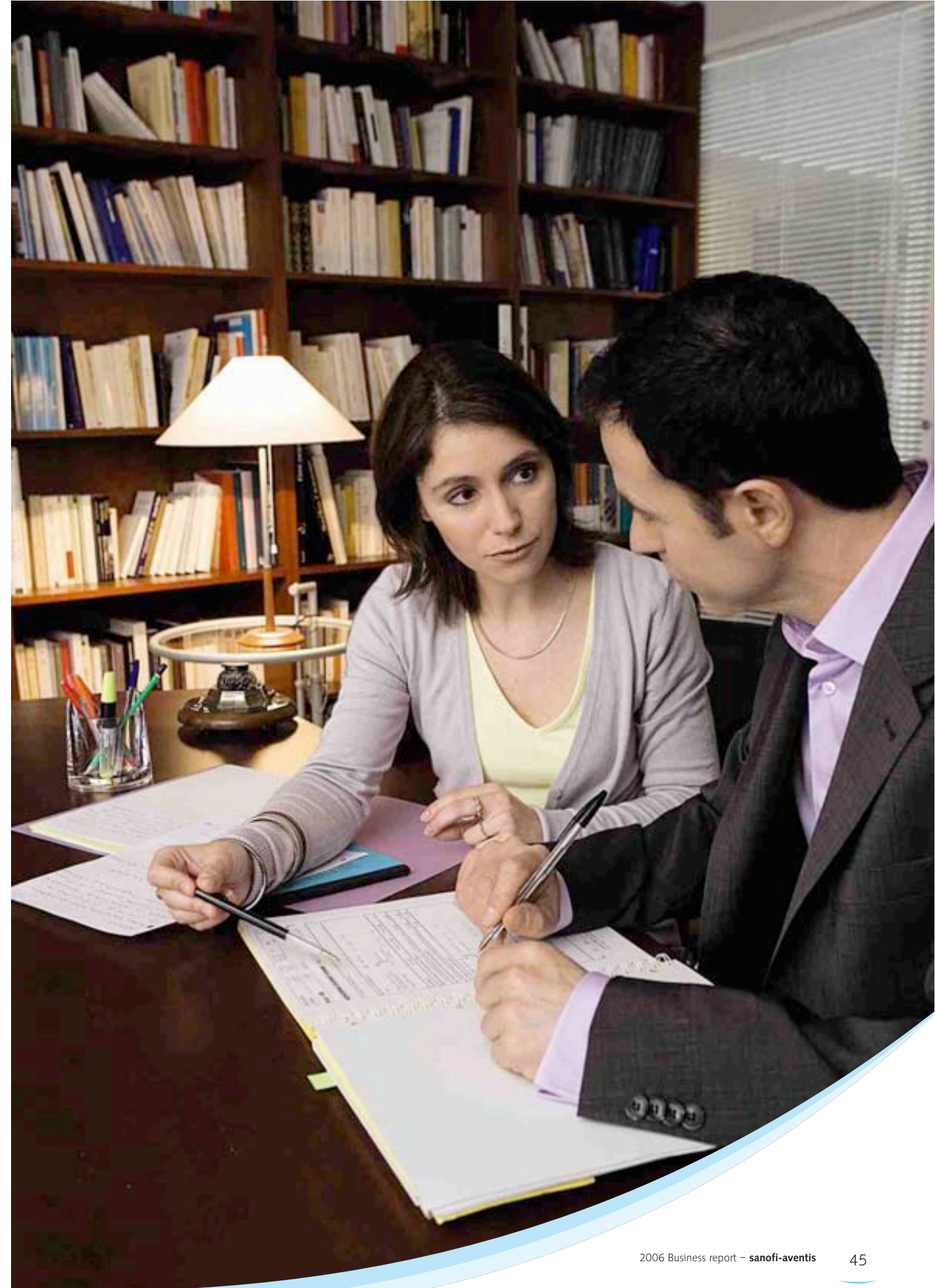
APIDRA® (INSULIN GLULISINE)

Apidra® (insulin glulisine), the rapidly acting insulin marketed by sanofi-aventis in the U.S. and Europe, has now completed a Phase III trial in Japan in accordance with the planned product license application in 2007. A pediatric Phase III program has also been completed, permitting submission of a product license application in 2007 (in Europe and the U.S.) for **the treatment of diabetes in children.**

AVE5530

AVE5530 (an inhibitor of cholesterol absorption) is in development for **the treatment of hypercholesterolemia.** AVE5530 inhibits the absorption of cholesterol and lowers the level of LDL-C (Low Density Lipoprotein Cholesterol) in appropriate animal models. In clinical studies, it has been shown to be safe and well tolerated up to a dose of 100 mg. AVE5530 is currently in Phase IIb.

The role of Clinical Development is to test new compounds in humans in the context of clinical studies. The development teams assess the safety of the candidate product in healthy volunteers (Phase I) and evaluate its activity, first in a few hundred patient volunteers (Phase II) and then in a few thousand patients, comparing its efficacy with that of reference treatments (Phase III).



Oncology

*Multiple diseases, an often
identical therapeutic approach*



Taxotere®

1,752 m€ sales in 2006
+8.4% on a comparable basis

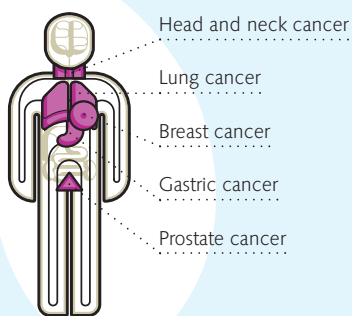


Eloxatin®

1,693 m€ sales in 2006
+7.8% on a comparable basis

Every year, 10 million people throughout the world develop cancer, the incidence of which could increase by 50% by the year 2020. Industrialized countries are particularly concerned in view of the high life expectancy: in the U.S. and Europe, cancer has now become the second leading cause of death after cardiovascular diseases.

Sanofi-aventis is implicated in the fight against both the most widespread cancers, such as those affecting the colon, breast, lung and prostate, and also rarer or more difficult to treat malignancies, such as gastric and head and neck cancers, and hematologic malignancies.



Solid tumors

Breast cancer, colorectal cancer, lung cancer, prostate cancer, gastric cancer, and head and neck cancer are responsible for high morbidity and mortality.

➤ *10 million*
people affected worldwide each year

➤ The earlier a tumor is detected, the more effective is the treatment

Our therapeutic responses today

Taxotere® is indicated for the treatment of five types of cancer: breast, lung, prostate, gastric, and head and neck cancers.



➤ Taxotere®

Docetaxel

Taxotere® is a member of the taxoid family, a group of compounds inhibiting the division of cancer cells (essentially by "freezing" their internal skeleton) and inducing their death. Taxotere® is indicated in **breast cancer**, either alone or in combination depending on the situation, for the treatment of early tumors as well as advanced and metastatic, including those with a poor prognosis. Five clinical trials in four indications have demonstrated improved survival with Taxotere®, used as a single agent or in combination with other drugs.

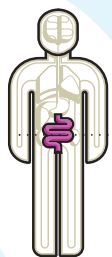
In the treatment of stage IV **non-small-cell lung cancer**, a large meta-analysis showed improved survival and lower toxicity with Taxotere® combined with cisplatin, in comparison to another third generation therapeutic agent, vinorelbine, confirming the superiority of Taxotere®-based regimen.

Taxotere® is also indicated for the treatment of hormone-resistant metastatic **prostate cancer**, in combination with prednisone, the treatment of metastatic **gastric cancer** (since March 2006), in combination with cisplatin and 5-fluorouracil, and the induction treatment of **head and neck cancers** (since October 2006), using the same combination. In view of its unique properties, Taxotere® continues to be studied in cancers for which it already has approved indications, with the aim of extending its application to all stages of the disease and improving therapeutic strategies. Taxotere® is also a component of combinations incorporating various compounds in development, targeting a range of indications.

10 indications

Marketed in over

100 countries



Colorectal cancer

Colorectal cancer

The third-ranking cancer in terms of its worldwide incidence, colorectal cancer particularly affects the populations of

Western countries. In the U.S., France, Germany, Italy, Spain, the U.K. and Japan, new cases total over 500,000.

Our therapeutic responses today

The development of Eloxatin® in colorectal cancer has led to major advances.



Eloxatin®

Oxaliplatin

Eloxatin® is a new generation platinum salt. It is currently the only treatment indicated for both early (stage III) and metastatic colorectal cancer.

The development of Eloxatin® in the treatment of colorectal cancer has led to several major therapeutic advances.

The FOLFOX regimen (Eloxatin® combined with 5-fluorouracil (5-FU) and Leucovorin (LV)), used as first-line treatment, achieved a median survival of more than 19 months in patients with metastatic disease. The TREE 2 trial, which was presented at the American Society of Clinical Oncology (ASCO) congress in 2006, showed prolongation of median survival up to two years with FOLFOX combined with the targeted cancer therapy bevacizumab.

Through its proven action in reducing the size and number of liver metastases, Eloxatin® facilitates the surgical resection of these metastases. More patients presenting initially non-resectable metastases can therefore undergo surgery after a treatment including Eloxatin®. Use of Eloxatin® for the treatment of early stages of colon cancer (stages II and III) resulted in a 21% to 23% reduction in the risk of relapse.

This excellent activity, combined with a good safety profile, has made Eloxatin® a reference treatment for both early stage (stage III) colon cancer and metastatic colorectal cancer.

Eloxatin® was licensed by Debiopharm to sanofi-aventis, which markets it in around 70 countries throughout the world.

In 2005, a new aqueous formulation of Eloxatin® was approved by the FDA and the EMEA. It facilitates the preparation of chemotherapy treatment by nursing staff. With the objective of increasing still further the survival rate of patients, Eloxatin® continues to be studied in a development program focusing on its combination with novel compounds, including targeted cancer therapies.

A reference treatment
for colorectal cancer

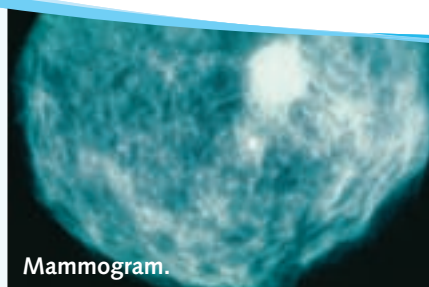
Marketed in close to

70 countries

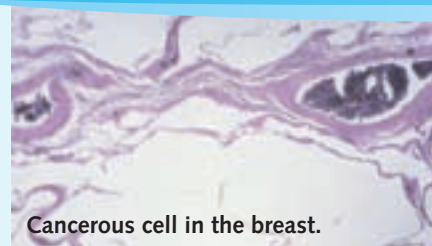
OUR OTHER THERAPEUTIC RESPONSES

Fasturtec®/Elitek®

Fasturtec®, a recombinant enzyme produced by genetic engineering, transforms uric acid within less than 4 hours into highly soluble allantoin, which is readily eliminated in the urine. Fasturtec®, administered prior to and continued in the course of chemotherapy, prevents tumor lysis syndrome, a sometimes fatal consequence of the very rapid and massive destruction of malignant cells during the administration of chemotherapy.



Mammogram.



Cancerous cell in the breast.

Our responses for tomorrow

Sanofi-aventis is exploring all possible modes of treatment with the objective of saving lives and prolonging survival, being convinced that future progresses in the fight against cancer will result from improved combinations of existing treatments and the emergence of new therapeutic options. Its oncology portfolio contains an extensive range of new targeted compounds for the treatment of cancer and/or its side effects, possessing a wide variety of mechanisms of action. These include antiangiogenic agents, drugs inhibiting tumor vascularization, receptor antagonists, monoclonal antibodies and anticancer vaccines, as well as palliative care treatments.



S1

S1 is a fluoropyrimidine licensed from Taiho (Japan). S1 is a combination of Tegafur (a precursor of 5-FU) and two enzyme inhibitors: CDHP (5-chloro-2,4-dihydroxypyridine), an inhibitor of dihydropyrimidine dehydrogenase (DPD) slowing the metabolism of 5-FU, and potassium oxonate, reducing the gastrointestinal toxicity of Tegafur. It has been marketed in Japan since 1999 for numerous indications, including the treatment of gastric, head and neck, colorectal, non-small-cell lung and pancreatic cancers. A Phase III study (FLAGS) is ongoing in the U.S. and Europe in the first-line treatment of advanced

gastric cancer. Enrollment of the planned 1,050 patients in the trial should be completed by the second quarter of 2007. Sanofi-aventis is also evaluating the therapeutic potential of S1 in colorectal cancer and other tumors sensitive to 5-FU.

S1 could become the reference oral fluoropyrimidine.

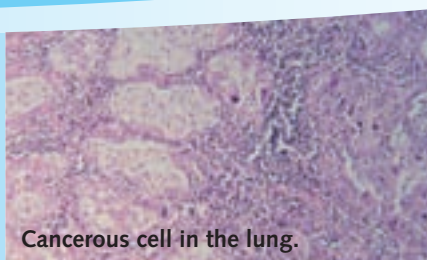


XALIPRODEN

Xaliproden, an orally active neurotrophic agent, is currently in Phase III clinical investigation for **the treatment of chemotherapy-induced neuropathies**. It is also being developed for CNS-related disorders.



X-ray of a lung cancer.



Cancerous cell in the lung.

LAROTAXEL

Larotaxel is a new taxoid derivative, **designed to overcome resistance to the existing agents in this class:** docetaxel and paclitaxel. In a Phase II study, Larotaxel proved its activity as a single agent in metastatic breast cancer after failure of a previous taxane containing treatment. In a Phase III study conducted on the same population, the activity and good safety profile of Larotaxel was confirmed, even though its superiority over capecitabine could not be demonstrated. A Phase III program has now been started in the treatment of pancreatic cancer after failure of gemcitabine chemotherapy. A program evaluating Larotaxel in combination with other anticancer agents in the treatment of metastatic breast cancer is also ongoing.

XRP6258

XRP6258 is a new taxoid from sanofi-aventis. In Phase II studies, it showed activity against tumor progression in patients with **metastatic breast cancer** having failed previous taxane containing chemotherapy. A Phase III study has also been initiated in **the treatment of hormone-resistant prostate cancer** after failure of docetaxel treatment.

ALVOCIDIB

Alvocidib is being developed in partnership with the University of Ohio and the National Cancer Institute (NCI) in the U.S. A pivotal Phase II/III trial is ongoing to accelerate its approval in Europe and in the U.S. for **the treatment of patients with chronic lymphocytic leukemia (CLL)** relapsing after treatment. Additional studies will evaluate the potential benefit of Alvocidib in the treatment of other hematological malignancies.

VEGF TRAP

The VEGF Trap is being developed in partnership with Regeneron. It is a novel antiangiogenic agent, acting as a trap for circulating Vascular Endothelial Growth Factor (VEGF). Five Phase III trials will be initiated in 2007, investigating the synergy of VEGF Trap with chemotherapy regimens in the treatment of patients with solid tumors. The first regulatory submission is planned in 2008.

TARGETED THERAPIES

A targeted therapy denotes a therapeutic approach employing compounds capable of specifically neutralizing one or more cellular mechanisms participating in tumor transformation and progression. The efficacy of anticancer treatments is nevertheless still generally based on the use of cytotoxic agents, targeted cancer therapies enabling amplification of the results obtained by these treatments.

The sites specialized in Chemistry develop the industrial processes for manufacturing the medicinal products emerging from Research. They produce the active substances contained in the Group's products and may also manufacture active substances on behalf of other companies.



Disorders of Central nervous system

*Complex disorders which remain
underdiagnosed and undertreated*



+6.5 million

people affected by Alzheimer's
disease in the U.S., Japan, France,
Germany, Italy, Spain and the U.K.



Only

25 to 30%

of insomnia cases are diagnosed

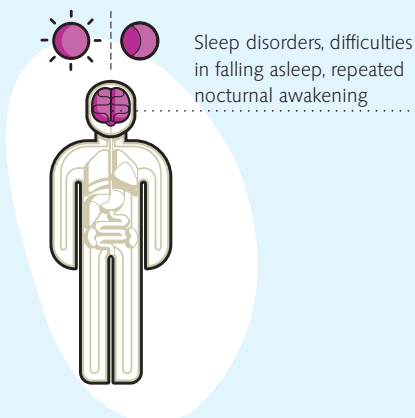
Central nervous system (CNS) disorders affect millions of people worldwide and have major repercussions on their quality of life and professional activity. The prevalence of these disorders will increase significantly with prolongation of life expectancy. **Insomnia** remains under-diagnosed and under-treated. In Europe and the U.S. alone, only 25% to 30% cases are diagnosed and, of these, only 60% are actually treated. **Alzheimer's disease** is one of the most common serious neurodegenerative disorders. It accounts for approximately two-thirds of dementia cases and affects from 5% to 7% of people aged over 65 years. **Multiple sclerosis**, caused by the destruction of the myelin sheath enclosing the nerves, currently affects 2.5 million people worldwide according to the World Health Organization (WHO). **Schizophrenia** is a chronic disorder, characterized by delusions, hallucinations, social withdrawal and apathy. It affects approximately 0.5% of the world's population. **Depression** may occur in people predisposed to this disorder or be related to life events. Its frequency increases with age. **Epilepsy** has a detrimental effect on everyday life, with major physical, psychological and social repercussions affecting both people suffering from the disorder and those close to them.

Insomnia

Insomnia may occur occasionally, as a result of lifestyle habits prejudicial to sleep, noise or specific worries. Such episodes often do not last more than three weeks and disappear with the underlying cause of the disorder. This is not the case with chronic insomnia, the cause of which may be either somatic or psychological.

Without treatment, occasional or transient insomnia may become chronic.

People suffering from insomnia are handicapped in their everyday life by problems of alertness, attention, memory, concentration and mood.



+150 million
insomniacs worldwide

Without treatment, occasional insomnia may become chronic

Our therapeutic responses today

Zolpidem (Stilnox®/Ambien®/Myslee®) is today the best studied hypnotic in the world. It benefits from experience and knowledge gained during 19 years of clinical use since its launch (in Europe). Ambien CR™ was launched in the U.S. in September 2005.



Ambien®/ Myslee®/Stilnox®/Ambien CR™

Sales of

2,026 m€
in 2006

+33.3%
on a comparable basis

Marketed in over

100 countries

Zolpidem

Thanks to its capacity to bind selectively to brain receptors responsible for hypnotic activity, Stilnox® rapidly induces sleep of a quality close to that of natural sleep, with a low incidence of side effects. Its action persists for at least six hours and is associated with a low risk of dependence at recommended doses and durations of treatment. Stilnox® is one of the most extensively studied hypnotics in the world: the data concerning its efficacy and tolerability were generated in 160 clinical studies conducted on a total of approximately 80,000 patients throughout the world. It is currently the only hypnotic that has been proved, in a program comprising eight studies with a total enrollment of approximately 6,000 patients, to be suitable for an "as needed" administration, i.e. discontinuous use. This mode of administration presents considerable advantages for people with occasional insomnia.

Two studies have demonstrated that Zolpidem MR (modified release formulation) improves the sleep maintenance during the second part of the night, ensuring high-quality sleep throughout the night. This formulation was launched in the U.S. under the name Ambien CR™ in September 2005. In Japan, a clinical development program, the results of which are expected in 2008, is currently ongoing.

Multiple sclerosis

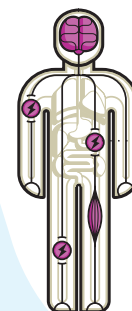
A chronic inflammatory disease affecting the white matter of the central nervous system, multiple sclerosis is principally manifested by motor disorders, impairment of sensory pathways or visual disturbances. It generally first appears during early adulthood (at a mean age of 30 years) and principally affects women. Its evolution, in the form of successive attacks, extends over several decades and is reflected in the progressive onset of



2.5 million

people affected worldwide according to the WHO

disability, varying from one patient to the next, sometimes culminating in a total loss of autonomy.



Disruption of neuronal connections

Our therapeutic responses today

Worldwide, over 100,000 people are currently treated with Copaxone®. Studies have demonstrated its clinical efficacy for periods of up to twelve years, in terms of diminishing both the number of attacks and the progression of disability.

Sales of

1,069 m€

in 2006

+17.9%

on a comparable basis



Copaxone®

Glatiramer acetate

Copaxone® is an immunomodulator indicated for the reduction of the frequency of attacks in patients with the relapsing-remitting form of multiple sclerosis (RRMS). With an original and specific mode of action, Copaxone® has demonstrated its benefit on the inflammatory aspect of the disease by reducing significantly frequency of relapses compared to placebo after 2 years. In the long term, Copaxone® shows a sustained efficacy over 12 years, in terms of both reducing number of relapses and slowing the progression of disability. A significant effect on lesions was also confirmed by magnetic resonance imaging (MRI).

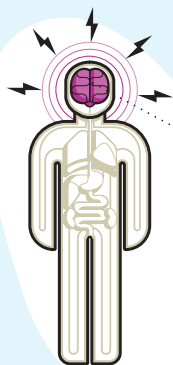
Copaxone® was launched in 1997 in the U.S. and from 2000 to 2002 in European countries. It is licensed to sanofi-aventis by Teva and marketed in partnership with Teva. In 2004, the two companies launched a new presentation in Europe, consisting of a pre-filled syringe designed to facilitate administration of the treatment and improve patient comfort.

OUR OTHER THERAPEUTIC RESPONSES

With regard to drugs targeting central nervous system disorders, sanofi-aventis' portfolio also includes mature prescription drugs, such as **Solian®** (amisulpride), an antipsychotic indicated for schizophrenia, **Rilutek®** (riluzole), the only drug currently indicated for amyotrophic lateral sclerosis (ALS), and **Tranxene®** (dipotassium clorazepate), a reference anxiolytic.

In the treatment of bipolar disorder, a mood disorder greatly under-diagnosed although affecting close to 4% of the population (according to the most recent U.S. studies), sanofi-aventis offers two therapeutic options: Depakine®, for which this indication is approved in certain countries, and **Depakote®**.

Solian® is available in the main European markets and in 60 countries worldwide. It continues to be launched in new markets throughout the world.



Sudden bouts of brain cell hyperactivity expressed by repeated seizures

Epilepsy

Epilepsy has always tended to elicit curiosity or even fear. It is characterized by repeated spontaneous attacks resulting from an excessive discharge of cerebral neurons. Such repeated attacks adversely affect everyday life, resulting in major physical, psychological and social repercussions for people experiencing this disorder, as well as those close to them. Only early diagnosis and appropriate treatment can avoid this suffering and enable patients to live a normal life.

- **0.5%**
of the world's population are affected
- **Primarily children and people aged over 65 years**
- **Attacks are controlled in 70% to 80% of new cases**

Our therapeutic responses today

Prescribed for over 39 years, Depakine® is considered as a reference treatment for all types of epileptic attacks and syndromes, inducing no paradoxical exacerbation of seizures.



A reference treatment for over

39 years

Marketed in more than

100 countries

Sales of

301 m€

in 2006



Depakine®/Ergenyl®/Epilim®/Deprakine®

Sodium valproate

Depakine® is available in a wide range of formulations, including syrup, drinkable solution, injectable solution, gastroresistant tablets and Chrono® (prolonged release tablets), etc. to better meet the needs of all types of patient.

Depakine Chronosphere™, a new sustained-release pharmaceutical form devoid of taste and packaged in the form of sachets, makes Depakine® easier to use by children, the elderly and adults experiencing difficulties in swallowing. In 2006, it was launched in Finland, the Netherlands, Poland and Switzerland (following Austria, France and Germany in 2004 and 2005). Launches in other countries are planned.

Our responses for tomorrow

Sanofi-aventis has one of most extensive and most promising R&D portfolios in this particularly complex therapeutic area, where it is essential to intervene at an early stage of the pathological process so as to achieve an effect upon the evolution of the disease and, if not stop it completely, slow its progress. With this aim, sanofi-aventis is multiplying and diversifying its pharmacological and scientific approaches in two major areas: psychiatric disorders and neurodegenerative disorders.

SAREDUTANT

Saredutant is an NK2 receptor antagonist in development for **the treatment of major depressive disorders (MDD) and generalized anxiety disorders (GAD)**. Four Phase III trials evaluating saredutant in the treatment of major depressive disorders have demonstrated significant efficacy compared to placebo in the treatment of depressive symptoms. Saredutant is very well tolerated. The results of four other Phase III trials are expected in 2007 and 2008.

AMIBEGRON

Amibegron is the first selective beta-3 receptor agonist to be developed for the treatment of major depressive disorders. It stimulates neuronal activity in a specific zone of the brain: the prefrontal cortex, where an abnormal decrease in neuronal activity has been observed in patients suffering from depression. Amibegron has already demonstrated clinical activity in Phase II and III trials and could be the forerunner of a new class of anti-depressants. Sanofi-aventis is conducting six Phase III trials in the **treatment of major depressive disorders** and five Phase III trials in **generalized anxiety disorders**. A total of 4,500 patients will be enrolled in these trials and the first results will be available in 2007.

XALIPRODEN

Xaliproden is a non-peptide compound activating the synthesis of endogenous neurotrophins. Two Phase III studies on 2,800 patients are ongoing in Alzheimer's disease. Promising long-term safety data have already been obtained in various indications. The unique mechanism of action of xaliproden, comprising a triple effect on neurons (protection, repair and differentiation) may give it **a key role in the treatment of dementias**. Xaliproden is also being developed in oncology.

PALIRODEN

Like xaliproden, paliroden is a non-peptide compound activating the synthesis of endogenous neurotrophins. Three Phase II studies are ongoing, including one in **Alzheimer's disease** and one in **Parkinson's disease**.

EPLIVANSERINE

Eplivanserine (5HT_{2A}-receptor antagonist) is being developed for **the treatment of insomnia** characterized by problems in sleep maintenance. A Phase III program was initiated at the end of 2005 in patients presenting chronic primary insomnia. Submission of a product license application is scheduled in 2008.

VOLINANSERIN

Volinanserin is a second 5HT_{2A}-receptor antagonist which is being developed for the **treatment of insomnia** characterized by sleep maintenance problems. A Phase IIb study has been completed and a Phase III program will be initiated in 2007.

SURINABANT

Surinabant is a CB1-receptor antagonist. It is currently under evaluation in Phase IIb studies for **smoking cessation**.

DIANICLINE

Dianicline is a nicotinic receptor partial agonist in development for **smoking cessation**. The results of Phase IIb studies clearly demonstrated a dose-effect relationship for the product. The percentage of patients responding in terms of the primary efficacy evaluation endpoint (abstinence from smoking for four weeks) was higher in the group receiving dianicline than in the placebo group. A Phase III trial was initiated in 2006.

SSR149415

SSR149415 is a vasopressin V1b receptor antagonist which is being developed for **the treatment of depression and anxiety**. A Phase II study focusing on both these indications was initiated in 2006.

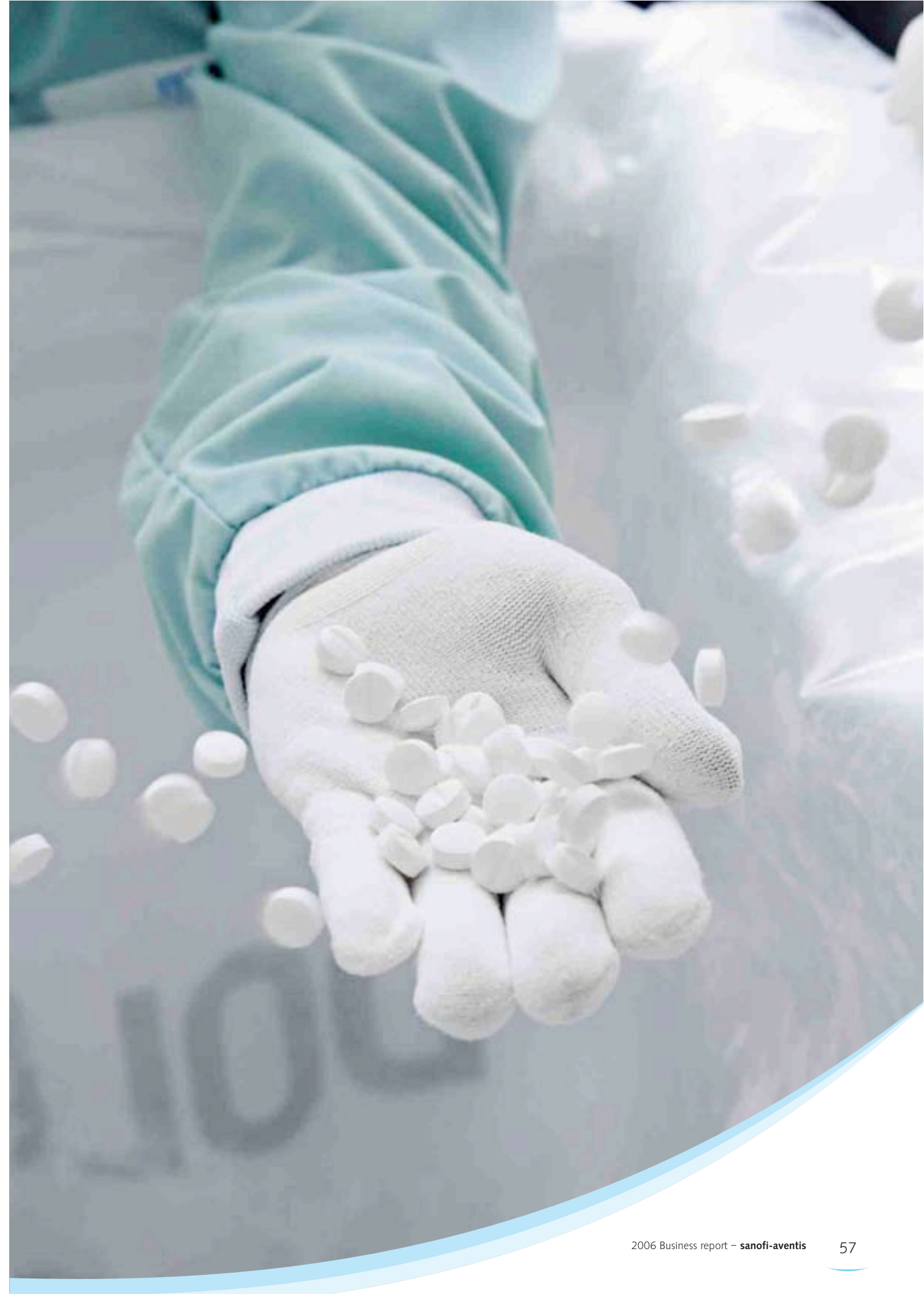
TERIFLUNOMIDE

Teriflunomide is an orally active dihydro-orotate dehydrogenase inhibitor. A Phase III program is ongoing in **the treatment of multiple sclerosis**.

AVE1625

AVE1625 is a CB1-receptor antagonist in development for **the symptomatic treatment of Alzheimer's disease**. Several Phase II studies are ongoing in this indication. Another Phase II study was initiated in early 2007 in **the treatment of cognitive disorders related to schizophrenia**. AVE1625 is also being developed for the treatment of obesity and cardiometabolic disorders.

Injectable forms, ampoules, tablets, capsules and other dosage forms – the Pharmaceutical sites are responsible for the industrial scale-up, manufacturing and packaging of the Group's medicinal products and vaccines. Supplies are delivered to wholesalers, pharmacies and hospitals by the Supply Chain teams via distribution hubs.



Internal Medecine

A wide variety of diseases differing greatly in frequency

➤ **100 to 150**
million people worldwide suffer from asthma

100 to 150 million people worldwide suffer from **asthma** and this number is increasing to such an extent that the related costs now exceed those associated with tuberculosis and HIV infection combined.

Infections of the respiratory system affecting the upper airways (sinusitis, tonsillitis, pharyngitis) or lower airways (bronchitis, community-acquired pneumonia) are the most frequent infectious diseases.

Rheumatoid polyarthritis is an auto-immune disease causing inflammation and deformation of the joints. Organs such as the heart may also be affected.

Benign prostatic hyperplasia, affecting men, hampers everyday activities and leads to nocturnal awakening and fatigue. It may also be complicated by urinary infections, impaired sexual functioning and acute urine retention.

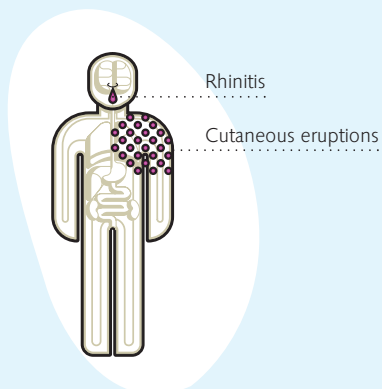
Characterized by a decrease in bone mass and deterioration of the micro-architecture of bone tissue, **osteoporosis** increases bone fragility and consequently the risk of fractures.

It predominantly affects post-menopausal women. Men are less often affected.

➤ **40%**
the risk of an osteoporotic fracture for a 50-year-old woman

Allergy

Allergy constitutes a hypersensitivity of the immune system to allergenic substances such as pollens, mold, spider mites, animal hairs and skin scales and insect bites. The inflammatory reaction elicits various disorders, including sneezing, blocked nose, cough, watery eyes, itching and rashes. Pollution, excessive hygiene and new dietary habits are a few of the possible causes related to changes in life style.



Approximately

500 million
people suffer from allergies

Allergies adversely affect the learning capacities of children

Our therapeutic responses today

Allegra® is the market leader in the U.S. in terms of medical prescriptions for formulations combining an antihistaminic and a decongestion agent (source: IMS NPA data).



Allegra®/Telfast®

Fexofenadine

Allegra® is an effective and potent antihistaminic agent, devoid of sedative effects and with a prolonged duration of action allowing administration once every 12 or 24 hours. It is a prescription medication indicated for the treatment of hay fever and chronic idiopathic urticaria. The Allegra-D® 12 Hour and Allegra-D® 24 Hour formulations combine this antihistaminic with a prolonged-release decongestion agent. In October 2006, the FDA granted a product license to an oral suspension of Allegra® (6 mg/ml) for the treatment of seasonal allergy symptoms in children aged from 2 to 11 years and for the treatment of allergic skin disorders not complicated by chronic idiopathic urticaria. This product will be launched in the U.S. in time for the allergy season in spring 2007. A 30 mg orodispersible tablet for pediatric use is also in development.

Sales of

688 m€

in 2006

Nasacort®

Triamcinolone acetonide

Nasacort® AQ Spray is packaged as a metered-dose spray containing an odorless aqueous solution of microcrystalline triamcinolone acetonide. Nasacort® is indicated for the treatment of seasonal and peri-annual symptoms of allergic rhinitis in adults and children aged over 6 years. The principal markets for Nasacort® AQ Spray are the U.S., France and Turkey.

Nasacort® AQ Spray
is available in

44 countries

Sales of

283 m€

in 2006

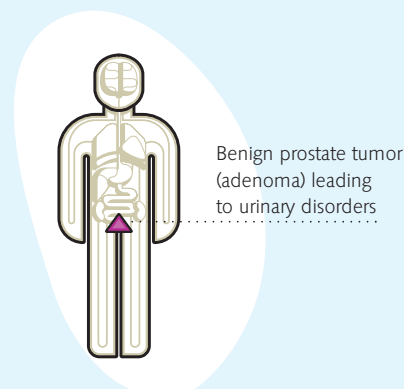
Benign prostatic hyperplasia

Benign prostatic hyperplasia is characterized by enlargement of the prostate, a small gland located beneath the bladder. As it increases in size, the prostate compresses the canal evacuating urine from the bladder, leading to difficulties in urinating. If left untreated, this disorder may worsen and in the long term provoke severe complications such as acute urine retention. This complication is associated with total and extremely painful obstruction of the urethra, necessitating bladder catheterization and often surgery. Men aged over 50 years with symptomatic benign prostatic hyperplasia also have a four-fold greater risk of developing sexual disorders.

➤ 1 man in 2 over the age of
70 years

➤ The most common disease
in men aged over
50 years

➤ **55** million
men affected



Our therapeutic responses today

Active from the first dose onwards, Xatral® achieves rapid and lasting relief of symptoms related to benign prostatic hyperplasia, thereby improving the patient's quality of life.

Sales of
353 m€
in 2006

+7.3%
on a comparable basis

3.6
billion days of treatment
since its launch

➤ Xatral®/Uroxatral®/
Benestan®/Dalfaz®

Alfuzosin

Xatral® was the first alpha1-blocker to be indicated solely and specifically for the symptomatic treatment of benign prostatic hyperplasia (BPH). It was also the first product developed that was capable of acting selectively on the urinary system. As a result of its clinical uroselectivity, Xatral® increases urinary flow from the first dose onwards, achieving rapid (within the first few days of treatment) and lasting improvement in urinary symptoms and improving the patient's quality of life.



Xatral® has a good tolerability profile, inducing in particular only very slight variations in arterial blood pressure, even in elderly people and those suffering from hypertension. Results demonstrating the cardiovascular innocuity of Xatral® combined with a phosphodiesterase type 5 (PDE5) inhibitor were published in 2006 in the journal Urology.

Xatral® is also the only alpha1-blocker indicated for the treatment of acute urinary retention (AUR). A total of 56 countries, including 16 in Europe, have accepted this indication on the basis of the ALFAUR trial. This study demonstrated that Xatral® doubles the probability of recovering a normal ability to urinate after an episode of AUR associated with catheter insertion, and reduces the need for surgery in patients with BPH.

Other trials have confirmed these results: ALTESS showed that Xatral®, administered for two years to patients presenting a major risk of AUR, significantly decreased the risk of overall progression of BPH. A trial conducted under conditions of real-life clinical practice (ALF-ONE) also showed that patients in whom BPH was likely to progress could be rapidly identified by their non-response to Xatral® treatment.

Xatral® is also effective against a frequent consequence of BPH: sexual disorders. A total of 800 patients participated in an international trial demonstrating that Xatral® preserves sexual function (particularly the ability to ejaculate).

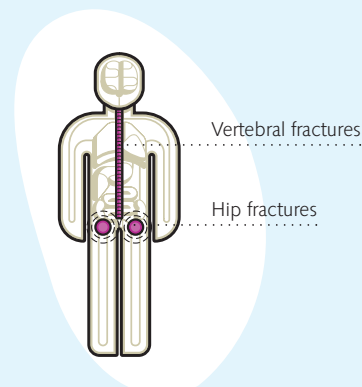
Uroxatral®, a new once-a-day formulation is marketed in the U.S. and in over 90 other countries. Among medical treatments for BPH symptoms prescribed by U.S. urologists, Uroxatral® shows the most rapid progression.



Osteoporosis

Osteoporosis is characterized by a decrease in bone mass and deterioration of the micro-architecture of bone tissue resulting in a loss of bone strength leading to an increase in bone fragility and greater risk of fracture. It is always described as a silent disorder, as it is not expressed by any external symptom prior to fracture. A woman at 50 years of age has a 40% risk of experiencing an osteoporotic fracture during the remainder of her life-equivalent to a woman's lifetime risk of developing a cardiovascular disease.

➤ **75 million**
people affected in Europe,
Japan and the U.S.



Our therapeutic responses today

Actonel® is the only bisphosphonate (a specific treatment for osteoporosis) that has been shown to reduce the risk of vertebral fracture and hip fracture from the sixth month of treatment onwards.

Sales of

351 m€

in 2006

+6.7%

on a comparable basis

Approved in more than

90 countries

➤ Actonel®/Optinate®/Acrel®

Monosodium risedronate

Bone is a living tissue that is continuously renewed. In postmenopausal osteoporosis, the number of cells responsible for bone resorption exceeds that of cells assuring bone renewal.

This leads to increased bone fragility and eventually to a greater risk of fractures. Actonel® reverses this trend by diminishing the activity of the cells responsible for bone resorption.

Actonel® 35 mg once weekly is indicated for the treatment of postmenopausal osteoporosis, with the objective of reducing the risk of vertebral fractures, and for the treatment of documented postmenopausal osteoporosis, to reduce the risk of hip fractures.

Actonel® 5 mg once daily is also indicated in Europe for the prevention of osteoporosis in postmenopausal women who present with an increased risk of this disease and for the maintenance or increase of bone mass in postmenopausal women undergoing a prolonged treatment (of more than 3 months) with systemic corticosteroids at doses exceeding 7.5 mg/day of prednisone or equivalent doses of other corticosteroids.



Currently approved in over 90 countries, Actonel® is marketed by The Alliance for Better Bone Health, created in May 1997 on the initiative of Procter & Gamble and sanofi-aventis. The aim of the Alliance is to promote better bone health and heighten awareness of osteoporosis through numerous activities designed to help physicians and patients worldwide.

In 2005, Actonel® plus Calcium (tablets containing monosodium risedronate combined with calcium carbonate tablets) was granted a product license by the U.S. Food and Drug Administration (FDA). It is the first prescription drug to combine Actonel® tablets and calcium tablets in a single pack. The product is also available in several European countries, including Germany, the Netherlands and Sweden.

OUR OTHER THERAPEUTIC RESPONSES

Sanofi-aventis has always been involved in the research and development of antibiotics and markets a wide range of products meeting medical needs in this sector: **Claforan®**, **Ketek®**, **Oflozet®/ Tarivid®**, **Pyostacine®**, **Rovamycine®**, **Targocid®** and **Tavanic®**. With **Rifadine®**, **Rifater®** and **Rifinah®**, sanofi-aventis is also contributing to the fight against tuberculosis, a major public health problem in certain emerging countries.

In the context of pain relief, sanofi-aventis has an extensive portfolio of analgesics, including **Doliprane®**, **Profenid®**, **Novalgine®**, **Aspegic®** and **No Spa®**, an antispasmodic agent widely used in central and Eastern Europe.

The Group is also present in the area of gastroenterology, with brands such as **Ercefuril®** in Europe, Africa and Asia/Middle East, **Enterogermina®** and **Magnesi San Pellegrino®** in Italy and **Pepsamar®** in Latin America.

With regard to treatments for respiratory diseases, **Rhinathiol®** occupies a leading position among expectorants, being marketed in Europe, Africa, the Middle East and Asia. Other products in this sector include **Maxilase®** in France, Portugal and certain African countries, **Histiacyl®** in Mexico, **Pax®** in Colombia and **Physiomer®** in France and Italy.

Finally, sanofi-aventis markets in numerous countries prescription medicines and OTC products such as **Lactacyd®** in gynecology and **Mitosyl®** in dermatology, as well as vitamins and minerals such as **Magné B6®** and **Omnivit®**.



Our responses for tomorrow

R&D at sanofi-aventis is focusing on novel approaches in the area of inflammation, with compounds possessing a wide range of mechanisms of action, including immunomodulators, antagonists of various chemical transmitter receptors and cytokine inhibitors.



ALVESCO®

The metered-dose inhaler Alvesco® is being developed in partnership with Altana Pharma AG (Nycomed group). Sanofi-aventis has now completed the clinical studies necessary to address the questions raised by the FDA during review of the NDA, and a response to the approvable letter received from the FDA is scheduled for the second quarter of 2007. Phase IIb studies on AVE2635, a dry powder inhaler combining ciclesonide and formoterol, were also completed in 2006 and analysis of the results is ongoing.



SATAVAPTAN

Satavaptan is a long-acting, orally active vasopressin V2 receptor antagonist. It is currently in development for **the treatment of dilution hyponatremia and cirrhotic ascites**. The Phase III program (including the DILIPO trial) in dilution hyponatremia has now been completed. The positive results obtained

in studies on the long-term treatment of patients presenting inappropriate antidiuretic hormone secretion (IADHS) have been published in the Clinical Journal of the American Society of Nephrology. A Phase III program targeting the treatment of cirrhotic ascites has now been initiated in light of the positive results of Phase II studies, showing a reduction in the number of evacuations of ascites following to relapse.



ICATIBANT

Icatibant is a specific and potent peptide inhibitor of bradykinin B2 receptors, administered by injection into the joints. This compound demonstrated its efficacy in a Phase II study in patients with arthrosis of the knee, **enabling rapid and long-lasting relief of pain**. A Phase IIb study is ongoing and the results will be available in the first quarter of 2007.



FERROQUINE

A Phase IIb study was initiated in September 2006 to evaluate the efficacy and safety of ferroquine combined with another antimalarial agent (artesunate) in uncomplicated **malaria caused by *Plasmodium falciparum***.



LEVOCETIRIZINE DIHYDRICHLORIDE

In September 2006, sanofi-aventis and UCB signed an agreement covering the launch and copromotion of levocetirizine dihydrochloride in the U.S. This H1 antihistaminic has been marketed in Europe since 2001 under the brand name Xyzal®. A product license application was submitted to the FDA in 2006 for the following indications: Seasonal Allergic Rhinitis, Perennial Allergic Rhinitis and Chronic Idiopathic Urticaria.

Medical Representatives are the sanofi-aventis employees in closest contact with healthcare professionals. They are responsible for promoting medicines to physicians, pharmacists and other healthcare professionals and contribute to the development of the Group while respecting the correct use of medicines. They also implement a policy of services adapted to healthcare professionals.



Vaccines

*Instrumental in saving millions
of lives throughout the world*

➤ *2 million*
lives are saved by vaccination
every year

➤ *2 million*
people still die every year
because they have no access
to vaccines

➤ *170 million*
doses of vaccine against seasonal influenza
were produced by sanofi pasteur in 2006

Our goal: a world where nobody will suffer or die from a disease that could be avoided by vaccination. Every year, vaccination save over two million lives, but more than two million people still die due to lack of access to vaccines. If populations were better informed about the consequences of infectious diseases and the real value of vaccines, vaccination coverage could be maintained and extended and consequently lives could be saved. Our mission is to protect and improve human health throughout the world by proposing innovative vaccines meeting the highest quality standards for the prevention and treatment of diseases, and to play an active role in public health initiatives to extend vaccination coverage.

Vaccination

Infectious diseases represent a major cause of mortality, particularly among children and young adults. They are caused by pathogenic micro-organisms, including viruses, bacteria, parasites and fungi. Vaccines are biological products containing one or more antigens derived from complete bacteria or viruses, from their constituents (polysaccharides or proteins)

or from their secreted products (toxins). Using various procedures, these antigens are rendered incapable of triggering the disease while conserving their ability to induce an immune response. By preventing the spread of infections, vaccination confers protection against diseases and thereby saves lives.



Vaccination enables the prevention of 25 infectious diseases



The vaccines market is expected to double by 2012

Our responses today with regard to vaccines

Sanofi-aventis, with sanofi pasteur, is the worldwide leader in the vaccine sector with five principal types of vaccine: influenza vaccines, pediatric vaccine combinations, booster vaccines for adults and teenagers, meningitis vaccines, and vaccines for travelers and for endemic diseases.



Fluzone® and Vaxigrip®/Mutagrip®

Influenza vaccines

In 2006, sanofi pasteur confirmed its position as worldwide leader in the production and marketing of influenza vaccines. Since 1995, sales of **Fluzone®** and **Vaxigrip®/Mutagrip®** have more than tripled and annual production has been increased to reach 170 million doses in 2006, permitting a better response to the growing demand.

The worldwide demand for influenza vaccines is expected to rise substantially during the next decade, due to the increased attention given to this disease and the expansion of government recommendations concerning immunization. Awareness of the risk of an influenza pandemic on the part of health authorities, healthcare professionals and the public has reinforced the overall demand for vaccines against this disease.

In 2005, sanofi pasteur initiated an investment of 160 million dollars in the U.S. to construct new facilities for the production of influenza vaccines, thereby doubling its capacity in that country. This investment will enable the Group to meet the growing demand for vaccines both in the U.S. and elsewhere in the world. An additional investment of 160 million euros has been approved for the construction of a site in France, in Val-de-Reuil, dedicated to the formulation and pharmaceutical production of vaccines, reinforcing the Group's capacity in this area, particularly with regard to influenza vaccines.

Sanofi pasteur intends to continue its efforts to maintain its leadership position in the market for influenza vaccines and to respond to the growing demand.

Sales of

835 m€

in 2006

(including H5N1 vaccines)

+27.5%

growth

Market leader in flu vaccine

Daptacel[®], Tripedia[®], Act-HIB[®], Pentacel[™], Pediacel[®] and Pentaxim[®], Ipol[®] and Imovax[®] Polio

Pediatric vaccine combinations and polio vaccines

Pediatric vaccine combinations aim to confer protection against diseases such as pertussis, diphtheria, tetanus, infections caused by *Haemophilus influenzae* type b and poliomyelitis. The composition of these vaccines varies according to the different immunization programs implemented throughout the world. This group of vaccines, capable of protecting against up to five diseases through a single injection, is based on acellular pertussis vaccines.

Daptacel[®], a trivalent vaccine protecting against pertussis, diphtheria and tetanus, was launched in the U.S. in 2002. Responding to the constraints of vaccination schedules, it has contributed significantly to sales of this vaccine range.

Act-HIB[®], designed to prevent infections caused by *Haemophilus influenzae* type b, is also a major contributor to growth with regard to the pediatric vaccine range. Pentacel[®] is a vaccine protecting against five diseases (pertussis, diphtheria, tetanus, poliomyelitis and meningitis caused by *Haemophilus influenzae* type b). It has been approved in nine countries and in Canada it has become the reference pediatric vaccine since its launch in 1997. Its registration in the U.S. is expected in 2007.

Pediacel[®], another pentavalent vaccine combination based on an acellular pertussis vaccine, was launched in the U.K. in 2004 and was approved in the Netherlands and in Portugal in 2005.

Sanofi pasteur is one of the leading producers of injectable inactivated poliomyelitis vaccines (IPV), with Ipol[®] and Imovax[®] Polio, and also oral polio vaccine formulations. As a whole, this vaccine range is contributing to the polio eradication objective in both developed and developing countries.

The Group forecasts that the use of IPV will increase as the goal of worldwide eradication of polio is approached. Sanofi pasteur is therefore expanding its manufacturing capacities to respond to this demand.

The launch in Mexico of Pentaxim[®], a pentavalent acellular vaccine containing an IPV, is planned in 2007. Mexico will be the first country in Latin America to integrate an IPV in its pediatric vaccination schedule.

Sanofi pasteur is a privileged partner in the worldwide initiative for the eradication of poliomyelitis led by the World Health Organization and UNICEF, capable of proposing both oral and injectable polio vaccines. In 2005, sanofi pasteur developed a new vaccine, Monovalent Oral Polio Vaccine 1, the first new oral polio vaccine to be introduced for almost 30 years. This product is currently used in the context of the WHO initiative aiming to eradicate the transmission of polio in countries where this disease is endemic.

Sales of

633 m€
in 2006

The pediatric vaccine
combination range and polio
vaccines progressed by

18.5%
in 2006

Objective:
eradicating polio

Menactra[®]

Vaccines against
meningitis and pneumonia

Sales of

310 m€
in 2006

+22%
growth

Meningitis

Sanofi pasteur is at the cutting edge of development of meningitis vaccines and was the first company to propose a quadrivalent vaccine against meningococcal meningitis, considered to be the most life-threatening form of meningitis.

In 2006, total sales of vaccines against meningitis and pneumonia increased by 22%, notably due to the strong growth of Menactra[®] in the U.S. resulting from the recommendations of the ACIP (Advisory Committee on Immunization Practices) concerning the vaccination of pre-teens. Menactra[®] is a quadrivalent vaccine designed to confer a longer lasting immune response. A polysaccharide vaccine comprised of serogroups A, C, W-135 and Y, Menomune[®], has been a valuable product for many years. To protect younger children against this terrible disease, sanofi pasteur has submitted a supplementary product license application to the FDA with the aim of expanding the indication to include vaccination of children over 2 years old. Sanofi pasteur plans to submit similar applications throughout the world within the next few years.

Adacel[®], Decavac[®], Repevax[®] and Revaxis[®]

Booster vaccines for adults and teenagers

Booster vaccines for adults and teenagers protect against pertussis, tetanus, diphtheria and polio. The Group's principal products are Adacel[®], Decavac[®], Repevax[®] and Revaxis[®].

A worldwide resurgence of pertussis has been observed during recent years, affecting children, teenagers and adults. This resurgence, in conjunction with growing awareness of the dangers associated with vaccine preventable diseases, has stimulated sales of this category of products during the past few years.

Adacel[®], the first trivalent booster vaccine against diphtheria, tetanus and pertussis was approved and launched in the U.S. in 2005. It has been the reference vaccine in Canada since 2004. The majority of Canadian provinces have now introduced systematic vaccination programs for teenagers. This vaccine, which plays a key role in efforts to combat pertussis, not only prevents the disease in adults and teenagers, but also breaks the transmission cycle affecting infants who are too young to be vaccinated or are only partially immunized. At the end of 2006, a new manufacturing unit was approved for the U.S. market, doubling the manufacturing capacity for Adacel[®] destined for this market.

Sales of

337 m€

in 2006

+23.4%

growth

Vaccines against hepatitis A, typhoid fever, rabies, yellow fever, etc.

Sales of

239 m€

in 2006

+34.3%

growth

Vaccines and serums intended for zones of endemic diseases and for travelers

Sanofi Pasteur's range of vaccines intended for zones affected by endemic diseases and for travelers is the most extensive in the market, comprising vaccines against hepatitis A, typhoid fever, rabies, yellow fever, Japanese encephalitis, cholera, measles, mumps and rubella, as well as anti-venom serums. The key products are Imovax[®] Rabies, Verorab[®], Typhim Vi[®], Avaxim[®] and Vivaxim[®]. These vaccines, used to protect huge populations in developing countries in areas where devastating infectious diseases are endemic, form the basis for major partnerships with certain governments and organizations such as UNICEF. This range is also intended for travelers planning to visit zones of endemic diseases and for military personnel scheduled for deployment in these areas. Numerous projects are ongoing to develop the use of existing vaccines.



Our responses for tomorrow

Sanofi pasteur proposes vaccines adapted to individuals of all ages, focusing on four major areas of research: new combination vaccines conferring simultaneous protection against several diseases and reducing the number of injections; constant improvement of existing vaccines to achieve even greater efficacy and safety; development of new vaccines against infectious diseases; and finally new technologies and the identification of new ways of administering vaccines.

WORLDWIDE LEADERSHIP IN INFLUENZA VACCINES

Sanofi pasteur has developed new vaccine formulations designed to increase the efficacy of these vaccines in the elderly. A new "micro-injection" technique, developed with Becton Dickinson, has been adapted to the administration of influenza vaccines. Phase III trials were initiated in 2006.

In the context of the initiative to diversify manufacturing technologies for influenza vaccines, designed to replace the traditional process based on the use of egg-derived products, sanofi pasteur is exploring new techniques for producing influenza vaccines based on cell culture. The first clinical trials started in 2006. Sanofi pasteur is also in the first line with regard to preparation for fighting an influenza pandemic in the U.S. and Europe. In the U.S., the activities are principally related to contracts signed with the federal government. These concern the year-round supply of eggs, the formulation of clinical batches and the build-up of reserves of vaccines against the H5N1 virus. In Europe, sanofi pasteur is producing clinical batches of vaccines targeting the H5N1 and H7N1 viruses, conducting clinical studies, and preparing submission of a marketing authorization application to the European Medicines Agency (EMA). Recent clinical data encourage the pursuit of strategies designed to prepare for a pandemic. Formulations of H5N1 vaccine with and without adjuvant (aluminum hydroxide) are well tolerated and have been shown to induce an immune response in healthy adult volunteers. The pre-pandemic vaccine against the H5N1 virus has also demonstrated a potential to induce protection against other H5N1 viruses not included in the original formulation.

PEDIATRIC VACCINE COMBINATIONS AND BOOSTER VACCINES FOR TEENAGERS AND ADULTS

Several pediatric vaccines are in development. Adapted to specific markets, these vaccines are designed to protect against five or six of the following diseases: diphtheria, tetanus, pertussis, poliomyelitis, infections caused by *Haemophilus influenzae* type b and hepatitis B.

PROGRAM FOCUSING ON MENINGITIS AND PNEUMOCOCCAL INFECTIONS

Meningococcal meningitis: sanofi pasteur is extending the indications of Menactra®, its conjugated quadrivalent vaccine (A, C, Y, W-135). The Group is also developing new formulations for the administration of this conjugated vaccine to infants. An innovative approach has been devised to combat serogroup B *Neisseria meningitidis*.

Pneumococcal diseases: *Streptococcus pneumoniae* constitutes the principal causative agent of several serious infections, such as pneumonia, septicemia, meningitis and otitis, resulting in the deaths of more than 3 million individuals annually worldwide, including 1 million children. Sanofi pasteur has two ongoing projects targeting these diseases.

NEW VACCINE TARGETS

Dengue fever: several approaches are being explored with the aim of developing a vaccine that confers protection against the four viral serotypes responsible for dengue fever and its serious complications (particularly hemorrhagic fever). This disease principally affects the populations

of Asia, Africa and Latin America. The lead candidate vaccine against dengue fever developed by sanofi pasteur has just entered large scale Phase II trials in adults in the U.S. and in adults and children in Latin America, Asia and the Pacific region. Sanofi pasteur and the Pediatric Dengue Vaccine Initiative (PDVI), one of the programs of the International Vaccination Initiative financed by the Bill & Melinda Gates Foundation, recently announced a partnership to develop and produce a dengue fever vaccine with the aim of making it for the global prevention of this disease.

Malaria: sanofi pasteur's malaria vaccine project is currently in the preclinical phase and will benefit from a network of partnerships established in the context of the fight against malaria and vaccine adjuvant therapy developed in-house.

Chlamydia trachomatis: *Chlamydia trachomatis*, the most common sexually transmissible pathogenic bacterium, causes substantial morbidity and long-term sequels, especially in women. The objective of the *Chlamydia trachomatis* project is to develop a recombinant protein vaccine designed to prevent sexually transmissible infections due to *Chlamydia trachomatis*, targeting in particular young girls aged from 11 to 14 years prior to their first sexual intercourse. The project entered the preclinical phase in 2006.

Cancer: the program focusing on development of a cancer vaccine is targeting in particular colorectal cancer and malignant melanoma, and aims to specifically activate the immune system in such a way that it will destroy cancer cells. Phase I clinical trials using the ALVAC (canarypox vector) technology in patients presenting melanoma or colorectal cancer have indicated a favorable safety profile.

HIV: sanofi pasteur is actively participating in worldwide efforts to develop a vaccine against HIV. Ever since the launch of its program to develop a vaccine against HIV, almost 20 years ago, sanofi pasteur has been working with numerous government agencies and other pharmaceutical companies on various specific aspects of this program. The company is well aware of the importance of these partnerships with respect to both research and the design and implementation of clinical studies. These partnerships have proved to be crucial in meeting the challenges involved in the development of an HIV vaccine.



Sanofi pasteur is the largest company in the world dedicated to human vaccines. Its vocation is to protect people against infectious diseases by creating safe and effective vaccines. Accomplishment of this mission requires cooperation, innovation and education.

Corporate responsibility

The position of sanofi-aventis, a worldwide leader in the pharmaceutical industry, confers responsibilities to the most disadvantaged populations, as well as to all its partners and its own employees.

p. 74 Meeting the challenge of access to medicines

p. 76 Helping the populations most at risk

p. 78 Developing and promoting diversity

p. 80 Hygiene, Safety and Environment: preventing and anticipating risks

Amanda Bostander, TB-Free Project (South Africa) is a "Dots Supporter": she provides support to patients suffering from tuberculosis and makes sure that they complete their course of treatment.



Meeting

the challenge of access to medicines

80%

of the world's population
have no access to healthcare



As a socially-responsible company, sanofi-aventis is committed to facilitating access to medicines and vaccines by all, including the most underprivileged.

Sanofi-aventis, a global player in the pharmaceutical industry, is present in a hundred countries. The Group has industrial facilities in several countries in the Southern Hemisphere and their continued presence is crucial for local development and maintaining employment. Elsewhere, many such populations have no access to medicines. With these facts in mind, sanofi-aventis is conscious of its particular responsibility as a global player in the healthcare sector. A specific division, **Access to Medicines**, with 32 employees and a budget of over 20 million euros, uses the Group's know-how in six major therapeutic areas where serious public health concerns and the Group's pharmaceutical expertise

coincide: **malaria, tuberculosis, sleeping sickness, leishmaniasis, epilepsy and vaccines.**

Representatives from all departments – Research and Development, Regulatory Affairs, Industrial Affairs, Distribution and Marketing – are within the **Access to Medicines** division, uniting their efforts to produce medicines in strict conformity with Group quality standards and to make these available to underprivileged populations at prices adjusted according to patient category, within the overall framework of a “no profit – no loss” policy.

In each therapeutic area, the Access to Medicines division is concentrating its activities in four sectors:

Access to medicines, a corporate approach

Access to Medicines is a self-contained division, with its own employees and resources, and at the same time is an integral part of the strategy and organization of sanofi-aventis. Neither a Foundation nor a channel for donating

medicines, **Access to Medicines** within sanofi-aventis is dedicated to mobilizing the Group's know-how with the aim of developing long-term programs targeting diseases that affect developing countries.

RESEARCH AND DEVELOPMENT

One example: malaria

Faced with a parasite that rapidly develops resistance to treatments, research programs aim to outstrip resistance. Partnerships established between sanofi-aventis and the Universities of Montpellier, Toulouse and Lille have already led to the identification of candidate medicines, such as SAR97276 and ferroquine. These products are now being developed within the Group with the Group's financial support.

Another example: vaccines

In the Northern Hemisphere, vaccination against yellow fever is generally limited to travelers likely to be exposed to this disease. Sanofi pasteur has nevertheless developed a multi-dose presentation of the yellow fever vaccine, especially designed for wide-scale use in countries where the disease is endemic. Sanofi pasteur is one of the main suppliers of this vaccine, both for UNICEF vaccination campaigns and for the creation of reserve stocks permitting a rapid response to epidemics, such as those occurring periodically in Africa. To help countries organize their yellow fever vaccination campaigns and prevent the outbreak of epidemics, sanofi-aventis and sanofi pasteur are supporting the initiatives of the Preventive Medicine Agency (PMA). One example of these initiatives was the meeting addressing the use of yellow fever vaccine organized in partnership with the WHO in December 2006 in Bamako (Mali) and attended by 50 participants representing eight West African countries.

IMPLEMENTATION OF NEW THERAPEUTIC STRATEGIES AND IMPROVEMENT OF EXISTING PRODUCTS

One example: malaria

Sanofi-aventis and the DNDi (Drugs for Neglected Diseases initiative) are

cooperating in the development of a fixed-combination malaria treatment comprising artesunate and amodiaquine (ASAQ), with a very simple dosage regimen: one tablet per day for three days. This treatment, which is not protected by patent, meets WHO criteria and will cost less than 1 dollar per adult and less than 50 cents per child. The first marketing approvals, in Africa, are expected in 2007.

INFORMATION, EDUCATION AND COMMUNICATION ARE ALL LINKS IN THE HEALTHCARE CHAIN

The example of tuberculosis

In 2006, sanofi-aventis launched the **TB Free** program in South Africa, one of the countries most affected by tuberculosis, with 175 deaths every day. In partnership with the Nelson Mandela Foundation and the South African Ministry of Health, this program should enable, in particular, the opening of nine DOTS (Directly Observed Treatment Short Course) centers. In these centers, patients are encouraged to take their daily

medication by a "DOTS supporter", often a former tuberculosis sufferer conscious of the importance of continuing the treatment despite its very long duration (over six months).

DEVELOPMENT OF AN APPROPRIATE PRICING AND DISTRIBUTION POLICY FACILITATING ACCESS TO MEDICINES

Examples: tuberculosis, malaria and leishmaniasis

Sanofi-aventis strives to manufacture its products as close as possible to the areas most affected by the diseases concerned. In accordance with this policy, the Group has decided to concentrate the manufacture of its tuberculosis treatments in Waltloo, South Africa, its antimalaria agents in Zenata/Cyprès, Morocco, and its leishmaniasis products in Suzano, Brazil. This volume-based policy, permitting a substantial reduction in the price of the Group's products consistent with the Group's principle of "no profit – no loss", also helps to maintain jobs in these countries.



8 million

new cases of tuberculosis occur every year and result in approximately 2 million deaths

60 million

people live in areas of Africa where sleeping sickness is endemic

600 million

people affected by Malaria every year

Helping

the most underprivileged populations

In keeping with its position as a pharmaceutical company, sanofi-aventis' humanitarian initiatives, which started over 15 years ago in partnership with various non-profit organizations, aim to reduce inequalities and assure universal access to healthcare.



Solidarity is one of the fundamental sanofi-aventis values. Beyond providing simple financial support, the Group shares its scientific, technical and human relations expertise with its partners in three areas at the heart of its activity: healthcare, solidarity and childhood.

The programs set up all over the world focus on prevention, education, hygiene, access to healthcare, support for the

disabled, and measures to combat mistreatment, poverty and social exclusion. These humanitarian initiatives sometimes address emergency situations calling for practical aid, but are more often integrated into a longer-term approach, aiming to provide sustained support to the populations most at risk. The Group's policy in this area is defined in a Humanitarian Sponsorship Charter, serving

"Solidarity at the heart of our actions"

To portray the various actions to relieve suffering implemented in different countries, and to provide the Group's partners in these programs with an effective communication tool, the Humanitarian Sponsorship department of sanofi-aventis has produced a series of films called "Solidarity at the heart of our actions". This series currently comprises eight films, ranging from Sister Elisabeth's work among the poorest populations of Vietnam to the fight against leishmaniasis led by the Osvaldo Cruz Foundation in Brazil. Further films will be added to this collection in 2007.



*Healthcare, solidarity
and Childhood the three
pillars of sanofi-aventis'
humanitarian sponsorship
initiatives.*

as a guideline for its humanitarian activities throughout the world.

Sanofi-aventis has initiated various pilot programs to address public health concerns common to several countries. One of these is the campaign "My child matters", developed with the International Union Against Cancer (UICC), targeting childhood cancers in developing countries. Another example is the prevention of diabetes and the disabilities related to this disease in developing countries, a program launched in partnership with Handicap International in Asia, Africa and Latin America. Many other projects have been set up due to initiatives by partners or the Group employees. In France, for example, the support of sanofi-aventis and its employees made it possible for *samusocial*, an association dedicated to bring assistance to marginalized people, to create a Mobile Anti-Tuberculosis Team providing access to treatment for people living outside social structures. Inaugurated in 2000, this project has received financial support and donations of medicines and vaccines from the Group over the past six years, as well as donations from its employees matched by the Group. In 2006, this appeal to generosity raised a total of 154,123 euros.

The success of these actions is achieved by the complementary efforts of all those involved, including Non-Governmental Organizations (NGO), hospitals and health authorities. Pooling their respective skills acts as a powerful lever of creativity and innovation to help the populations concerned. This success also reflects the implication of the Group's employees worldwide, through their individual expertise, voluntary work and monetary donations matched by the company.



Providing information on leishmaniasis and education in hygiene measures in order to combat the disease more effectively (Brazil)

The fight against childhood cancer

Every year, almost 160,000 children are affected by cancer and around 90,000 die of their disease. Approximately 80% of these children live in developing countries, in which the rate of cure is below 20%, or even 10% in the poorest countries, compared to 80% in developed countries. To help redress this dramatic inequality, the International Union Against Cancer (UICC) and sanofi-aventis have launched the "My Child Matters" campaign to provide information on childhood cancers and promote early diagnosis, access to healthcare and treatments, pain relief measures and better handling of the social and cultural aspects of these diseases.

At the start of 2006, 14 projects were implemented in the first 10 pilot countries. Since then, 4,000 children have benefited from these programs, a total of 2,100 families have received support designed to help them to better understand and cope with their child's disease, and 900 healthcare professionals have participated in training courses on cancers and their management in children. Since this program was launched in 2004, the Group has provided financial support amounting to 1,835,000 euros. A second call for projects was issued in 2006 and the program is now running in 16 countries, with 26 pilot projects ongoing.



Facilitating access to healthcare for care by children suffering from Burkitt's lymphoma (Tanzania).

Developing

and promoting diversity

Present in 100 countries throughout the world, sanofi-aventis considers diversity to be a powerful lever of innovation and performance within the Group.

The human resources policy of sanofi-aventis is dedicated to preserving and promoting diversity in all its aspects (men/women, cultural diversity, integration of disabled employees, etc.), while at the same time developing a corporate culture and identity based on shared policies and values.

AN INHERENT STRENGTH FOR AN INTERNATIONAL COMPANY

In all its areas of expertise, the Group has deliberately chosen to emphasize international participation in its teams, not only at the company head office but also in individual countries. This international approach implies in particular an increase in the responsibilities of local managers. The creation in 2006 of two new regional hubs, one in Singapore for the Asia/Pacific region, the other in Panama for Latin America, should open up new opportunities for these managers. Support functions (finance, medical, etc.), previously assured by the Group head office in France, have now been integrated in these regional hubs.

DEVELOPING TALENTS THROUGHOUT THE WORLD

Sanofi-aventis is committed to developing the talents of all its employees. The three training programs launched by the Group in 2006 illustrate this approach perfectly. These transverse training programs enable a real cultural exchange between trainees from different countries, different disciplines and different levels within the company.

Discover: finding out about the Group

This two-day training module, organized in Paris, is designed to permit new employees, selected by their respective countries, to better understand how the Group functions. It is built around presentations by sanofi-aventis senior management.

Explore: a Group program for managers throughout the world

Intended for high-potential young managers, this training module aims to develop key areas of expertise within the Group. The majority of the sessions will take place in France, but the program has been implemented in Germany (in German), as well as in Asia and the U.S. (in English), to allow a larger number of managers to participate in the same course worldwide.





+3,000

new employees

joined sanofi-aventis in 2006, primarily recruited by Research and Development or by sanofi pasteur.



In-house facilitators play an important role in the Explore program and around 40 Human Resources managers worldwide have been trained to run these training sessions. In 2006, eight sessions were proposed.

**•Perspectives, key tools
for multicultural leadership**

This training program is intended for senior managers, such as General Managers, scientific directors, site directors and business unit directors. The aim is to help these managers to fully assimilate the strategic culture of the Group, and to develop their leadership skills in an international and multicultural environment.



*A multinational approach
involving increased
responsibility
of local managers*

**HARMONIZATION OF POLICIES
AND PRACTICES**

In 2006, the Group focused its efforts on implementation of its social protection policy with the objective of providing all its employees with insurance against the risks encountered in everyday life covering health care, death and disability or invalidity, with the same guarantees irrespective of the country. By the end of 2006, 99% of the Group's employees had insurance coverage in the event of death and 90% had insurance covering health care, with no discrimination with regard to age or state of health and no obligation to undergo a prior medical examination.

Disability, a long-standing commitment

For the past 10 years, sanofi-aventis has been implementing a policy which favors employment of the disabled. In June 2006, a three-year agreement signed by the Group concerning the recruitment and continued employment of disabled staff in France was validated by the *Direction Départementale du Travail de l'Emploi et de la Formation Professionnelle* (Departmental Division of Work, Employment and Professional Education). In the context of this agreement, the Group is continuing its efforts to help its employees better understand the problems faced by their disabled colleagues. A handbook, "Supporting the disabled through a better understanding of disability" was distributed to all employees at specific in-house events organized during the 10th annual campaign for employment of the disabled in France.

This initiative was taken up on an international scale. In Hungary, a local initiative entitled "Mission Handicap" was implemented, culminating in the MOZAIK project. A specific analysis of all sanofi-

aventis activities was initiated in Japan and measures significantly favoring the recruitment of disabled staff were implemented in Brazil. In Germany, in accordance with the legislation in force, a single organization now represents all the disabled employees of sanofi-aventis. In the U.K., a study of accessibility has been carried out on an industrial site, with a view to facilitating the recruitment of disabled staff. A successful outcome of this initiative would lead to award of the "two tick" label, a national symbol identifying companies that employ disabled personnel. Finally, during an international seminar of the Industrial Affairs Division, at which all sanofi-aventis industrial sites throughout the world were represented, participants were reminded of the Group's commitment and a campaign to promote better understanding of disability and the work of disabled employees was proposed. In addition, the questionnaire distributed annually in all countries to collect data on social issues now includes several questions concerning disability.

For more detailed information, see our 2006 Sustainable Development Report available at www.sanofi-aventis.com

Health, Safety and Environment

anticipating and preventing risks

Health, safety and environment are at the heart of sanofi-aventis' professional culture.

The sanofi-aventis Health Safety and Environment (HSE) policy is an integral part of the Company's Code of Ethics. It defines, for all employees worldwide, the requirements for preventing occupational and environmental risks.

AN ORGANIZATION AND A POLICY DESIGNED TO MEET THE CHALLENGES

To optimally anticipate new risks related to its development and to the specific activities of all of its operations,

sanofi-aventis has created three specialized committees: **Covalis**, **Tribio** and **Ecoval**. **Covalis** is responsible for evaluating the hazards of the active ingredients and synthesis intermediates handled within the Group and for determining acceptable occupational exposure limits to these substances. **Tribio** is concerned with the prevention of biological risks, while the mission of **Ecoval** is to assess the environmental impact of the active ingredients developed and manufactured by the Group.



Measures to significantly reduce the risk of road accidents

Road accidents constitute a major potential risk for many of the Group's employees. Faced with a deterioration of road safety results, the Group commissioned a Committee on Road Accident Risk in June 2006. A worldwide program to build management awareness of their responsibilities for

promoting road safety, as well as providing employee training and internal communication, was created in 2006 and will be implemented in 2007. The principles of this program are consistent with the European Road Safety Charter, which was signed by the Group in 2006.

In 2006, the Group continued implementation of its HSE policy, focusing on five key objectives:

- to guarantee the safety of facilities and the environments in which they operate;
- to safeguard and preserve the health of employees;
- to ensure safety by preventing risks that could lead to work-related accidents;
- to conserve natural resources through the use of clean, safe processes;
- to protect the environment.

ACHIEVING BETTER CONTROL OF RISKS THROUGH BETTER UNDERSTANDING

In 2006, in the context of its industrial hygiene program, sanofi-aventis inaugurated a Central Industrial Hygiene Laboratory. Located in France, the laboratory has been functioning since January 15th 2006. The analytical capacities of this state-of-the-art facility make it possible to quantify individual employee exposures to chemical agents and to certify control of monitoring of Group installations, industrial processes and laboratory activities.

2006 also witnessed reinforcement of the internal HSE audit procedure. Vaccine manufacturing facilities, R&D sites and Group industrial sites are audited at least every three years, to assess conformity with sanofi-aventis policy and standards. In 2006, 41 internal HSE audits were performed.

Finally during 2006, the Group continued to introduce tools to facilitate collection and analysis of HSE information from all its sites worldwide. These tools include the database GREEN, permitting regular consolidation of environmental data from all the sites of the Group, and MSRS, enabling the collection of data on work-related accidents involving the Group's employees, temporary workers and external contractors.



5 major sites

Marcy-l'Étoile and Val-de-Reuil in France, Swiftwater in the U.S., Ujpest in Hungary and Ocoyoacac in Mexico were certified ISO 14001 in 2006.

7 research centers

throughout the world, comprising all the sanofi-aventis centers engaged in chemical development activities, underwent internal audits of the safety of their procedures in 2006.

For more detailed information, see our 2006 Sustainable Development Report.

Governance

Shareholder information

The Group maintains a permanent dialogue with its shareholders, based on confidence and transparency.

The shareholders of sanofi-aventis have access to a wide range of publications and services providing updated information about Group activities and results. They are also invited to play a part in the constant improvement of these tools. In 2006, the Individual Shareholders' Committee of sanofi-aventis participated in discussions focusing on communication projects, expansion of the Group's website dedicated to shareholders, organization of regional shareholder meetings, and participation in the Actionaria shareholder information forum in Paris.

MORE DETAILED AND ACCESSIBLE ON-LINE INFORMATION

The individual shareholders' section of the sanofi-aventis website was further developed in 2006 to better meet shareholder expectations. In this part of the Group's website, shareholders can obtain up-to-date information about sanofi-aventis news and financial events and register to receive e-mail alerts. Sanofi-aventis is the first company on the CAC 40 (top 40 companies on the Paris stock exchange) to make its corporate website

accessible to the disabled and the home page now displays the W3C WAI-AA accessibility label. Finally, the investors' section of the website completes the provision of financial information on the Group via the link <http://en.sanofi-aventis.com/investors>.

PUBLICATIONS

In addition to the reference document filed with the *Autorité des Marchés Financiers* (AMF – French Financial Market Authority), and the U.S. Annual

Report on form 20-F filed with the Securities and Exchange Commission (SEC), sanofi-aventis publishes an illustrated annual Business Report and a complementary Sustainable Development Report. In 2006, sanofi-aventis updated its Individual Shareholder's Guide presenting the Company and its various spheres of activity and providing information on share management. The Group also published three new issues of its "Letter to shareholders".



Financial calendar for 2007

- **February 13, 2007:** communication of 4th quarter 2006 results, and full-year 2006 results – Analysts' and investors' meeting in Paris
- **May 3, 2007:** communication of 1st quarter 2007 results
- **May 31, 2007:** General Shareholders' Meeting; 2nd invitation
- **August 1, 2007:** communication of 2nd quarter 2007 results
- **September 17, 2007:** "R&D Day" – Communication of R&D portfolio
- **October 31, 2007:** communication of 3rd quarter 2007 results

CONTACT BY TELEPHONE

Shareholders and others interested in the Company's shares can contact the Individual Shareholder Relations team by calling the toll-free number +33 800 075 876 in Europe or +1 888 516 3002 in the U.S. Key financial information about sanofi-aventis in French can also be obtained from a recorded information server, accessed via the toll-free number in France.

The Individual Shareholders Committee is in regular contact with the Group, keeping management teams informed of investor viewpoints and their main concerns and expectations. The committee also proposes ways to improve sanofi-aventis' relations with shareholders and participates in the strategic planning of communication projects. Shareholders can contact the committee through the e-mail contact on the website.

SHAREHOLDER MEETINGS

In 2006, 10 shareholder meetings were organized in France and one in Brussels, Belgium, permitting discussions and exchange of information between shareholders and representatives of the Group. Sanofi-aventis also invited a small group of individual shareholders to visit its manufacturing site in Tours, France, the first time such a visit has been organized. On November 17 and 18, 2006, for the third year running, the Shareholder Relations team welcomed over 3,000 visitors at its booth in the Actionaria forum, in Paris, France.

In 2006, more than 1,800 shareholders participated in the Annual General Meeting. For those who were unable to attend, the meeting was broadcast in real time on the Group's website.

The Company regularly invites institutional investors to its meetings in Europe and the U.S., permitting them to discuss more fully issues related to the Group's activity and strategy with members of its senior management.

Contacts

RELATIONS WITH INSTITUTIONAL INVESTORS, ANALYSTS AND INDIVIDUAL SHAREHOLDERS

Sanjay Gupta

Individual shareholders

Tel. France: 0 800 075 876 (toll-free number)
Tel. Europe: +33 800 075 876 (toll-free number)
Tel. U.S.: + 1 888 516 3002 (toll-free number)

• **Email:**

individualshareholders@sanofi-aventis.com

• **Mailing address:**

Sanofi-aventis
Shareholder Relations
174, avenue de France
75013 Paris – France

Individual shareholders holding fully registered shares with BNP Paribas

Tel.: +33 800 877 432 (toll-free number)
Fax: +33 (0)1 53 77 34 17

Institutional investors and analysts

Tel. Paris: + 33 (0)1 53 77 45 45
Fax: + 33 (0)1 53 77 42 96
Tel. Bridgewater: +1 908 981 55 60

• **Email:**

IR@sanofi-aventis.com

• **Mailing address:**

Sanofi-aventis
Investor Relations Department
174, avenue de France
75013 Paris – France

MEDIA RELATIONS

Jean-Marc Podvin
Tel.: + 33 (0)1 53 77 42 23
Fax: + 33 (0)1 53 77 42 65

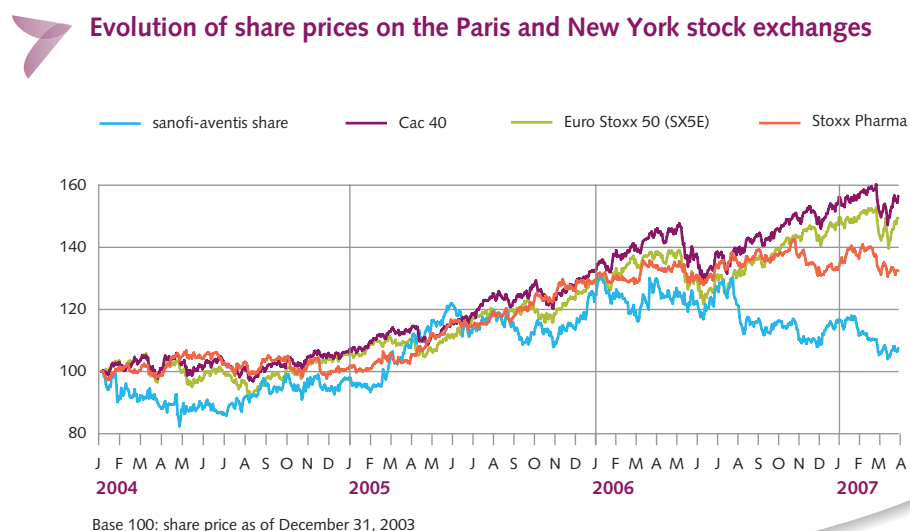
• **Email:**

media-relations@sanofi-aventis.com

• **Mailing address:**

Sanofi-aventis
Press Relations Department
174, avenue de France
75013 Paris – France

Stock exchange information



SANOFI-AVENTIS SHARE OWNERSHIP AS OF FEBRUARY 28, 2007

	Shares		Actual voting rights*		Published voting rights**	
	Number	%	Number	%	Number	%
Total	178,476,513	13.12	319,968,848	19.30	319,968,848	19.20
L'Oréal	143,041,202	10.52	286,082,404	17.26	286,082,404	17.16
Treasury shares	8,738,426	0.64	—	—	8,738,426	0.52
of which shares held directly	8,278,734	0.61	—	—	—	—
Employees ⁽¹⁾	16,730,513	1.23	31,334,503	1.89	31,334,503	1.88
Public	1,012,965,671	74.49	1,020,539,368	61.55	1,020,539,368	61.24
TOTAL	1,359,952,325	100.00	1,657,925,123	100.00	1,666,663,549	100.00

(1) Shares held through sanofi-aventis Group Savings Plans.

* Based on the total number of actual voting rights at the end of the stated month.

** Based on the total number of published voting rights at the end of the stated month.

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We would like to thank our colleagues and partners who accepted to be photographed for this Business Report during the course of their professional activities.

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page 19, page 21 (Hanspeter Spek), page 25 (Gilles Lhermould)
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Disease pictograms: Stéphane Jungers

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This report contains projections and other forward-looking statements that are not historical facts. Although the management of sanofi-aventis believes that these projections and forward-looking statements, and their underlying assumptions, are reasonable as of the date of this report, investors are cautioned that such projections, assumptions, intentions and forward-looking statements are subject to various risks and uncertainties (many of which are difficult to predict and generally beyond the control of sanofi-aventis) that could cause actual results and developments to differ materially from those expressed or implied. These risks and uncertainties include those discussed elsewhere in this report, as well as in the filings of sanofi-aventis with the U.S. Securities and Exchange Commission (SEC) and the French Autorité des marchés financiers (AMF), notably under the caption "Risk Factors" in the company's annual report on Form 20-F. Other than as required by applicable law, sanofi-aventis does not undertake any obligation to update any statement that is not a historical fact.



sanofi aventis

Because health matters

174, avenue de France
75013 Paris – France
Tel.: + 33 (0)1 53 77 40 00
www.sanofi-aventis.com