



Creating a Global Leader in Animal Health

March 9, 2010



This presentation includes “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such statements may include, but are not limited to, statements about the benefits of the merger between Merck and Schering-Plough, including future financial and operating results, the combined company’s plans, objectives, expectations and intentions and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of Merck’s management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements.

The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: the possibility that the expected synergies from the merger of Merck and Schering-Plough will not be realized, or will not be realized within the expected time period, due to, among other things, the impact of pharmaceutical industry regulation and pending legislation that could affect the pharmaceutical industry; the risk that the businesses will not be integrated successfully; disruption from the merger making it more difficult to maintain business and operational relationships; Merck’s ability to accurately predict future market conditions; dependence on the effectiveness of Merck’s patents and other protections for innovative products; the risk of new and changing regulation and health policies in the U.S. and internationally and the exposure to litigation and/or regulatory actions.

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Forward Looking Statements - sanofi aventis

This presentation contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements are statements that are not historical facts. These statements include projections and estimates and their underlying assumptions, statements regarding plans, objectives, intentions and expectations with respect to future financial results, events, operations, services, product development and potential and statements regarding future performance. Forward-looking statements are generally identified by the words “expects,” “anticipates,” “believes,” “intends,” “estimates,” “plans” and similar expressions. Although sanofi-aventis’ management believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of sanofi-aventis, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include among other things, the uncertainties inherent in research and development, future clinical data and analysis, including post marketing, decisions by regulatory authorities, such as the FDA or the EMA, regarding whether and when to approve any drug, device or biological application that may be filed for any such product candidates as well as their decisions regarding labelling and other matters that could affect the availability or commercial potential of such products candidates, the absence of guarantee that the products candidates if approved will be commercially successful, the future approval and commercial success of therapeutic alternatives, the Group’s ability to benefit from external growth opportunities as well as those discussed or identified in the public filings with the SEC and the AMF made by sanofi-aventis, including those listed under “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” in sanofi-aventis’ annual report on Form 20-F for the year ended December 31, 2008.

Other than as required by applicable law, sanofi-aventis does not undertake any obligation to update or revise any forward-looking information or statements.

Conference Call Participants

■ Merck

■ ***Richard T. Clark***

Chairman, President and Chief Executive Officer

■ Sanofi-aventis

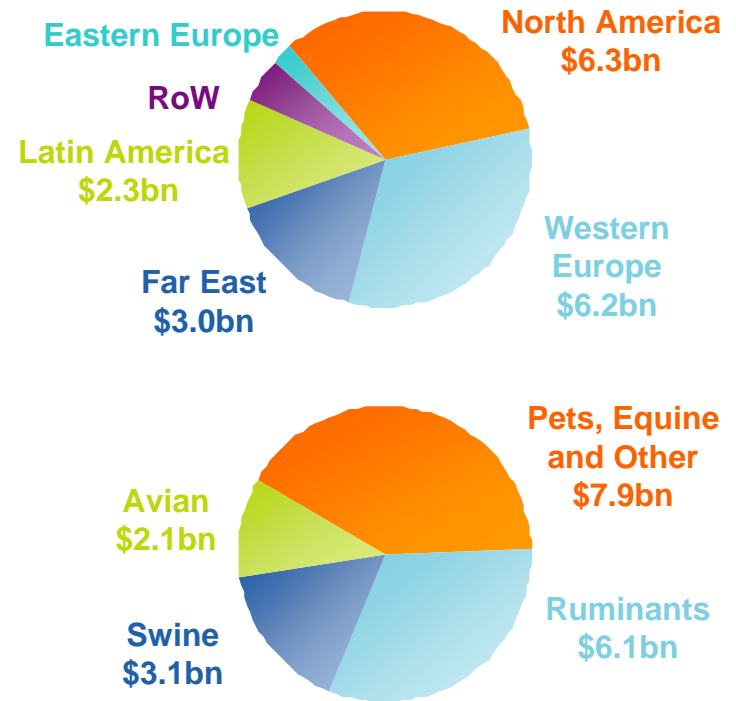
■ ***Christopher A. Viehbacher***

Chief Executive Officer

The Animal Health Business Is Attractive

- A **sizeable** global animal health market with sales of **\$19.2bn** in 2008⁽¹⁾
 - North America and Western Europe represent **65%** of the market⁽¹⁾
 - Companion and production animals account for around **40%** and **60%** of the market⁽¹⁾, respectively
 - Parasiticides and vaccines are **28%** and **25%** of the market⁽¹⁾, respectively
- Mid-high single digit annual growth from 2003 to 2008
 - **Resilient growth** in 2009 despite the economic crisis: Meril and ISP both grew 4% to 5% in Q4 2009⁽²⁾

Market size (\$bn)



(1) Vetnosis (2008)

(2) Growth at constant exchange rates

Fundamentals of the Animal Health Market Drive Sustainable Growth

- A **growing** global animal health market with an expected growth rate of around **+5% per year** in nominal value through 2014^(1,2)
 - Growing population worldwide
 - Increased consumption of animal proteins in emerging markets
 - Growth of pets market sustained by aging populations in western countries and higher incomes in emerging markets



(1) Vetnosis (2008)

(2) Nominal growth – Real growth excludes the impacts of exchange rate fluctuations and price increases / decreases.

- A **global** company with a **broad portfolio** of animal health products
 - Formed in 2007 through combination of Intervet and Schering-Plough animal health
 - Expertise in production animals and vaccines
 - Key marketed brands:



Panacur® *Oleovac FMD*



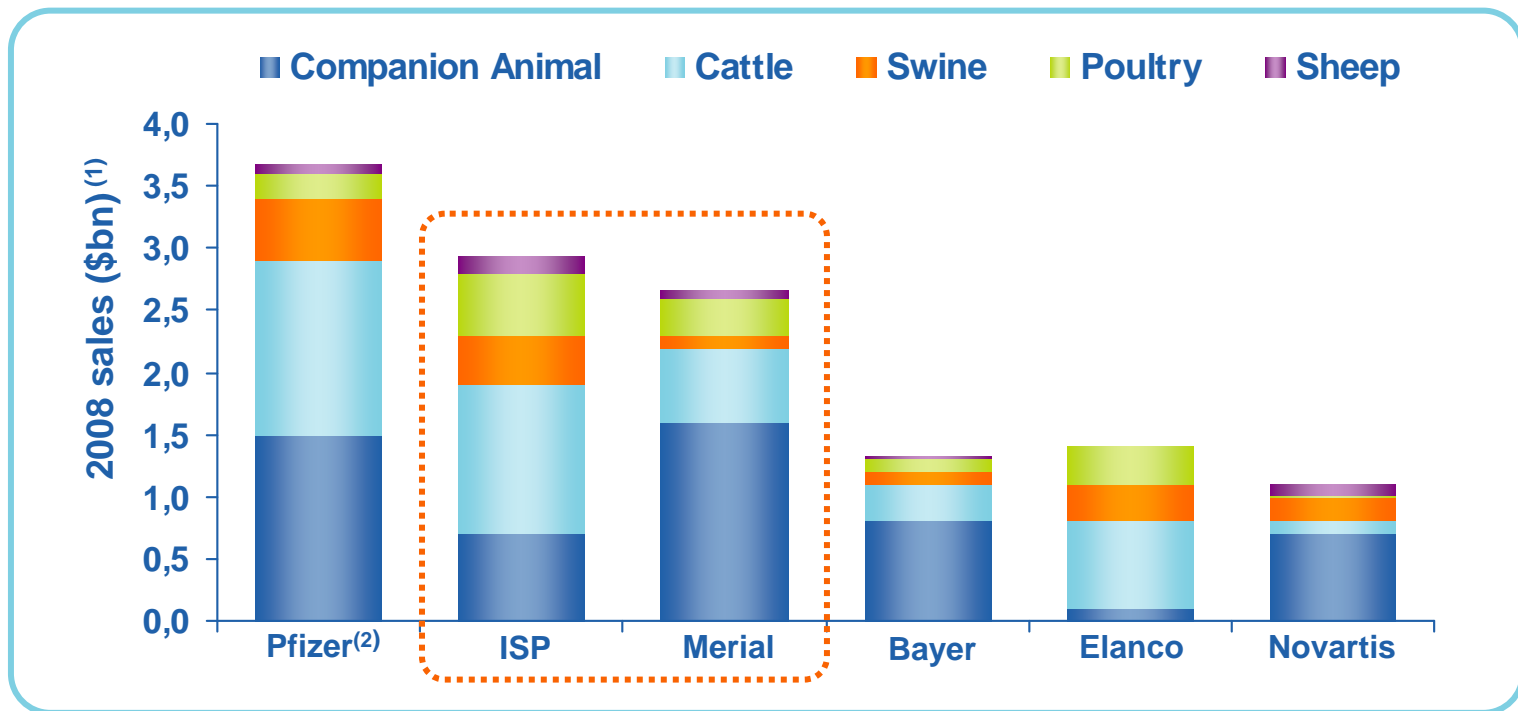
Nobilis



- 2009 sales: **\$2.74bn**
- **8,200** employees
- Operating in **> 140** countries and headquartered in Netherlands
- Offices in **> 50** countries
- Main operational center:
 - Boxmeer (Netherlands)
- **28** production facilities in **14** countries and **5** continents

A Dynamic Competitive Landscape in Animal Health

- Merial and ISP are complementary businesses
- The combination would create a new **global Animal Health company** with:
 - A diversified offering to farmers, veterinarians and animal owners
 - A complementary portfolio of innovative R&D projects



(1) Vetnosis (2008)

(2) Pro-forma combination with Fort Dodge w/o considering any disposal



Committed to Animal Health

- Focused on the delivery of **products and solutions** that enhance **animal health and well-being**

- Created in 1997, combines the heritage of **sanofi aventis** and  **MERCK** legacy companies



- Strong expertise in companion animals and parasiticides

- Best in class top-selling brands:



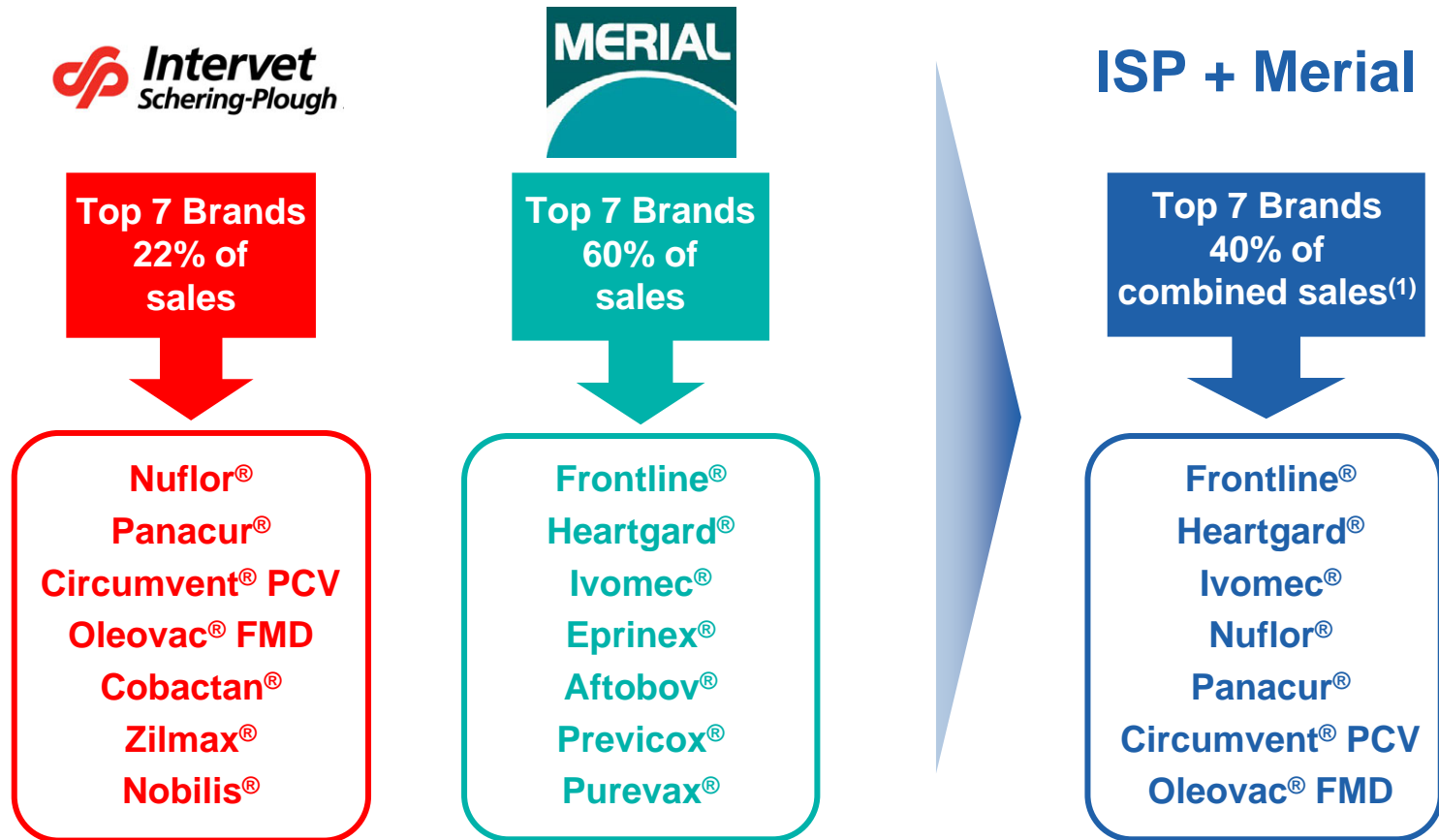
- 2009 sales: **\$2.55bn**
- **5,600** employees
- Operating in **> 150** countries and headquartered in the UK
- Main operational centers:
 - Duluth (Georgia, U.S.)
 - Lyon (France)
- **16** production facilities in **9** countries
 - France, Brazil, U.S., Italy, China, UK, New Zealand, Uruguay, Netherlands

ISP and Merial Have Complementary Strengths

	 Intervet <i>Schering-Plough</i> Strengths	 MERIAL Strengths
SPECIES	Avian (layers/breeders) Ruminants Aquaculture	Companion Animals Avian (broilers)
GEOGRAPHIES	Europe Emerging Markets	North America Brazil
PRODUCT TYPE	Vaccines	Parasiticides (Frontline® and Avermectins)
R&D	Vaccines Life cycle management expertise	Pets Pharma Early stage portfolio

Combined Entity Provides a Diversified Risk Profile in Terms of Products and Markets

Top 7 Brands at ISP and Merial in 2009



(1) Calculated by aggregating sales generated as separate companies

Key Terms and Timelines of the Merial and ISP Combination

Transaction Terms

- Enterprise value of Merial fixed at \$8.0bn
- Enterprise value of ISP fixed at \$8.5bn
- True-up payment of \$250m in favor of Merck
- Merck also entitled to a lump sum of \$750m

Timelines

- July 2009 Agreement to acquire 50% of Merial by sanofi-aventis and option to form JV
- March 2010 Exercise of the option to combine by sanofi-aventis
- Throughout Review by Anti-Trust Authorities
- H1 2011 Transaction expected to close

Creating A Global Leader in Animal Health

- Animal Health market offers **sustainable growth**
- Merck and Sanofi-aventis have a **successful history of partnership** in Animal Health
- Combination creates a **leader in Animal Health** with an enhanced growth profile
- ISP and Merial are highly complementary and the combined company will have a **reduced risk profile**
- Opportunities for **sales and cost synergies**
- Manageable level of divestitures expected for regulatory clearance

Q&A Session