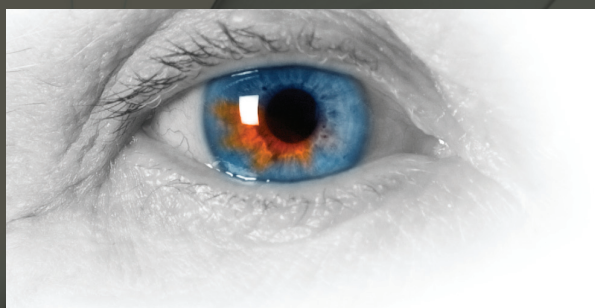
2011 Annual Report

REGENERON

science to medicine™

Regeneron Scientist Ken Graham and Alice Graham, Ken's mother, who has wet AMD in both eyes

HIGHLIGHTS OF THE PAST YEAR



EYLEA® (aflibercept) Injection

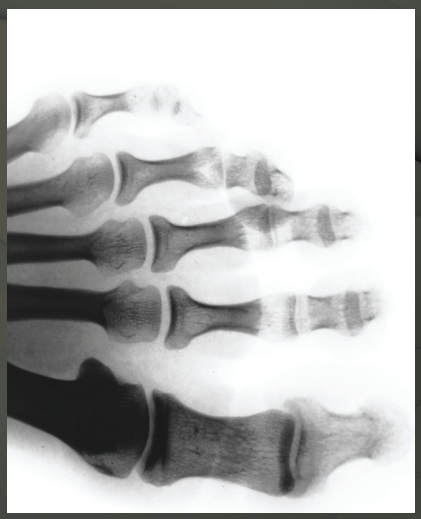
is approved and launched in the United States

Sarilumab

IL-6R antibody

advances to

Phase 3



3

more BLAs are filed

FDA accepted licensing applications for ZALTRAP® (aflibercept) concentrate and for ARCALYST® (rilonacept) Injection and EYLEA in second indications

PCSK9 antibody Phase 1 clinical results are published in the *New England Journal of Medicine*, and Phase 2 results are presented at the American College of Cardiology annual meeting

ON THE COVER

Regeneron Director, Formulations Development Kenneth S. Graham has worked for years on EYLEA so that people with Wet Age-related Macular Degeneration like his mother Alice Graham can have a new treatment option to preserve their vision. Wet macular degeneration runs in the family. Alice's mother lost her sight to the condition when there were no treatment options. By the time Alice was first diagnosed in 2007, her vision in the right eye was severely impaired. About two years later, she noticed central vision loss in the left eye and began treatment. In March 2012, she switched to EYLEA.

Regeneron is ranked #2 employer in the biopharma industry by *Science* magazine

Dear Shareholders,

2011 was truly a transformational year for Regeneron, and 2012 promises to be equally significant. Since writing to you one year ago, we advanced our vision of becoming not only a fully integrated biopharmaceutical company, but also, hopefully, a long-term biopharmaceutical growth company. Highlights of the past 12 months include the following:

• In November 2011, we successfully launched EYLEA (aflibercept) Injection in the United States for the treatment of patients with neovascular (wet) Age-related Macular Degeneration (AMD), the leading cause of acquired blindness for people over the age of 65 in the United States and Europe. Our EYLEA collaborator outside the United States, Bayer Healthcare, has received marketing approval in Australia and is awaiting regulatory decisions in Europe, Japan, and other parts of the world.

• We submitted a supplementary application seeking U.S. Food and Drug Administration (FDA) approval to market EYLEA for Central Retinal Vein Occlusion (CRVO), a second eye condition. The FDA has set September 23, 2012 as the target date for a regulatory decision. Bayer HealthCare plans to submit similar applications in other countries.

• We submitted a supplementary application to the FDA seeking approval to market ARCALYST (rilonacept) Injection for the prevention of gout flares in patients initiating uric acid-lowering therapy. The FDA has set July 30, 2012 as the target date for a regulatory decision. We currently market ARCALYST for a rare inflammatory condition.

• Our collaborator Sanofi applied to the FDA and the European Medicines Agency for approval to market ZALTRAP (aflibercept), also known as VEGF Trap, for patients with previously-treated metastatic colorectal cancer. The FDA granted ZALTRAP priority review and set August 4, 2012 as the target date for a regulatory decision.

• We reported Phase 2 results for our antibodies to the interleukin-6 receptor (IL-6R) and to the protein PCSK9, and advanced these antibodies into or toward Phase 3 testing in, respectively, rheumatoid arthritis and LDL cholesterol reduction.

• We sold $400 million of convertible notes in October 2011 and entered 2012 with $811 million in cash and securities.

• We were voted the second best biopharmaceutical company in the world to work for in an annual survey conducted by the journal *Science*.

Without a doubt, the approval and launch of EYLEA (aflibercept) Injection for wet AMD in the United States were the most transforming events of the past year for the Company. Defying a recent trend of disappointing launches of new biotech drugs, the EYLEA roll-out has exceeded expectations. EYLEA net sales were $25 million in the fourth quarter of 2011 and $124 million in the first quarter of 2012. In view of anticipated EYLEA sales and the terms of our agreements with collaborators, who fund a large portion of our R&D expenses, we anticipate that Regeneron will be profitable on a non-GAAP basis in 2012, the first year of profitability in our history.

The EYLEA approvals were based on two Phase 3 studies in which EYLEA, administered every two months following three initial monthly doses, demonstrated efficacy that was clinically equivalent to the current standard-of-care, monthly Lucentis® (ranibizumab), and a safety profile typical of drugs in its class. Treating every two months after the initial monthly dosing appears to have resonated strongly with the retinal community. Physicians are prescribing EYLEA both for patients who are being treated for wet AMD for the first time and patients who had previously been on other treatments.

Additionally, the comprehensive reimbursement support program that we have rolled out has been well received. Positive reimbursement decisions from regional Medicare administrative contractors and commercial payers give us confidence that payers understand the importance of EYLEA as a treatment option for patients with wet AMD.

Longer term, we view EYLEA as a "pipeline in a product." We await a regulatory decision on use of EYLEA for treating CRVO and with Bayer Healthcare have initiated a Phase 3 study in Branch Retinal Vein Occlusion. Also, we and Bayer are close to completing patient enrollment in two Phase 3 studies in Diabetic Macular Edema, a potential complication of diabetes that according to the World Health Organization is the second most common cause of blindness in Western industrialized nations.

As important as EYLEA is to the Company and its shareholders, Regeneron is much more than EYLEA. We believe that we have the key elements in place to achieve sustained long-term growth, including multiple drivers of product revenue; a wide, strong, and rapidly-advancing clinical pipeline the capacity and know-how to manufacture our drug products and product candidates; and talented, motivated employees.

> We anticipate that Regeneron will be profitable on a non-GAAP basis in 2012, the first year of profitability in our history.

As is often the case in the pharmaceutical industry, not every Regeneron clinical trial completed during the last year was successful. In April 2012, we reported that in a Phase 3 trial in prostate cancer, ZALTRAP failed to meet the pre-specified criterion of improvement in overall survival when added to a regimen of the drugs docetaxel and prednisone. This outcome was similar to that of other VEGF inhibitors that also failed to demonstrate efficacy in this difficult-to-treat cancer.

The many positive developments of the last year have been recognized by investors. At the time this annual report went to press in late April 2012, the market value of Regeneron was more than $11 billion. At this time, Regeneron was one of the 10 largest independent biotechnology companies in the world by market capitalization.

During the last 12 months, we continued to add staff and recruit the best talent we could find. At the end of the first quarter of 2012, the Company had approximately 1,750 full-time employees. This total includes a commercial organization of more than 125 experienced individuals – field medical representatives, reimbursement specialists, marketing professionals, and other commercial staff – who we recruited in 2011. Our field representatives have scientific backgrounds, have on average 15 years of industry experience, and have been trained in Regeneron's compliance and integrity programs. As we integrate the new commercial team, we are ever mindful to preserve the entrepreneurial, science-driven Regeneron culture that has been the source of our success to date.

We also continued to invest in our industrial operations facilities in Rensselaer, New York, where our drug supplies for commercial and clinical use are manufactured. This major corporate asset now has approximately 450 employees and an outstanding record of passing inspections by U.S. and foreign regulatory agencies.

In November 2011, we were pleased to welcome to our Board of Directors Marc Tessier-Lavigne, Ph.D. Dr. Tessier-Lavigne is a renowned scientist, a former Executive Vice President and Chief Scientific Officer at Genentech, Inc., and the current president of The Rockefeller University, one of the world's preeminent medical research institutions.

We are forever grateful to our shareholders and employees and to the patients who have participated in the clinical trials of our product candidates for being with us on this long and fruitful journey. We believe that the best is yet to come.

Leonard S. Schleifer, M.D., Ph.D. | P. Roy Vagelos, M.D. | George D. Yancopoulos, M.D., Ph.D.

SCIENCE ⟶ MEDICINE

This annual report introduces three Regeneron employees who have been instrumental in the discovery, development, and commercialization of EYLEA (aflibercept) Injection and three patients who have received the drug. Although not all EYLEA patients will achieve the results described here, these stories help develop the "Science to Medicine" theme of this year's report, a theme also adopted for the new corporate website, regeneron.com, launched in January 2012. One of these employee-patient pairs, pictured on the cover, is Regeneron formulations scientist Kenneth Graham and his mother, Alice Graham.

2011 Awards

Forbes 2011 THE WORLD'S MOST INNOVATIVE GROWTH COMPANIES

Science 2011 TOP EMPLOYER

Deloitte. Technology Fast 500™ 2011

The Scientist BEST PLACES TO WORK IN INDUSTRY 2011 FACULTY of 1000

CRAIN'S 2011 New York Area's Fastest-Growing Companies #27 Regeneron Pharmaceuticals

PIPELINE

Marketed

EYLEA (aflibercept) Injection
Wet Age-related Macular Degeneration

ARCALYST (rilonacept) Injection for Subcutaneous Use
Cryopyrin-Associated Periodic Syndromes (CAPS)

Under Regulatory Review

ARCALYST (rilonacept) Injection
Gout flare prevention in patients initiating uric acid-lowering therapy

ZALTRAP (aflibercept) concentrate
Previously-treated metastatic colorectal cancer

EYLEA (aflibercept) Injection
Central Retinal Vein Occlusion

Phase 3

EYLEA (aflibercept) Injection
Diabetic Macular Edema
Branch Retinal Vein Occlusion

REGN727 (PCSK9 Antibody)*
LDL cholesterol reduction

*Phase 3 to begin mid 2012.

Sarilumab (REGN88; IL-6R Antibody)
Rheumatoid arthritis

Mike Fernandez
Project Manager, External Manufacturing

Mike, a pharmacist, has worked on the program now known as ZALTRAP since shortly after joining Regeneron at its Rensselaer, New York production facility in 2000. ZALTRAP is now under FDA review for use in patients with metastatic colorectal cancer. *"I get to work on treatments for cancer and blindness. That provides a lot of satisfaction for me."*

Patricia Reilly, Ph.D.
Director, Regulatory Affairs

Pat is the regulatory lead on ARCALYST, which is under FDA review for prevention of gout flares in patients initiating uric acid-lowering therapy. *"I've worked on ARCALYST since I joined Regeneron in 2004. Getting it approved in 2008 for a rare inflammatory disease and now working toward a potential second approval in gout has been a tremendous experience."*

Phase 2

REGN475 (NGF Antibody)
Osteoarthritis of the knee, other pain indications*

*On clinical hold.

REGN668 (IL-4R Antibody)
Eosinophilic asthma
Atopic dermatitis

Phase 1

REGN421 (Dll4 Antibody)
Advanced malignancies

REGN910 (ANG2 Antibody)
Cancer

REGN846
Inflammation

REGN728
Undisclosed

REGN1033
Undisclosed

REGN1154
Undisclosed

Gang Chen, Ph.D.
Senior Director, Cell Technologies

Gang is a native of China who did his Ph.D. and post doc in America and joined Regeneron in 1999. His team has patented novel methods for making cell lines that enable high yields and therefore low production costs. *"Through innovation and perseverance, we were able to deliver robust cell lines for the manufacture of sarilumab, our first VelocImmune® antibody."*

Sabine Bisson, Ph.D.
Program Manager

Sabine, originally from Germany, came to Regeneron in 2008 after working in academic research. *"I've been fortunate to work on our PCSK9 program, a novel approach to reduce LDL cholesterol that is very promising based on the Phase 1 and 2 clinical data. Now come the Phase 3 studies in the larger patient populations that are required for registration."*

SCIENCE

Laura Pologe, Ph.D.,
Associate Director, Regulatory Affairs

"The FDA approval letter email came at 5:47 p.m. on a Friday. We were all in the boardroom waiting. We cheered and clinked glasses, then we went back to work, as everyone had immediate tasks to complete. I feel amazingly lucky and privileged to have worked on EYLEA (aflibercept) Injection. It is incredibly satisfying to feel that you're making a difference in patients' lives."

Laura managed a team that filed the EYLEA Biologics License Application with FDA less than 100 days after receiving the positive Phase 3 clinical trial results. The online BLA filing contained the equivalent of two semi truckloads of printed pages of information. She joined Regeneron in 2001.

Ronald S.,
EYLEA (aflibercept) Injection Patient

"I woke up one day and couldn't see out of my left eye. It was like looking through a yellow-brown Brillo® pad. After going on EYLEA, I quickly noticed an improvement. I've gained six lines of vision. That's pretty darned good. I like to fish and build radio-controlled model aircraft. I can do these things again now. It's not a complete cure, but it sure helps."

A retired police officer who lives near Louisville, Kentucky, Ronald is grateful to have been the last patient enrolled in the clinical trial of EYLEA at his treatment center. After the trial ended, he learned that he had been given EYLEA. He continues on the drug.

SCIENCE

Nick Papadopoulos, Ph.D.,
Vice President Therapeutic Proteins

"In my 16 years at Regeneron, I have always felt that we were on a mission to reinvent the biotech model and create a new paradigm for the biopharmaceutical industry.

It is rare in the industry and particularly gratifying for a scientist to work on a project from its inception all the way to the marketplace, potentially helping tens of thousands of patients."

Nick was an early contributor to the discovery of the VEGF Trap, the active pharmaceutical agent in EYLEA (aflibercept) Injection, and is named as a co-inventor along with Regeneron Chief Scientific Officer George Yancopoulos and scientist Sam Davis.

Teresa J.,
EYLEA (aflibercept) Injection Patient

"It's fabulous when you go to the doctor and they say, Teresa, you don't need an injection today. My mother and my older brother had wet AMD. I witnessed them being robbed of everything they loved in life. I'm thankful every day that there are helpful treatments now. I still golf, though not well, and play bridge, and I'm helping my daughter raise two gorgeous twins, who I can see very clearly."

Teresa, a retired human resources director, lives outside of Salt Lake City, Utah. She has wet AMD in both eyes. She enrolled in the EYLEA clinical trial and continues in an extension study where she receives EYLEA.

Directors

P. Roy Vagelos, M.D.
Chairman of the Board, Retired Chairman of the Board and Chief Executive Officer, Merck & Co. Inc.

Leonard S. Schleifer, M.D., Ph.D.
President and Chief Executive Officer

Charles A. Baker
Retired Chairman of the Board,
President and Chief Executive Officer
The Liposome Company, Inc

Michael S. Brown, M.D.
Regental Professor and Director, Jonsson Center for Molecular Genetics, The University of Texas Southwestern Medical Center at Dallas

Alfred G. Gilman, M.D., Ph.D.
Chief Scientific Officer, Cancer Prevention and Research Institute of Texas and Regental Professor of Pharmacology Emeritus, The University of Texas Southwestern Medical Center at Dallas

Joseph L. Goldstein, M.D.
Regental Professor and Chairman, Department of Molecular Genetics, The University of Texas Southwestern Medical Center at Dallas

Christine A. Poon
Dean, The Max M. Fisher College of Business at The Ohio State University, Retired Vice Chairman and Worldwide Chairman of Pharmaceuticals, Johnson & Johnson

Arthur F. Ryan
Retired Chairman of the Board and Chief Executive Officer, Prudential Financial, Inc

Eric M. Shooter, Ph.D.
Professor Emeritus, Department of Neurobiology Stanford University School of Medicine

George L. Sing
Chief Executive Officer, Stemnion, Inc., and Managing Director, Lancet Capital

Marc Tessier-Lavigne, Ph.D.
President, The Rockefeller University

George D. Yancopoulos, M.D., Ph.D.
Executive Vice President, Chief Scientific Officer and President, Regeneron Research Laboratories

Senior Management Team

Leonard S. Schleifer, M.D., Ph.D.
President and Chief Executive Officer

George D. Yancopoulos, M.D., Ph.D.
Executive Vice President, Chief Scientific Officer and President, Regeneron Research Laboratories

Murray A. Goldberg
Senior Vice President, Finance and Administration, Chief Financial Officer, Treasurer and Assistant Secretary

Joseph J. LaRosa
Senior Vice President, General Counsel and Secretary

Peter Powchik, M.D.
Senior Vice President, Clinical Development

Neil Stahl, Ph.D.
Senior Vice President, Research and Developmental Sciences

Robert J. Terifay
Senior Vice President, Commercial

Daniel Van Plew
Senior Vice President and General Manager, Industrial Operations and Product Supply

Corporate Information

Common Stock and Related Matters
Our Common Stock is traded on The NASDAQ Global Select Market under the symbol "REGN." Our Class A Stock is not publicly quoted or traded.

The following table sets forth, for the periods indicated, the range of high and low sales prices for the Common Stock as reported by The NASDAQ Global Select Market.

2010	HIGH	LOW
First Quarter	$30.51	$23.42
Second Quarter	30.58	22.32
Third Quarter	27.53	20.45
Fourth Quarter	33.94	24.29

2011	HIGH	LOW
First Quarter	$45.11	$32.32
Second Quarter	71.74	41.83
Third Quarter	79.90	42.83
Fourth Quarter	66.47	49.58

As of April 11, 2012, there were 377 shareholders of record of our Common Stock and 45 shareholders of record of our Class A Stock. The closing sales price for the Common Stock on that date was $121.41.

We have never paid cash dividends and do not anticipate paying any in the foreseeable future.

Corporate Office
777 Old Saw Mill River Road
Tarrytown, NY 10591-6707
(914) 847-7400

SEC Form 10-K
A copy of our 2011 annual report on Form 10-K filed with the Securities and ExchangeCommission (which accompanies and forms part of this 2011 Annual Report to Shareholders) is available without charge from the Regeneron Investor Relations Department.

Annual Meeting
The Annual Meeting will be held on Friday, June 8, 2012 at 10:30 a.m. at the Westchester Marriott Hotel, 670 White Plains Road, Tarrytown, NY 10591.

Shareholders' Inquiries
Inquiries relating to stock transfer or lost certificates and notices of changes of address should be directed to our Transfer Agent, American Stock Transfer & Trust Co., 59 Maiden Lane, Plaza Level, New York, NY 10038, (800) 937-5449. General information regarding the Company, recent press releases, and SEC filings are available on our web site at www.regeneron.com, or can be obtained by contacting our Investor Relations Department at (914) 847-7741.

Transfer Agent and Registrar
American Stock Transfer & Trust Co
59 Maiden Lane
Plaza Level
New York, NY 10038

Independent Registered Public Accounting Firm
PricewaterhouseCoopers LLP

This Annual Report contains forward-looking statements that involve risks and uncertainties relating to future events and the future financial performance of Regeneron, and actual events or results may differ materially from these forward-looking statements. These statements concern, and these risks and uncertainties include, among others, the nature, timing and possible success, and therapeutic applications of EYLEA and ARCALYST and our product candidates, potential new indications for marketed products, and research and clinical programs now underway or planned, the likelihood and timing of possible regulatory approval and commercial launch of our late-stage product candidates and new indications for marketed products, determinations by regulatory and administrative governmental authorities which may delay or restrict our ability to continue to develop or commercialize EYLEA and other product and drug candidates and possible new indications for marketed products, competing drugs that may be superior to EYLEA and other product and drug candidates and possible new indications for marketed products, uncertainty of market acceptance of EYLEA and other product and drug candidates and possible new indications for marketed products, unforeseen safety issues resulting from the administration of products and product candidates in patients, unanticipated expenses, the availability and cost of capital, the costs of developing, producing, and selling products, our ability to meet any of sales or other financial projections or guidance and changes to the assumptions underlying those projections or guidance, the potential for any collaboration agreement, including our agreements with Sanofi and Bayer HealthCare, to be canceled or terminated without any product success, and risks associated with third-party intellectual property and pending or future litigation relating thereto. A more complete description of these and other material risks can be found in our filings with the Securities and Exchange Commission, including our Form 10-K for the year ended December 31, 2011. Regeneron does not undertake any obligation to update publicly any forward-looking statement, including without limitation any financial projection or guidance, whether as a result of new information, future events, or otherwise, unless required by law.

REGENERON