

**Ipsen reports full-year sales growth of 7.4%
in the year ended 31 December 2005 (unaudited)**
(on a comparable perimeter¹ and in accordance with IFRS)

**More than 10% growth in targeted therapeutic areas
Dynamic performance in international markets**

Paris, 1st February 2006 — The Ipsen Group has reported its sales for the 2005 financial year².

(in thousands of euros)	2005	2004 on a comparable perimeter ¹	% change between 2005 and 2004 on a comparable perimeter ¹	2004	% change between 2005 and 2004
Consolidated Sales	807,114	751,539	7.4%	767,825	5.1%

At the end of 2005, the Ipsen Group's consolidated sales came to €807.1 million representing an increase of 7.4% on the €751.5 million realised in 2004 financial year on a comparable perimeter (7,3% on a comparable perimeter and excluding foreign exchange impacts). This upbeat performance was achieved in spite of price reductions introduced by various European governments during the same period (negative impact of €8.2 million, equivalent to 1.1 points of growth).

An analysis by therapeutic area shows that: (see table in Appendix A)

- Sales deriving from targeted disease areas (oncology, endocrinology and neuromuscular disorders) amounted to €391.2 million in 2005, representing an increase of 10.4% on the 2004 figure. This increase was particularly significant in endocrinology, where growth ran at 20.4% on the back of the firm performances posted by Somatuline[®]/Somatuline[®] Autogel[®], as well as the launch of NutropinAq[®] in many European countries. Sales growth came to 12.4% in neuromuscular disorders and 6.0% in oncology despite the negative impact of €4.8 million arising from enforced price reductions that affected Decapeptyl[®], notably in Italy, Spain, Belgium and United Kingdom.
- Sales of primary care products totalled €377.7 million in 2005, representing a growth of 4.4% compared with the sales posted during the 2004 financial year. All the primary care therapeutic areas showed a balanced contribution to this sales growth.

¹ Since the Group sold its primary care business in Spain (except for Tanakan[®], known as Tanakene[®] locally) during October 2005, the Group is presenting this business as a discontinued operation retroactively from 1st January 2005 in its consolidated financial statements. Accordingly, its consolidated sales figure for the year to 31 December 2005 does not include sales for this business, which amounted to €16.7 million, although those sales were included in the pro forma consolidated sales published in 2004, amounting to €16.3 million in 2004. All the following comments are made by comparison with 2004 sales restated excluding the business sold during 2005 and thus shown on a comparable perimeter.

² The figures for 2004 and 2005 are stated on a pro forma basis and in accordance with IFRS. The pro forma consolidated statements present the Group's activity and results as if the legal reorganisation of the Group completed in June 2005 had taken place previously on 1st January 2002.

- Sales of other therapeutic areas reached €7.0 million representing a growth of 5.0% compared to 2004 financial year sales.
- Sales of pharmaceutical related activities (active ingredients and raw materials) amounted to €31.2 million in growth of 8% compared to sales posted during 2004.

An analysis by geographical area shows that: (see table in Appendix B)

- Sales recorded in the Major Western European countries reached €547.3 million or 67.8% of the Group's consolidated sales, representing an increase of 5.3% compared with 2004 when they accounted for 69.2% of the Group's consolidated sales. Growth in the region was depressed by the price cuts introduced during 2005 by certain public authorities.
- In the Rest of Europe, particularly in Eastern Europe, sales rose by 15.0% to €155.9 million, representing 19.3% of the Group's consolidated sales compared with 18.0% of the Group's consolidated sales during the 2004 financial year. This region played an active part in the Group's overall expansion.
- Sales in the Rest of the world came to €103.9 million or 12.9% of the Group's sales (compared with 12.8% in 2004), up 8.0% compared with 2004. Performance was strong in Asia and particularly in China.

Commenting on the sales figures for the 2005 financial year, Jean-Luc Bélingard, Chairman and CEO of the Ipsen Group, stated: "*With top-line growth of 7.4% in 2005, on a comparable perimeter¹, Ipsen has achieved its sales targets. The products we sell in our targeted disease areas have again demonstrated their credentials as a growth engine, and our primary care products have maintained their momentum in France. Following the recovery of our rights to Reloxin[®], subject to completion of Allergan's acquisition of Inamed, we are now focusing on some of the key success factors for our expansion. These include smooth progress in clinical trials with a view to the registration of Somatuline[®], Dysport[®] and Reloxin[®] in the United States and the selection of business partners to, notably, maximise our penetration of the US market.*"

¹ Since the Group sold its primary care business in Spain (except for Tanakan[®], known as Tanakene[®] locally) during October 2005, the Group is presenting this business as a discontinued operation retroactively from 1st January 2005 in its consolidated financial statements. Accordingly, its consolidated sales figure for the year to 31 December 2005 does not include sales for this business, which amounted to €16.7 million, although those sales were included in the pro forma consolidated sales published in 2004, amounting to €16.3 million in 2004. All the following comments are made by comparison with 2004 sales restated excluding the business sold during 2005 and thus shown on a comparable perimeter.

Ipsen

Ipsen is a European pharmaceutical group with over 20 products on the market and a total worldwide staff of nearly 4,000. The Company's development strategy is based on a combination of products in targeted therapeutic areas (oncology, endocrinology and neuromuscular disorders), which are growth drivers, and primary care products, which contribute significantly to its research financing. This strategy is also supported by an active policy of partnerships. The location of its four R&D centres (Paris, Boston, Barcelona, London) gives the Group a competitive edge in gaining access to leading university research teams and highly qualified personnel. More than 650 people in R&D are dedicated to the discovery and development of innovative drugs for patient care. Ipsen shares are traded in Compartment A of Eurolist by Euronext™ (stock code: IPN, ISIN code: FR0010259150).

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Appendix A

Analysis by therapeutic area

	2005 consolidated		2004 consolidated on a comparable perimeter		change between 2005 and 2004 on a comparable perimeter		2004 consolidated		change between 2005 and 2004	
	Value	% of sales	Value	% of sales	Value	%	Value	% of sales	Value	%
<i>(in thousands of euros)</i>										
Targeted therapeutic areas										
- Oncology	210,728	26.1%	198,878	26.5%	11,850	6.0%	199,939	26.0%	10,789	5.4%
- Endocrinology	87,996	10.9%	73,104	9.7%	14,892	20.4%	73,104	9.5%	14,892	20.4%
- Neuromuscular disorders	92,478	11.5%	82,278	10.9%	10,200	12.4%	83,411	10.9%	9,067	10.9%
Sub-total	391,202	48.5%	354,260	47.1%	36,942	10.4%	356,454	46.4%	34,748	9.7%
Primary care										
- Gastroenterology	141,075	17.5%	134,477	17.9%	6,598	4.9%	135,236	17.6%	5,839	4.3%
- Cognitive disorders	120,960	15.0%	116,348	15.5%	4,612	4.0%	116,348	15.2%	4,612	4.0%
- Cardiovascular	115,619	14.3%	110,838	14.7%	4,781	4.3%	115,565	15.1%	54	0.0%
Sub-total	377,654	46.8%	361,663	48.1%	15,991	4.4%	367,149	47.8%	10,505	2.9%
Other therapeutic areas										
- Other pharmaceutical products	7,021	0.9%	6,688	0.9%	333	5.0%	14,709	1.9%	-7,688	-52.3%
Total pharmaceutical products sales	775,877	96.1%	722,611	96.2%	53,266	7.4%	738,312	96.2%	37,565	5.1%
Pharmaceutical-related activities	31,237	3.9%	28,928	3.8%	2,309	8.0%	29,513	3.8%	1,724	5.8%
Total sales	807,114	100.0%	751,539	100.0%	55,575	7.4%	767,825	100.0%	39,289	5.1%

Appendix B

Analysis by geographical area

(in thousands of euros)

	2005 consolidated		2004 consolidated on a comparable perimeter		change between 2005 and 2004 on a comparable perimeter		2004 consolidated		change between 2005 and 2004	
	Value	% of sales	Value	% of sales	Value	%	Value	% of sales	Value	%
- France	360,908	44.7%	345,931	46.0%	14,977	4.3%	345,931	45.1%	14,977	4.3%
- Spain	52,005	6.4%	53,291	7.1%	-1,286	-2.4%	69,558	9.1%	-17,553	-25.2%
- Italy	65,980	8.2%	62,057	8.3%	3,923	6.3%	62,057	8.1%	3,923	6.3%
- Germany	39,462	4.9%	33,087	4.4%	6,375	19.3%	33,087	4.3%	6,375	19.3%
- United Kingdom	28,932	3.6%	25,329	3.4%	3,603	14.2%	25,329	3.3%	3,603	14.2%
Major Western European countries	547,287	67.8%	519,695	69.2%	27,592	5.3%	535,962	69.8%	11,325	2.1%
Rest of Europe	155,893	19.3%	135,580	18.0%	20,313	15.0%	135,584	17.7%	20,309	15.0%
- Asia	52,087	6.5%	45,104	6.0%	6,983	15.5%	45,104	5.9%	6,983	15.5%
- North America		0.0%	264	0.0%	-264	-100.0%	264	0.0%	-264	-100.0%
- Rest of the world	51,847	6.4%	50,896	6.8%	951	1.9%	50,911	6.6%	936	1.8%
Rest of the World	103,934	12.9%	96,264	12.8%	7,670	8.0%	96,279	12.5%	7,655	7.9%
Total sales	807,114	100.0%	751,539	100.0%	55,575	7.4%	767,825	100.0%	39,289	5.1%