

Press release

## **Roche exercises its option on Ipsen's anti-diabetic medicine for type 2 diabetes**

**Basel (Switzerland) and Paris (France), 19 July 2006** – Further to the agreement signed in October 2003, Roche announced today its decision to exercise its option to exclusively licence, develop and market Ipsen's patented anti-diabetic drug BIM 51077. This GLP-1 medicine has shown a good efficacy signal and latest data from phase I + II clinical studies showed potential to be more conveniently administered than existing members of the class, which would facilitate patient compliance. Roche has been granted worldwide rights, except in Japan where these rights are shared with Teijin (Ipsen's Japanese partner), and in France where Ipsen may elect to retain co-marketing rights.

"Our decision to in-license this anti-diabetic medicine adds a very promising compound to our metabolic disease portfolio and also complements our diagnostics activities in diabetes" said Peter Hug, Global Head of Pharma Partnering for Roche. "Our continued collaboration with Ipsen, based on our respective complementary strengths, has the potential to deliver treatments that will make a difference in patients' lives."

Jean-Luc Bélingard, Chairman and CEO of the Ipsen Group said "We are delighted that Roche, a world-class group with a strong commitment to the diagnosis and treatment of diabetes, decided to exercise its option to develop and market BIM 51077. It shows once again that Ipsen is a reference partner in the industry, able to deliver first-in-class products through its differentiated and unique R&D. We are very excited about BIM 51077's prospects and believe that Roche is uniquely placed to successfully market this product".

Roche's decision is supported by the phase I and II results obtained with BIM 51077, a Glucagon-Like Peptide-1 (GLP-1) analogue, and partly presented at the American Diabetes Association (ADA) scientific meeting in Washington D.C. this year. These data showed that this anti-diabetic compound exhibited an efficacy and safety profile in line with the GLP-1 class of incretins and was compatible with Ipsen's proprietary controlled delivery systems which upon subcutaneous administration could deliver over a period of one day, one week or two weeks. Phase II study, to confirm the efficacy and safety of this compound in a sustained release formulation, will start early 2007.

### **Terms of the agreement**

The exercise of this option by Roche has triggered a payment to Ipsen of €56 million. Roche will also make a payment of ca.€3 million after the closing of Ipsen's 2006 financial statements.

Ipsen could receive total further payments of up to €170 million, contingent upon achievement of clinical, manufacturing, regulatory, and commercial milestones. Additionally, Ipsen will receive progressive royalties on any worldwide sales.

As of the date of exercise of the option, Roche is fully responsible for further developing and manufacturing of the product and will consequently hold the marketing authorisations. Roche will fund 100% of the remaining development of BIM 51077, except with respect to Japan where expenses will be shared 50% between Roche and Teijin.

### **About BIM 51077**

BIM 51077, an analogue of peptide hormone GLP-1 (Glucagon Like Peptide-1), controls insulin secretion in response to elevated blood glucose levels.

BIM 51077 was selected among a series of GLP-1 analogues based on the human sequence, to be compatible with Ipsen's proprietary technology for controlled release, with the ultimate goal of providing a ready-to-use, user-friendly self-administration solution for diabetic patients. The current formulation is an aqueous solution devoid of excipients which can be conveniently injected with insulin size needle, thus facilitating patients' compliance. The results obtained in the preclinical and clinical studies confirm the potential of the BIM 51077 slow release formulations over a period ranging from one day to two weeks. These results are very encouraging for the treatment of type 2 diabetes.

### **About Ipsen's innovative delivery technologies**

Ipsen unique expertise lies in its ability to combine the engineering of therapeutic peptides with parenteral sustained-release delivery technologies and is currently marketing sustained release formulations of triptorelin (Decapeptyl<sup>®</sup>) and lanreotide (Somatuline<sup>®</sup> and Somatuline<sup>®</sup> Autogel<sup>®</sup>). The Group is also pursuing the application of its sustained-release technology to Decapeptyl<sup>®</sup> with a 4 month microimplant entering phase III clinical studies. In addition, Ipsen signed a R&D agreement with Genentech in November 2004, which covers the development of sustained-release formulations of recombinant human growth hormone.

### **About Roche as a Partner**

Roche is a valued partner to more than 50 companies worldwide. Over the past two years, Roche has led the pharmaceutical industry in the number of clinical compound deals signed. In 2005, Roche entered into nine partnerships to jointly develop products for optimal patient benefit and value. Partnerships continue to strengthen Roche's positions in oncology, virology, transplantation, and primary care. Roche's partnering culture encourages innovation through a unique pairing of collaboration and autonomy.

### **About 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. In 2005, Research and Development expenditure reached €169.0 million, i.e. 20.9% of consolidated sales, which amounted to €807.1 million in the Group's pro forma accounts set up according to the IFRS. Nearly 700 people in R&D are dedicated to the discovery and development of innovative drugs for patient care. Ipsen's shares are traded on Segment A of Eurolist by Euronext<sup>TM</sup> (stock code: IPN, ISIN code: FR0010259150). Ipsen's internet website is [www.ipsen.com](http://www.ipsen.com).

### **About Roche**

Headquartered in Basel, Switzerland, Roche is one of the world's leading research-focused healthcare groups in the fields of pharmaceuticals and diagnostics. As a supplier of innovative products and services for the early detection, prevention, diagnosis and treatment of disease, the Group contributes on a broad range of fronts to improving people's health and quality of life. Roche is a world leader in diagnostics, the leading supplier of medicines for cancer and transplantation and a market leader in virology. In 2005 sales by the

Pharmaceuticals Division totalled 27.3 billion Swiss francs, and the Diagnostics Division posted sales of 8.2 billion Swiss francs. Roche employs roughly 70,000 people in 150 countries and has R&D agreements and strategic alliances with numerous partners, including majority ownership interests in Genentech and Chugai. Additional information about the Roche Group is available on the Internet ([www.roche.com](http://www.roche.com)).

### **Forward-looking statements**

The forward-looking statements and targets contained herein are based on Ipsen's management's current views and assumptions. Such statements involve known and unknown risks and uncertainties that may cause actual results, performance or events to differ materially from those anticipated herein.

Ipsen expressly disclaims any obligation or undertaking to update or revise any forward-looking statements, targets or estimates contained in this press release to reflect any change in events, conditions, assumptions or circumstances on which any such statements are based unless so required by applicable law. Ipsen's business is subject to the risk factors outlined in its information documents filed with the French Autorité des marchés financiers.

For further information:

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