

## **Information relating to the compensation of executive directors**

### **Boulogne-Billancourt, November 26, 2010**

In accordance with the AFEP/MEDEF Corporate Governance Code, Ipsen is publishing the compensation package of its Chairman and Chief Executive Officer, Mr. Marc de GARIDEL, who took office on November 22, 2010.

The amounts of the compensation set out below were approved by Ipsen's Board of Directors at its meeting held on October 11, 2010, upon recommendation of its Compensation Committee which met on the same day.

#### **Determination of the fixed compensation of Mr. Marc de GARIDEL in his capacity as Chairman and Chief Executive Officer**

For the financial year 2011, the Board of Directors has set Mr. Marc de GARIDEL's fixed compensation at a total gross annual amount of €700,000. The same level of compensation will apply on a *pro rata* basis to the financial year 2010.

#### **Determination of the variable compensation of Mr. Marc de GARIDEL in his capacity as Chairman and Chief Executive Officer**

For the financial year 2011, the Board of Directors has decided to grant Mr. Marc de GARIDEL variable compensation based on a gross target bonus of €650,000, which could vary within a range of between 0% to 150% (or €0 to €975,000) on the basis of quantitative and qualitative performance criteria and weightings decided by the Board of Directors at its meeting to settle the accounts for the financial year 2010, in accordance the practice followed by the Board until now.

#### **Determination of the amount of Mr. Marc de GARIDEL's directors' fees**

For the financial year 2011, the Board of Directors has set the total annual amount of the directors' fees that Mr. Marc de GARIDEL may claim, at €60,000. This amount will apply on a *pro rata* basis to the financial year 2010.

#### **Determination of the amount of Mr. Marc de GARIDEL's financial compensation payment**

The Board has decided to make a financial compensation payment to Mr. Marc de GARIDEL in an amount of €800,000, payable in two parts (50% on the date he takes office and 50% one year later, provided that he has not resigned at such date), in order to compensate him for the loss associated with his voluntary departure from his former employer.

### **Determination of the amount of Mr. Marc de GARIDEL's severance pay**

The Board has decided to grant Mr. Marc de GARIDEL a severance payment on terms identical to those adopted on February 27, 2009 in accordance with the recommendations of the AFEP/MEDEF Code:

- a payment due only in the event of a forced departure associated with a change of control or strategy,
- in an amount equal to 24 months' remuneration in respect of his term of office,
- payment of which is subject to a performance condition (maintenance of the Group's recurring operational profit margin) over the 3 years preceding the departure, with a minimum threshold (12.5% for 2011), and
- which includes the amount due in respect of any non-compete obligation, if applicable.

### **Allocations of stock options and bonus shares to Mr. Marc de GARIDEL**

The Board has approved the principle of making an allocation to Mr. Marc de GARIDEL equivalent to that given to the former Chairman and Chief Executive Officer in respect of the financial year 2010. This allocation will be made by the Board of Directors at its meeting to be held in March 2011.

### **Pension regime applicable to Mr. Marc de GARIDEL**

The Board has decided to grant Mr. Marc de GARIDEL the benefit of the additional pension regime applicable within the Company, which carries entitlement upon retirement, subject to a minimum period of service of 5 years, to the payment of an annual income calculated by reference to the period of service with the Group, at a rate of 0.60% of the total gross remuneration (including bonuses) ("TGR") per year of service as regards the part of the TGR that is less than 8 times the annual social security upper limit and at a rate of 1% per year of service as regards the part of the TGR that exceeds 8 times the annual social security upper limit (which was €34,620 in 2010).

The Company's governance practices and all the items of Mr. Marc de GARIDEL's compensation will be set out in detail in the *Document de Référence* for the financial year 2010.