



Disclosure of executive compensation of Ipsen Management Board members

Paris, 2 March 2009

In accordance with the December 2008 AFEP/MEDEF Corporate Governance Code, Ipsen is making public the components of the compensation of its Chairman and Chief Executive Officer (“CEO”) Mr Jean-Luc Bélingard.

The compensation amounts mentioned below were approved by Ipsen’s Board of Directors at its meeting held on 27 February 2009, as recommended by the Compensation Committee meeting on 18 February 2009.

Compensation of the Chairman and CEO for the year 2008

The fixed annual remuneration was set by the Board of Directors at EUR 630,000, an amount that has not been changed since 2005.

The bonus is paid on the basis of qualitative and quantitative performance criteria determined by the Board of Directors.

The target bonus is EUR 450,000 and may vary within a range of EUR 0 to 675,000 (as decided by the Board of Directors on 26 February 2008).

At its meeting of 27 February 2009, the Board of Directors assessed these performance criteria and decided that the company would pay the Chairman and CEO a bonus of EUR 495,000 for the year 2008.

In addition to these amounts, the company will pay the Chairman and CEO for the year 2008 an expatriation bonus of EUR 110,334, EUR 162,619 of benefits in kind, comprised of company lodging and a company car, as well as Ipsen directors’ fees of EUR 70,000.

Compensation of the Chairman and CEO for the year 2009

At its meeting on 27 February 2009, the Board of Directors:

- maintained the fixed annual remuneration at EUR 630,000,
- determined the performance criteria to be used to assess the bonus for his company CEO position for the year 2009 (two-thirds of this bonus is based on the attainment of certain performance levels; the rest is based on qualitative criteria), and decided to keep at the same level as in 2008 the target bonus for 2009, at EUR 450,000, within a range of EUR 0 to 675,000.

Mr Jean- Luc Bélingard’s employment contract

In accordance with the AFEP/MEDEF Code, which recommends that when a senior manager becomes an executive officer or when he is reappointed to his office, that the employer terminate the employment contract that binds said person to the Company, at its meeting of 27 February 2009, the Board of Directors decided, in accord with Mr Jean-Luc Bélingard, to keep the combined employment contract/company executive officer position in place until Mr Bélingard is reappointed to his office in 2011, the years as of which there shall only be one executive officer.

Commitment to pay the Chairman and CEO a defined benefits pension

Mr Jean-Luc Bélingard qualifies for the commitment by the Company to pay a complementary defined benefits pension plan in force at Ipsen SA. Said pension consists of the payment, at the time Bélingard retires, of a pension calculated by reference to the length of service indicated in the employment contract, i.e. on 1 January 1995, at the rate of 0.6 % a year, on the portion of the remuneration below what is referred to in France as 8 times the “PASS” [French “Annual Social Security Ceiling”] and at the rate of 1% on the portion of the remuneration in excess of 8 PASS, applied to the average annual remuneration of the 36 most recent months of activity.

Severance pay and amendment of Mr Jean-Luc Bélingard’s employment contract

Mr Jean-Luc Bélingard’s qualifies for a severance clause, applicable under certain conditions, as a result of his employment contract and his company CEO position.

At its meeting on 27 February 2009, the Board of Directors, in accordance with the AFEP/MEDEF recommendations, modified the severance clauses as follows:

- the severance pay shall only be due if Mr Belingard is forced to leave the company as a result of a change of control or strategy;
- the amount of the severance pay is reduced to the equivalent of twenty-four months of remuneration under his employment contract (fixed salary) and his company director position (bonus calculated on the average of the 3 most recent years), compared to thirty months, as was previously the case.

The commitments, altered by the Board of Directors consistent with the procedure on the regulated agreements, shall be put to a vote of the General Meeting on 4 June 2009 in the form of a specific draft resolution.

The Company’s corporate government practices and all of the components of Mr Jean-Luc Bélingard’s compensation, notably, the stocks options and performance shares that have been granted to him, will be detailed in the Ipsen Group’s 2008 Registration Document.