2008, a cornerstone year in Ipsen's development

FULL YEAR 2008 RESULTS

18 March 2009

DISCLAIMER

This presentation includes only summary information and does not purport to be comprehensive. Forward-looking statements, targets and estimates contained herein are for illustrative purposes only and are based on 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 in the summary information. Actual results may depart significantly from these targets given the occurrence of certain risks and uncertainties, notably given that a new product can appear to be promising at a preparatory stage of development or after clinical trials but never be launched on the market or be launched on the market but fail to sell notably for regulatory or competitive reasons. The Group must deal with or may have to deal with competition from generic that may result in market share losses, which could affect its current level of growth in sales or profitability. The Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statements, targets or estimates contained in this presentation to reflect any change in events, conditions, assumptions or circumstances on which any such statements are based unless so required by applicable law.

Introduction

Ipsen is a Global - Innovation Driven - Specialty Pharma

SPECIALTY CARE
A global business to **GROW**

27%	ONCOLOGY Decapeptyl®
17%	ENDOCRINOLOGY Somatuline®, Nutropin®, Increlex®
16%	NEUROLOGY Dysport®
-	HEAMATOLOGY OBI-1

PRIMARY CARE
OPTIMISE returns of this mostly French business

GI, cardiovascular, cognitive disorders in-house and in-licensed products — 40%

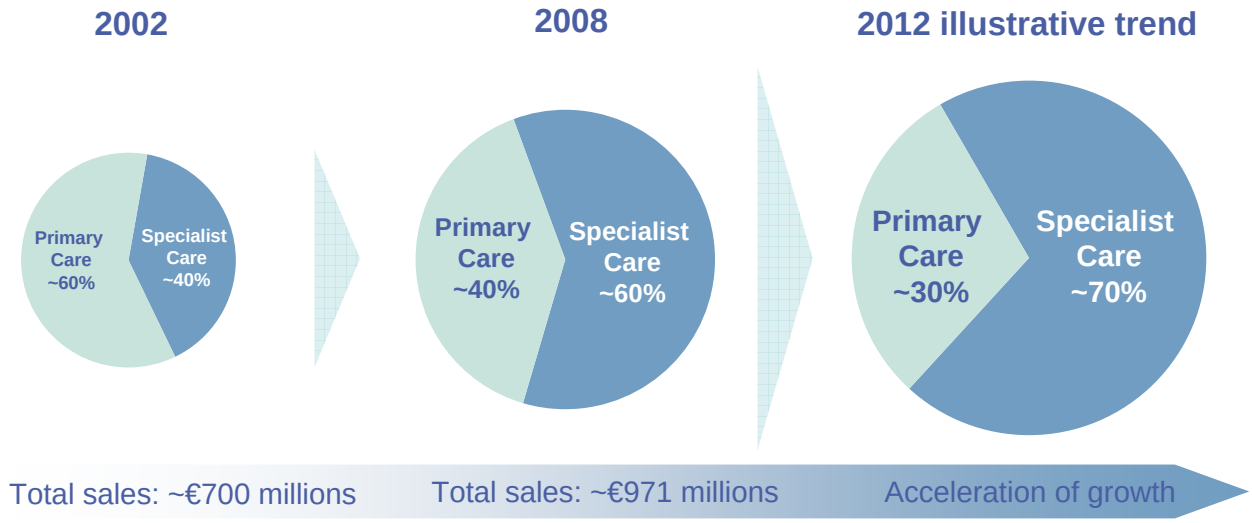
A transactional model

A fully-fledged manufacturing capability

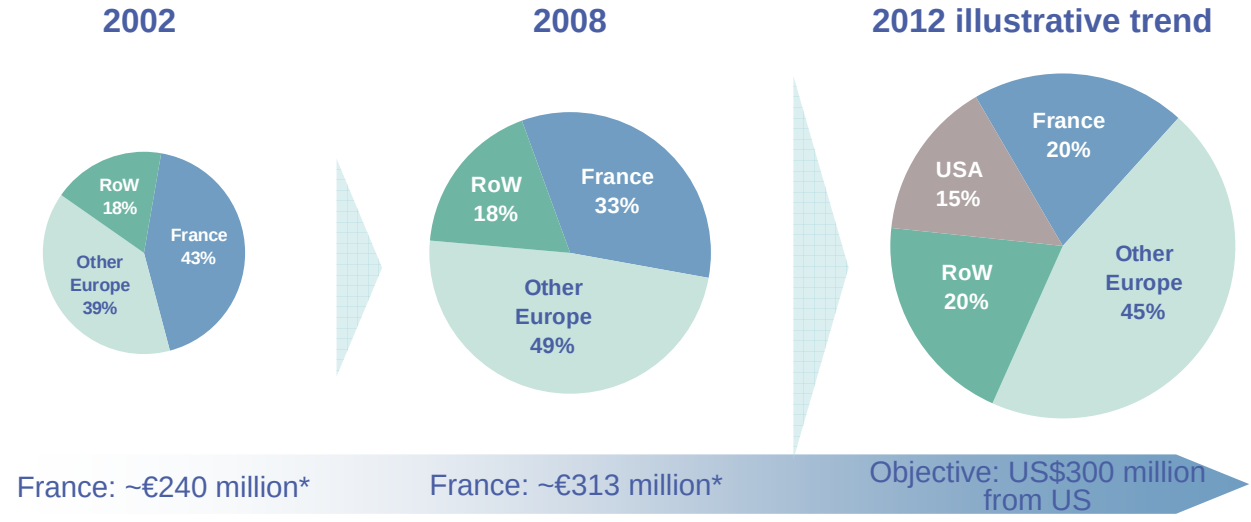
A unique and differentiated R&D capability
R&D expense ~20% of sales

** % are calculated on 2007 total Group Drug Sales*

Ipsen strong revenue dynamics



A global geographic footprint



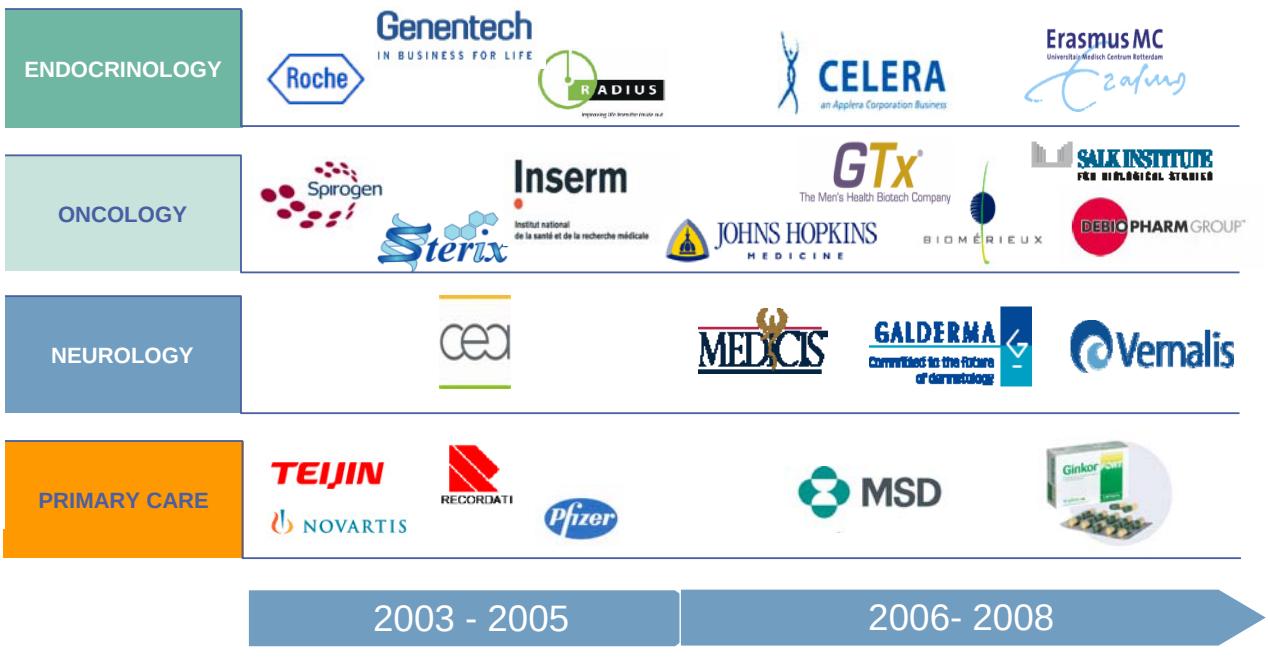
* *Excludes sales of Ginkor Fort (€61 million in 2002, €14 million in 2008)*

A new growth engine: North America

US Endocrinology platform	2012	Sales in excess of $250 million
US Neurology platform		Sales in excess of $50 million
WW hematology (OBI-1)	At peak	Sales in excess of $200 million

A US platform generating close to $1 billion by the end of the next decade

An increasingly transactional model

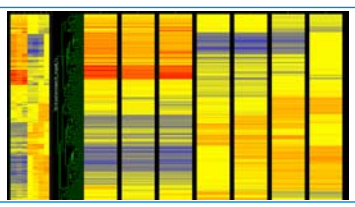


Truly Differentiated Discovery Capabilities

Defining Ipsen's competitive edge in drug Discovery

Hormones provide well defined templates with matching targets both novel or validated

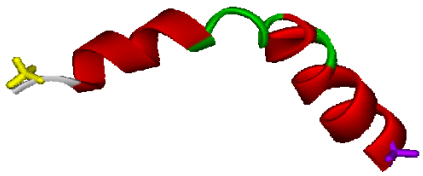
Resident know how based on the integration of basic discovery technologies

Technologies	Medicinal chemistry	Delivery systems
Target identification, validation and drugability based on clinical observations supported by …omics technologies	Steroids peptides, proteins engineering aiming at enhanced efficacy, potency, selectivity and safety over the endogenous hormone	Emphasis on improved pharmacological properties, optimization of dosing regimen and improved patients compliance and convenience
		

An example of this unique technology convergence: taspoglutide

Once-a-week or twice-a-month injection

- Equal / greater potency compared to native compound
- Extended metabolic half-life, 22x more stable in plasma
- Complete retention of incretin properties
- Strong patent positions



Expected needle gauge

- (LAR) ➔ 23G
- Taspoglutide Liquid SRF ➔ 29G
  Insulin type needle for subcutaneous injection

50 to 300 µl of highly concentrated aqueous solution devoid of excipient

2008 performance and 2009 outlook

2008: major strategic initiatives shaping Ipsen's future

Grow and Globalise Ipsen's specialty care business

US entry: 2 global products	4 products in launch phase	Filing of Decapeptyl 6M	4 products under regulatory review	5 programmes moving into phase II/III

Delivering on all key objectives

Our financial objectives have been met

		Adjusted[(1)] financial objectives	2008 performance
Sales	Performance growth	6.5-7.5%	✓ 8.2%
	Reported growth	3.2-4.2%	✓ 4.7%
Operating margin	"Standalone"	20.5-21.5%	✓ 21.6%
	As reported excl. US acquisitions one-off costs	18.0-19.5%	✓ 19.2%

(1) IMPORTANT NOTE: Please refer to Appendix 1 for definitions of "adjusted", "performance growth", "standalone", and "post US acquisitions"

First quarter 2009 trading update

A sustained activity across most regions (US, China, Western Europe) but…

Headwind in some Eastern European countries impacted by currency fluctuations (Russia, Ukraine, Romania, …)

Slow start in certain other Western European countries (Greece…)

+

Temporary impact of consignment stocking in December 08 (China, Poland)

Actions taken.
Q1 2009 sales will come significantly below expectations.

Uncertainty in some geographies

The Eastern European countries where distribution channels have been disrupted by the steep decline of their local currencies against euro represented 10% of the Group's 2008 sales and 20% of its growth

Group 2009 sales will therefore be adversely impacted depending on the magnitude and the length of the difficulties encountered in these countries

Reiterating our operating margin expectation for 2009

Around €45 million expected in other revenues

14.0%* adjusted operating margin**

** Corresponding to the operating margin objective given in June 2008 of 15.0% (in % sales) when the Group expected to receive €11 million from in 2009 Bayer for a license contract*

*** Adjusted operating margin is defined as reported operating margin before any transaction related impacts from the Group's acquisitions in North America*

Expected 2009 Group tax rate

Taking into account the effects of the Group's US acquisitions

Based on the information available today

And on the basis of the notices of tax reassessments received so far

Group tax rate expected to stand between 18.0 and 20.0% in 2009

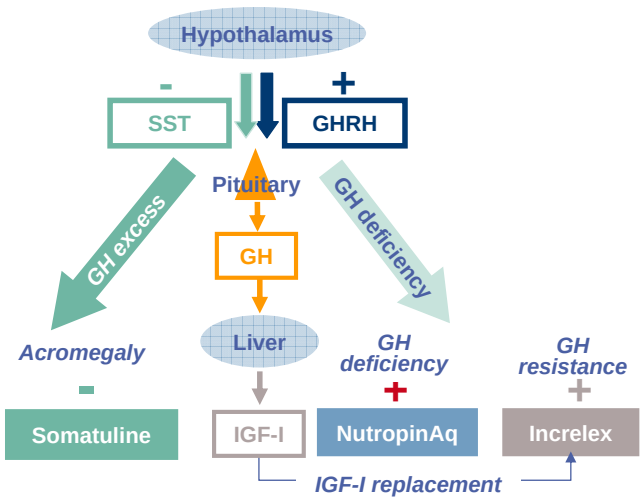
Newsflow

You will hear from us in the months to come…

Phase I	Phase II/ III	Regulatory	Launch
		Decapeptyl® 6 Months Approval	Adenuric® Partnership(s) and launches
	BIM-23A760 Phase II initiation	Toremifene Citrate 80 mg European filing	Primary care products In-licensing deal(s)
	OBI-1 Phase III initiation	Azzalure® Approval in Europe	Azzalure® Launch by Galderma
BN-83495 Phase I results Breast / Prostate	BN-83495 Phase II initiation prostate/gynecology	Reloxin® FDA approval	Reloxin® Launch by Medicis
BIM-28131 Phase I initiation	Somatuline® Depot US NET Phase III initiation	Dysport® FDA approval	Dysport® Launch

An endocrinology franchise outgrowing competition

A unique focus on pituitary disorders and hormone dependent diseases



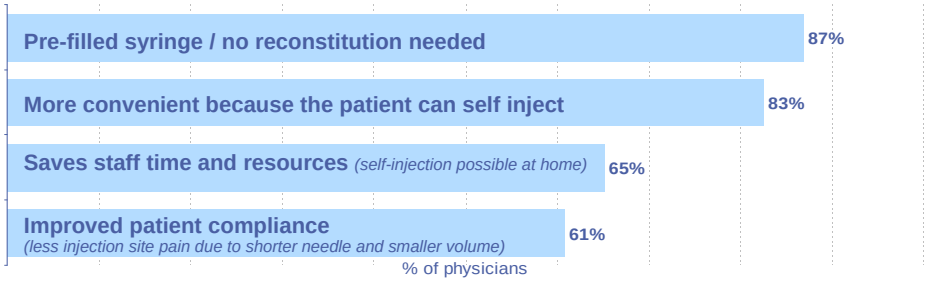
A strong franchise

- A range of products addressing today Short Stature, Acromegaly and NET
  - High morbi-mortality
  - Debilitating pathologies
  - High unmet medical needs
- Somatuline®, NutropinAq® and Increlex® contributed to ~16 % of 2008 Group sales, ie. ~ €158 million.
- A fast growing franchise: sales doubled in the past 3 years

Somatuline® Depot: an improved presentation

	Sandostatin LAR®	Somatuline® Autogel®
Administration	2.0 ml Intramuscular	0.3 ml – 0.5 ml Subcutaneous
Presentation	Powder vial + solvent filled syringe + 2 needles	Pre-filled syringe
Injection technique	10 steps needed to reconstitute	Ready to use Self administration*

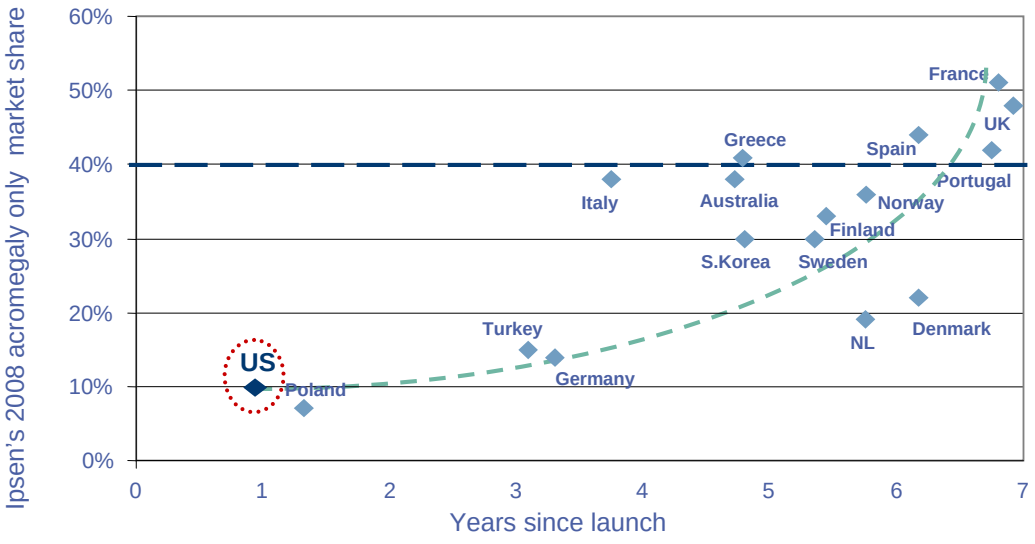
*For what reasons would you prescribe Somatuline® Depot to your acromegaly patients?***



** In selected countries*

*** Study Sample: A total of 50 US endocrinologists completed a 30-minute online questionnaire between April 4 - 17, 2008*
25 High Volume Endocrinologists: Endocrinologists who see 11 or more acromegaly patients in a year
25 Low Volume Endocrinologists: Endocrinologists who see between 5-10 acromegaly patients in a year

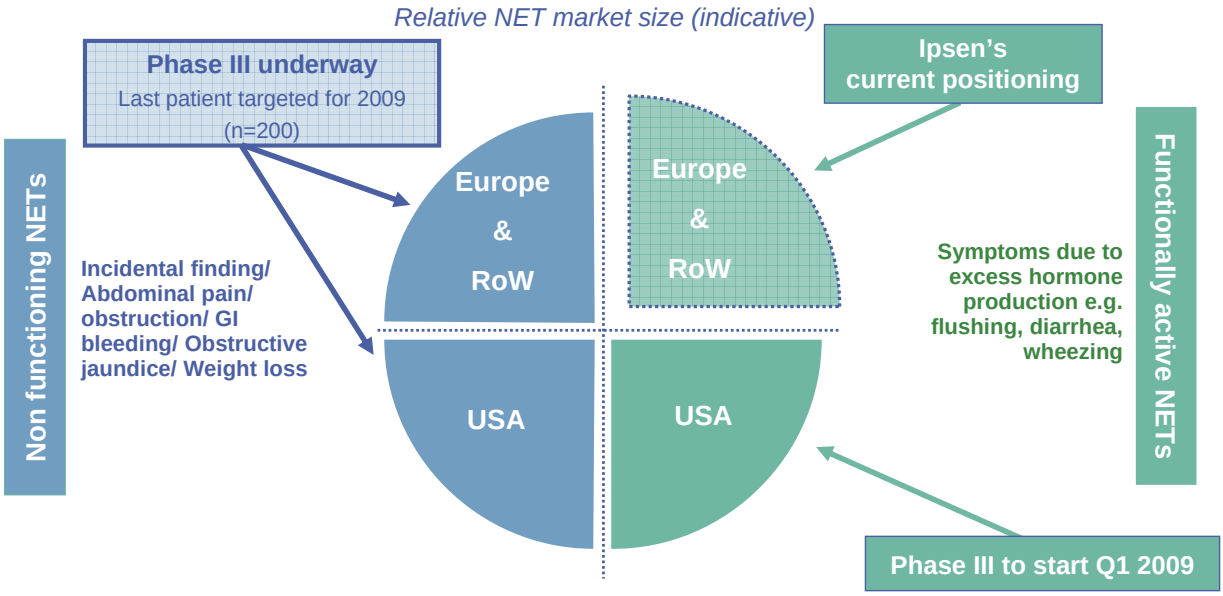
Somatuline® Depot is poised to grow and gain market share



Somatuline® market share is directly correlated to its time on market

SOURCE: Strategix

Somatuline® offers significant life cycle growth opportunities



Significant scope for expansion

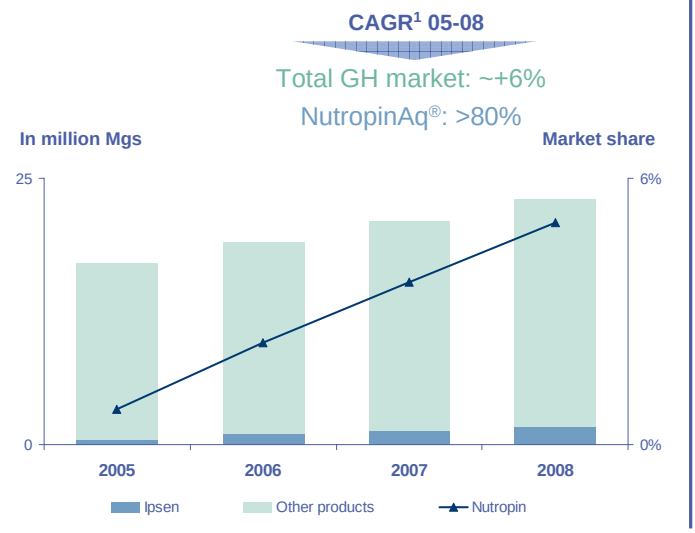
Increlex® in the US : steady performance with continued growth expectations

Physician demand	▪ Target audience : ~1,000 US paediatric endocrinologists ▪ Up to 20% of Rx come from new prescribers each month ▪ 2/3 of pediatric endocrinologists have prescribed Increlex®; 78% continued prescription
Reimbursement success	▪ ~ 90% of private and public covered lives have formulary access ▪ 75% Increlex patients approved upon final decision (similar to GH)
Patient experience	▪ Sharp increase in patients on Increlex® initially GH-naïve to 60% in '08 from 30% in '07 ▪ Dose increasing to appropriate targets, to 100 mcg/kg BID in '08 from 70 mcg/kg BID in '07 ▪ Younger patients initiated with Increlex®, to average age at start of 10.0 years old in '08 from 11.5 years in '07

Sources: Internal data & US Increlex registry

NutropinAq® in Ipsen territories is steadily gaining market share

GH market

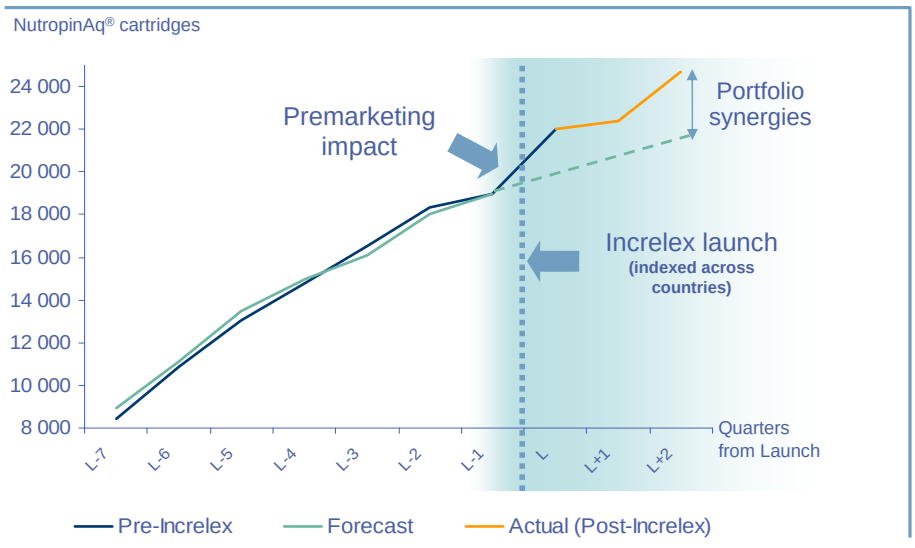


NutropinAq® attributes

- 1st liquid formulation launched WW
- A simple and user friendly pen
- An experienced post marketing surveillance database
- A dedicated experienced and professional team

Source: Strategix

NutropinAq® + Increlex®: evidence of portfolio synergy

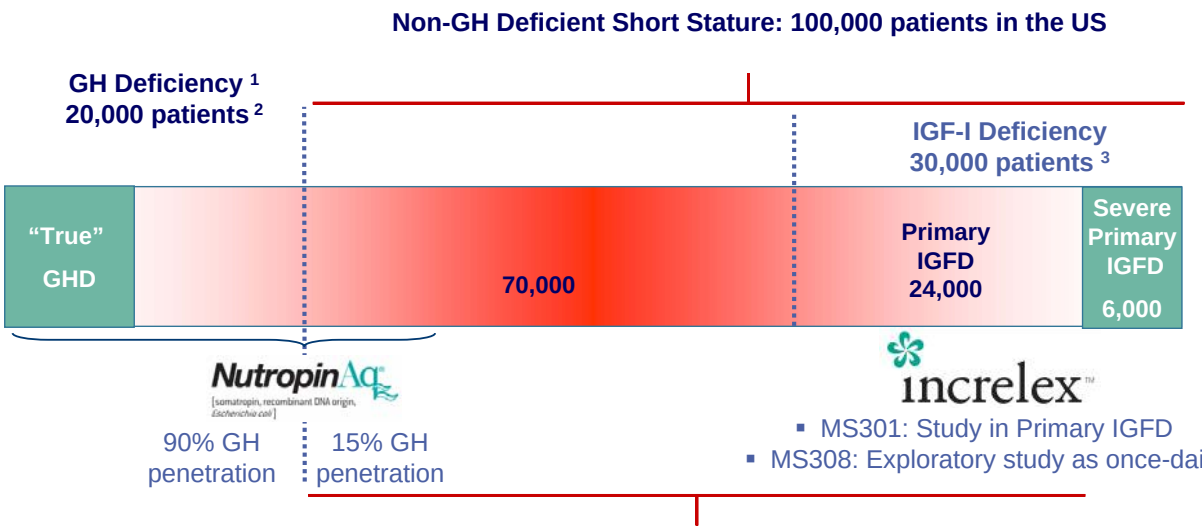


Up to 10% favorable impact

"Ipsen is the only company that can legitimately claim to treat all forms of growth failures through the spectrum of GH deficiency to GH resistance"
Pr. Martin Savage, St Bartholomew's Hospital, London

NOTE 1: UK, Germany, Sweden, France, Italy, Spain

Ipsen is redefining the treatment of short stature



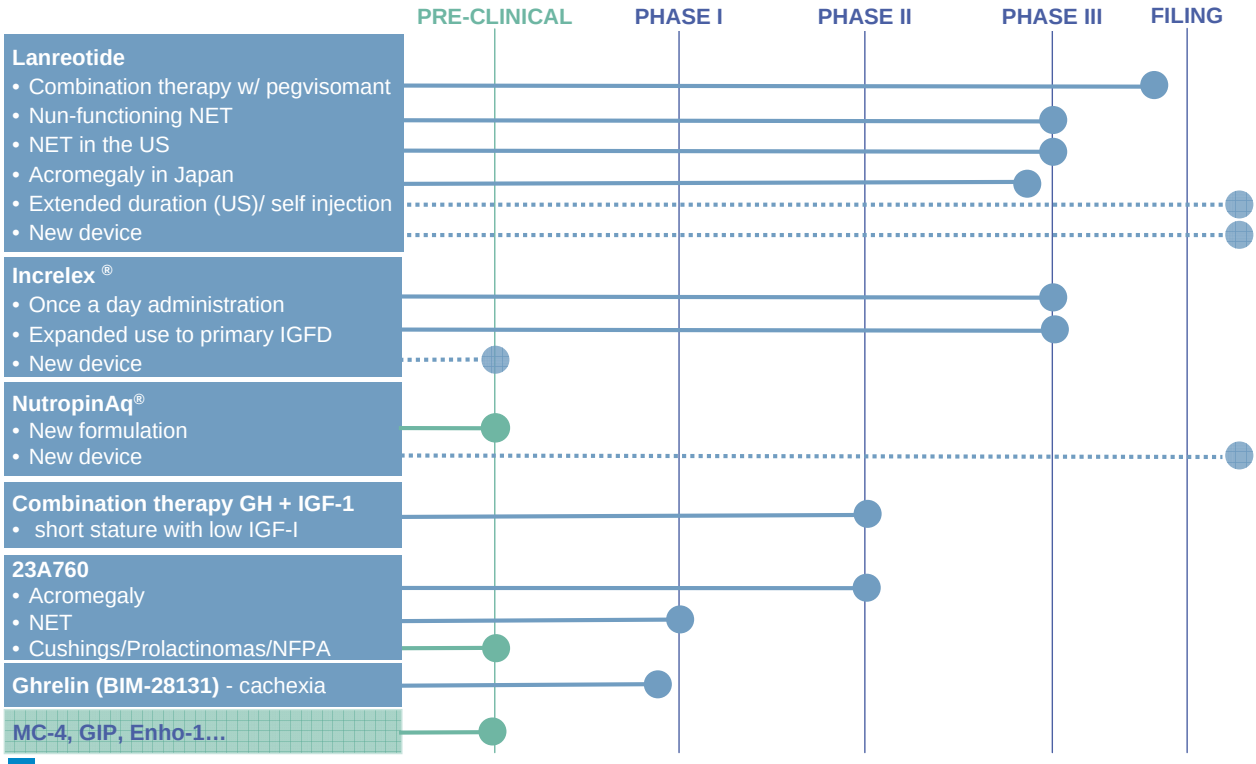
- MS301: Study in Primary IGFD
- MS308: Exploratory study as once-daily

COMBO in IGFD

- MS316: Ph.II dose titration studyrecruitment to be completed by Q2 '09
- Ph.II study in GH Deficient children to start by end '09

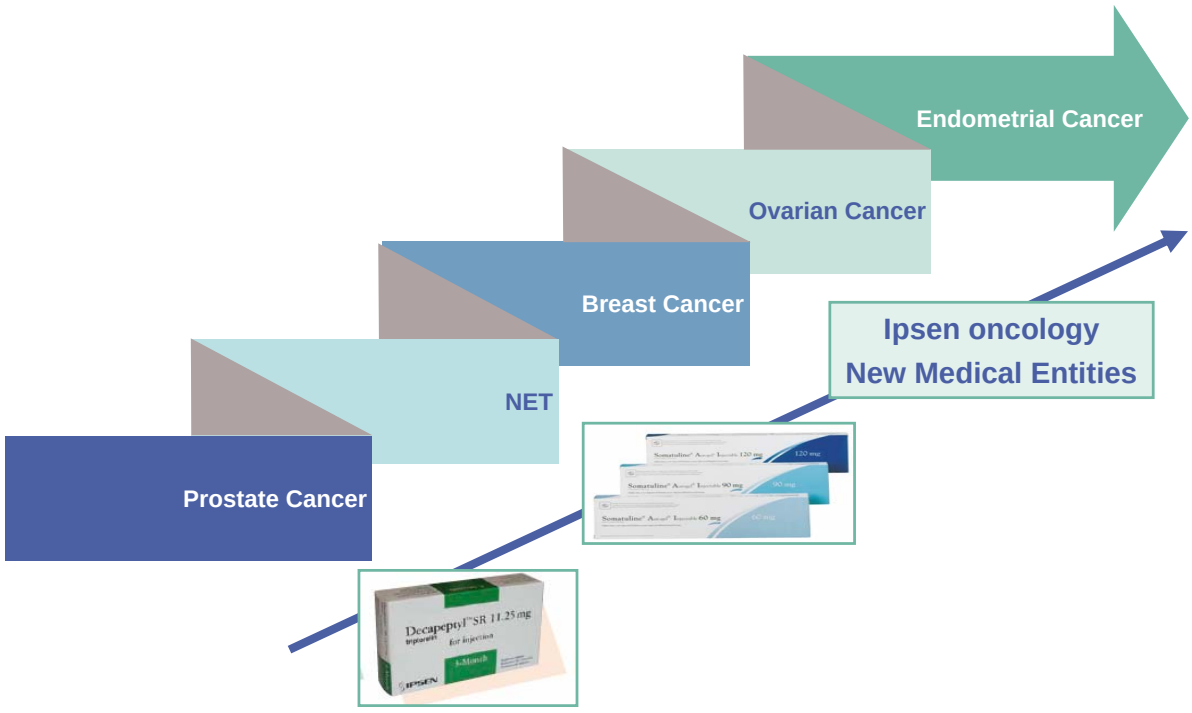
1) Includes TS, SGA, CRI, PWS
2) Approximate number seen by Ped Endos; Finkelstein et. Al.
3) NCGS Analysis

A rich endocrinology pipeline



Confirming Ipsen as a leader in the field of hormone dependent cancers

Confirming Ipsen as a leader in Hormone Dependent Cancers



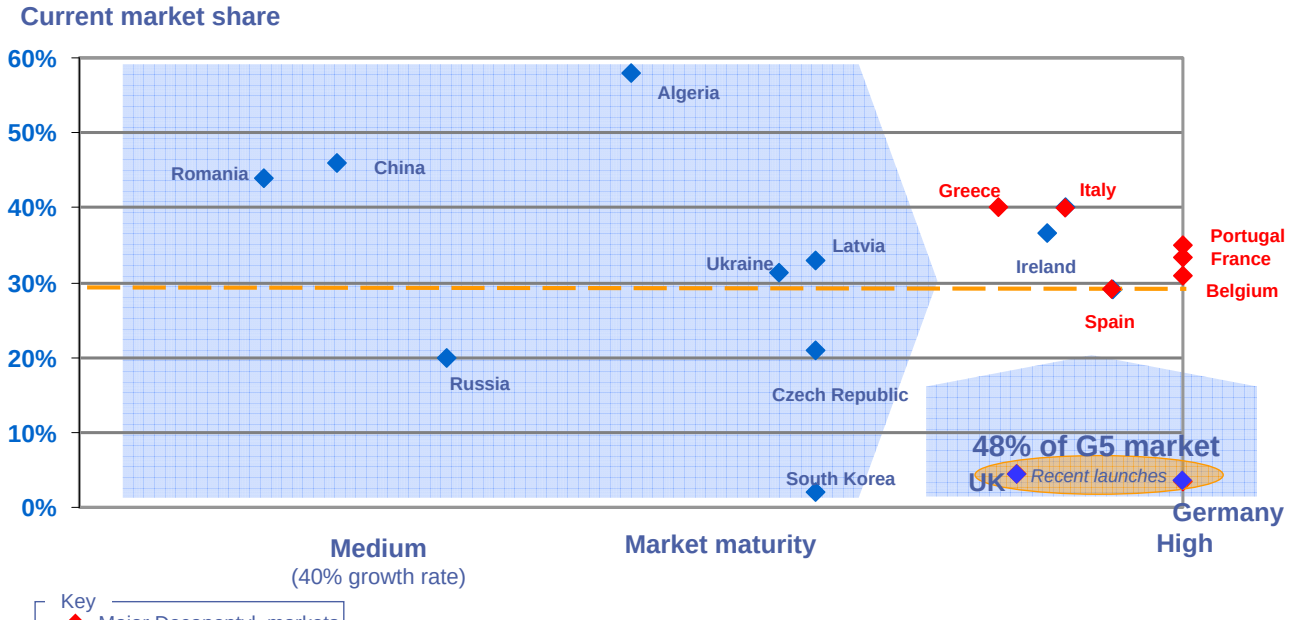
Decapeptyl® 3 months formulation: a competitive product profile

Formulation and efficacy	▪ Marketed 1 month (1M) and 3 month (3M) formulations ▪ Maintenance of castrate testosterone levels at 3M in 98% of patients[1] ▪ At 3M, 91% decrease of PSA levels, showing tumor control		
Local tolerance/ convenience	▪ IM route of administration, good local tolerance ▪ Injection not visible for the patient		
Storage and reconstitution	▪ Stored at room temperature ▪ 5 steps reconstitution ▪ Safety needle system		
	Competitor 1	Competitor 2	Competitor 3
Formulation and efficacy	▪ Various formulations across territories : 1M formulation = 3,75mg or 7,5mg and 3M formulation = 11,25mg or 22,5mg ▪ Increased survival rate at 9 months in triptorelin group vs competitor 1[2]	▪ Conservation between 2 - 4° = needs to be warmed up before reconstitution ▪ Manual reconstitution to obtain SR ▪ Risk of nodules, abscess	▪ Ready to use implant ▪ Very large needle : need of local anesthesia

SOURCE: French SmPC

REFERENCE . 1: Teillac, Horm Res,2004, 252-58 2: Heyns, BJU Int, 2003, 226-231

Decapeptyl®: strong positions, and poised to grow



SOURCE: IMS – YTD June 2008 except for Italy: internal data

100 indicates most mature markets

Decapeptyl® 6 month formulation: a more differentiated product profile

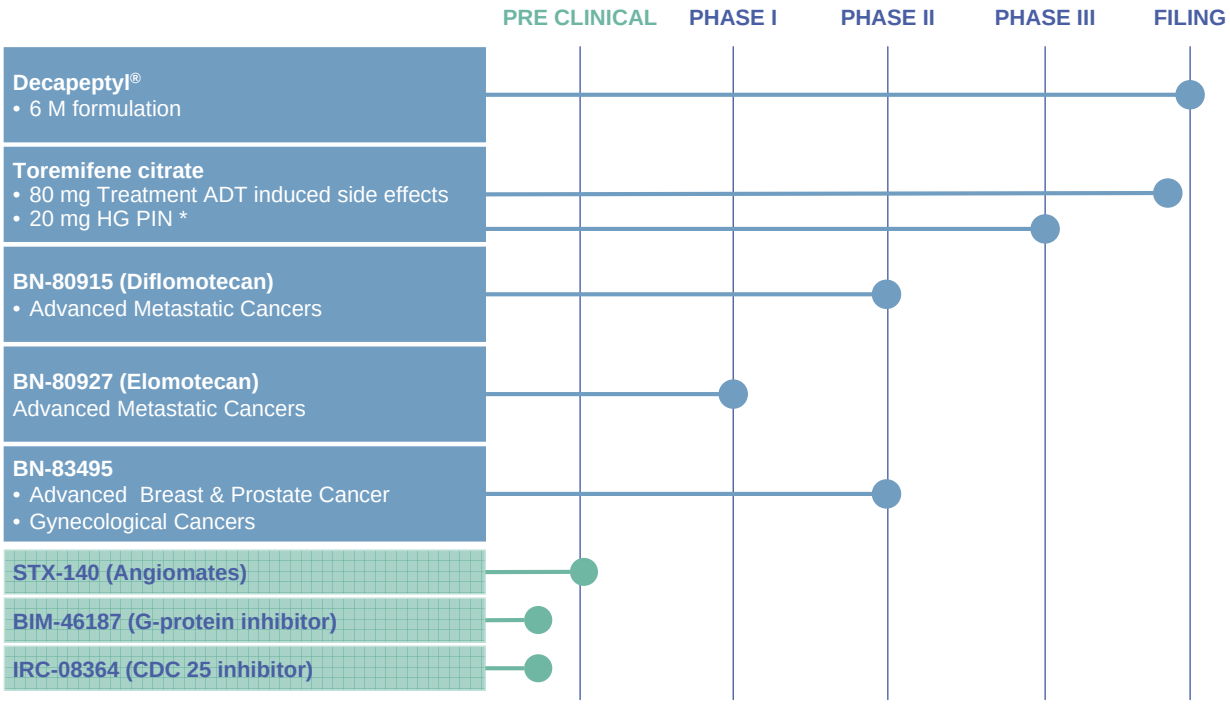
Efficacy	▪ Comparable efficacy to 1 and 3 months formulation • **Castration levels (testosterone)** • **Disease control (PSA)**
Local Tolerance	▪ Limited local side effects (6.7% of patients)
Storage and reconstitution	▪ Storage at room temperature (no need to heat up before reconstitution) ▪ 5 Steps to reconstitute, change needle, and inject - IM route

Formulation/ Efficacy	6 month competitor 1	6 month competitor 2
	▪ 80% of patients castrated after 6M [2] ▪ Testosterone to be tested every 6M* [1] ▪ Formation of Nodules or abscess [1]	▪ Slow release formulation dependent on manual 60 mixture[1] step ▪ Storage at 2-4°: need to heat up for reconstitution [1]

Reference 1: French SmPC

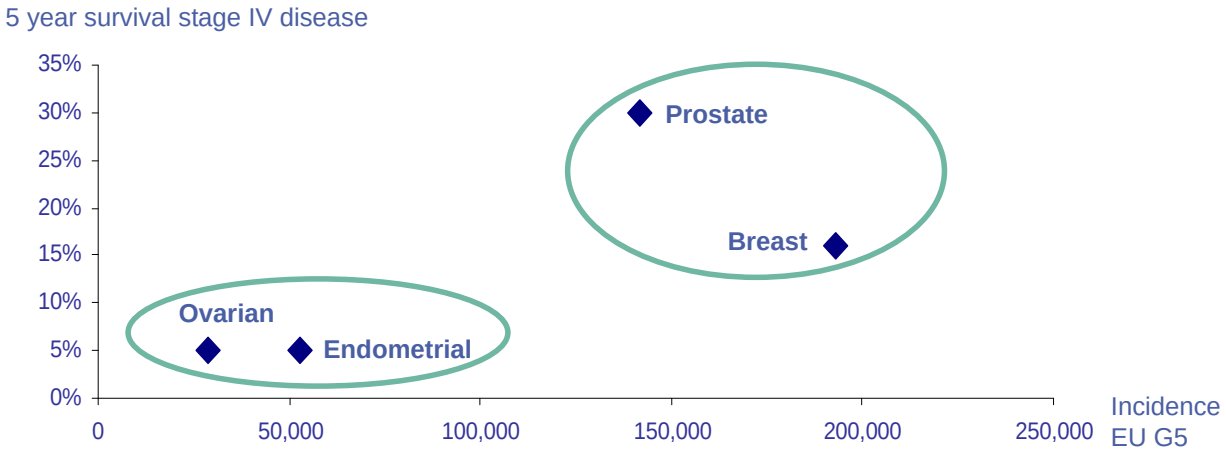
[2]Avis de la commission de transparence

A promising Oncology pipeline



** Option to in-license*

Moving up to higher prevalence diseases and higher unmet medical needs



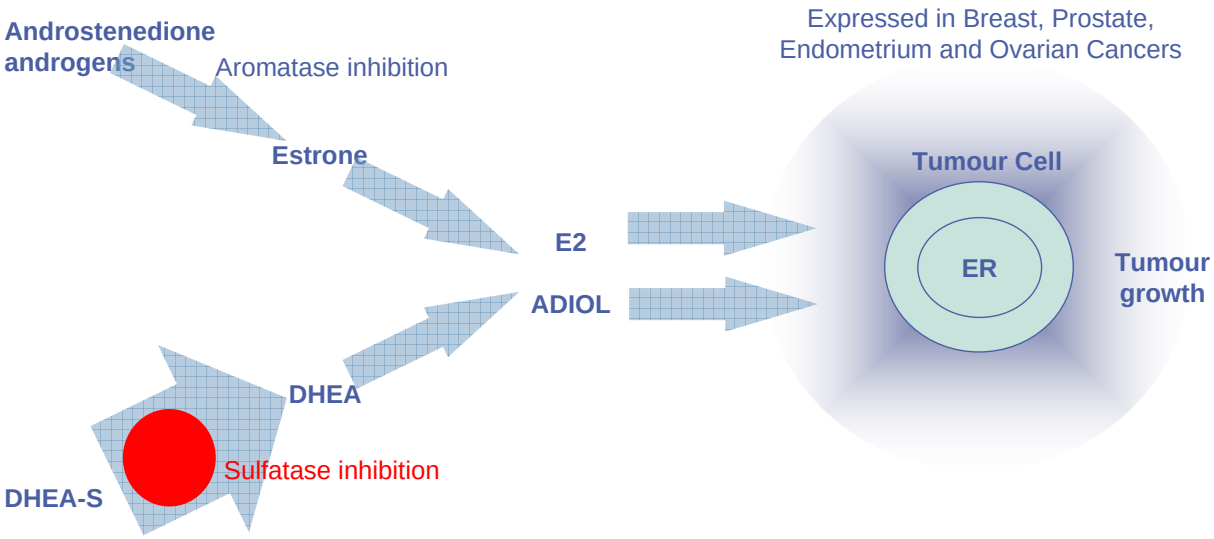
Ipsen New Medical Entities: multi targeted agents aiming at large markets as well as niche indications with large unmet medical needs
BN-83495 is potentially a company transforming product

SOURCE: deVita (2008), Datamonitor

BN-83495

Rationale for Sulfatase inhibitor development

Inhibition of Androstenediol synthesis from DHEA-S

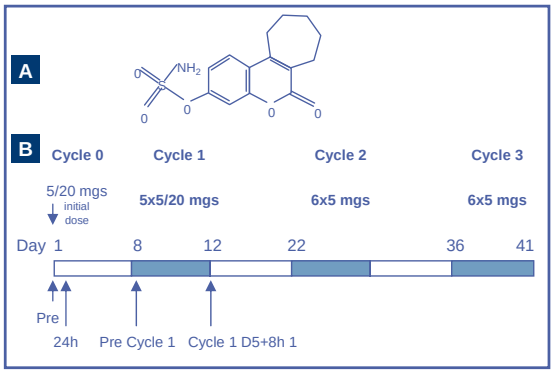


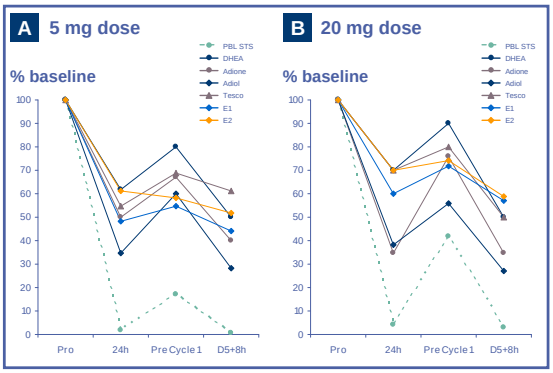
Adiol can bind to oestrogen receptor and stimulate tumour growth (90% Adiol derived from DHEA-S in post-menopausal women)

First clinical study in Breast Cancer patients

STS inhibition leads to significant reduction in circulating steroids and induces clinical benefit**

*First clinical study CR UK * - Daily x 5 dosing*





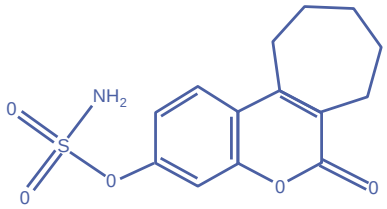
Next step: confirmation of the results in Metastatic Breast Cancer and exploration of the full range of hormonal dependent tumours

** SOURCE: Stanway, S. J. et al. Clin Cancer Res 2006;12:1585-1592*

*** 3 patients with stable disease >6M*

BN-83495

BN-83495 in a nutshell: a new mechanism of action and potential therapeutic breakthrough



Tricyclic coumarin sulfamate

Irreversible Oral steroid sulfatase (STS) inhibitor

Preclinical data supporting correlation between STS inhibition and tumour suppression in Endocrine Cancers

Early clinical POC in metastatic Breast Cancer

POC trial in HR Prostate Cancer commenced Jan. 2009

POC trials in Gynecological Cancers to commence in 2009

Strong patent platform position & available back-up

Confirming Ipsen as a leader in Hormone Dependent Cancers

Endometrial Cancer
BN-83495
Initiation PII in 2009

Ovarian Cancer
BN-83495
Initiation PII in 2009

Breast Cancer
BN-83495
Initiation PII in 2009

NET in the US
Initiation PIII in 2009

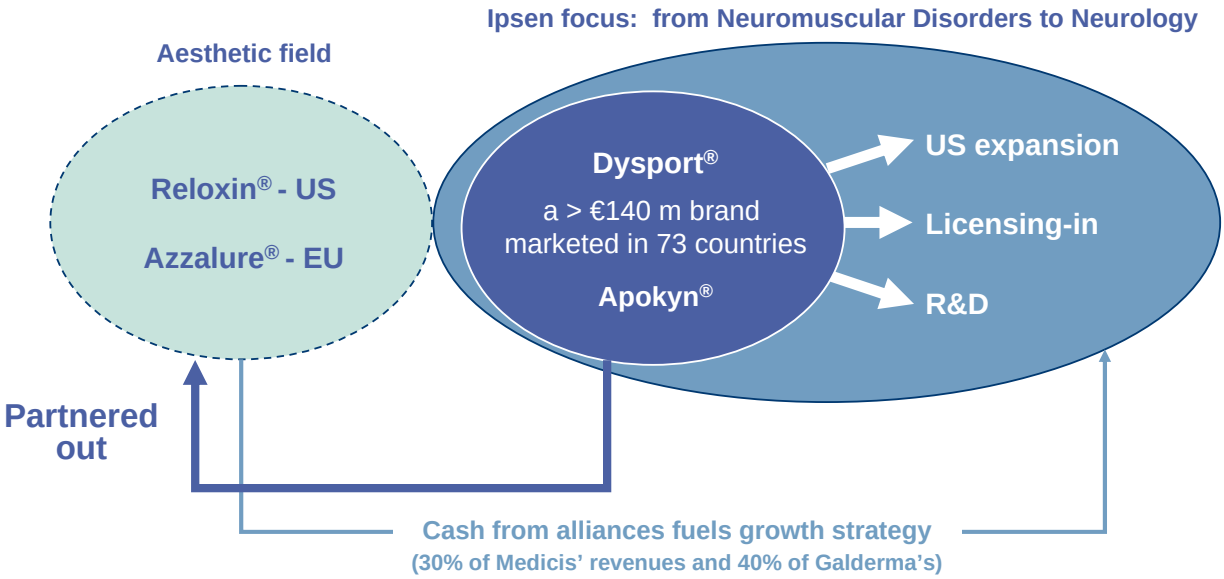
Prostate Cancer
Decapeptyl® 6M: Launch in 2010
Toremifene citrate: Filing in 2009
BN-83945: POC in 2009

Ipsen oncology New Medical Entities

Near-term milestones…

From a Regional Neuromuscular Specialty to a Global Neurology Franchise

A specific therapeutic focus



Dysport®: the cornerstone of a Neurology franchise

Dysport®: approved ex-US in most key indications

- **Cervical dystonia** 9/100,000 (1)
- **Blepharospasm** 5/100,000 (2)
- **Adult spasticity** 322/100,000)
- **Cerebral palsy** 19/100,000 aged 17 & less (3)

> 90%
of 2008 ex-US therapeutic market(4)

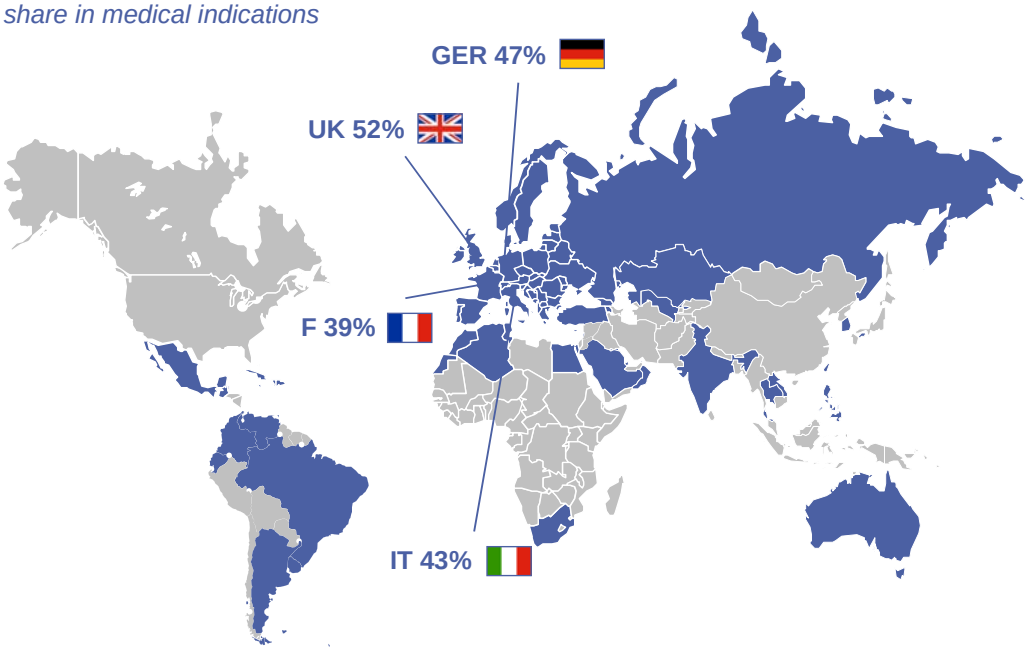
- **Hyperhydrosis**
- **Hemifacial spasm**
- **Aesthetic use**
- **Strabismus and other less frequent indications**

Source of prevalences in inhabitants:(1) Movement disorders V10; (2) www.blepharospasm.org; (3) www.cdc.gov;

** Source: Ipsen*

Dysport®: launched in 1991, approved in 73 countries

Market share in medical indications

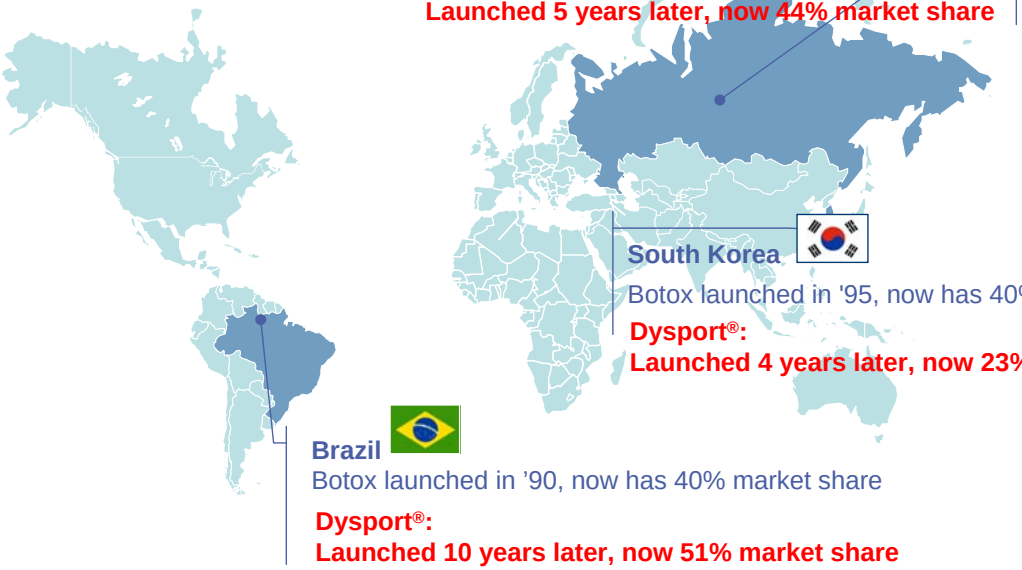


In dark blue, countries where Dysport® is marketed

Sources: IMS, Insight Health/ODV, Ipsen estimates

A good track record at catching-up market shares…

Market share in medical indications



Russia
Botox launched in '94, now 56% market share
Dysport®:
Launched 5 years later, now 44% market share

South Korea
Botox launched in '95, now has 40% market share
Dysport®:
Launched 4 years later, now 23% market share

Brazil
Botox launched in '90, now has 40% market share
Dysport®:
Launched 10 years later, now 51% market share

Sources: Ipsen market intelligence

Dysport® in the US: a step further toward a global neurology franchise

1. **Dysport®: a proven track record and field proven product**
2. **A true global product**
3. **A unique focus on medical use**
4. **Focus on US opportunity – strong positioning with well prepared launch**
   - Sound value proposition: the medical treatment alternative
   - Targeted and appropriate sales force
   - Managed care experience
5. **Building up a neurology franchise leveraging the business development capability**
6. **Intense efforts in the discovery area**

A focused haematology presence

An agent targeting both acquired and congenital hemophilia

Congenital hemophilia A
with inhibitors to human FVIII

- Affects 1:4000 male births
- The development of neutralizing antibodies (inhibitors) to hFVIII following replacement therapy is a major complication
- Inhibitors develop in about 28% of severe patients and in between 3% to 13% of mild and moderate hemophilia A patients
- Patients no longer respond to hFVIII therapy

Acquired hemophilia
Acquired factor VIII inhibitor

- Affects 1 to 2 individuals in 1,000,000, predominantly in older individuals
- A small proportion of younger patients may develop the disease, predominantly post-partum women
- Clinical manifestation is more severe and anatomically diverse than in congenital hemophilia A
- A mortality rate approaching 20%. Bleeding is often spontaneous or in response to minimal trauma

pFVIII is a promising treatment to stop bleeds in patients with inhibitors to hFVIII

Now preparing for phase 3…

2 prospective clinical trials, in liaison with Medical Community & Regulatory Agencies

Study in patients with acquired factor VIII inhibitor (acquired hemophilia)

Treatment of all acute bleeding episodes

Study in patients with congenital hemophilia A and inhibitors to hFVIII

Treatment of life or limb threatening bleeding episodes

Both will be of similar design
Open label, non comparative prospective studies, with about 40 patients in each study

Standards setting: first ever prospective trial in acquired hemophilia

Protocols finalization and pre-phase 3 CMC consultations with regulatory agencies to be completed in H1 2009

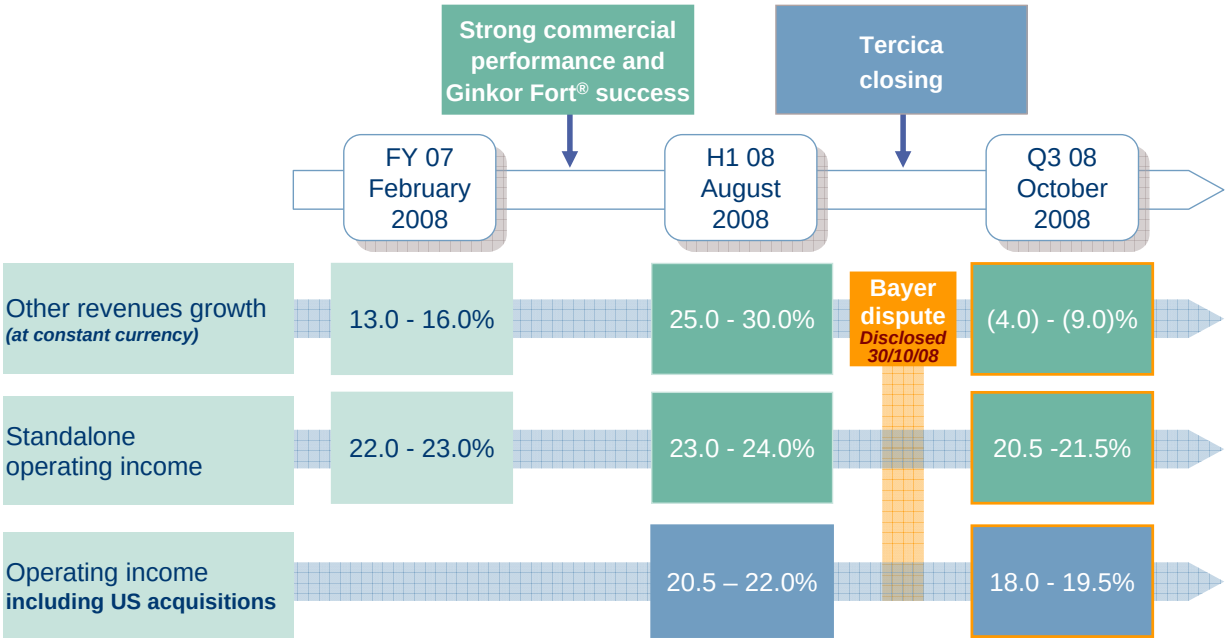
A highly specialized hospital product addressing unmet need

- First biologics to conclude Phase 2 resulting from strategic biotechnology platform
- Patent protection until 2023 in Europe and US
- World-wide commercialization rights
- Lean commercial infrastructure
- A commercial potential in excess of US$200 million
- Fourth specialty therapeutic focus in Haematology

Appendix 1:

Evolution of our 2008 financial objectives

Evolution of our 2008 financial objectives



All operating margin objectives exclude US restructuring costs and one-offs and are stated in % of sales

Appendix 2:

Financials

Key elements to take into consideration in 2008 over 2007

		2007	2008
Sales	Ginkor Fort® divestment	€37.0 m sales	€14.0 m sales
	Consolidation of US acquisitions	-	Q3&Q4 consolidated sales of €8.1 m
	Currency headwind	80 basis points negative impact on sales growth	
Other revenues	Dispute with Bayer	-	€25.0 m "miss"
	Ginkor Fort® milestones	-	€18.8 m net revenues booked

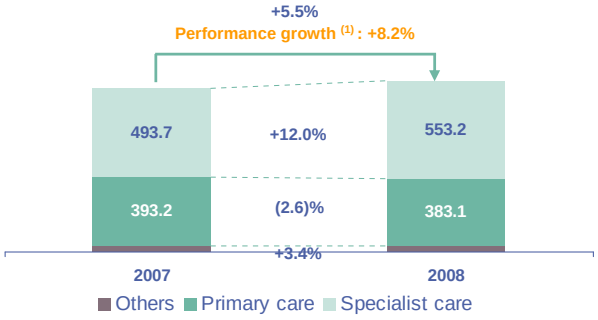
Key elements to take into consideration in 2008 over 2007

		2007	2008
COGS	R&D to COGS shift	-	+€2.2 m Shifted(1)
R&D	Currency tailwind	R&D expenses up 4.5% at constant currency vs. (1.1)% as reported	
	End of US filings preparation and FDA inspections	Industrial development expenses down 39% or €(10) million year on year	
	R&D to COGS shift	-	- €3.5 m shifted
Taxes	US acquisitions	25.3% effective tax rate	17.4% effective rate vs. 20.9% w/o US losses

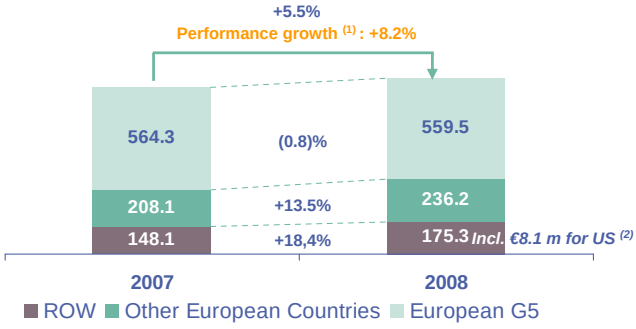
NOTE 1: Net of inventory build-up

Top line evolution

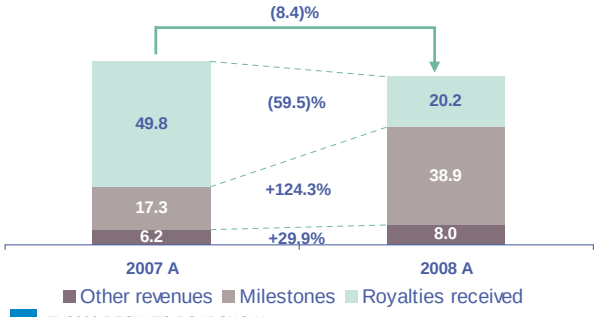
Sales by therapeutic area



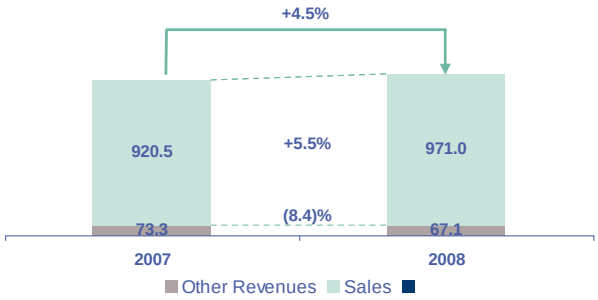
Sales by region



Other revenues evolution



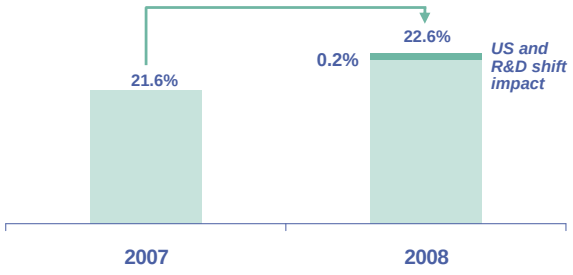
Total revenues evolution



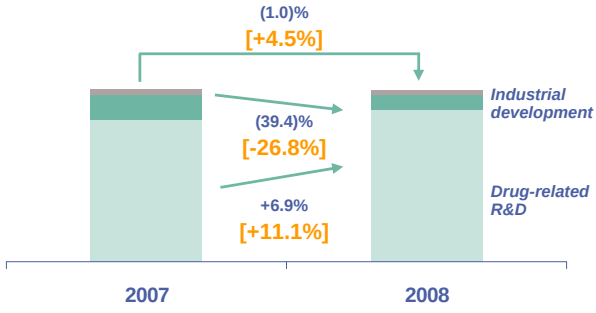
NOTE 1: At constant currency, excluding US & Ginkor Fort Sales
NOTE 2:Impact from US acquisitions

P&L – above EBIT

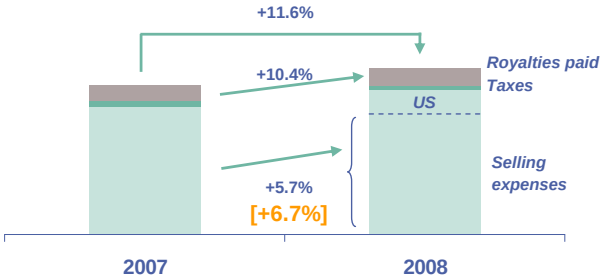
COGS (% of sales)



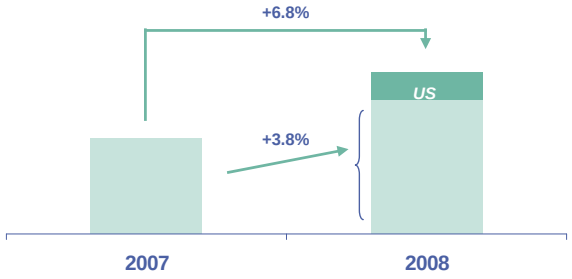
Research & Development



Sales & Marketing

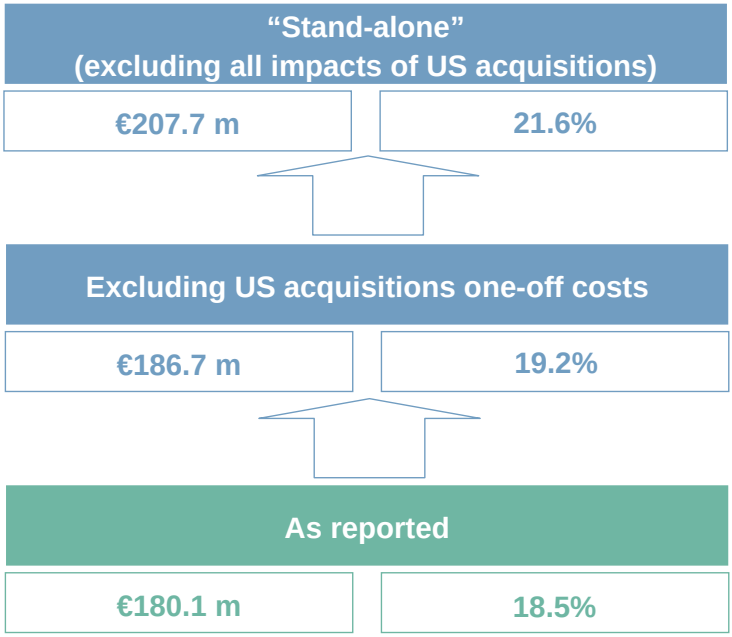


G&A



[+X%] – Evolution at constant exchange rate

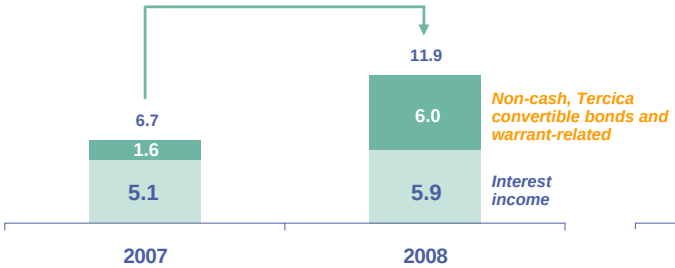
P&L – operating result and margin



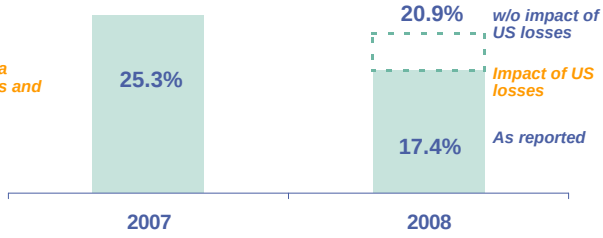
Margins expressed in % of sales

P&L – below EBIT

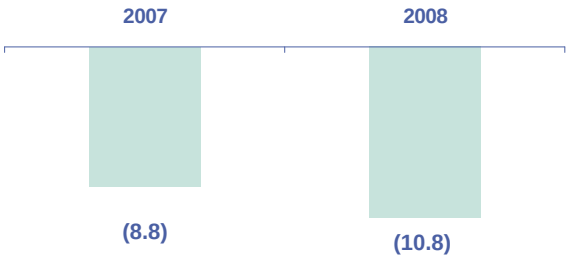
Financial result (€m)



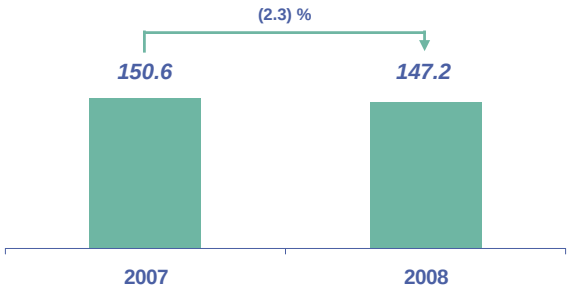
Effective tax rate(1)



Income from Associates (€m)



Consolidated result (€m - group share)



(1) As a percentage of profit from continuing operation, excluding net loss from Associates

Balance Sheet evolution

- In million of euros Assets	31 Dec 07	31 Dec 08
Goodwill	189.0	351.7
Property, plans & equipments	221.9	237.9
Intangible assets	89.2	163.9
Other non-current assets	185.3	125.9
Total non-current assets	**685.4**	**879.4**
Total current assets	**636.8**	**689.1**
Incl. cash and cash equivalents	247.1	239.6
Assets / discontinued operations	0.7	1.3
Total assets	**1322.9**	**1569.8**
Net Cash (1)	**217.8**	**66.2**

- In million of euros Liabilities	31 Dec 07	31 Dec 08
Equity	799.9	866.9
Minority interests	1.2	1.6
Total equity	**801.1**	**868.5**
Long-term financial debts	20.8	162.7
Other non-current liabilities	221.0	217.6
Short-term debts	9.2	8.3
Other current liabilities	265.5	307.8
Liabilities / discontinued operations	5.3	4.9
Total Liabilities	**1322.9**	**1569.8**

(1) Net cash: cash, cash equivalents and securities held for sales minus bank overdrafts, bank borrowings and other financial liabilities plus or minus derivative financial instruments

Cash flow statement

- In million of euros	31 Dec 07	31 Dec 08
Cash Flow before change in working capital	**214.3**	**196.5**
- Increase / Decrease in working capital	(38.3)	6.9
Net cash flow generated by operating activities	**176.0**	**203.4**
Investment in intangible assets and property, plant & equipment excl. US acquisitions	(76.5)	(73.1)
US acquisitions	(46.5)	(216.5)
Others	(17.3)	4.4
Net cash flow used in investing activities	**(140.3)**	**(285.2)**
Net change in borrowings	(1.9)	141.0
Dividends paid	(50.4)	(55.0)
Others	(24.5)	(7.0)
Net cash flow used in financing activities	**(76.8)**	**79.0**
Discontinued operations	1.3	0.7
Change in cash and cash equivalent	**(39.8)**	**(2.1)**
Impact of exchange rate fluctuations	(3.0)	(1.5)
Closing cash & cash equivalents	**240.9**	**237.3**
Closing Net Cash(1)	**217.8**	**66.2**

Comments

- Deferred revenues net increase : + €17.0m
- Decrease of Bayer receivables : +€10.9m
- Receivables, payables, inventory and others – €21.0m
- Tangible assets : -€61.4m
- Intangible assets : - €33.8m
- Divestment & others : €22.1m
- US acquisitions
- Draw dawn of syndicated credit facility +€150m

-[1] Net cash: cash, cash equivalents and securities held for sales minus bank overdrafts, bank borrowings and other financial liabilities plus or minus derivative financial instruments

Appendix 3: Definitions

‘Standalone’ Group sales:

Group sales at constant currency, less its North American fourth quarter 2008 consolidated sales

‘Performance’ or ‘underlying’ growth:

Group sales growth at constant currency, excluding the sales of Ginkor Fort® in 2007 and 2008 as the product was divested on January 1, 2008) and excluding North American fourth quarter 2008 consolidated sales

‘Adjusted’ operating margin:

Group operating margin excluding US acquisition related impacts such as purchase price accounting elements or recurring elements