Confirming Ipsen’s specialist care globalisation

2009 Full Year Results Road Show
March 02-3, 2010
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Mrs. Claire Giraut - EVP Administration and Finance
Dr. Jacques-Pierre Moreau – Chief Scientific Advisor
Mr. David Schilansky - IRFO
Mr. Pierre Kemula – Investor Relations Manager
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Introduction
Ipsen today: a global, innovation driven, specialty pharma

**SPECIALTY CARE**
A global business to **GROW**

- **25%**
  - **ONCOLOGY**
    - Decapeptyl®

- **20%**
  - **ENDOCRINOLOGY**
    - Somatuline®, Nutropin®, Increlex®

- **17%**
  - **NEUROLOGY**
    - Dysport®, Apokyn®

- **-**
  - **HEMATOLOGY**
    - OBI-1

**PRIMARY CARE**

OPTIMISE returns of this mostly French business

- **GI**
  - 18%

- **Cognitive disorders**
  - 11%

- **Cardiovascular**
  - 7%

**A fully-fledged manufacturing capability**

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

*% are calculated on 2008 total Group Drug Sales of €936 million*
A reinforced profile

2002

Primary Care ~60%
Specialist Care ~40%

2009

Primary Care ~38%
Specialist Care ~62%

2012 illustrative trend

Primary Care ~30%
Specialist Care ~70%

Total sales: ~€700 m
Total sales: ~€1032m
Acceleration of growth

Confirming Ipsen’s biotech specialty care profile
An increasingly transactional model
Truly Differentiated R&D Capabilities
Example 1: Somatuline® Depot, an improved presentation

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

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

- Pre-filled syringe / no reconstitution needed: 87%
- More convenient because the patient can self inject: 83%
- Saves staff time and resources (self-injection possible at home): 65%
- Improved patient compliance (less injection site pain due to shorter needle and smaller volume): 61%

* 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
Example 2: a unique technology convergence, taspoglutide

**Once-a-week 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
  Quarter inch long
- Taspoglutide Liquid SRF ➔ 29G
  **Insulin type needle** for subcutaneous injection

50 to 300 μl of highly concentrated aqueous solution devoid of excipient
A rich endocrinology pipeline

**Lanreotide**
- Combination therapy w/ pegvisomant
- Non-functioning NET
- NET in the US
- Acromegaly in Japan
- Extended duration (US)/self injection
- New device

**Increlex®**
- Once a day administration
- Expanded use to primary IGFD
- New device

**NutropinAq®**
- New formulation
- New device

**Combination therapy GH + IGF-1**
- Short stature with low IGF-I

**23A760**
- Acromegaly
- NET
- Cushings/Prolactinomas/NFPA

**Ghrelin (BIM-28131) - cachexia**

**MC-4, GIP, Enho-1...**
A promising Oncology pipeline

- **Decapeptyl**
  - 6 M formulation

- **Toremifene citrate**
  - 80 mg Treatment ADT induced side effects
  - 20 mg HG PIN *

- **BN-80915 (Diflomotecan)**
  - Advanced Metastatic Cancers

- **BN-80927 (Elomotecan)**
  - Advanced Metastatic Cancers

- **BN-83495**
  - Advanced Breast & Prostate Cancer
  - Gynecological Cancers

- **STX-140 (Angiomates)**

- **BIM-46187 (G-protein inhibitor)**

- **IRC-08364 (CDC 25 inhibitor)**

*Option to in-license*
Progress and Outlook
2009: major initiatives, in a rigorous execution of the Group’s strategy

### Grow and Globalise Ipsen’s specialty care business

| 4 products in the US, 3 global | 6 products in launch phase | Decapeptyl® 6M approved in Europe | Rich phase II/III programmes | Out licensing of non-core compounds |

### Optimize Ipsen’s primary care business

| Rich deal with Menarini on Adenuric® | Promising headline results for taspoglutide (Roche) | BLI-800 (Braintree) |
All key milestones delivered in 2009

- **IGF-I+GH co-admin Phase II interim results**
- **BIM-23A760 Phase II initiation**
- **BN-83495 Phase I results**
  - Breast cancer
- **BN-83495 Phase II initiation**
  - Endometrial cancer
- **BIM-28131 (Ghrelin) Phase I initiation**
- **Somatuline® Depot US NET Phase III initiation**
- **Decapeptyl® 6 Months Approval**
- **Azzalure® Approval in Europe**
- **Dysport® (aesthetics) FDA approval**
- **Dysport® (therapeutic) FDA approval**
- **Dysport® (therapeutic) Launch**
- **Adenuric® Partnership(s) and launches**
- **Primary care products In-licensing deal(s)**
- **Azzalure® Launch by Galderma**
- **Dysport® (aesthetics) Launch by Medicis**
All financial objectives have been met in 2009

<table>
<thead>
<tr>
<th>Financial objectives Q1-09</th>
<th>Bayer Settlement</th>
<th>Financial objectives Q3-09</th>
<th>2009 performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drug sales</td>
<td>+ 7.0 – 9.0%</td>
<td></td>
<td>+ 7.6%</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>Around €45m</td>
<td>Approx. €80m</td>
<td>€79.6 millions</td>
</tr>
<tr>
<td>Adjusted operating margin¹</td>
<td>14.0%</td>
<td>17.0 – 17.5%</td>
<td>17.8%</td>
</tr>
<tr>
<td>Normative Tax rate</td>
<td>18.0 - 20.0%</td>
<td></td>
<td>6.3%</td>
</tr>
</tbody>
</table>

NOTE 1: in percentage of sales, prior to any accounting implications in connection with the purchase accounting of its acquisitions in North America
Top line objectives for 2010

Close to double digit Reported Speciality Care drug sales

Double digit in-market Speciality Care drug sales

+ Dynamic international markets
- Slower growth in Eastern Europe

Launch of Decapeptyl 6 month in Europe
Transition of aesthetic activities to partners

Continued expansion of its US platform
Changing US market conditions

Primary Care drug sales to decrease by (5) to (7)% year-on-year

+ International markets from increasing to c.50% from 45% of total Primary Care drug sales
- French primary care environment

Group Drug Sales growth between 3.0 and 5.0% year-on-year

Other Revenues close to €50 million depending on the performance of the Group’s partners

The above objectives are set at constant currency
Profitability objectives for 2010

Recurring adjusted operating result

2009 recurring adjusted operating income: 144.4

2010 adjusted operating income objective: ~15% growth

Fully diluted adjusted EPS

2009 recurring adjusted EPS: 1.60

2010 adjusted EPS objective: Stability

The Group targets an increase of its adjusted operating result and a relative stability of its consolidated income in a context of a significantly expanded R&D footprint.

2010 objective excludes any potential non recurring items
In the longer term…

July 2008  2009  2010  2011  Longer term

High US double-digit growth
coupled with significant profitability improvements

Continued US penetration
with 4 marketed specialty care products,
of which Dysport® just recently launched

Financial crisis
profound changes in global equilibrium
and macroeconomic conditions

Increased primary care competitive environment

The Group today cannot confirm its 2011 and 2012 perspectives, or at least their timeframe
A rich newsflow in 2010, already initiated

<table>
<thead>
<tr>
<th>Clinical development</th>
<th>Regulatory / Launch</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIM-28131 (Ghrelin) Phase I</td>
<td>Somatuline® Depot US filing Extended Dosing Interval</td>
</tr>
<tr>
<td>IGF-I+GH co-admin Phase II Data available</td>
<td>Somatuline® Autogel® Launch in Russia Acromegaly + NET</td>
</tr>
<tr>
<td>BIM 23A760 Phase II initiation (WW) Neuro Endocrine Tumors (NET)</td>
<td>Decapeptyl® 3 Months Launch in China Prostate cancer</td>
</tr>
<tr>
<td></td>
<td>Decapeptyl® 6 Months Launch in Europe</td>
</tr>
</tbody>
</table>

**Continuous and rigorous execution of Ipsen’s strategy**

- Specialty care growth & globalization, and increase in R&D efficacy
- Primary care contribution optimization
APPENDIX
Full year 2009 detailed financial performance
Top line evolution

**Sales by therapeutic area**

- 2008: 553.2
- 2009: 622.5

**Growth excluding foreign exchange impacts:** +6.8%

**Other revenues evolution**

- 2008: 20.2
- 2009: 41.2

**Total revenues evolution**

- 2008: 971.0
- 2009: 1032.8

**Sales by region**

- ROW: 236.2
- North America: 11.2
- Other European Countries: 164.1
- European G5: 234.3

**Growth excluding foreign exchange impacts:** +6.8%

**Other Revenues**

- 2008: 164.1
- 2009: 198.2

**Royalties received**

- 2008: 27.9
- 2009: 10.5

**Milestones**

- 2008: 8.0
- 2009: 10.5

**Drug related**

- 2008: 383.0
- 2009: 380.1

**Primary care**

- 2008: (0.8)%
- 2009: (13.8)%

**Specialist care**

- 2008: (0.8)%
- 2009: 12.6%
Evolution of main P&L expenses

**COGS (% of sales)**

- 2008: 22.7%
- 2009: 23.0%

**Research & Development**

- 2008: 166.9%
- 2009: 163.1%

**Sales & Marketing**

- 2008: 355.0%
- 2009: 396.1%

**G&A**

- 2008: 85.8%
- 2009: 88.5%

NOTE 1: Adjusted for the impacts related to purchase price accounting in connection with the Group’s acquisitions.

NOTE 2: in orange: outside North America.
P&L – 2009 operating result and margin

Reported operating result
- €172.5 m
- 16.7%

Adjusted Operating Result
- €183.6 m
- 17.8%

Recurring Adjusted Operating Result
- €144.4 m
- 14.0%

Purchase Price Allocation impacts
- €(11.1) m

Net impact of Kogenate settlement
- €39.2 m

Margins expressed in % of sales
P&L – below EBIT

Financial result (€m)

2008 | 2009
---|---
11.9 | 6.0
6.0 | Non-cash, Tercica convertible bonds and warrant-related
5.9 | Interest income
-5.2 |

Effective tax rate

2008 | 2009
---|---
18.9% | 17.2%
17.2% | Effective tax rate
12.9% | Recurring effective tax rate
6.3% |

Income from Associates (€m)

2008 | 2009
---|---
(10.8) | 0.0

Consolidated result (€m - group share)

2008 | 2009
---|---
146.6 | 156.6
EPS | EPS
1.74 | 1.86

NOTE 1: Adjusted for the impacts related to purchase price accounting in connection with the Group’s acquisitions
# Balance Sheet evolution

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 08</th>
<th>31 Dec 09</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goodwill</td>
<td>290.8</td>
<td>290.2</td>
</tr>
<tr>
<td>Property, plans &amp; equipments</td>
<td>237.9</td>
<td>251.8</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>232.9</td>
<td>237.0</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>112.9</td>
<td>145.5</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>874.5</td>
<td>924.5</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>688.6</td>
<td>652.4</td>
</tr>
<tr>
<td>Incl. cash and cash equivalents</td>
<td>239.6</td>
<td>218.6</td>
</tr>
<tr>
<td>Discontinued operations</td>
<td>1.3</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>1,564.4</td>
<td>1,576.9</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>885.0</td>
<td>982.6</td>
</tr>
<tr>
<td>Minority interests</td>
<td>1.6</td>
<td>1.7</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>886.6</td>
<td>984.3</td>
</tr>
<tr>
<td>Long-term financial debts</td>
<td>162.7</td>
<td>12.2</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>194.2</td>
<td>270.3</td>
</tr>
<tr>
<td>Short-term debts</td>
<td>10.6</td>
<td>21.4</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>305.4</td>
<td>286.7</td>
</tr>
<tr>
<td>Discontinued operations</td>
<td>4.9</td>
<td>2.0</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>1,564.4</td>
<td>1,576.9</td>
</tr>
<tr>
<td>Net Cash</td>
<td>66.2</td>
<td>185.6</td>
</tr>
</tbody>
</table>
Significant increase of partnership related deferred revenues

Total Milestones cashed-in but not yet recognised as revenues

- 2008: 19.5%
- 2009: 26.4%
- +35.4%
- +37.0%

Main milestones cashed-in in 2009

- May
  - Medicis: $75m upon approval of Dysport®
- March - September
  - Galderma: €20m upon approval and launches of Azzalure®
- October
  - Menarini: €20m upon signing of partnership for Adenuric®
## Cash flow statement

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 08</th>
<th>31 Dec 09</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flow before change in working capital</strong></td>
<td>196.3</td>
<td>192.7</td>
</tr>
<tr>
<td>- Increase/ Decrease in working capital</td>
<td>7.4</td>
<td>64.9</td>
</tr>
<tr>
<td><strong>Net cash flow generated by operating activities</strong></td>
<td>203.7</td>
<td><strong>257.6</strong></td>
</tr>
<tr>
<td>Investment in tangible assets</td>
<td>(61.4)</td>
<td>(40.3)</td>
</tr>
<tr>
<td>Investment in Intangible assets</td>
<td>(33.8)</td>
<td>(24.7)</td>
</tr>
<tr>
<td>Others</td>
<td>(190.3)</td>
<td>(6.3)</td>
</tr>
<tr>
<td><strong>Net cash flow used in investing activities</strong></td>
<td><strong>(285.5)</strong></td>
<td>(71.3)</td>
</tr>
<tr>
<td>Net change in borrowings</td>
<td>141.0</td>
<td><strong>(151.3)</strong></td>
</tr>
<tr>
<td>Dividends paid</td>
<td>(55.0)</td>
<td>(58.0)</td>
</tr>
<tr>
<td>Others</td>
<td>(7.0)</td>
<td>(5.4)</td>
</tr>
<tr>
<td><strong>Net cash flow used in financing activities</strong></td>
<td>79.0</td>
<td><strong>(214.8)</strong></td>
</tr>
<tr>
<td>Discontinued operations</td>
<td>0.7</td>
<td>(1.0)</td>
</tr>
<tr>
<td><strong>Change in cash and cash equivalent</strong></td>
<td>(2.1)</td>
<td>(29.5)</td>
</tr>
<tr>
<td>Impact of exchange rate fluctuations</td>
<td>(1.5)</td>
<td>(2.4)</td>
</tr>
<tr>
<td><strong>Closing cash &amp; cash equivalents</strong></td>
<td>237.3</td>
<td>205.4</td>
</tr>
<tr>
<td><strong>Closing Net Cash</strong></td>
<td>66.2</td>
<td><strong>185.6</strong></td>
</tr>
</tbody>
</table>
Appendix

Focus on the performance of Ipsen’s US franchise
US platform integrated and fully operational

- Strong and experienced management team:
  - New President and General Manager (May 2009)
  - New leadership team in key positions (Clinical & Medical Affairs, legal, HR, ...)

- Fully operational managed care organisation (22 FTEs), including Payer Relation Management

- Customer support programs in place, essential to US success
  - Implementing PACE program (Patient assistance, Access to services, Continuity of care, Education) for each product

- Full clinical development and regulatory capability in the US allowing for global developments of key programs

- 4 products now marketed, promoted by a Sales Force of 75
Somatuline® Depot market in the US

US Market structure – 15,000 to 18,000 patients

- Good penetration of Somatuline® Depot
  - 20% share\(^2\) of endocrinologists prescriptions
  - 40% market share\(^2\) in pituitary centers
- Significant pool of untreated patients
- Relatively low compliance compared to Europe

- Drive Somatuline® Depot as first line recommendation in Pituitary centers and Endocrinologists
- Drive Somatuline® Depot access and persistence

NOTE 1: Prevalence of 60 per million
NOTE 2: Q409 market share established by Wolters Kluwer
### Snapshot on Increlex® and Dysport®

<table>
<thead>
<tr>
<th><strong>Increlex®</strong></th>
<th><strong>Dysport®</strong></th>
</tr>
</thead>
</table>
| **Established treatment option:** Number of SMN1s up more than 31% year-on year | **Great interest from commercial payors**
  - Dysport® enjoys an 85% coverage rate (commercial) and a 100% coverage rate (government) |
| **Establishment of specialized Reimbursement & Endocrinologist dedicated support teams** | **Fully integrated in US reimbursement system**
  - Dysport®’s J-Code secured for March 2010 |
| **+40% increase in sales in 2009** | **Excellent brand awareness**
  - Dysport® known by more than 80% of target prescribing population at launch |
| **30% decrease in patient drop out rate in 2009** | **Higher-than-expected success of sampling campaign**
  - Dysport® requested by twice as many neurologists as originally anticipated |

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**NOTE 1: Statement of Medical Necessity**
A change in US context

- Difficult economic situation impacting finances of patients
- Increased pressure from commercial payers with tougher reimbursement criteria
- Enforcement of strict compliance environment
Appendix

Partnership with Inspiration in Hematology
Capitalizing on OBI-1; Ipsen’s strategic focus is Hemophilia, ...

- **Hematology**: All blood-related disorders
- **Hemostasis**: All coagulation disorders
  - *Market Size*: $19.5 billion
  - *Ipsen’s and Inspiration’s core strategic focus*
- **Hemophilia**: Lack of coagulation blood factor
  - *Market Size*: $7.5 billion
- **Inhibitors OBI-1**: Inhibitor (antibodies) to replacement coagulation factor
- **Acquired Hemophilia OBI-1**: Inhibitor (antibodies) to natural coagulation factor
  - *Market Size*: $1.5 billion (all Inhibitor)

“IHIBITOR PATIENTS”
... and combined with Inspiration, serves all hemophilia needs

**A recombinant product in each segment of the hemophilia market**
Despite improved life expectancy and treatment of patients with hemophilia...

**Improved life expectancy**

<table>
<thead>
<tr>
<th>Year</th>
<th>Life expectancy (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1831-1920</td>
<td>0</td>
</tr>
<tr>
<td>1921-1960</td>
<td>10</td>
</tr>
<tr>
<td>1961-1980</td>
<td>50</td>
</tr>
</tbody>
</table>

**Improved treatments**

<table>
<thead>
<tr>
<th>Age</th>
<th>Percentage alive</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>15</td>
<td>89%</td>
</tr>
<tr>
<td>25</td>
<td>96%</td>
</tr>
<tr>
<td>35</td>
<td>92%</td>
</tr>
<tr>
<td>45</td>
<td>88%</td>
</tr>
<tr>
<td>55</td>
<td>68%</td>
</tr>
<tr>
<td>65</td>
<td>49%</td>
</tr>
<tr>
<td>75</td>
<td>23%</td>
</tr>
<tr>
<td>85</td>
<td>59%</td>
</tr>
</tbody>
</table>

**Severe**

**Moderate/mild**

**All UK males**

**Survival in men in the UK with hemophilia who were not infected with HIV and in the general male population of the UK in 1999**


...FVIII & FIX market are still underserved globally...

**Factor VIII**

<table>
<thead>
<tr>
<th></th>
<th>2009 sales</th>
<th>2009 IU sold</th>
<th>2020 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009 sales</td>
<td>~$5.0 bn</td>
<td>IU 1.65 b</td>
<td>IU 9.5 b</td>
</tr>
</tbody>
</table>

**Factor IX**

<table>
<thead>
<tr>
<th></th>
<th>2009 sales</th>
<th>2009 IU sold</th>
<th>2020 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009 sales</td>
<td>~$1.0 bn</td>
<td>IU 1.7 b</td>
<td>IU 2.5 b</td>
</tr>
</tbody>
</table>

**Low penetration**

- 70% of hemophilia patients worldwide do not have access to factors

**Long term growth prospects**

- 4% to 10% CAGR until 2020
- Driven by prophylaxis in developed world
- Driven by more patients treated in RoW
- 90% recombinant in developed world
- 40% and growing in RoW

**Most important unmet need today:**
Enable access to treatment to more patients

Sources: MRB, Market intelligence

NOTE 1 - IU: International Units
...resulting in high unmet medical needs in all segment of hemophilia

Inhibitor Acquired

- Inhibitor B
- Inhibitor A

Other treated & not treated¹

- Treated (B)
- Treated (A)

Hemophilia A & B

- Untreated (B)
- Untreated (A)

# patients

Therapy

By-passing (Factor VII)

2009E sales levels

Projected CAGR until 2020

OBI-1

Factor VII

 фактор VII

Factor IX

- Factor VIII

- None or poor

- Marginal

- HIGH

¹ Rare factor deficiencies: FV, FVII, etc…

Sources: MRB, internal estimates
Building a unique hemophilia product franchise

<table>
<thead>
<tr>
<th></th>
<th>Inspiration</th>
<th>Wyeth</th>
<th>Baxter</th>
<th>CSL Behring</th>
<th>Bayer</th>
<th>Novo Nordisk</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIX</strong></td>
<td>Phase III</td>
<td></td>
<td>Phase I</td>
<td>Mononine plasma derived</td>
<td>-</td>
<td>Phase I</td>
</tr>
<tr>
<td><strong>OBI-1</strong></td>
<td>Phase III</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td><strong>FVIIa</strong></td>
<td>Preclinical</td>
<td>Preclinical</td>
<td>-</td>
<td>Preclinical</td>
<td>Phase I</td>
<td>Novoseven</td>
</tr>
<tr>
<td><strong>FVIII</strong></td>
<td>Preclinical</td>
<td>Refacto Xyntha</td>
<td>Phase I</td>
<td>Phase I / II</td>
<td>Kogenate/Advate</td>
<td>Phase III</td>
</tr>
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**Inspiration will be the company with the most comprehensive portfolio of hemophilia solutions**
A progressive path to control linked to clinical, regulatory and commercial milestones of OBI-1 and IB-1001

Initial equity stake: $85 m + OBI-1 upfront: $50 m + 27.5% royalty rate on OBI-1

Total development funding of $174m in exchange for convertible bonds maturing the later of 7 years or the end of the call exercise period

Call at market value exercisable on triggering events expiring at the latest in 2019

8 clinical and regulatory milestones on OBI-1 and IB-1001

* O/W 20% of outstanding shares
BACK UP SLIDES

Endocrinology
A unique focus on pituitary disorders and hormone dependent diseases

- 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® offers significant life cycle growth opportunities

Relative NET market size (indicative)

Phase III underway
Last patient targeted for 2010 (n=200)

Ipsen’s current positioning

Functionally active NETs

Symptoms due to excess hormone production e.g. flushing, diarrhea, wheezing

Non functioning NETs

Incidental finding/Abdominal pain/obstruction/GI bleeding/Obstructive jaundice/Weight loss

Phase III started Q3 2009

Significant scope for expansion
Ipsen is redefining the treatment of short stature

GH Deficiency

“True” GHD

Non-GH Deficient Short Stature

IGF-I Deficiency

Primary IGFD

Severe Primary IGFD

90% GH penetration

15% GH penetration

COMBO in IGFD

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

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

Oncology
Decapeptyl®: strong positions, and poised to grow

Current market share

- **Major Decapeptyl® markets**
- **Recent launches**

**Market maturity**
- **High** (40% growth rate)
- **Medium**
- **Low** (100 indicates most mature markets)

**48% of G5 market**

 SOURCE: IMS – YTD June 2008 except for Italy: internal data
Decapeptyl® 6 month formulation: a more differentiated product profile

<table>
<thead>
<tr>
<th>Efficacy</th>
<th>6 month competitor 1</th>
<th>6 month competitor 2</th>
</tr>
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</table>
| Comparable efficacy to 1 and 3 months formulation | ▪ 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 \(^1\) |
| 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              |                                          |                                          |

Reference 1: French SmPC

\(^{2}\)Avis de la commission de transparence
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)
Oristusane: Moving forward in the development stages

- **Endometrial**
  - Phase II initiated: Post-menopausal women with advanced or recurrent endometrial cancer (80 patients)
    - First patient dosed on November 25

- **Breast**
  - Phase I/II ongoing in ER-positive metastatic breast cancer (35 patients)
    - Optimal biological dose determined: 40 mg once daily oral administration
    - 95% inhibition of the target enzyme (STS) was achieved in peripheral blood mononuclear cells
    - Additional 15 patients included to study target enzyme (STS) inhibition in cancerous cell

- **Prostate**
  - Phase II initiated – Dose escalation

- **Ovarian**
  - Course of action being defined
BACK UP SLIDES

Neurology
Dysport®: launched in 1991, approved in more than 75 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_