

Ipsen

2012 JP Morgan Healthcare conference

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President and CEO



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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.

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The implementation of the strategy has to be submitted to the relevant staff representation authorities in each country concerned, in compliance with the specific procedures, terms and conditions set forth by each national legislation.

Safe Harbor

The Group operates in certain geographical regions whose governmental finances, local currencies or inflation rates could be affected by the current crisis, which could in turn erode the local competitiveness of the Group's products relative to competitors operating in local currency, and/or could be detrimental to the Group's margins in those regions where the Group's drugs are billed in local currencies.

In a number of countries, the Group markets its drugs via distributors or agents: some of these partners' financial strength could be impacted by the crisis, potentially subjecting the Group to difficulties in recovering its receivables. Furthermore, in certain countries whose financial equilibrium is threatened by the crisis and where the Group sells its drugs directly to hospitals, the Group could be forced to lengthen its payment terms or could experience difficulties in recovering its receivables in full.

Finally, in those countries in which public or private health cover is provided, the impact of the financial crisis could cause medical insurance agencies to place added pressure on drug prices, increase financial contributions by patients or adopt a more selective approach to reimbursement criteria.

All of the above risks could affect the Group's future ability to achieve its financial targets, which were set assuming reasonable macroeconomic conditions based on the information available today.

Executive summary

Strong growth of our specialty care business with Dysport® and Somatuline® as key drivers

Relatively “safe” ph III pipeline, with important LCM supported by 4 NMEs

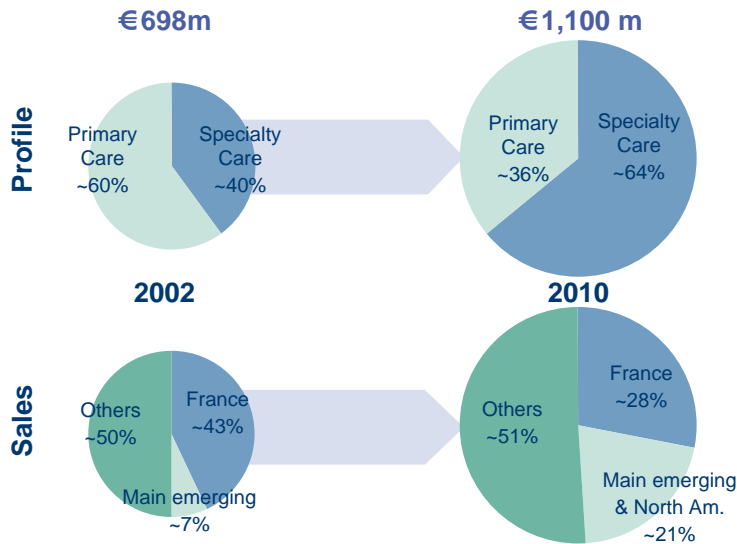
Continuous expansion in China and reorganization of the US platform

Headwind on the French Primary care business in 2012, negotiation ongoing with potential partners to maximize value of French primary care business

Inspiration at a turning point with a newly appointed CEO and IB 1001 filed in Europe

Over the last decade, Ipsen has succeeded in adapting to a fast changing environment

Evolution of Ipsen's sales profile...



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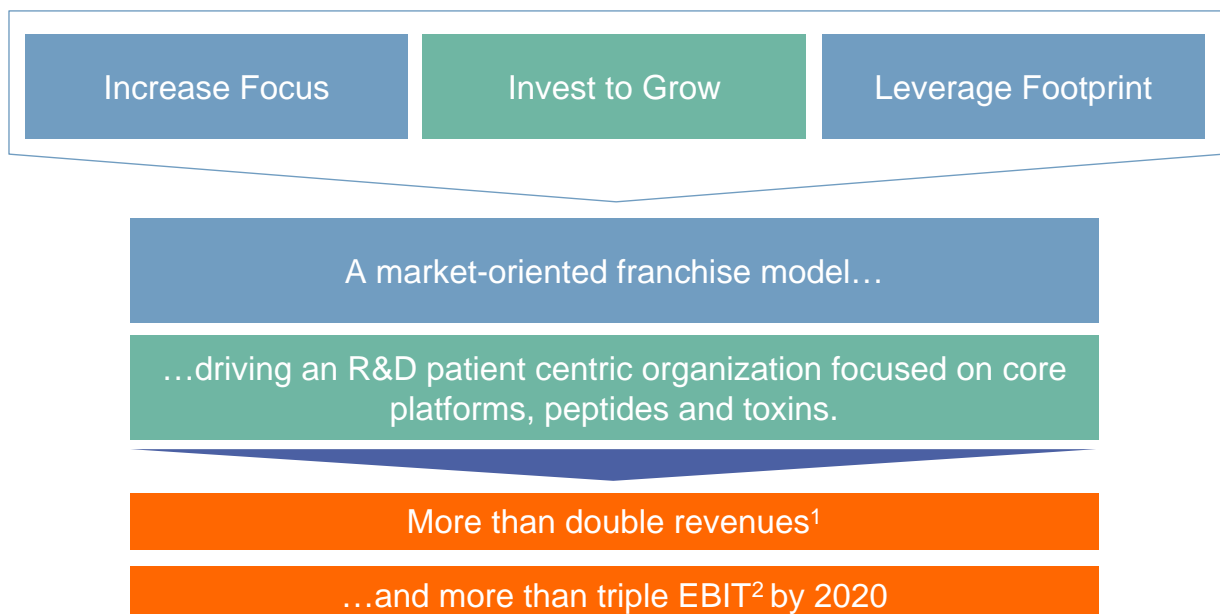
Main emerging countries : China, Russia, Brazil
Note : French accounting standards for 2002 figures

...driven by Specialty care

Endocrinology
o/w Somatuline® 2002-2010 CAGR: 17.7%
Neurology
o/w Dysport® 2002-2010 CAGR: 15.0%
Uro-Oncology
o/w Decapeptyl® 2002-2010 CAGR: 5.8%
Primary care
Primary care 2002-2010 CAGR: 0.3%

- Accelerating decrease of French Primary care:**
- 2002 – 2010 CAGR: **-2.7%**
 - 2006 – 2010 CAGR: **-8.1%**

New strategy aims at leveraging Ipsen's core strengths to become a global leader in targeted debilitating diseases



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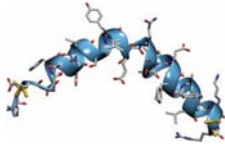
NOTE 1: 2020 projected figures include contribution of Inspiration portfolio and are set at constant foreign exchange rate
NOTE 2: prior to purchase accounting recordings and non recurring elements

R&D to focus on 2 differentiated technological platforms...

Peptides

- Knowledge of hormonal pathways
- Extensive knowledge of peptide design and chemistry
- Expertise in peptide formulation

- ⇒ Enhance efficacy
- ⇒ Improve selectivity
- ⇒ Prolong duration of action
- ⇒ Target specific tissues, tumors
- ⇒ ...

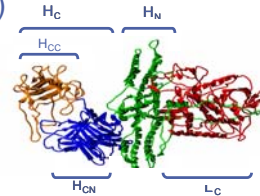


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Toxins

- Track record expertise in botulinum toxin with Dysport®
- Pharmacological, preclinical and clinical expertise in Botulinum Toxin
- Established network of Toxin experts

- ⇒ Develop the indication base
- ⇒ Design of novel targeted toxins
- ⇒ Design of toxins with different characteristics (onset of action, duration)

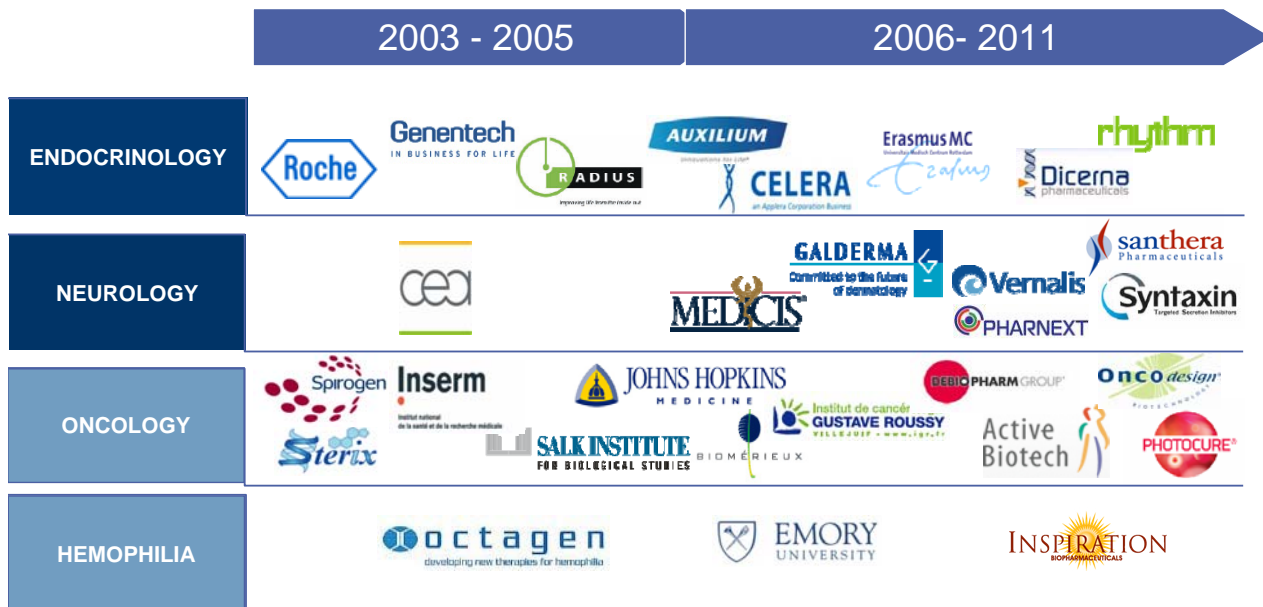


...supported by franchises focus along the whole value chain...

	R&D push		Franchise pull		
	Research	Early dev. (end of PhIa)	Late dev. (PhIIb & PhIV)	Manufacturing	Operations
Endocrinology/ Somatuline®	✓	✓	✓	✓	✓
Neurology/ Dysport®	✓	✓	✓	✓	✓
Uro-oncology/ Decapeptyl®	✓ Ipsen or Partner	✓ Ipsen or Partner	✓ Ipsen or Partner	✓ Ipsen or Partner	✓
Hemophilia	✓ Partner	✓ Partner	✓ Ipsen or Partner	✓ Ipsen or Partner	✓ Ipsen or Partner

Franchise focused on medical (narrative + clinical trials...) and marketing (TPP, global roll out strategy...)

...while using partnership to ensure critical mass and innovation in each franchise

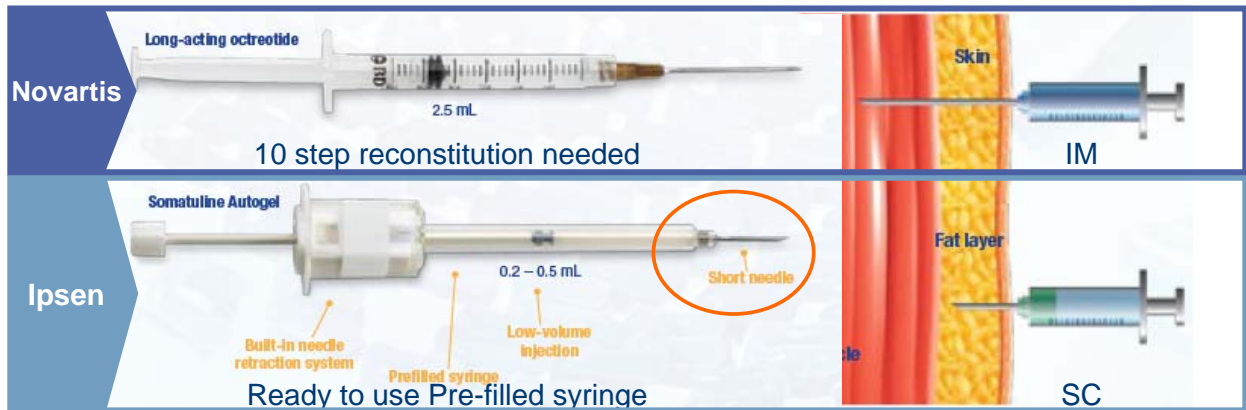


INVEST TO GROW - ENDOCRINOLOGY

Endocrinology / Somatuline® : Somatostatin analog (SSA) market driven by NET

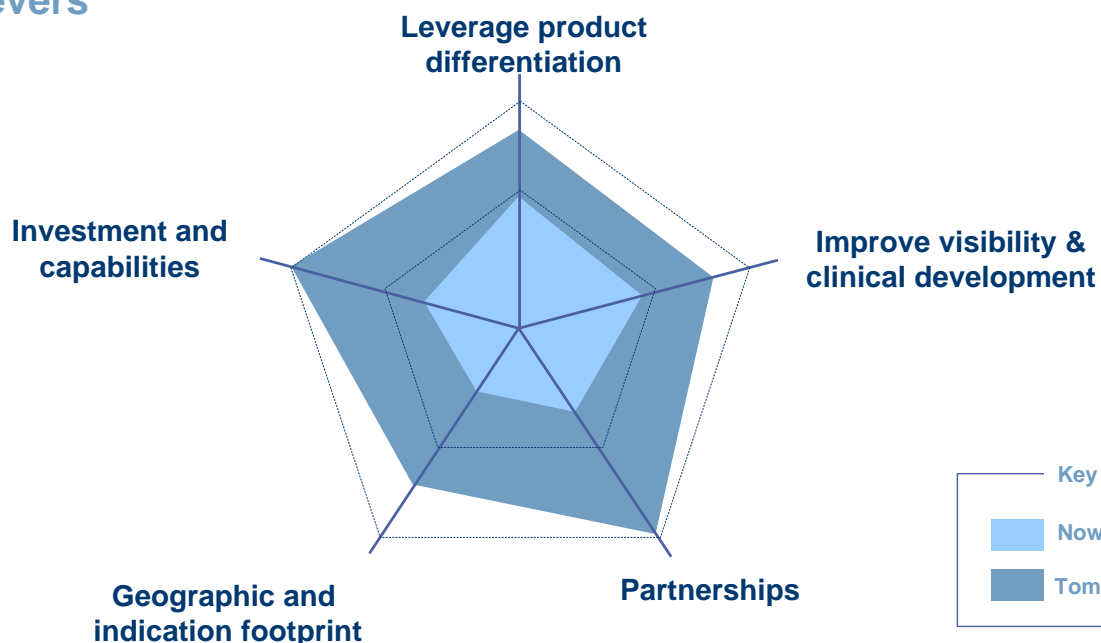
Key market figures	Somatuline®
<ul style="list-style-type: none"> • ~€ 1.1bn market in 2010, driven by 2 products: <ul style="list-style-type: none"> – Somatuline® (Ipsen) – Sandostatin® LAR (Novartis) • 2 main indications: <ul style="list-style-type: none"> – Acromegaly, stable market over time – NETs, more than half of the market, driving market growth with increasing visibility 	<ul style="list-style-type: none"> • 2010 sales: €170m • 2002-10 CAGR: 17.7% • Established position in Europe with 52% market share in France and 36% in G5 (Acromegaly and NET) • Ramping up sales in the US with only the acromegaly indication (c.38% of the SSA market in Acromegaly)

Somatuline[®], a differentiated device and formulation



- Ready to use, retractable needle for full dose release and safety
- Self administration*
- Health economic benefit
- Extended dosing interval (US+ Europe) in Acromegaly

Ambition : triple Somatuline[®] sales by 2020 across all key levers



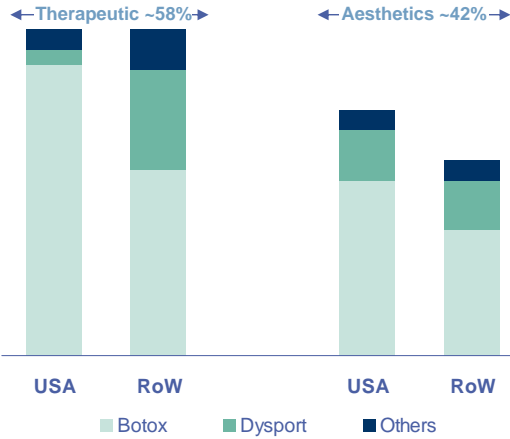
NET and the US : two main growth drivers



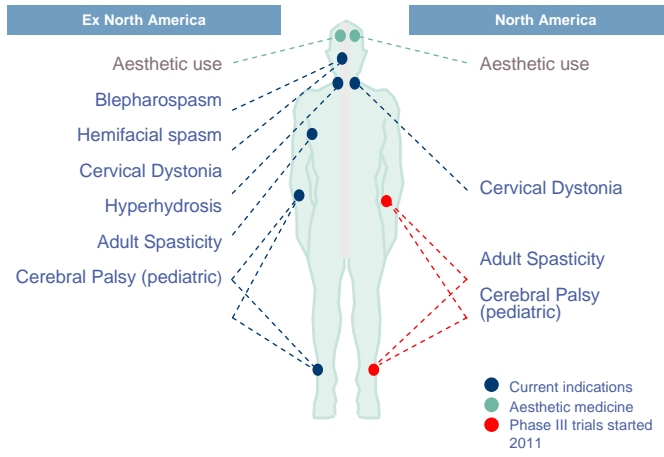
Neurology/ Dysport®: a solid second player in the botulinum toxin market

Toxin market: ~€1.35bn in 2010

USA ~ 50% global BonTA market in 2010



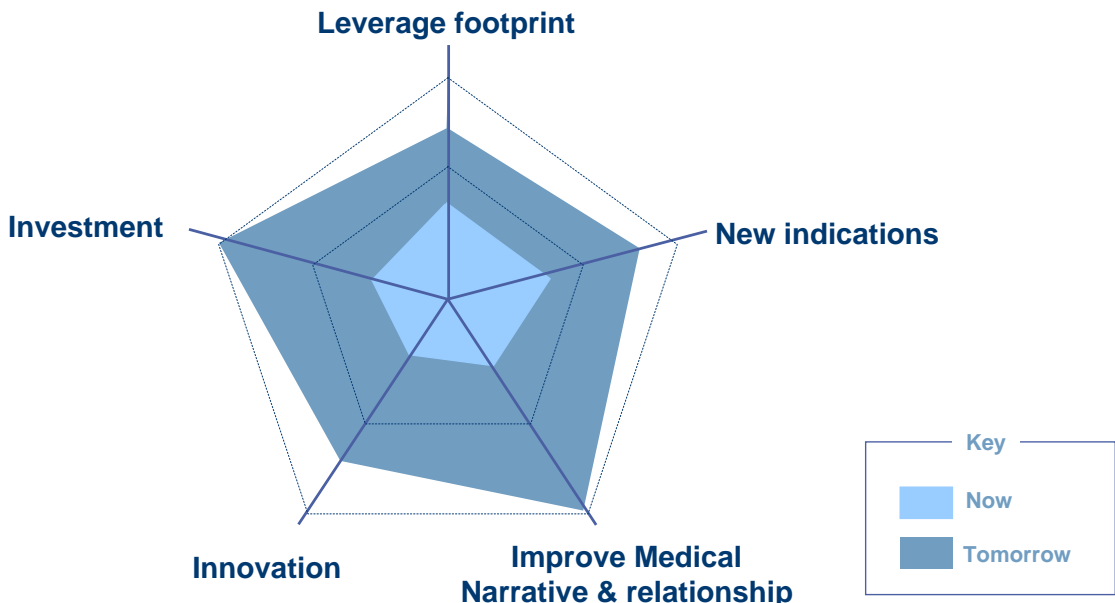
Dysport® indications



Dysport®, market leader in selected geographies: Brazil, the UK, Russia

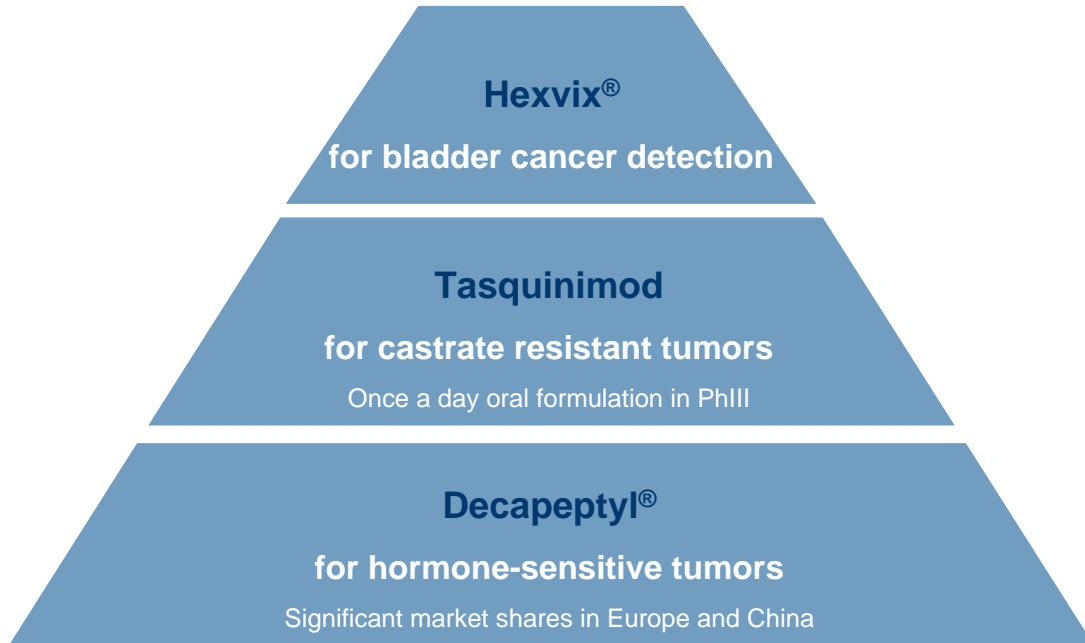


Ambition : triple Dysport® sales by 2020 across all key levers

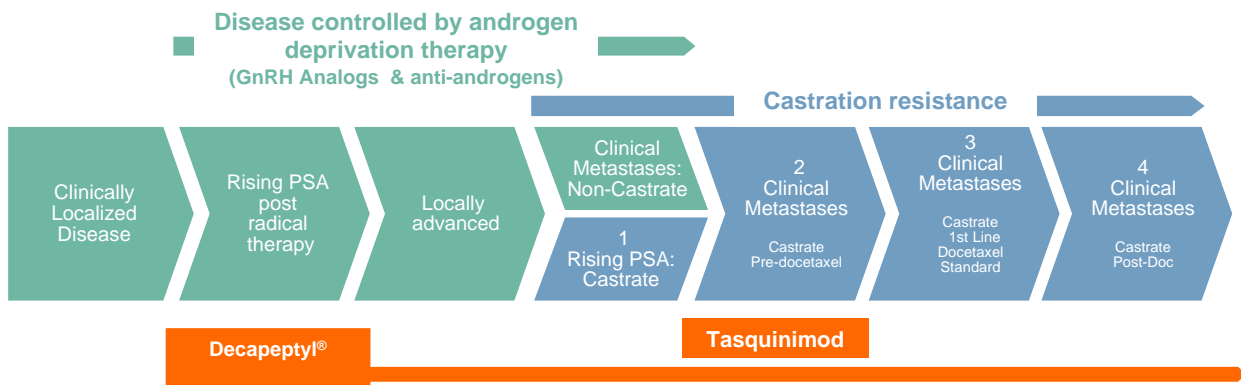


Spasticity and the US: two main growth drivers

Uro-oncology: a franchise with renewed growth opportunities



Tasquinimod: a perfect strategic fit



Population Incidence in G5*

149 000
Stage I & II

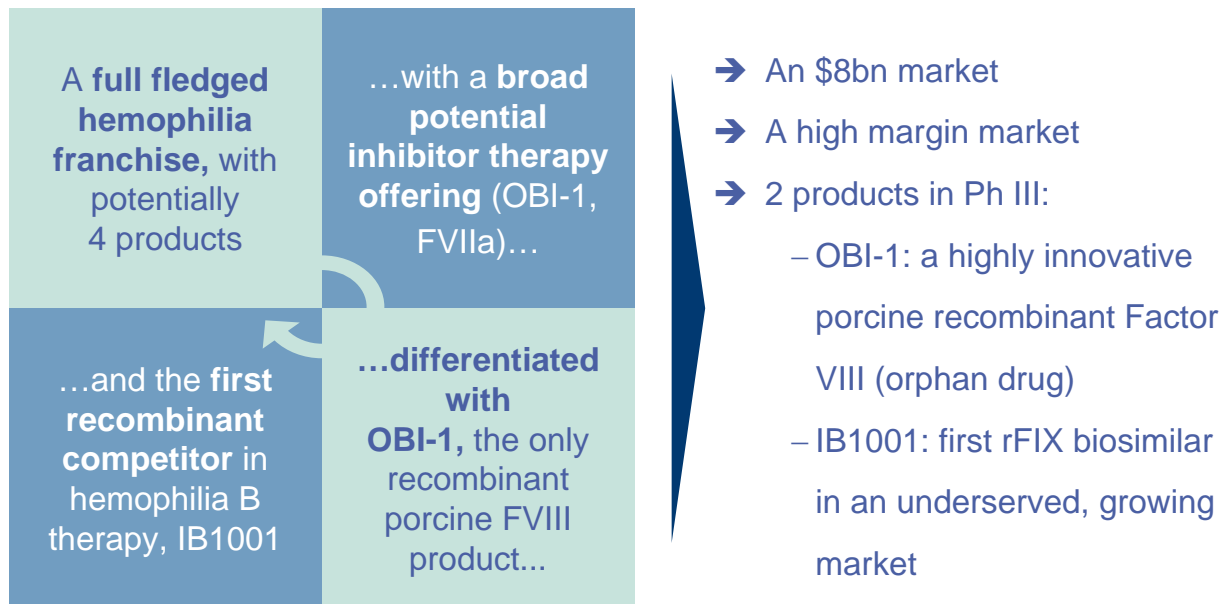
111 000
Stage III & IV

153 000
CRPC

- Leverage the Group's current leadership position in prostate cancer
- Expand to medical oncology
- Access to significant sales potential
- Beyond prostate, tasquinimod has potential in other cancers (such as GI)



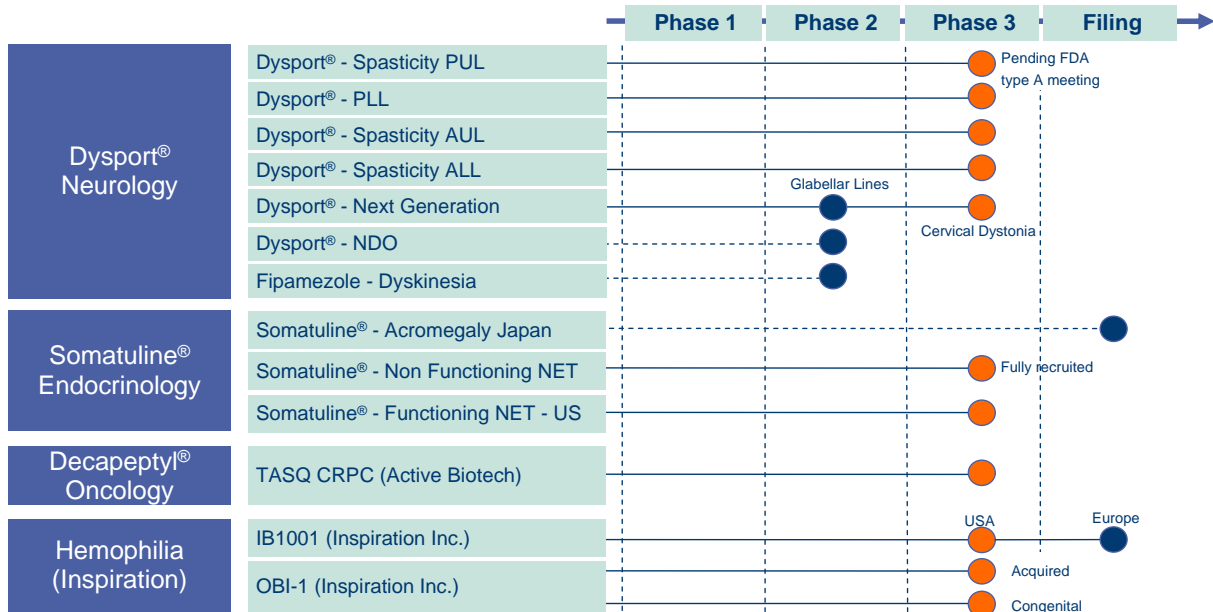
Ipsen and Inspiration are aiming at all levels of the coagulation cascade for the treatment of hemophilia



Inspiration at a turning point

- New CEO John Butler comes with strong experience and newly appointed team
- New business plan is being built as competition intensifies
- IB1001 filed in Europe (recombinant factor IX)
- Initiation of the second phase III pivotal clinical study of OBI-1 in congenital hemophilia A with inhibitors

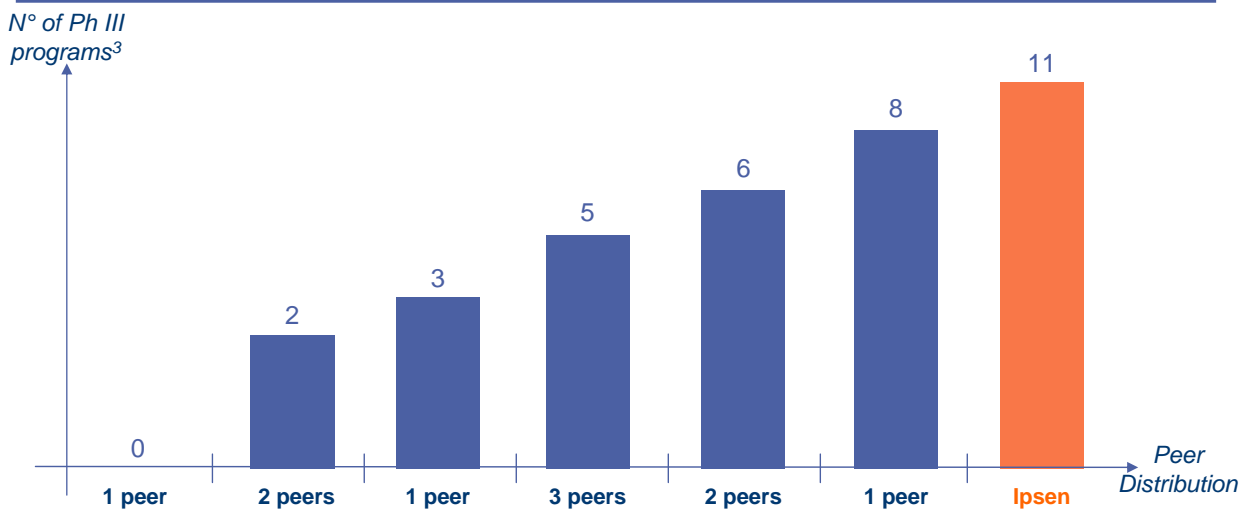
Invest to grow: a rich Ph III program



11 on-going phase IIIs, 4 for NMEs, 7 for life cycle management

Ipsen differentiated from 10 peers¹ in terms of Ph III intensity²

Ipsen and its peers¹ - Intensity of Ph III programs (Jan. 2012)

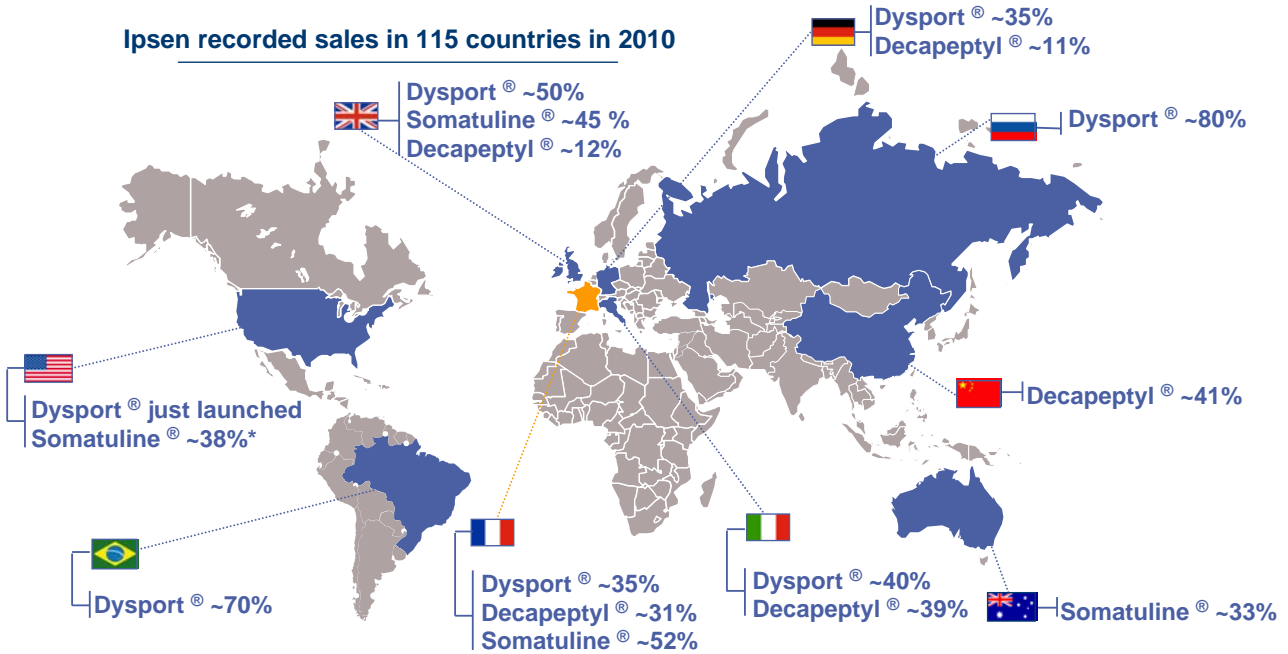


NOTE 1 : 10 peers selected with a criteria such as Sales, EBIT, R&D to sales ratio, PE, Headcount, Therapeutic Areas, Geographical reach...
Peers include: Lundbeck, Meda, Almirall, Shire, Biogen Idec, Allergan, Novo Nordisk, Merck Serono, Actelion and Orion
NOTE 2 : Based on available and disclosed information as of January 2012
NOTE 3 : Number of Ph III for a single indication



Ipsen enjoys a strong geographical reach with...

Ipsen recorded sales in 115 countries in 2010



Rounded Market shares at Q3/2011

Market shares are for (i) Dysport® in medical indications only, in value expressed in local currency (ii) Decapeptyl in units (iii) Somatuline in units. *Market of the Somatostatin analogs (SSA) in acromegaly only

Sources: IMS, Insight Health/ODV, Gers, company-reported sales to date, Ipsen estimates based on internal studies

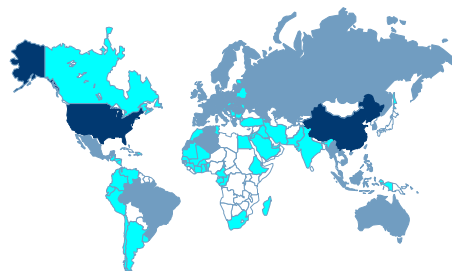


...the US and China as key platforms for the future



US

- Enhanced commercial efforts to Somatuline® and Dysport® to capture sales full potential
- Sale of Apokyn®
- Inspiration opportunity
- Teams moved to the East Coast



Key
 ■ Direct commercial presence
 ■ Indirect commercial presence



China

- Second affiliate in sales (~€90m in 2010)
- ~500 FTE, recruiting additional sales reps to leverage market growth at best
- Growth engine for Decapeptyl® and Smecta®
- Dysport® and Somatuline® CTA filings achieved in 2011

Further leverage Ipsen's profitable commercial reach

Implementation of the new strategy on track with all key milestones met in 2011...

- ✓ ExCom fully staffed; Franchise based organization implemented
- ✓ R&D merged; Barcelona site closed; 1/3 of R&D projects being terminated
- ✓ Tasquinimod and Hexvix® in-licensed, Apokyn® US rights sold
- ✓ Neurology research collaboration deals signed with Syntaxin and Oncodesign
- ✓ Tight cost control on Primary care France with little pricing impact yet

...defining a new vision for French Primary Care: create with a partner a major prescription/OTC player...

Ipsen	Potential partner
Reach critical mass to be positioned among market leaders	
Maximize brand equity with complementary product range	
Leverage dedicated sales force on Rx and OTx segments	
Manage mature product life cycle	
Share cost base	
Create a platform that can in-license product , sign partnerships...	
<ul style="list-style-type: none"> • Align company profile with strategy • Focus Management time and effort on Specialty care • Access OTC – OTX network and know how 	<ul style="list-style-type: none"> • Increase share-of-voice • Reinforce product range

...and some significant opportunities and challenges for Ipsen in 2012

Continued growth in specialty care drugs

Acceleration of growth in emerging markets

Deterioration of French Primary Care environment

Finalization of French Primary Care structure

Inspiration getting ready for commercialization with new management

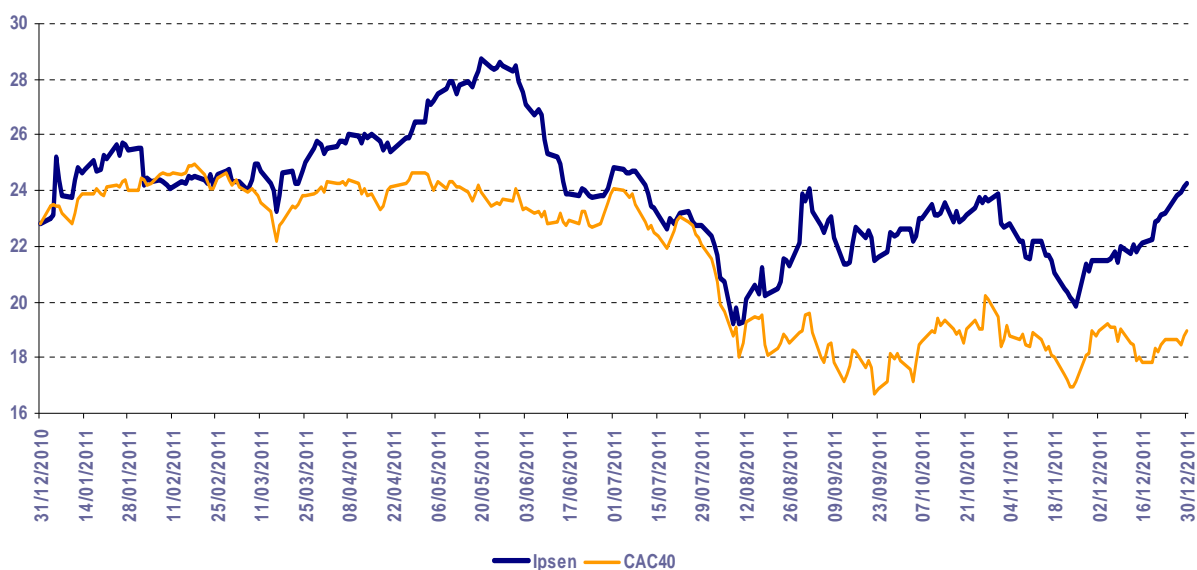
FY 2011 Outlook

Summary of H1 2011 P&L and evolution

<i>In million euros</i>	H1 2011	H1 2010	Growth (%)
Sales	583.1	553.9	+5.3%
Total Revenues	619.4	585.7	+5.8%
Operating Income <small>Margin¹</small>	120.8 <small>20.7%</small>	104.9 <small>18.9%</small>	+15.1%
Recurring adjusted ² operating income <small>Margin¹</small>	143.9 <small>24.7%</small>	113.2 <small>20.4%</small>	+27.1%
Consolidated Net Profit <small>(attributable to Ipsen shareholders)</small>	91.7	75.5	+21.4%
Fully diluted EPS	€1.09	€0.90	+21.1%
Fully diluted recurring adjusted ¹ EPS	€1.27	€0.96	+32.3%

Strong closing net cash position of €132m

Ipsen share price outperforms CAC40 in 2011



2011 financial objectives revised in Q3 2011

March 2011	Specialist Care Drug sales	Drug Sales growth close to + 8.0% year-on-year
	Primary Care Drug sales	Drug sales decrease of (8.0%) to (10.0%) year-on-year, pending evolution in France
August 2011	Specialist Care Drug sales	Drug Sales growth close to + 8.0% year-on-year
	Primary Care Drug sales	Drug sales decrease of (3.0%) to (5.0%) year-on-year
	Recurring Adjusted ¹ operating income	Upper range of 190 million euros to 200 million euros

The above objectives are set at constant currency
2011 objective excludes any potential non recurring items

Conclusion: key takeaways

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Thank you

