



Information relating to the compensation of executive directors

Boulogne-Billancourt, March 8, 2013

In accordance with the AFEP-MEDEF Corporate Governance Code, Ipsen is publishing the compensation of Mr. Marc de Garidel, Chairman and Chief Executive Officer, and Mrs. Christel Bories, Deputy Chief Executive Officer who took office on March 1, 2013.

The amounts of compensation presented below have been approved by the Board of Directors of Ipsen SA at its meeting held on February 26, 2013, upon recommendation of its Compensation Committee which met on the same day.

I. Compensation of Mr. Marc de Garidel, Chairman and Chief Executive Officer

Determination of the variable part of the compensation for 2012

The Board of Directors has set the amount of the variable part of the compensation for financial year 2012 at €420,000.

Determination of the fixed compensation for 2013

For financial year 2013, the Board of Directors set the fixed part of compensation of Mr. Marc de Garidel at €750,000 (from January 1, 2013).

Determination of the variable part of the compensation for 2013

For 2013, the Board of Directors has decided to fix the variable part of the compensation of Mr. Marc de Garidel to a gross target bonus of €750,000 within a range of 0 to 150% (i.e., from 0 to €1,125,000) based on the following quantitative and qualitative criteria: the two-thirds of this target bonus are based on the achievement of levels of revenues, operating profits, diluted earnings per share and cash-flow from operations ; the balance is based on qualitative criteria concerning strategic orientations. The level of completion expected is not made public for confidentiality reasons.

II. Compensation of Mrs. Christel Bories, Deputy Chief Executive Officer

Determination of the fixed compensation

For financial year 2013, the Board of Directors has set the fixed compensation of Mrs. Christel Bories at a total gross annual amount of €570,000. This level of compensation will be applied on a *prorata basis* for 2013.

Determination of the variable compensation

For financial year 2013, the Board of Directors has decided to grant Mrs. Christel Bories a variable compensation based on a gross target bonus of €570,000 (corresponding to 100% of the conditions completed) which could vary within a range between 0% and 150% (i.e., from €0 to €855,000) based on the following qualitative and quantitative performance criteria and weightings, in accordance with its usual practice. For 2013, the gross target bonus (i) will correspond to the *prorata* of the amount indicated above, (ii) will depend, for 50%, on quantitative criteria based on achievement of levels of revenues, operating profit, diluted earnings per share and cash flow from operations, and, for 50% on qualitative criteria based on

strategic orientations, and (iii) for the part subject to quantitative criteria will be guaranteed at a minimum gross amount of €285,000. For confidentiality reasons, the level of completion expected is not made public.

Determination of the termination payment

The Board of Directors has decided to grant Mrs. Christel Bories a termination payment on the following conditions, in connection 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 decided by the Board of Directors,
- In an amount equal to 24 months' remuneration (fix and variable) in respect of the term of office ,
- 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 2013)), and
- Including, if applicable, the amount due in respect of any non-compete obligation.

Allocation of stock options and performance shares

The Board of Directors has approved the principle of making an allocation to Mrs. Christel Bories of stock options and performance shares equivalent to an amount of €570,000. The grant, its distribution between options and performance shares and the determination of the corresponding terms and conditions will be decided by the Board of Directors at its meeting to be held on March 28, 2013, in accordance with its usual practice. It being specified that the exercise price of the options and the definitive acquisition of the performance shares will be subject to (i) a presence condition within the company in accordance with the provisions of the Ipsen Group plans and (ii) performance conditions set out by the Board of Directors in accordance with the recommendations of the AFEP-MEDEF Code.

Pension scheme

The Board of Directors has decided to grant Mrs. Christel Bories the benefit of the additional pension scheme existing within the Company, which carries entitlement upon retirement, subject to a minimum period of 5-year seniority, to the payment of an annual pension calculated by reference to the seniority 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 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 (the annual security upper limit for 2013 is €37,032). It is specified that the remuneration taken into account in the amount of the pension is calculated based on the average of the TGR for the 36 months preceding the termination of the term of office or date of death.

The governance practices of the Company as well as the compensation of Mr. Marc de Garidel and Mrs. Christel Bories will be presented in the *Document de référence* for financial year 2012.

The present release is established and available on the Ipsen website (www.ipsen.com) pursuant to the provisions of the AFEP-MEDEF Corporate Governance Code.