PURSUING DIALOGUE
for patient care

For the first time, discover Ipsen's 2017 Annual Report in augmented reality

IPSEN IN 2017

IPSEN
Innovation for patient care

CONTENTS

FOR THE FIRST TIME, DISCOVER IPSEN'S 2017 ANNUAL REPORT IN AUGMENTED REALITY
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OUR PURPOSE

— **Pursuing dialogue for patient care is about opening up the conversation to all our stakeholders** including patient representatives, healthcare professionals, business partners and employees.

— That is why, in our 2017 Annual Report, **we are calling on a wide range of partners in the world of healthcare to continue to engage with us** as we work to develop innovative drugs for patient benefit.

— At Ipsen, we believe in **promoting transparency and fostering communication at every level. We strive to make a difference in patients' lives as we seek to better understand their needs and the challenges they face throughout their life.**

— **In everything we do, we are passionate about putting patients first.** That means working, with patients, for patients, and we aim to deliver one new drug or meaningful indication every year.

A YEAR FOCUSED ON GROWTH AND EXPANSION

Ipsen is charting a path for growth as it continues to meet the medical needs of patients worldwide.

JANUARY 31, 2017

Ipsen acquired primary care platform in Italy from Akkadeas Pharma.
The deal included an option to eventually take control of the privately held company, which has a diversified gastrointestinal-focused portfolio. Akkadeas Pharma will become Ipsen's Italian distributor for Smecta® (Diosmectal®). In early 2018, Ipsen completed the acquisition of Akkadeas.

JANUARY 9, 2017

Ipsen entered into a definitive agreement to acquire global oncology assets from Merrimack Pharmaceuticals.
Ipsen was granted exclusive commercialization rights for the current and potential future Onivyde® indications in the US, as well as the current licensing agreements with partners for ex-US and Taiwan. The transaction also includes Merrimack's commercial and manufacturing infrastructure, and generic doxorubicin HCl liposome injection. In April 2017, Ipsen completed its acquisition of Merrimack's global oncology assets.

FEBRUARY 13, 2017

Ipsen entered into a definitive agreement to acquire five consumer healthcare products from Sanofi in certain European territories.
Although Prontalgine® is only available in France, combined with the other acquired drugs, these brands span a geographic scope of eight European countries.
In May 2017, Ipsen completed its acquisition of these Consumer Healthcare products.

JUNE 16, 2017

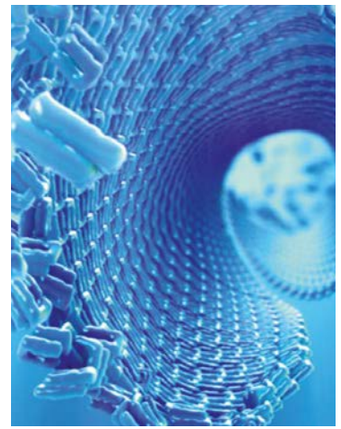
FDA approved Dysport® for treatment of lower limb spasticity in adults.
The US Food and Drug Administration expanded the approved use of Dysport® for injection for the treatment of upper and lower limb spasticity in adults.

MARCH 13, 2017

MHRA approved new indication for Decapeptyl® in breast cancer.
The Medicines and Healthcare Products Regulatory Agency in the UK, in coordination with 14 other European regulatory agencies, has approved Decapeptyl® as adjuvant treatment in combination with tamoxifen or an aromatase inhibitor, for endocrine-responsive early-stage breast cancer in women at high risk of recurrence who are confirmed as premenopausal after completion of chemotherapy.

JUNE 30, 2017

Ipsen announced co-promotion agreement with Saol Therapeutics to promote Dysport® in the United States.
Ipsen entered into an exclusive, three-year agreement with Saol Therapeutics Inc. to promote Dysport® for injection for approved therapeutic indications in adult spasticity and pediatric lower limb spasticity in the United States.



SEPTEMBER 8, 2017

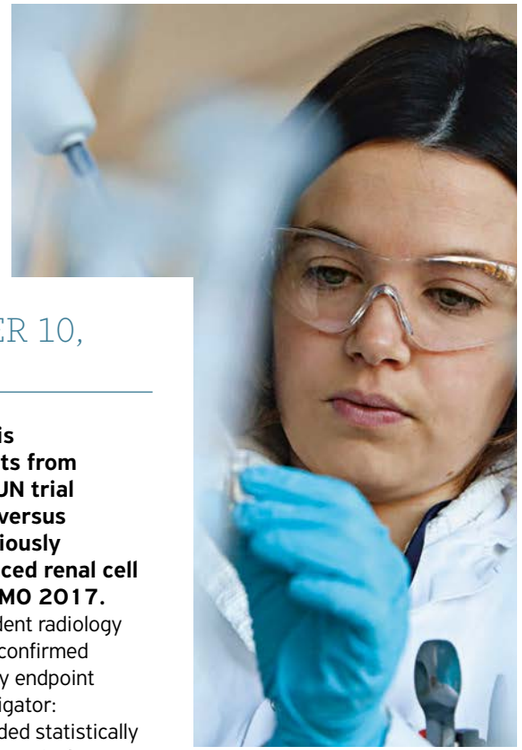
Ipsen received validation from EMA for variation to the Cabometyx® marketing authorization for the addition of a new indication in first-line treatment of advanced renal cell carcinoma.
On March 23, 2018, the Committee for Medicinal Products for Human Use (CHMP), the scientific committee of the European Medicines Agency (EMA) provided a positive opinion for Cabometyx® for the first-line treatment of adults with intermediate- or poor-risk advanced renal cell carcinoma (aRCC).

SEPTEMBER 10, 2017

Ipsen and Exelixis announced results from phase 2 CABOSUN trial of cabozantinib versus sunitinib in previously untreated advanced renal cell carcinoma at ESMO 2017.
A blinded independent radiology review committee confirmed the primary efficacy endpoint analysis per investigator: cabozantinib provided statistically significant improvement of progression-free survival, with a 52% reduction in the rate of progression or death compared to sunitinib.

SEPTEMBER 18, 2017

FDA approved new indication for Somatuline® Depot Injection for treatment of carcinoid syndrome.
When used, it reduces the frequency of short-acting somatostatin analogue rescue therapy.



SEPTEMBER 19, 2017

Ipsen received approval from European Commission for Xermelo® for treatment of carcinoid syndrome diarrhea in patients inadequately controlled by somastostatin analogue therapy.
The European Commission approved Xermelo® 250 mg three times a day for the treatment of carcinoid syndrome diarrhea in combination with somatostatin analogue (SSA) therapy in adults inadequately controlled by SSA therapy.

NOVEMBER 29, 2017

Ipsen announced publication in *Neurology* of results of two studies demonstrating efficacy and safety of Dysport® in adult patients with lower limb spasticity.
Ipsen announced that detailed results from a phase 3 randomized, double-blind, placebo-controlled study and its open-label extension study were published in the current issue of *Neurology,* demonstrating the efficacy and safety of Dysport® in adult patients with lower limb spasticity following a stroke or traumatic brain injury.

JANUARY 16, 2018

Ipsen and Exelixis announced phase 3 CELESTIAL trial results of cabozantinib demonstrating significant overall survival benefit in patients with previously treated advanced hepatocellular carcinoma at the 2018 ASCO-GI Symposium.
On March 28, 2018, the European Medicines Agency (EMA), the European regulatory authority, validated the filing of a new application for an additional indication for Cabometyx®, for patients with previously treated advanced hepatocellular carcinoma (HCC).

FEBRUARY 21, 2018

Arix Bioscience and Ipsen signed a strategic agreement to develop and commercialize innovative therapies.
Arix will provide Ipsen with access to its unique network of professional and scientific advisors, and the chance to invest in opportunities in Arix's new and existing businesses. In return, Ipsen will contribute research, development and commercial expertise to the partnership. Arix and Ipsen will collaborate to identify opportunities and jointly create new companies focused primarily on the development and commercialization of innovative therapies for patients.

“Ipsen continues to be a growth story. We are becoming a leading global biopharma company focused on innovation and specialty care.”

DAVID MEEK, Chief Executive Officer, Ipsen

2017 was the best year in Ipsen’s history. What were some of the highlights?

2017 was a record year for Ipsen. Our top-line sales growth and bottom-line performance in 2017 were better than they have ever been, and our pipeline is also stronger than ever. Ipsen continues to be a growth story. We are becoming a leading global biopharma company focused on innovation and specialty care. Specialty Care sales growth was up by nearly 26%, reflecting the strong momentum of Somatuline® and our new launches Cabometyx® and Onivyde®. Our oncology business was up by over 32%. Our core operating income showed a 38% increase, while our core operating income margin was greater than 26% of sales. Our Consumer Healthcare business is also back to growth, with an increase in sales of 1.4%, a trend that is expected to continue in 2018. This portfolio includes market-leading products like Smecta®, our flagship consumer brand.
Our diversified Specialty Care portfolio includes Dysport®, which had a strong year, with 14% year-on-year growth. Our pipeline is also expanding. We’ve added new phase 2 and 3 programs in oncology. We advanced our peptide receptor radionuclide therapy (PRRT) program into phase 2 in 2017. Ipsen also achieved a major milestone with our next-generation fast-acting short-acting toxin E, which uses new recombinant technology and is now being administered to humans for the first time ever. All these factors point to innovative and sustainable growth for Ipsen.

What strategic moves were behind these positive results?

In 2017, we solidified the foundation for our future, particularly in oncology, neuroscience and rare diseases. To do so, we made leadership and structural changes in both R&D and business development. As always, patients are at the heart of our business, guiding our strategy and leading our drive for innovation in patient care. We are committed to demonstrating not only the clinical efficacy and safety of our products, but also their clear value from the patient’s perspective by always being ready to listen to and learn from patients.
In 2017, we proved that we can achieve that vision. We are now one of the world’s top 20 biopharmaceutical companies in terms of oncology sales, with an oncology portfolio that represents over 60% of our sales, led by Somatuline®, a global product that is showing rapid growth. Coming up close behind it is Decapeptyl®, in prostate cancer. The newest additions to our oncology portfolio, Cabometyx® and Onivyde®, are in the launch phase for patients with renal and pancreatic cancer, respectively. Our biotech mindset – combined with the scale and advantages of a global biopharmaceutical company – has established us as a development and commercial powerhouse in our core areas of focus, with a proven ability to bring new, life-changing therapies to market.

How is Ipsen performing worldwide?

We are a global company, with a wide geographic footprint. Our products are number one or two in patient share in our key therapeutic areas, and we are seeing growth in our major markets around the world – with double-digit growth in Europe and impressive growth of almost 75% in North America.
The biggest growth driver in the United States was Somatuline®, with double-digit growth and an increasing patient share, primarily because physicians recognize it as the best choice for patients.

"We are now one of the world's top 20 pharmaceutical companies in terms of oncology sales, with an oncology portfolio that represents over 60% of our sales."

What are your goals in research and development?

We are in the process of becoming a drug development powerhouse as we transform our R&D activities and the Company's culture and working methods to instill a biotech mindset guided by bold, agile, entrepreneurial leadership that is wide open to both in-house and external input and innovation. This mindset will help us unlock real innovation and real outcomes, and the culture it fosters is a competitive advantage that will produce unexpected positive results. The end goal is to ensure that we bring innovative medicines to market as quickly as possible to address unmet patient needs.
In 2017, R&D investments have increased double-digit to meet our objectives to have a regular cadence of new product launches. With these investments, we are preparing the future and getting ready to launch at least one new product or meaningful indication each year. Another strategic decision we made last year was to expand our external innovation capabilities while continuing to focus on select in-house research. We now have innovation hubs in the greater Paris area in France; Oxford in the United Kingdom; Cambridge in the US; and in Asia. We also have partnerships with academia, biotech companies, other biopharmaceutical companies and digital specialists.
We will focus our oncology R&D on a limited number of pathologies where we have the opportunity to lead, bolstered by the acquisition of therapeutic assets that fit with our strategy, and that can be successfully integrated into Ipsen.

What other milestones did you achieve in 2017 and early 2018?

We are achieving great success with Cabometyx®, which is now available in 18 countries as second-line therapy for advanced renal cell carcinoma. Even more recently, the CHMP issued a positive opinion for Cabometyx® in first-line aRCC and we have submitted to the EMA another variation for the second-line treatment of advanced hepatocellular carcinoma.
We also received a marketing authorization in Europe for Xermelo® for the treatment of carcinoid syndrome diarrhea.
Some of our products also received approvals for new indications: in the United States, the FDA approved Dysport® for the treatment of lower limb spasticity in adults, as well as a supplemental indication for Somatuline® Depot for the treatment of carcinoid syndrome. In Europe, Decapeptyl® received an approval for the treatment of pre-menopausal women with early stage breast cancer.
In 2017 Ipsen launched its new Company Social Responsibility strategy, an approach based on a human journey of shared commitments. We will unveil our strategy in greater detail during 2018. Our vision is to harness the power of our employees to have a responsible and sustainable impact on patients, Society and the environment.
Over the past 12 months we have also strengthened our leadership with the appointment of new executive team members to lead our bold vision for the future.

What does the near future look like for Ipsen?

We intend to deliver high double-digit growth while implementing our R&D transformation with a focus on innovative and differentiated therapeutics, and bolstering our external sourcing model and business development to expand our innovative specialty care pipeline. Our oncology portfolio will lead the way in growth, our neurotoxin franchise will also expand, and we will build our rare diseases franchise. At the same time, we will continue to accelerate the sustainable growth of our Consumer Healthcare business. We are well on track to meet our 2020 objective for group sales of over €2.5 billion. We also expect to see a core operating income margin of more than 30% in 2020. To achieve these ambitious goals, we have brought in new talent to add expertise in our key therapy areas – oncology, neuroscience, rare diseases and consumer healthcare – increasing our headcount from 5,100 in 2016 to over 5,400 in 2017.

With so many patient needs still unmet, there is much to be done. Our new R&D and business development strategy will allow us to take full advantage of the accelerated speed of scientific innovation to develop more targeted treatments and offer meaningful help to patients in all of our markets.
On behalf of the ELT and Board of Directors, I would like to thank all our associates worldwide for their significant contribution to Ipsen's performance and strong commitment to improving the lives of patients. ●

"Patients, physicians, pharmacists, business partners, financial analysts, journalists, newcomers – they all have questions about Ipsen. By answering their questions, we continue to foster effective dialogue with our stakeholders."

— QUESTION —
1

WHY IS HAVING A BIOTECH MINDSET IMPORTANT AND WHAT HAVE YOU BEEN DOING TO INCREASE THAT MINDSET?

JACQUI THORNTON,
Health journalist, United Kingdom

Access to the video

Today, the world of drug development and commercialization is a hyper-competitive space. The speed of innovation is much faster than it has ever been, and it will only get faster. That's why we need a biotech mindset, which is all about agility and speed of action, as well as having a laser-like focus.

It's also about being entrepreneurial, and constantly looking outside ourselves to where the greatest science is coming from. With a biotech mindset, we can harness this innovation, using a team approach, to develop and launch innovative drugs for patients.
We are already seeing the benefits in our growth. We have broken into the list of top 20 oncology companies globally, with over €1 billion in oncology sales, and we will continue to move up. We may not be the biggest, but we are among the fastest-growing biopharma companies in oncology.

But more than growth, what motivates me every day is to ask how we can improve the standard of care for patients and access to drugs. There are still so many patients that are suffering. We have a contract with Society; that means Society is counting on us to accelerate the access of drugs to patients in need. No patient should be left behind. They should all have access to the treatment they need as fast as possible. Patients don't have time to wait.

Being patient-centric is part of the biotech mindset – a culture focused on our customers, the patients. It's about putting ourselves in their position. I cannot imagine being in any other industry, because we make a difference in patients' lives.

DAVID MEEK,
Chief Executive Officer, Ipsen

— SENIOR MANAGEMENT —
REPORTING TO CEO

HOW DO YOU FOSTER A BIOTECH MINDSET AT IPSEN?

Executive Leadership Team

"By demonstrating responsiveness and flexibility, by being agile, by moving forward quickly and by changing the ways we operate to work better together across all functions. I am actively engaging to increase the biotech mindset at Ipsen."

HAROUT SEMERJIAN
Executive Vice President,
Chief Commercial Officer

"Ethics & Compliance has transformed its vision and strategy as a leading global function which shapes and influences the business strategy, demonstrating and promoting an Ipsen ethical culture for the ultimate benefit of patients, employees and other stakeholders."

DOMINIQUE LAYMAND
Executive Vice President, Chief Ethics and Compliance Officer

"By reinforcing the message that each associate can make a difference. We are ensuring that we are innovating in everything we do and are a learning organization. And we are continuing to build a culture of empowerment while ensuring our sites are great places to work."

AIDAN MURPHY
Executive Vice President,
Technical Operations

"Our brand teams are engaged and work cross-functionally to deliver our therapies to patients. A biotech mindset means we lead by example – with accountability, agility and a focus on results, and always with the patient at the center of all our work."

RICHARD PAULSON
Executive Vice President, & Chief Executive Officer of Ipsen North America

"We are engaged and committed to our mission as a leading biotech company combining agility, risk-taking and a business mindset while at the same time protecting our assets, our innovation and values."

FRANÇOIS GARNIER
Executive Vice President, General Counsel

"Patients are always on our minds and inspire us to work faster and better. We empower our teams to take and manage risks to make timely decisions. We listen to feedback from patients, partners and collaborators to improve our performance."

DR. ALEXANDRE LEBEAUT
Executive Vice President Research & Development, Chief Scientific Officer

"Building a culture that encourages creativity and collaboration enables agility and empowers a relationship-focused approach in creating value for Ipsen and improving patients' lives."

IVANA MAGOVČEVIĆ-LIEBISCH
Executive Vice President,
Chief Business Officer

"Making sure all teams involved in our strategic and transformation initiatives share the same high ambition, feel complete ownership, and act with the same sense of urgency."

DOMINIQUE BERY
Executive Vice President,
Strategy & Transformation

"Within the Consumer Healthcare division, we have collectively enhanced the sense of urgency in turning our business back to growth."

BENOÎT HENNION
Executive Vice President
and President, Consumer Healthcare

"We focus on sales growth acceleration while improving our profitability and cash flow generation, in order that we can further invest in business development to increase our pipeline and meet long-term financial objectives."

AYMERIC LE CHATELIER
Executive Vice President,
Chief Financial Officer

"We enable leaders to transform, invent, reinvent, grow their business by having the right capabilities in place today and in the future. That means encouraging innovation, leveraging differences and making every day a learning experience for everyone at Ipsen."

RÉGIS MULOT
Executive Vice President,
Chief Human Resources Officer

Other Members

"With the help of our communications network we have shared our One Ipsen stories to ensure all Ipsen colleagues are aligned on what it means "to foster a biotech mindset". Furthermore, we continue to strengthen this mindset through our digital peer-to-peer recognition platform, Be One."

DIDIER VÉRON
Senior Vice President, Public Affairs and Corporate Communications

"We seek to disseminate scientific knowledge to a large and diverse audience. To achieve this, we collaborate with international scientists and clinicians and utilize new technologies."

DR. JAMES LEVINE
President of the Fondation Ipsen

"Anything we set our minds to is possible, as long as we as One Ipsen believe that the status quo is no longer the norm. Yes, we are increasing the biotech mindset, but we are also living it right now."

HEATHER WHITE
Vice President, Global Internal Audit

"The Quality group is focused on agility, and on customers and patients. We work cross-functionally and are proactive. Every product is our baby to be handled with care. Patients cannot wait."

CHRISTOPHER MASTERSON
Senior Vice President, Quality

BOARD OF DIRECTORS & COMMITTEES

The Board of Directors[1] determines the Company's business strategy and oversees its implementation. It has established five permanent specialized committees to assist in fulfilling its oversight and monitoring responsibilities. The composition and role of the Board of Directors and its Committees as of December 31, 2017 are described below.

BOARD OF DIRECTORS

Chairman: Marc de Garidel
Vice-Chairman: Antoine Flochel
Members: Hélène Auriol-Potier[2], Anne Beaufour, Henri Beaufour, Hervé Couffin[2], Margaret Liu[2, 3], David Meek[3,4], Michèle Ollier[2, 3], Mayroy SA (represented by Philippe Bonhomme), Pierre Martinet[2], Carol Stuckley[2, 3], Christophe Vérot, Carol Xueref[3].

The Board of Directors determines the broad lines of the Company's business activities and ensures their implementation. The Board of Directors deals with all matters relating to the conduct of the Company's business and decides all pertinent issues through its deliberations. More generally, the Board exercises the functions assigned to it by the law to act at all times in the Company's corporate interest, and takes particular care to prevent any conflicts of interest and to take all interests into account.

INNOVATION AND DEVELOPMENT COMMITTEE (Formerly Strategic Committee)

Chairman: Marc de Garidel
Members: Antoine Flochel, Margaret Liu[2, 3], Michèle Ollier[2, 3] and Carol Xueref[3].
Guests: Anne Beaufour, Henri Beaufour, David Meek[3, 4].

Its role is to review the proposals presented by Management on Internal Research & Development programs, Business Development and Merger & Acquisitions. The Committee follows the update of the Business Development portfolio by therapeutic areas. It also reviews divestiture programs, if any, to be endorsed later by the Board.

AUDIT COMMITTEE

Chairman: Pierre Martinet[2]
Members: Hervé Couffin[2], Carol Stuckley[2, 3] and Christophe Vérot.

Its role is to ensure the relevance and permanence of the accounting policies, and examine the press releases on financial results and guidance. The Committee also monitors the effectiveness of internal control and risk management systems.

NOMINATION AND GOVERNANCE COMMITTEE

Chairperson: Anne Beaufour
Members: Henri Beaufour, Marc de Garidel, Hervé Couffin[2], Michèle Ollier[2, 3] and Christophe Vérot.

Its role is to review the corporate governance of the Group and make proposals to the Board of Directors concerning re-election, replacement or appointment of new Directors, Corporate Officers and Executive Leadership Team members.

COMPENSATION COMMITTEE

Chairman: Antoine Flochel
Members: Hélène Auriol-Potier[2] and Pierre Martinet[2].

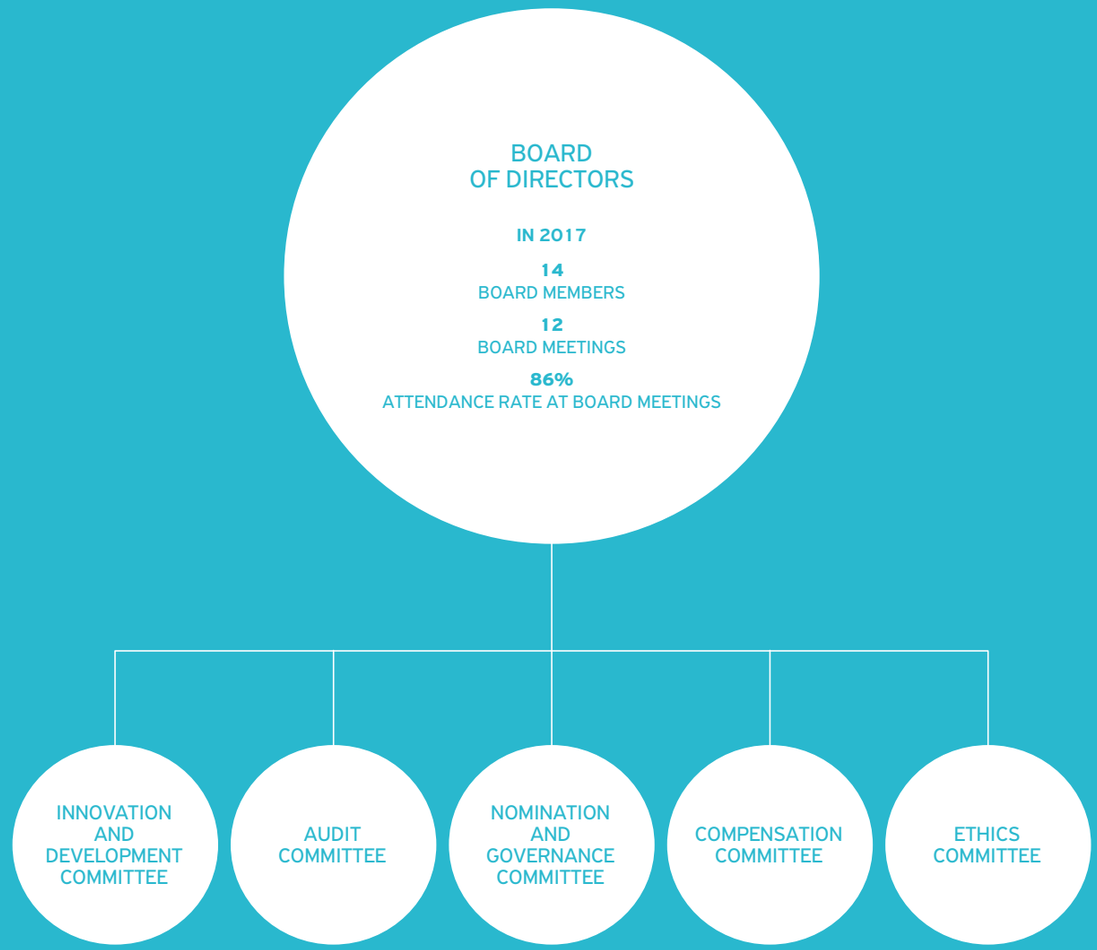
Its role is to make proposals to the Board of Directors on all components paid to the Group's corporate officers, senior management and senior executives. It also gives its opinion on Director's fees and makes recommendations notably about compensation policies, employee savings plans and performance shares.

ETHICS COMMITTEE

Chairperson: Hélène Auriol-Potier[2]
Members: Carol Xueref[3], Margaret Liu[2, 3] and Mayroy SA (represented by Philippe Bonhomme).

Its role is to review the definition of the Group's fundamental values as well as of its ethics and compliance policies. The Committee ensures the dissemination throughout the Group of the Code of Ethics and general ethics policies defined by the Group and their updates.

(1) See chapter 5 of the 2017 Registration Document for further information. (2) Independent Director. (3) Director of non-French nationality.
(4) David Meek is Chief Executive Officer of Ipsen SA.



— QUESTION —
2

WHAT IS IPSEN'S STRATEGY FOR PATIENTS, NOTABLY IN SPECIALTY CARE AND ONCOLOGY?

BERIT EBERHARDT,
Cancer patient advocate since 2010
Member of the board of directors of the International Kidney Cancer Coalition (IKCC), Germany

Access
to the video

At Ipsen, we are committed to serving patients especially in oncology, neuroscience and rare diseases. Our commitment to oncology is exemplified by our active work on therapies in prostate cancer, neuroendocrine tumours, kidney cancer and pancreatic cancer.

Our passionate and capable associates continue to engage with stakeholders in these areas to advance solutions together. Our ambition is to launch at least one new therapy or meaningful indication every year, and that is very important to us, because we know that patients cannot wait. Although cancer continues to try to outsmart recent treatments, we are committed to continuously innovating. We develop partnerships with the scientific bodies relevant to these topics and work on new options and education campaigns. We know that early diagnosis is a tremendous prognostic factor as patients live longer – so we want to be part of that going forward.

2017 was a pivotal year for us in terms of reaching more patients, especially in oncology. We reached more patients as we launched new products, and continued to expand our global reach with our existing therapies. We launched Cabometyx® across Europe and many international markets and are commercializing Onyvide® in the United States. We are proud of the major steps our associates have taken to accelerate our transformation into a leading global biopharmaceutical company focused on innovation and specialty care.

HAROUT SEMERJIAN,
Executive Vice President, Chief Commercial Officer, Ipsen

CAN YOU TELL US ABOUT THE HIGHLIGHTS IN GERMANY OVER THE YEAR IN SPECIALTY CARE?

SANDRINE GAILLARD, General Manager, DACH(1) region, Ipsen

"Thanks to local reimbursement legislation, Germany and Austria are usually the first countries to launch an innovative new product, once we have obtained EMA approval. This is a fortunate position to be in, but also comes with tremendous responsibility. For example, in 2017 Germany and Austria were the first countries to launch Cabometyx® for renal cell carcinoma, and in October we launched Xermelo® for carcinoid syndrome diarrhea. We have heard from some patients how their symptoms are now controllable and they are now able to leave the house. It is an incredible feeling as well when you get spontaneous, unsolicited feedback from doctors. We are proud as a team that we managed to launch these two products and serve patient communities with high unmet needs. And speaking of patient communities, we also set up several scientific publications, disease awareness campaigns, and supported 'patient days' organized by patient groups in partnership with important centers like University of Munich and the Charité in Berlin."

(1) Germany, Austria, Switzerland cluster

INNOVATING TO ADDRESS PATIENTS' UNMET NEEDS IN **ONCOLOGY**

Ipsen's experience and innovative, holistic approach have placed us among the world's top 20 pharmaceutical companies specializing in oncology.

The year 2017 was a flagship one for Ipsen's oncology business, with one milestone after another, including regulatory approvals, clinical advancements and new partnerships to acquire highly sought-after assets.
Ipsen entered the field of oncology in 1986, and our portfolio now includes treatments for prostate cancer, neuroendocrine tumors (NETs) and cancers of the bladder, kidney, pancreas and breast. As our expertise and reputation in the field have continued to grow, we have intensified our research and development skills and expanded our global partnerships.

Providing solutions to more patients with NETs

One of our original drugs, Somatuline®, marketed in 57 countries, nevertheless continues to grow in the United States, simply because it provides a solution to an indolent disease that requires tumor and symptom control. It still has tremendous potential growth in the United States and elsewhere: there is an untapped market outside of Europe, where around 50% of patients do not yet have access to Somatuline®.
In 2017, Somatuline Depot® obtained approval for the treatment of carcinoid syndrome symptoms in patients with NETs in the United States. In July, Somatuline® Autogel® received Japanese approval for the treatment of gastro-entero-pancreatic NETs, making it the first drug available in Japan in this indication. Ipsen also received approval from the European Commission and is preparing the launch of Xermelo® for the treatment of carcinoid syndrome diarrhea in patients whose symptoms are

62%
oncology's share in Ipsen global sales

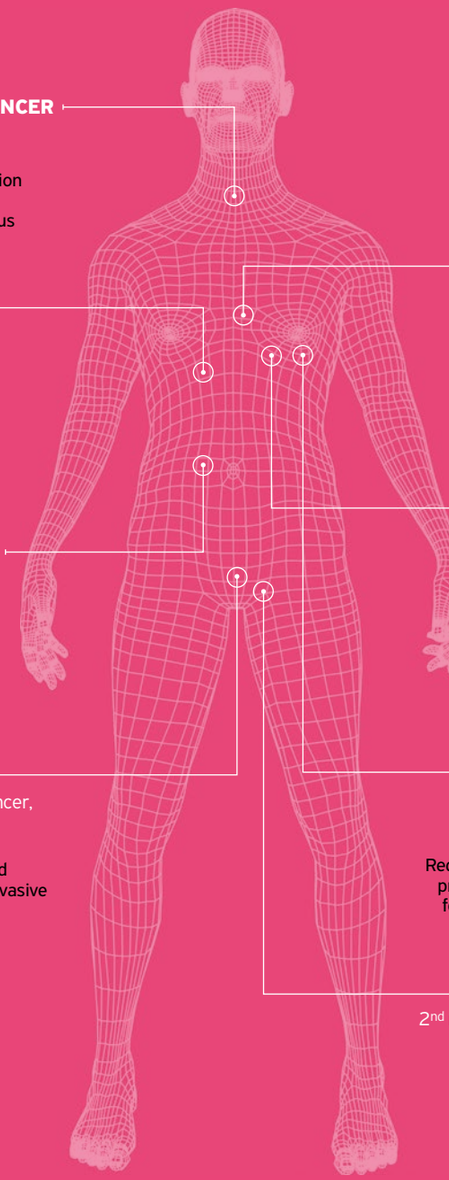
inadequately controlled by somatostatin analogue therapy. The submission for approval was also made in Australia and Canada for Xermelo®.
Germany was the first country to launch this innovative approach, which offers a good example of our commitment to finding solutions for patients' unmet needs and improving their lives by relieving debilitating symptoms.

Cabometyx®, for different oncology indications

Cabometyx® is an innovative treatment for eligible patients with advanced renal cell carcinoma (RCC), as it is the only single-agent treatment that prolongs survival, slows disease progression and shrinks tumors in second-line advanced RCC. Marketed by Ipsen in 18 countries (outside the United States and Japan) for second-line treatment of advanced RCC, this drug lends itself to new indications and opens the door for Ipsen to new oncology indications.
Following the positive results of the phase 3 CELESTIAL study, Ipsen has filed for an application in the second-line treatment of hepatocellular carcinoma (HCC), the most common type of primary liver cancer in adults.
Last September, Ipsen received validation from the European Medicines Agency for the application of a new indication for Cabometyx® for first-line treatment of

Boosting our portfolio

Ipsen offers a broad range of high-quality, innovative treatments to help improve the lives of patients with cancer.



MEDULLARY THYROID CANCER
5% of thyroid cancers
COMETRIQ®
Significant difference in the duration of progression-free survival with cabozantinib (11.2 months) versus placebo (4.0 months).

PANCREATIC CANCER
3rd leading cause of cancer-related death in the United States
ONIVYDE®
Significant improvement of overall survival in adult patients with metastatic adenocarcinoma of the pancreas.

RENAL CELL CARCINOMA
More than 250,000 new cases per year worldwide
CABOMETYX®
1st and only multi-targeted therapy to prolong survival, slow disease progression, and shrink tumors in 2L RCC.

BLADDER CANCER
2nd most frequent urological cancer, after prostate cancer
HEXVIX®
Improved treatment and improved detection and resection of non-invasive bladder cancer.

BREAST CANCER
20% of invasive breast cancer in premenopausal patients
DECAPEPTYL®
86.6% disease-free survival at 5 years when added to tamoxifen
22% risk reduction in distant recurrence when added to exemestane.

NEUROENDOCRINE TUMORS
112,000 people living with NETs in the United States and 178,000 people in Europe. Incidence rate of approximately 3.3 cases per 100,000 people
SOMATULINE®
Reduction of risk of disease progression or death by 53%.

CARCINOID SYNDROME
Occurs in about 20% of all neuroendocrine tumors
XERMELO®
Reduction in bowel movements in heavily pretreated patients; 30% improvement for more than 50% of the study period in durable responders.

PROSTATE CANCER
2nd most common type of cancer in men
DECAPEPTYL®
Over 90% of patients achieve and maintain medical castration below the most stringent thresholdlevels (< 20 ng/dl).

advanced RCC. European Commission approval of Cabometyx® for this indication is expected in the second quarter of 2018.
Other multiple lifecycle management options currently moving forward are investigating the combination of Cabometyx® with immuno-oncology drugs for the treatment of RCC, a potentially transformational treatment.

Help for patients with prostate and breast cancer

Decapeptyl® is another long-term Ipsen product that continues to grow apace, with sales increasing by 3% in 2017 and expected to expand further in 2018.
In oncology, Decapeptyl® is used to treat prostate cancer, and more patients are benefiting from the drug as we become the leader in, for example, Spain and Belgium. In China, there is a large unmet need for prostate cancer, and we are strengthening use of Decapeptyl® for this indication.
Growth for Decapeptyl® will also be fueled by a new indication in women with high risk of recurrence of breast cancer.
The indication is launched in 6 countries and submission for approval is underway in 3 additional countries/regions, with launches expected in more than 15 European countries, making help available to many more patients.

Expertise in pancreatic cancer

In early 2017, Ipsen made an important strategic move toward strengthening its growing oncology presence and leveraging its infrastructure when we acquired the oncology assets of Merrimack Pharmaceuticals, most notably the United States commercialization rights for Onivyde®, an FDA-approved treatment for metastatic pancreatic cancer.
Our strategy is designed to drive growth in the United States for second-line treatment of pancreatic cancer.
For the future, we are considering at least two lifecycle management options for Onivyde® in the first- or second-line treatment of different cancers with significant unmet needs. Ongoing clinical studies are in the pipeline.

"Ipsen is seeking new indications for Cabometyx® for different tumor types in combination with immuno-oncology, using different classes of synergistic drugs."

Somatuline®, Decapeptyl®, Onivyde® and Cabometyx®, key solutions for patients

Collaboration to share knowledge

Ipsen works in close collaboration with EAU (European Association of Urology), ESOU (European Section of Oncological Urology, including the jointly developed STEP rising star program) and ESMO (European Society of Medical Oncology). A growing number of projects have been developed with patient advocacy groups, namely Europa Uomo, Europa Donna, Movember and Fight Bladder Cancer. Ipsen also works in close collaboration with INCA, the International NET Cancer Alliance, and with WAPO, the World Alliance of Pituitary Organizations, to support fundraising, awareness and education for patients about the diseases.

Looking forward

Ipsen's primary goal for 2018 and the coming years is to add new oncology assets to our portfolio. We are looking at all the options, including partnerships and acquisitions. Our success in oncology in the past few years has given us a solid base for launching and marketing oncology assets around the world, including the United States. We have launched initiatives like our website www.livingwithnets.com to bolster support for NETs patients and maximize the possibility of better health outcomes for all. ●

DEVELOPING EXPERTISE FOR PATIENTS WITH **RARE DISEASES**

We are committed to becoming a leader in rare diseases to provide innovative therapeutic solutions for small patient populations with high unmet needs.

A disease or disorder is defined as rare in Europe when it affects fewer than one in 2,000 people. In the United States, the definition applies to conditions that affect fewer than 200,000 people in the country at any given time. An estimated 350+ million patients are suffering from one of over 7,000 rare diseases globally.
Some 95% of rare diseases do not have a single FDA-approved drug treatment, and as a result represent an area of high unmet medical need. Approximately 50% of the people affected by rare diseases are children. A total of 30% of rare disease patients die before the age of 5, and rare diseases are responsible for 35% of deaths in the first year of life.
Relatively common symptoms can hide underlying rare diseases leading to misdiagnosis and delayed treatment. Patients' quality of life may be affected by a lack or loss of autonomy resulting from chronic, progressive, degenerative, and frequently life-threatening aspects of the disease.

Forging a path for the future

Significant unmet needs translate into an improving R&D pipeline in rare diseases, with strong growth in both the number of drugs in development (over 4,500 in 2016) and the number of conditions addressed by the pharmaceutical industry's pipeline (over 400 currently). Oncology and infectious diseases constitute the main therapeutic areas.
Competing in the rare diseases space requires a distinct operating model and specific capabilities, which we will continue to build as we incorporate new assets: deep knowledge of the patient ecosystem, close collaboration with patient advocacy groups, efficient patient enrollment for clinical trials, extensive scientific expertise to interact with physicians who treat rare disease patients, ability to provide tailored patient services and education programs.
Further developing our presence in rare diseases constitutes a natural path forward for Ipsen. In the future, we will continue to expand in this area with high unmet need, leveraging expertise from development to commercialization to establish leadership positions and provide innovative treatments. We will strengthen our pipeline and portfolio through targeted business development efforts, considering multiple factors in our assessment such as disease prevalence and severity, availability of treatments, commercial and technology fit with Ipsen. ●

APPROXIMATELY
50%
of the people affected by rare diseases are children

"Competing in the rare diseases space requires a distinct operating model and specific capabilities, which we will continue to build as we incorporate new assets."

Ipsen has developed strong partnerships with patient groups and healthcare providers

The Acromunity website launched in 2017 provides a holistic view of patient management of acromegaly. This platform developed in conjunction with patients and healthcare professionals delivers content, tools and services to match their needs, from the time the first symptoms are observed to many years after diagnosis.

In Europe, the INKEP (Ipsen Network of Knowledge Exchange Program) was set up for small groups of physicians specializing in pediatric endocrinology. It combines scientific presentations, case discussions and interactive sit-in clinic visits.

Other initiatives in pediatric endocrinology include APPRI in France, a personalized training program for patients that helps increase their autonomy at home during treatment with the recombinant growth hormone NutropinAq® and the NutropinAq® injection Pen, and improves treatment compliance.

Patient support programs (IPSEN CARES®) were established in Canada and Australia in 2017.

Ipsen is already an active player in rare diseases

Somatuline®
is used for the long-term treatment of acromegaly in patients who cannot be treated with surgery or radiation. Acromegaly is a rare disease caused by excessive growth hormone production resulting from a tumor in the pituitary gland. Some 69,000 patients worldwide are affected by this disease.

NutropinAq®
is a liquid formulation of recombinant human growth hormone administered with the NutropinAq® Pen. Available in more than 20 countries, notably in Europe and Australia, it is indicated for the treatment of growth failure stemming from various origins.

Increlex®
is a recombinant insulin-like growth factor (IGF-1) that treats growth delay in children. It has obtained orphan drug status based on the low incidence of the disease, which affects fewer than 5 people per 10,000. In 2017, a new Ipsen manufacturing site was approved by both the European Medicines Agency and the Food and Drug Administration to produce Increlex®. It is the only drug available at the global level for this indication.

Decapeptyl®
is approved for the treatment of central precocious puberty (CPP). There is potential opportunity for greater use of this treatment in the European Union, China and Russia.

IMPROVING PATIENTS' QUALITY OF LIFE IN **NEUROSCIENCE**

We apply our long-standing expertise in neuroscience to improve patients' quality of life by providing treatment for debilitating conditions.

Neuroscience is advancing at an unprecedented rate, and we are proud to be at the forefront of this transformation. Ipsen is one of just a handful of companies specialized in botulinum toxins. At Ipsen we are constantly striving to do everything we can to help relieve the debilitating and painful symptoms of spasticity in adults and children.

Dysport®: therapeutic and aesthetic solutions to help patients

Dysport® (clostridium botulinum type A toxin-haemagglutinin complex) is approved in more than 85 countries in 7 therapeutic indications (such as pediatric lower limb spasticity, adult spasticity and cervical dystonia) and 2 aesthetic indications. It is the first and only botulinum toxin approved by the FDA for the treatment of upper and lower limb spasticity in adults as well as for the treatment of lower limb spasticity in children aged 2 and older. In 2017, 36 countries launched new Dysport® indications. Ipsen's ONTIME study showed that early post-stroke treatment with Dysport® delays the appearance or progression of upper limb spasticity and may improve the prognosis of post-stroke patients. Ipsen also initiated the APPEAL study to assess long-term patient satisfaction levels and the achievement of patient expectation in aesthetic treatment with Dysport®. As we explore additional Dysport® indications, we continue research to develop a liquid formulation.

Bringing more treatment options to patients

In June 2017, the FDA expanded the approved use of Dysport® for the treatment of lower limb spasticity in adults, based on its supplemental Biologics License Application. This brings an additional treatment option to adult patients who have developed spasticity as a result of a stroke, multiple sclerosis, cerebral palsy, spinal cord or traumatic brain injury.

Functional improvement in adults treated with botulinum toxin type A

In November, we announced the publication in *Neurology* of an article describing outcomes from two studies demonstrating the efficacy and safety of Dysport® in adult patients with lower limb spasticity following a stroke or traumatic brain injury. The results of the phase 3 study showed clinical benefits in both the short and long term

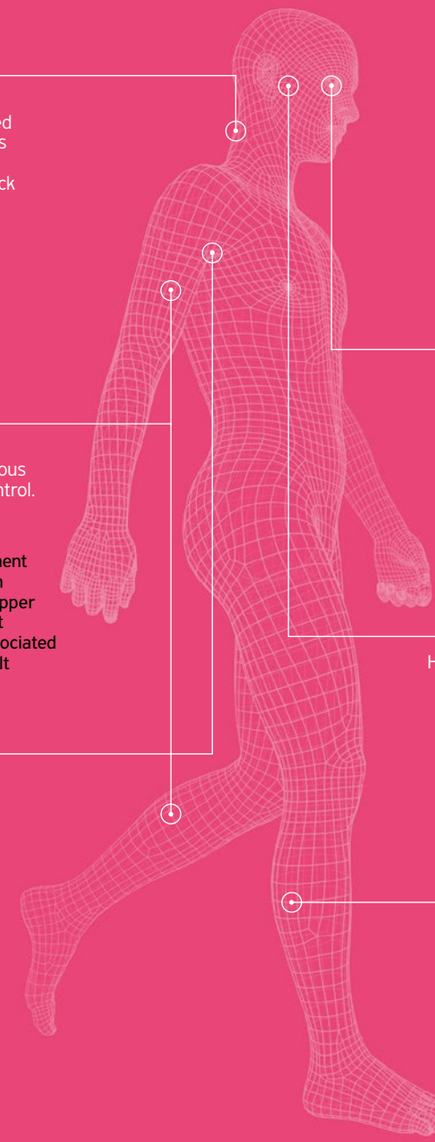
Next-generation R&D and manufacturing in neuroscience

Our world-class R&D centers are paving the way for the development of the next generation of recombinant neurotoxins.

The Wrexham site boasts a new high containment aseptic fill-finish facility (Unit 12) approved in 2017 for all EU member states and other countries in the world, and a new Bioprocessing Suite 2 (BPS2), a world-class pilot manufacturing facility for recombinant neurotherapeutics.

Boosting our therapeutic portfolio

With botulinum toxin type A Dysport®, Ipsen is able to offer a single product to treat a range of therapeutic indications.



CERVICAL DYSTONIA

Cervical dystonia is a rare neurological disorder characterized by involuntary muscle contractions in the neck that cause abnormal movements and posture of the neck and head.

Prevalence estimated at 57 cases per million in the EU and globally at 89 cases per million. Sustained symptom control and a significant reduction of disease-associated pain with reduction of symptoms for up to 15-17 weeks.

ADULT SPASTICITY

Spasticity is a muscle control disorder characterized by continuous contraction and lack of muscle control.

Incidence of post-stroke spasticity between 17% and 43%. Significant and sustained improvement of muscle tone and passive function after repeated injections in adult upper limb spasticity, as well as significant and sustained reduction of tone associated with improvement of walking in adult lower limb spasticity.

HYPERHIDROSIS

Hyperhidrosis (HH) is excessive sweating due to overactivity of the sweat glands and affects about 1%-3% of the population.

The median duration of efficacy ranges from 5 to 9 months.

BLEPHAROSPASM

Blepharospasm is an abnormal contraction of the eyelid that can be chronic and persistent.

Prevalence from 16 to 133 cases per million. Significant reduction of the frequency and intensity of facial spasms as well as sustained improvement in the reduction of functional disability up to 16 weeks.

HEMIFACIAL SPASM

Hemifacial spasm is a neuromuscular disease characterized by irregular, involuntary muscle contractions on one side of the face.

Prevalence of 14.5/100,000 in women and 7.4/100,000 in men. Significant reduction in functional disability and improvement of quality of life.

PEDIATRIC LOWER LIMB SPASTICITY

Cerebral palsy is the most common cause of spasticity and physical disability in children.

Prevalence ranges from 1.5 to more than 4 per 1,000 live births or children of a defined age range. Sustained clinical improvements in muscle tone, spasticity, overall clinical benefit and goal attainment across treatment cycles.

728
physicians have been trained since the Ixcellence Network® was launched five years ago

14
peer-reviewed articles accepted for publication in scientific journals

for patients who received repeated injections of Dysport®, including substantial improvements in walking speed.

Dysport® in the aesthetic indications through partnership

At Ipsen, we believe in partnering with other market leaders, healthcare professionals, research institutes and patient organizations to foster better patient outcomes. Our strong partnership with Galderma on Dysport® (in Europe under Galderma's Azzalure® brand) now covers three-quarters of the world market for neurotoxins in aesthetic indications. Ipsen and Galderma are exclusive partners for the development and marketing of their respective neurotoxins in aesthetic indications in defined territories.

Putting patients first

To take into account patients needs, Ipsen is constantly searching for ways to improve disease management and comprehensive care, working in close collaboration with healthcare professionals to help patients and carers in a holistic approach to the disease. Through our long-term partnership with Dystonia Europe, we seek to stimulate dystonia research with young scientists in Europe through our sponsorship of the David Marsden Award. We also sponsored the "Burden of Stroke in Europe" report by Stroke Alliance For Europe (SAFE) which demonstrated the need for improved rehabilitation services across Europe.

Patient assistance initiatives

I-CAN is a spasticity management program that engages patients in their treatment to increase motivation and improve patient outcomes. It is designed to ensure a comprehensive approach to spasticity management. As part of this comprehensive approach, the i-GSC (guided self-rehabilitation) application was launched in Brazil in 2017 following initiatives in France and Russia, to enable patients to take a more active role in the management of their disease. In the United States, patients also have access to comprehensive support through the IPSEN CARES® patient assistance program.

Training for healthcare professionals

Through our 9 Ixcellence Network® centers, we promote global knowledge sharing to enable physicians to optimize treatment outcomes and improve patient care in spasticity and dystonia. Since the program was created in 2012, more than 700 healthcare professionals have benefited from courses specifically dedicated to cervical dystonia, cerebral palsy and adult spasticity, and 120 specialists from more than 20 countries or regions received training in 2017.

76
posters shared key clinical data at international conferences across the globe

Partnering to drive innovation

Collaborative partnerships with renowned university research centers and scientific societies – including Harvard University and the Institute of Molecular and Cell Biology in Singapore – are ongoing and at the center of finding new ways to use our neurotoxin pipeline to combat debilitating conditions. In 2017, through the Harvard Catalyst Reactor Program, Ipsen participated in a call for proposals for pilot studies to explore new therapeutic opportunities for Ipsen's novel recombinant toxin technology. In 2017 Ipsen entered into a co-promotion agreement with Saol Therapeutics to promote Dysport® in the US.

Driving our pipeline in novel recombinant toxins

Ipsen is driving innovation in the development of recombinant toxin technology. We will continue pushing the boundaries of neurotoxin research to find new applications for existing toxins and to develop a portfolio of novel recombinant toxins in more conditions. In 2017, the first recombinant neurotoxin was administered to a human – a major milestone for Ipsen's fast-acting and short-acting toxin type E – and we are now progressing into the development program.

— QUESTION —
3

HOW DOES A COMPANY LIKE IPSEN EXTEND ITS CAPABILITIES FROM PRESCRIPTION DRUGS TO OTC PRODUCTS?

NICHOLAS HALL,
Executive Chairman & Creative Solutions Director,
Nicholas Hall Group of Companies (NHC),
United Kingdom

Access
to the video

It has indeed been a big change for Ipsen to switch from a traditional primary care business focusing on physicians and patients to a broader Consumer Healthcare model.

The decision to leverage our portfolio more broadly was made in 2014. We then started to expand our communication beyond the community of physicians into two additional segments. The first one is pharmacists; the second one is consumers. Both were a novelty for us. We have learned to consider not only patients but also consumers, and this changes the way we operate.

We are now working on a day-to-day basis with three different channels: physicians, pharmacists and direct consumer communication. We are also expanding our brands with regular new launches ranging from drugs to medical devices and food supplements. This change in our model has proven to be instrumental in bringing our activity back to growth.

We also pay close attention to always bring medical value with clinical evidence. The recent launch of our first probiotic, Smebiocta®, is one such example. Today, we can clearly see the interest of clinicians for this "consumer" product based on the clinical data provided.

BENOÎT HENNION,
Executive Vice President and President, Consumer Healthcare, Ipsen

HOW DO YOU IMPLEMENT THIS CHANGE IN YOUR BUSINESS MODEL IN THE CHINESE MARKET?

ALAN CHEN, Senior Vice President, General Manager, Ipsen China

"In China, 25% of our sales already come from OTC. In 2018, we continue to plan for double-digit growth for our OTC business. The opportunity is massive with more than 100,000 stores and the development of e-commerce. We used to work primarily with our distributors and hospital doctors. We are now moving towards retail drugstores and directly to consumers themselves. One such example is the successful and comprehensive digital strategy that we started implementing last year with our key brand Smecta®. This is definitely opening new avenues for our affiliate in China."

ESTABLISHING A GROWING, SUSTAINABLE AND AUTONOMOUS **CONSUMER HEALTHCARE** BUSINESS

2017 was a tipping point for Ipsen in transforming its former primary care activities into a growing Consumer Healthcare business.

2017 was illustrative of our capacity to transform our former physician-centric primary care model into a promising Consumer Healthcare business, driving revenues through a mix of physicians' prescriptions, recommendations by pharmacists and patients' direct demand. The last few years had been dedicated to building capabilities in our key targeted geographies: China, France, Russia, Central and Eastern Europe and Algeria. In 2017 we began to implement the extension of our brands, starting with our flagship Smecta® line. We launched our first probiotic-based food supplement, Smebiocta® (for GI disorders) and rolled out our first medical device SmectaGo®, a ready-to-use liquid solution against diarrhea.We also reinforced our portfolio in Europe through the acquisition of select products from Sanofi.
Lastly, we reached important milestones to build a direct presence in Italy and secure our long-term future in Algeria. These efforts enabled us to turn our Consumer Healthcare division back to growth, with a 1.4% rise in total sales for 2017. More importantly, the Smecta® brand grew by 4.1%, demonstrating the efficiency of our new model.
This now represents a promising base for us to further establish this activity as a winning business in the years to come. Strategic imperatives to reach this goal are clearly defined: go on strengthening our capabilities to serve pharmacists and consumers on top of physicians and patients; further reinforce our presence in Europe; and further expand our portfolio through the extension of our existing brands and external acquisitions. ●

Three key moves in 2017

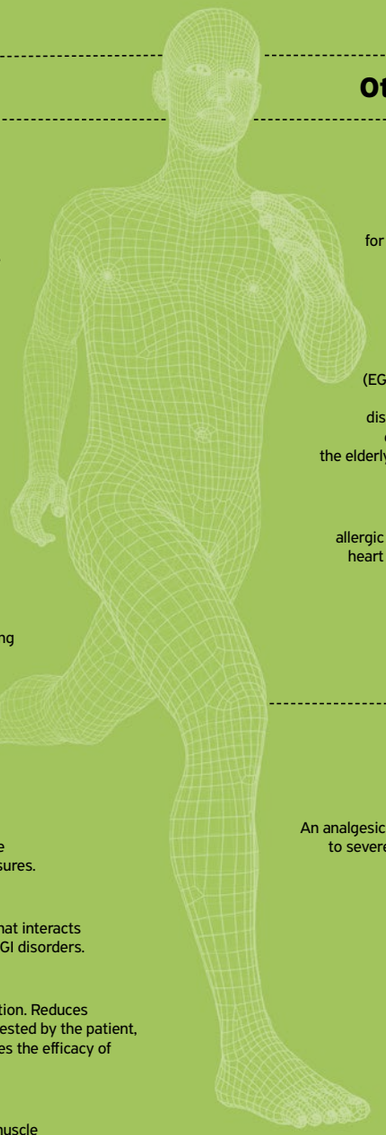
In Europe,
we strengthened our Consumer Healthcare portfolio in several countries with the acquisition of select products from Sanofi, including Prontalgine® for pain relief in the French market and an antispasmodic, Buscopan® for Central and Eastern Europe.

In Italy,
we completed the acquisition in early 2018 of Akkadeas Pharma, whose diversified portfolio includes probiotics, medical devices and food supplements. In addition to providing a springboard for Ipsen's future development in Italy, Akkadeas has become our Italian distributor for Smecta® (Diosmectal®).

In Algeria,
we finalized the shareholders' agreement of a joint venture between Ipsen and our local partner Isly Holding. This milestone was rubber-stamped in the presence of the Prime Ministers of France and Algeria, and paves the way for our long-term presence in the country.

Boosting our portfolio

The Ipsen Consumer Healthcare product portfolio continues to grow, improving existing treatments and providing new solutions for patients and consumers.



GI conditions

KEY BRANDS

SMECTA®
Stops and treats diarrhea, removes the toxins and germs at the heart of the problem, helps repair intestinal damage with its natural coating properties and relieves abdominal pain.

FORLAX®
Reactivates the bowel's natural efficacy and restores the regular frequency of stools within 24 to 48 hours to respect the natural rhythm. It operates by reeducating the bowel without irritating the bowel or making it dependent.

FORTRANS®
This colon-cleansing solution is mainly used for constipation, hypercalcemia and gastric lavage.

ETIASA®
Treats Inflammatory Bowel Diseases (ulcerative colitis and Crohn's disease) during acute phase and to maintain remission.

RECENT LAUNCHES AND ADDITIONS

SMECTAGO®
This powder for oral suspension is used in the short-term treatment of acute diarrhea, in addition to use for dietary measures.

SMEBIOCTA®
Scientifically proven multiaction probiotic that interacts with the multiple mechanisms of functional GI disorders.

IZINOVA®/EZICLEN®
New generation of bowel cleansing preparation. Reduces considerably the quantity of liquid to be ingested by the patient, improves the cleansing quality, and increases the efficacy of colonoscopies.

BUSCOPAN®
An antispasmodic used to relieve smooth muscle spasms (cramps) in the stomach and intestines and in the bladder and urethra.

Other conditions

KEY BRANDS

ADENURIC®
First major treatment of gout for more than 40 years and best in class for the treatment of symptomatic gout.

TANAKAN®
Standardized, patented ginkgo biloba extract (EGb 761®) for the symptomatic treatment of such cognitive disorders as memory deficit and concentration disturbances in the elderly, and for vertigo and tinnitus.

PAXELADINE®
Used for irritative cough, allergic cough, cough in patients with heart disease, tracheitis, bronchitis and other conditions.

RECENT ADDITION

PRONTALGINE®
An analgesic for the treatment of moderate to severe pain, combining paracetamol, caffeine and codeine.

— QUESTION —
4

WHAT DRIVES DRUG DEVELOPMENT AT IPSEN?

PROFESSOR ANN TILTON,
Professor of Clinical Neurology,
Louisiana State University, Children's Hospital,
New Orleans, United States

Access
to the video

Our focus is to address unmet medical needs, improve patients' lives and make a difference, particularly for pediatric patients. Being a leading global biopharma company that focuses on innovation and specialty care, the unique driver is to generate value. First and foremost for the patients,then for the healthcare providers, and the payers.

We define Ipsen as being very much patient-centric, and when we say that, we mean it. We involve patients and their families as well as healthcare providers in the preparation of protocols. We get insights regarding what the benefits mean for them. At the end of the day, the benefit of any drug must be for patients. We listen to them and we incorporate and include their insights in our strategies, and in developing our protocols. This dialogue also continues after the drug is on the market.

We are actively engaged in the discovery, manufacturing and development of the next generation of botulinum neurotoxins. This class of drugs has proven to bring evidence of clinical benefits for patients across a broad range of indications, both for adult and pediatric patient populations. We are currently investigating proprietary recombinant technology and strongly believe that we will continue to add medical value for pediatric patient populations. We are very committed to advancing therapies in oncology, having a growing portfolio of key therapies for neuroendocrine tumors, renal cell carcinoma and pancreatic cancer. We also address pediatric cancers, developing Cabometyx® as part of a pediatric investigational plan. We are engaged in the search and evaluation of new treatments for rare diseases that primarily affect children. Developing new treatments sooner, better and faster for them is our goal.

DR. ALEXANDRE LEBEAUT,
Executive Vice President Research and Development, Chief Scientific Officer, Ipsen

WHAT ARE THE CHALLENGES THAT YOU SEE WHEN YOU ARE DEVELOPING MEDICATIONS FOR THE PEDIATRIC POPULATION?

DR. SOTIRIOS STERGIOPOULOS, Senior Vice President, Global Medical Affairs and Chief Medical Officer, Ipsen

"We do not see the same response to treatments in the pediatric populations as we see in adults. We are dealing with young adults, adolescents and younger children, and we are addressing challenges for pediatric populations. We need to provide our caregivers and our physicians with the ability to treat patients with new options. The launch of new trials is crucial to give us the opportunity to find new ways to treat these patients. The challenges are diminishing, but the opportunities are growing."

A DEVELOPMENT POWERHOUSE DRIVEN BY **INNOVATION**

At Ipsen, we have transformed our R&D model to support our ambition to launch at least one new medicine or new meaningful indication every year.

With over 550 people worldwide, our R&D organization is driving innovation in two therapeutic areas, oncology and neuroscience. We are also working on an emerging third therapeutic area, rare diseases, to develop new, life-changing molecules.

Crafting a unique R&D model

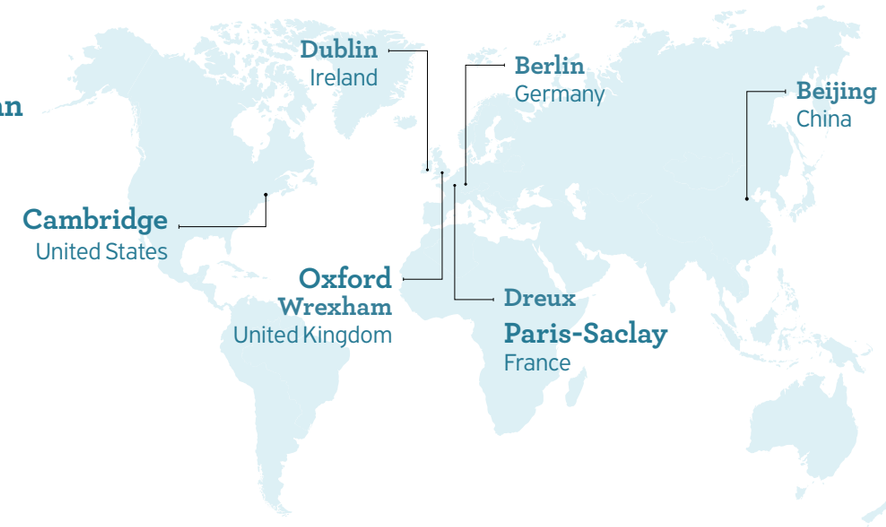
We have adapted our R&D model to meet the needs of patients today and tomorrow. Strengthening our R&D functions, Pharmaceutical Development and Global Medical Affairs, and consolidating our scientific and medical strategy, we are turning Ipsen into a development powerhouse. Our goal is to grow our pipeline with new assets and new indications and accelerate deployment of development capabilities.

People and processes behind our products

At Ipsen, our people are our biggest asset, and we understand the importance of developing the expertise of our workforce as we continue to attract more talent to our organization. We have also focused on strengthening our decision-making processes and have developed seamless governance procedures. Continuous improvement processes have been put in place to enable flawless execution, and we have set up Science and Technology boards to reinforce our scientific and medical strategy.
With our high-performing global project teams, we are able to define innovative integrated development plans in our therapeutic areas. We draw on the expertise of our Global Expert Functions to execute these plans and facilitate the registration and access of innovative new medicines and indications:
Global Medical Affairs serves as the bridge between R&D and the commercial organization, helping integrate patient-centric insights into our science and generate data to fill knowledge gaps in line with our strategy.
Global Regulatory Affairs, Safety & Quality offers strategic expertise in regulatory affairs, thus strengthening our relationships with health authorities worldwide, and provides proactive safety evaluation and assessment.
Biometry encompasses traditional and digital biometry services, and offers capabilities for modeling, data mining and enhanced use of bioinformatics.
Translational Drug Metabolism Pharmacokinetics & Safety looks at prediction of the risks linked to the administration of a drug candidate as well as its effects when administered in living organisms.
Pharmaceutical Development provides novel biologics and peptide development capabilities including Targeted Radionuclide Therapy and neurotoxin development – making it possible to speed up the time-to-market.
Portfolio Management and Analytics delivers state-of-the-art project management, portfolio management and analytics capabilities. ●

550 employees are working in our R&D teams worldwide

Ipsen's eight R&D sites span the globe.



Being innovative means being outward looking

Partnering is at the heart of everything we do at Ipsen. We believe in working in close collaboration with our partners in academia and the biotech world to tap into a wealth of knowledge and create opportunities to find or develop new therapeutic options.

Ipsen continues to drive external innovation, for example with the Harvard Catalyst, the Harvard Clinical Translation Science Center.

We also have several strategic alliances, with Shire for Onivyde®, Exelixis for Cabometyx®, Galderma for Dysport® in aesthetic medicine, and Teijin for Somatuline® in Japan.

BOLSTERING OUR **INNOVATIVE PIPELINE**

With our strong focus on innovation and specialty care, we are building a robust, sustainable portfolio of innovative medicines to address unmet medical needs.

Ipsen R&D has a valuable pipeline encompassing both the lifecycle management of our established products and the development of new molecules including small molecules, neurotoxins, peptides and radiopharmaceuticals. In 2017, as part of our vision to establish ourselves as a development powerhouse, we invested a total of €266 million, or 14% of sales, in R&D. In oncology, significant investment was dedicated to the development of Cabometyx®, Peptide Receptor Radionuclide Therapy (PRRT) and Onivyde®. In neuroscience, the first recombinant fast-acting toxin (rBoNT-E) entered the clinic, and investment in Dysport® supported two new indications on top of our ongoing Dysport® phase 3 programs.

Oncology: targeted treatment for tumors

Ipsen is a leader in the new area of radiopharmaceutical development. Targeted Radionuclide Therapy (TRT) uses the ability of peptides or small molecules to target specific receptors to deliver a radionuclide directly to a tumor. This targeted approach provides an exciting "theranostic" opportunity that offers the promise of use for both diagnosis and treatment of disease. Ipsen is developing novel radiopharmaceuticals targeting the SSTR2 receptor to treat neuroendocrine tumors and the neurotensin receptor 1 to treat pancreatic cancer.

Neuroscience: charting a new path with recombinant toxins

Ipsen has a leading-edge protein engineering expertise in toxins and is pushing the boundaries of neurotoxin research to provide innovative therapeutic and aesthetic solutions to help patients take back control of their lives.

€266 million invested in R&D in 2017

At our leading R&D centers around the world, and through numerous collaborative projects and partnerships with top academic institutes and investigators, Ipsen is pioneering research in neurotoxins. The application of recombinant techniques to create novel botulinum toxin-based medicines with different onset and duration of action gives clinicians the ability to choose the most appropriate neurotoxin for the patient. We are the only company to have recombinant botulinum neurotoxins in clinical development, a technology that gives a more consistent product that is easier to produce. Ipsen's renowned protein engineering expertise is at the heart of designing modified neurotoxins, building characteristics into drug candidates for patient benefit. Furthermore, by combining peptides and toxin domains to obtain targeted secretion inhibitors (TSIs), a new class of molecule has been created in which the toxin-derived secretion inhibitor is directed towards different types of cells depending on the cellular targeting strategy used. Ipsen is one of very few organizations to master the manufacture and development of TSIs, together with the technologies required to explore new applications and to develop new toxin-based products. ●

Building a sustainable R&D pipeline

We are growing our pipeline with new drugs and new indications in Oncology, Neuroscience and Rare Diseases to serve patients worldwide.

PRECLINICAL

IPN-01087

^{68}GA-IPN1070 *(OPS202/Satoreotide Trizoxetan)* and **^{177}LU-IPN1072** *(OPS201)*

LONG-ACTING TOXIN
Modified recombinant botulinum toxin type A

LONG-ACTING TOXIN
Modified recombinant botulinum toxin type A'

PHASE I

^{177}LU-IPN1072 *(OPS201)*
Gastroenteropancreatic neuroendocrine tumors

CABOMETYX®
Solid tumors(1)

ONIVYDE®
Breast cancer (imaging)

SOMATULINE®
Prolonged release formulation
Gastroenteropancreatic neuroendocrine tumors

PHASE 2

ONIVYDE®
Pancreatic ductal adenocarcinoma, first line(2)

ONIVYDE®
Small-cell lung cancer, second line(2)

^{68}GA-IPN1070 *(OPS202/Satoreotide Trizoxetan)*
Gastroenteropancreatic neuroendocrine tumors

SOMATULINE®
Prolonged release formulation
Acromegaly

FAST ACTING TOXIN
Recombinant botulinum toxin type E

DYSPORT®
2 new indications

PHASE 3

CABOMETYX®
Renal cell carcinoma first line in combination(1)

DECAPEPTYL®
1-month treatment
Central precocious puberty (China)

DECAPEPTYL®
3-month treatment
Endometriosis (China)

DYSPORT®
Pediatric upper limb spasticity

DYSPORT®
Neuro-detrusor overactivity

DYSPORT®
Glabellar lines (China)

DYSPORT® SOLUTION
Glabellar lines

DYSPORT® SOLUTION
Cervical dystonia

REGISTRATION

CABOMETYX®
Renal cell carcinoma first-line monotherapy(1)

CABOMETYX®
Hepatocellular carcinoma, second line(1)

SOMATULINE®
Acromegaly (China)

AS OF APRIL 27, 2018

- Oncology
- Rare Diseases
- Neuroscience

(1) In partnership with Exelixis (2) In partnership with Shire

PAVING THE WAY FOR **SCIENTIFIC COLLABORATION AND DISSEMINATION**

The Fondation Ipsen was created in 1983 under the aegis of the Fondation de France to highlight and share scientific knowledge that is emerging from key areas of research in life science and biomedicine.

At the Fondation Ipsen, we use scientific knowledge to advance biomedical research and serve people in their daily lives. As science becomes more complex, we strive to build new connections between top experts, mentor junior scientists and engage citizens around the world. In particular, we passionately promote scientific progress irrespective of gender, race and country of origin. The Fondation Ipsen is a thought leader in communicating science to people.

Opening doors for scientific collaboration

In collaboration with the American Association for the Advancement of Science, we launched the Bridging Biomedical Worlds conference series in 2014 to boost cooperation among researchers, clinicians and industry scientists from East and West. The fourth edition took place in February 2018 in Singapore and explored "Genome Editing: The Next Frontier". Designed in collaboration with AAAS/Science and the Institute of Molecular and Cell Biology A*STAR, the program covered revolutionary genome editing tools in various scientific fields, especially with respect to innovative therapies for cancer.

During this three-day event, we deployed new technologies to help us share knowledge. Using a special app, the 180 attendees – junior and senior scientists alike – were able to ask questions directly to prominent speakers. We also tested interactive technology to allow people from other countries – who otherwise would not be able to attend – to access the conference. Using mobile devices, they were able to interact with those present in real time. These innovative approaches allow us to bridge the international divide and bring scientists together who would have never met without this innovation. Moving forward, we will provide remote access to all events funded by the Fondation Ipsen so scientists and members of the public from around the world can join us and share knowledge.

"Fostering interaction among top researchers and kick-starting ideas for research fields to find new treatment options for patients since 1983."

Orla M. Smith (Editor, AAAS/Science Translational Medicine, Washington DC, United States)

James Levine, President of the Fondation Ipsen.

Carl H. June (Center for Cellular Immunotherapies, University of Pennsylvania, Philadelphia, United States).

250 *meetings*

145 *prizes awarded*

MORE THAN **250** *publications*

In a second event developed in collaboration with the Karolinska Institute, we examined how entrepreneurs can better serve patients through scientific innovation. This event in March 2018, open to the public and held in Hong Kong, engaged politicians, leading scientists and the business community.

Recognizing scientific excellence

In 2017, the Fondation Ipsen also awarded annual prizes to reward outstanding research. The 16th Endocrine Regulation Prize was awarded to Bruce McEwen (Rockefeller University, United States). The international jury recognized the contribution of the laureate for his pioneering work on glucocorticoids, stress and neuronal degeneration. The 22nd Longevity Prize was awarded to Andrzej Bartke (Southern Illinois University School of Medicine, United States). The international jury unanimously decided to award the prize for his pioneering analysis of the molecular and hormonal mechanisms that can extend mammalian longevity in mice. By engaging leading experts in this fashion we have developed a unique network of thought leaders. They help sculpt our programs and deliver scientific programs of the highest caliber.

— QUESTION —
5

HOW CAN IPSEN BEST INTERACT WITH THE ONCOLOGY COMMUNITY?

TED OKON,
Executive Director of the Community Oncology Alliance (COA), United States

Access
to the video

Ipsen is a relatively new player in oncology, especially in North America, yet we are growing our footprint rapidly. The growth we are experiencing in serving patients has given rise to an organization in North America with approximately 500 employees across many areas.

We are in R&D and manufacturing in Cambridge, and we have a commercial and even a global organization with Ipsen associates working across North America.

A number of our team members are focusing on partnering with community oncology, which is about how we provide and support highly accessible, highly affordable and high-quality care. Our goal is to really improve the lives of the cancer patients we serve to move innovation forward and deliver for patients in the US and around the world. We are also committed to providing additional support in terms of patient services, patient programs, education and awareness initiatives, that help community practices serve their patients better.

We are also very focused on strengthening our pipeline of innovative assets, and making our drugs accessible to patients all around the world. We work with community oncology to help develop those medicines and to increase access. We want to make sure that the patients who should rightfully access our drugs, are able to get them, because as we all know, when a patient is diagnosed they cannot wait.

RICHARD PAULSON,
Executive Vice President and Chief Executive Officer, Ipsen North America

AS A PHYSICIAN, WHAT IS YOUR VIEW ON WHAT PATIENT CENTRICITY MEANS WITHIN THE INDUSTRY?

DR. BELOO MIRAKHUR, Senior Director Medical Affairs – Oncology, Ipsen

"The drugs we develop and the services we provide are for the patient, so the patient is really at the helm of everything we do. The patient is pivotal not only to all the activities we carry out, but also to our objective at Ipsen, a company providing cancer treatment options to patients. This is not something that happens only in R&D, or within clinical development, but across the organization."

OUR MANUFACTURING AND R&D SITES

At Ipsen, we draw on our manufacturing and R&D expertise to propose life-changing molecules across the globe.

United Kingdom

Oxford
R&D

Designed to foster innovation and collaboration in neuroscience, this pioneering R&D center hosts Ipsen's technological platform for botulinum toxins and has unique experience in recombinant botulinum toxin technology. The site also hosts other R&D activities such as regulatory affairs, pharmacovigilance, publications, and clinical development.

Wrexham
MANUFACTURING AND R&D

The site is the Group's sole biological R&D and fully integrated manufacturing facility. This center of expertise is specialized in active ingredients, clinical drug and commercial manufacturing and distribution. Some teams focus on the development of novel products in neuroscience supported by bioprocess, formulation and analytical functions and others in lifecycle management and new recombinant toxin manufacturing projects.

China

Tianjin
MANUFACTURING

Present in Tianjin since 1992, Ipsen created a local production facility for Smecta® in 2000. The site packages this product for the Chinese market and is also the distribution platform for Ipsen's portfolio and other medical products in China.

Beijing
R&D

Created in Beijing in 2012, the Asia Group Drug Development is the platform in charge of clinical trial coordination in Asia.

France

Dreux
MANUFACTURING AND R&D

The manufacturing site, specialized in the production of oral formulations, also handles global distribution of products. R&D activities focus on the pharmaceutical development of new products for Specialty Care (oncology and rare diseases) and in the development of Specialty Care and Consumer Healthcare products. The site also hosts the clinical supply chain activities for clinical studies.

Signes
MANUFACTURING

This facility specializes in the manufacturing and packaging of injectable formulations, particularly sustained-release formulations of peptides (Decapeptyl®/Pamorelin®, Somatuline® and NutropinAq®). The site exports to over 70 countries worldwide.

L'Isle-sur-la-Sorgue
MANUFACTURING

L'Isle-sur-la-Sorgue is Ipsen's only site for processing clays, notably used in Smecta®, Bedelix®, Actapulgite® and Gelox®. Approximately two-thirds of the production is for Europe and China.

Paris-Saclay
R&D

The site's core mission is to accelerate clinical development, translational and fundamental research to deepen the understanding of the molecular, pharmacologic, pharmacodynamic and pharmacokinetic properties of new molecules in oncology, neuroscience and rare diseases.

Ireland

Cork
MANUFACTURING

This site joined Ipsen as a result of a joint venture with Schwabe. The extract of ginkgo biloba – EGb 761® – is produced there and used for Tanakan® and Ginkor®.

Dublin
MANUFACTURING AND R&D

As Ipsen's center for the production and development of peptide active pharmaceutical ingredients (APIs), the site produces the APIs for both Somatuline® and Decapeptyl®. It also handles chemical process and analytical method activities for peptide and small molecule APIs.

Germany

Berlin
R&D

The Berlin site specializes in the radiopharmaceutical development of peptides and small molecules. These activities focus on radiolabeling process development and validation.

United States

Cambridge
MANUFACTURING AND R&D

The R&D site is dedicated to enhancing the pipeline with clinical assets, with a focus on oncology and rare diseases. It also hosts teams dedicated to coordinating and conducting worldwide clinical research and North America regulatory activities. The manufacturing site produces the bulk drug product for Onivyde® patients worldwide.

34
COUNTRIES WHERE IPSEN HAS A DIRECT PRESENCE

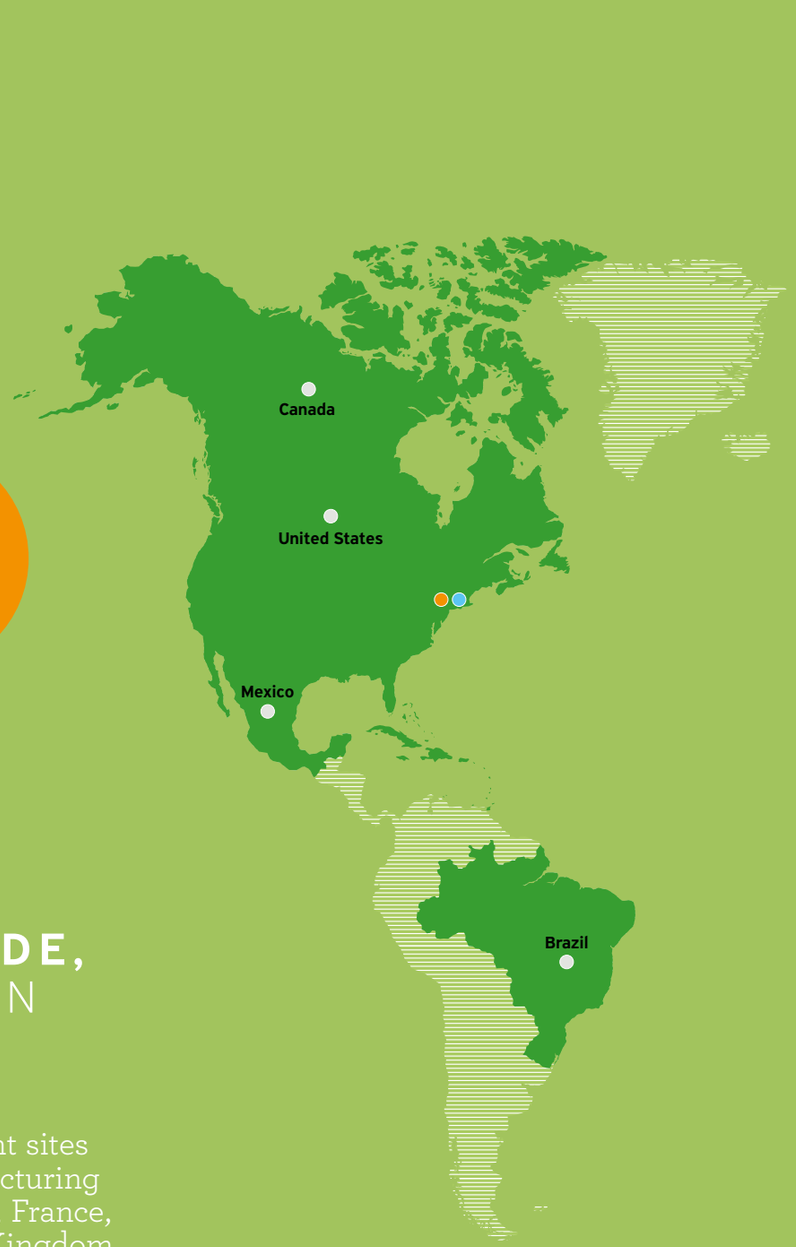
120
COUNTRIES WHERE IPSEN PRODUCTS ARE REGISTERED

8
MANUFACTURING SITES

8
R&D CENTERS

IPSEN WORLDWIDE, OUR MAIN SITES

Our most important sites in R&D and manufacturing are located in China, France, Ireland, the United Kingdom and the United States.



Direct presence *Manufacturing sites* *R&D centers*

— QUESTION —
6

HOW DO YOU ATTRACT TOP TALENT TO IPSEN?

COREY MATHISON,
Associate Director, Human Resources, Ipsen
United States

Access
to the video

We have all joined Ipsen, a leading, global biopharmaceutical company, to make a difference in patients' lives.

We also have a unique proposition for our talent: a biotech mindset characterized by our agility, flexibility and speed, combined with Ipsen's 90-year heritage. We are an organization with strong financial performance, and this is something that helps attract talent. Furthermore, we are a global company.
While we are not a very large global company, with some 5,400 employees, we are present in almost 35 countries.

In terms of fostering leadership in our organization, it is crucial to ensure that every employee has the ability to learn every day. Today, we are completely transforming our company; being able to discover, learn and develop are the main motives for joining Ipsen.

Another focus for Ipsen's talent is innovation. It is not just about R&D innovation. Innovation is everywhere – it is about operating excellence in technical operations, incremental improvements in back-office processes. It is about having the right mindset: being curious, testing, taking decisions quickly.

Finally, we seek to ensure that we have the simple and effective processes to help our people to develop their skills and continue to be engaged.

RÉGIS MULOT,
Executive Vice President, Chief Human Resources Officer, Ipsen

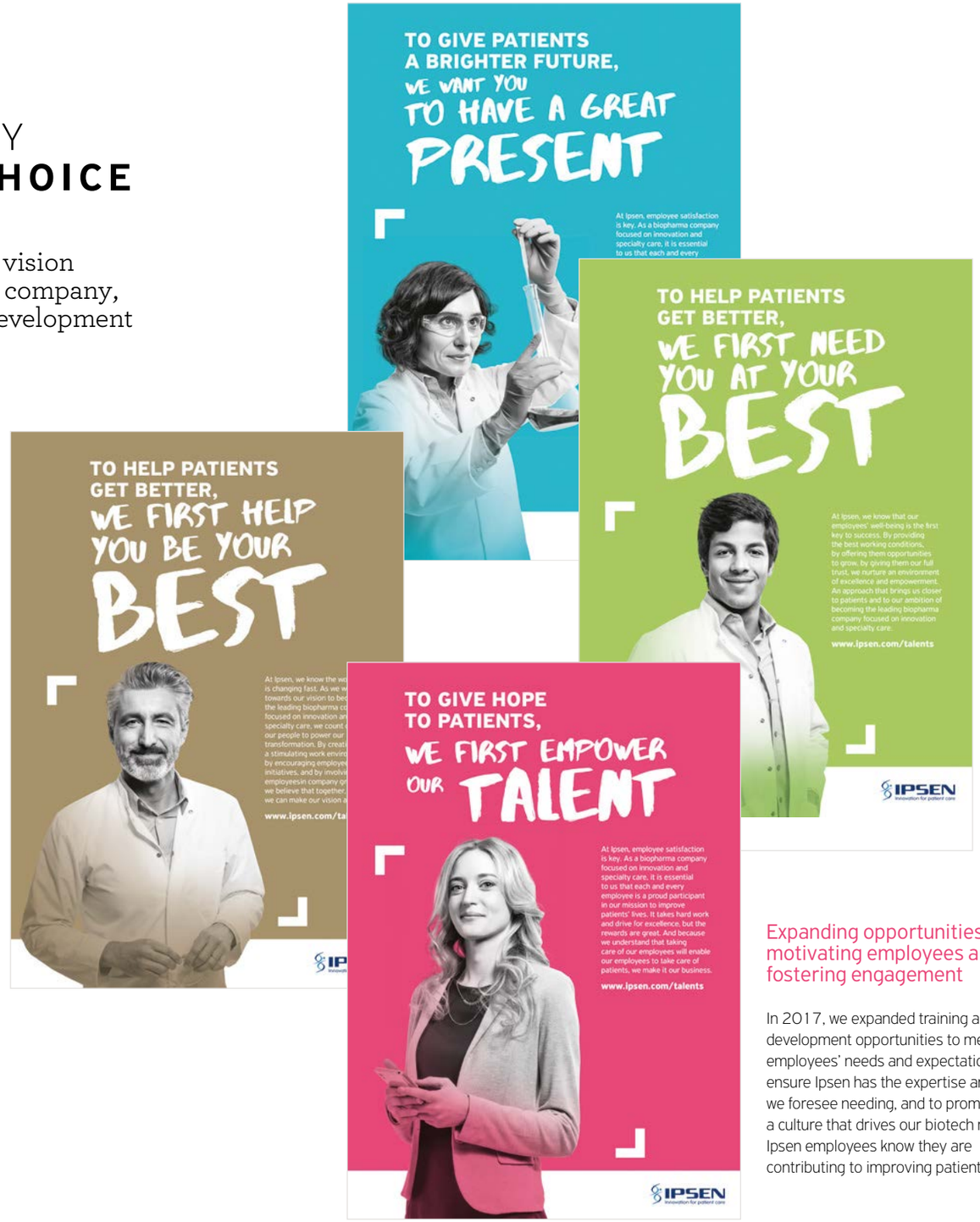
HOW DOES IPSEN DEVELOP ITS TALENT AND SPECIFICALLY BUILD LEARNING EXPERIENCES?

IGNACIO RUIZ DE MIGUEL, VP Talent Management, Acquisition and Development, Ipsen

"Professional development at Ipsen starts as soon as a newcomer joins the company. Each and every one of our employees deserves a robust career development plan, because it is a key way for us to show that we care for them as much as we do for patients. From day one, we put in place a comprehensive on-boarding program that covers all the basics our people need to know about how we work. With that as a solid foundation, we focus on every employee's development and offer them experiences and challenges that will allow them to progress and realize their potential. "

A GROWING BIOPHARMA COMPANY AND **AN EMPLOYER OF CHOICE**

Our human resources team fosters Ipsen's vision to become a leading global biopharmaceutical company, with major investments in recruitment, talent development and engagement programs.



128,000
hours of employee training in 2017

In 2017, we continued to roll out the five-year roadmap to strengthen our HR infrastructure and focus on our strategic plan and growth, making important strides in both attracting quality talent and providing them with professional opportunities and development resources to increase their level of engagement and commitment with the company's goals and aspirations.
In 2017, we put together the framework to build a new and appealing Employment Value Proposition in terms of professional opportunities and impact, performance and recognition, work-life balance and work environment, compensation and benefits. Our goals are to foster the professional development of our employees through continuous dialogue about their needs and motivations while offering them a wide variety of training and development opportunities. We promote a culture to enhance employees' engagement.

New platforms improve recruitment and performance management

The implementation of iPeople, our new HR information system, has already produced significant efficiency gains in terms of our external and internal talent pipeline. This best-in-class, user-friendly system streamlines information management and enables better-informed decisions regarding Ipsen's workforce. A new performance management process framework has been designed and implemented to bring the performance of each employee and the company as a whole to the next level. The new framework emphasizes the importance of an ongoing dialogue on performance and professional development between manager and employee. Within our 5,400 members of staff, present in 34 countries, more than 55% are based in Western Europe, 10% in North America, 10% in the rest of Europe, and 25% in the rest of the world. The split by gender (58% women and 42% men) shows our commitment as an equal opportunity employer. In 2017, the top five countries where we hired people were France, China, the United Kingdom, the United States and Russia (76% of the total number of hires in 2017).

Expanding opportunities, motivating employees and fostering engagement

In 2017, we expanded training and development opportunities to meet employees' needs and expectations, to ensure Ipsen has the expertise and talent we foresee needing, and to promote a culture that drives our biotech mindset. Ipsen employees know they are contributing to improving patients' lives through their work each day. As part of our ongoing dialogue with associates, we regularly conduct an Employee Engagement Survey. In 2017, the results showed our all-time highest engagement ratio (79%), which is 22 basis points higher than the benchmark. With a participation rate of 85%, we received feedback from 4,152 respondents. 87% of respondents indicated that they want to give their best each day and 91% feel optimistic about the future of the company. We seek to motivate employees and support the recruitment of new talent in line with where we stand today and where we want to be tomorrow. We provide a comprehensive compensation package, long-term incentives, healthcare and retirement benefits, and are committed to promoting a healthy work-life balance for our employees while fostering an inclusive, caring environment.
Other HR highlights in 2017 included the implementation of new processes, such as an enhanced Talent Review & Planning Succession Process, the launch of a development program for middle managers and the design of a Global Transformational Leadership Program in partnership with a world-renowned business school for our top 150 leaders, to be launched in 2018.

— QUESTION —
7

WHAT FACTORS DO YOU FIND THE MOST RELEVANT WHEN IT COMES TO PROMOTING THE NEEDS AND RIGHTS OF PATIENTS, EMPLOYEES, SOCIETY AT LARGE?

PROFESSOR SADEK BELOUCIF,
University Professor at the University Paris 13 and the Sorbonne,
Chief of Anesthesia and Intensive Care Service
at the Avicenne Hospital, Bobigny, France

Access
to the video

Promoting the needs and rights of patients, employees and society at large is really important, and it is exactly the objective and essence of our Company Social Responsibility strategy: a human journey of shared commitments. Our vision is to harness the power of our employees to have a responsible and sustainable impact on patients, Society and the environment.

This is based on three pillars: employees, patients/Society and the environment, grounded on Ipsen way of being. We need to act with integrity, meaning that we must walk the talk, and build relationships based on trust.

Ipsen is committed to the highest standards in all our actions, for patients and their families, as well as our employees. This is translated into the Ipsen Code of Conduct, and the way we behave in our day-to-day activities – it is truly part of our DNA. And when you have it in your DNA, it is translated into the way you work.

In building Ipsen's strategy, we are predictive by anticipating changes to come and future needs. We personalize this strategy ex ecution according to stakeholder needs and profiles. For Ipsen, it means being proactive and proposing innovative solutions for patient care.

DOMINIQUE LAYMAND,
Executive Vice President, Chief Ethics and Compliance Officer, Ipsen

WE ARE CURRENTLY OBSERVING A GROWING INFLUENCE OF STATE AND PUBLIC POLICY IN THE MEDICAL AND FINANCIAL CONTROL OF MEDICINE. DO YOU SEE THIS TREND AS A THREAT OR AN OPPORTUNITY?

RUSSELL BARR, Ethics and Compliance Director,
European Cluster, Ipsen

"This could be a threat, but only if we are in a reactive mode, and if governments and authorities do not anticipate changes in the long term. If we are more proactive, understand the needs of society, the challenges of governments, and finally the economic landscape, it becomes a great opportunity to find together more creative and innovative solutions for the benefit of patients. More widely, as a company, we need to try and find opportunities in every aspect of our business, even if this starts initially with a challenge. Our ultimate goal is to help patients and we need to work with all of our stakeholders to achieve this goal, including understanding why trends are heading in the direction that they are."

FOSTERING AN **ETHICS AND COMPLIANCE** CULTURE

At Ipsen, Ethics and Compliance are an integral part of our commitment to Company Social Responsibility, and paramount to the way we interact with all Ipsen stakeholders.

Our commitment involves working and interacting with the highest ethical standards in everything we do – ensuring that all decisions are made independently, in the best interests of patients, and in compliance with all applicable laws, regulations, industry codes, Ipsen policies and the Ipsen Code of Conduct.

Ipsen's guiding principles for interactions with stakeholders

Healthcare and patient focus
Everything we do is intended to benefit patients' health.
Integrity
We are committed to quality, compliance, ethics and integrity in everything we do.
Independence
We respect the need for independent and autonomous decision-making by all parties.
Legitimate intent
We commit that everything we do is aligned with Ipsen's mission to discover, develop and deliver innovative medicines that help patients to prevail over serious diseases.
Transparency
We seek to be transparent about our actions while respecting legitimate intellectual property rights and data privacy.
Accountability
We take our commitments seriously and feel accountable for our actions and interactions.

Dialogue with stakeholders

Ipsen has a transparent and regular dialogue with its main stakeholders (investors and financial community, healthcare professionals, healthcare organizations, patients and patient organizations, suppliers, partners, regulatory authorities and agencies, local communities, media, etc.) to provide reliable and factual information, develop partnerships and support patient associations, with the ultimate goal of providing innovative solutions for patients.

"Our compliance infrastructure has undergone a continuous assessment to strengthen anti-corruption measures across all components of the Ethics & Compliance Program and beyond."

Promoting transparency and preventing corruption

In 2017, Ipsen disclosed interactions with healthcare professionals/healthcare organizations in a large number of countries, in the application of provisions of transparency laws and codes (e.g., US Sunshine Act, EFPIA disclosure code, etc.).
In 2012, Ipsen also joined the United Nations Global Compact program and is committed to continuing to enhance support for the UN Global Compact Principles notably on methods and means to improve its performance and the performance of all entities regarding these 10 Principles.
Both the Ipsen Internal Ethics and Compliance Program and the Third-Party Compliance program are designed and continuously improved to mitigate the risk related to corruption among other compliance related risks, and comply with all applicable anti-corruption and anti-bribery laws including the new French anti-corruption law Sapin II, supporting sustainable competitiveness for companies. Through the Third-Party Compliance Program, in 2017, Ipsen assessed around 1,000 transactions the company has entered into with partners and suppliers. The due diligence reviews performed, completed by training and monitoring activities, are consistent with the primary anti-corruption legislation requirements (e.g.: FCPA, UK Anti-Bribery Act, and French law Sapin II) and other anti-corruption legislation.

1,000 *transactions entered into with our partners and suppliers were assessed in 2017*

Focusing on data privacy

Ipsen is enhancing processes and tools to comply with relevant data privacy rules, and in particular the new EU Data Protection Regulation (GDPR) which is applicable from end of May 2018. Ipsen sees the new legislations relating to data privacy around the world as an opportunity to drive an increase in both data value and trust between Ipsen and the data subjects. To prepare for and comply with them, Ipsen has set up a Data Privacy Board, under the leadership of a Data Privacy Officer, to ensure that Ipsen's main internal functions and affiliates work hand in hand towards a global approach to compliance and also that privacy and innovation are fully interlinked. ●

CHARTING A PATH FOR **ENVIRONMENT, HEALTH AND SAFETY (EHS) EXCELLENCE**

Ipsen is committed to fostering a culture of continuous improvement to maintain the highest EHS standards, and to stand out as a world-class partner and employer of choice.

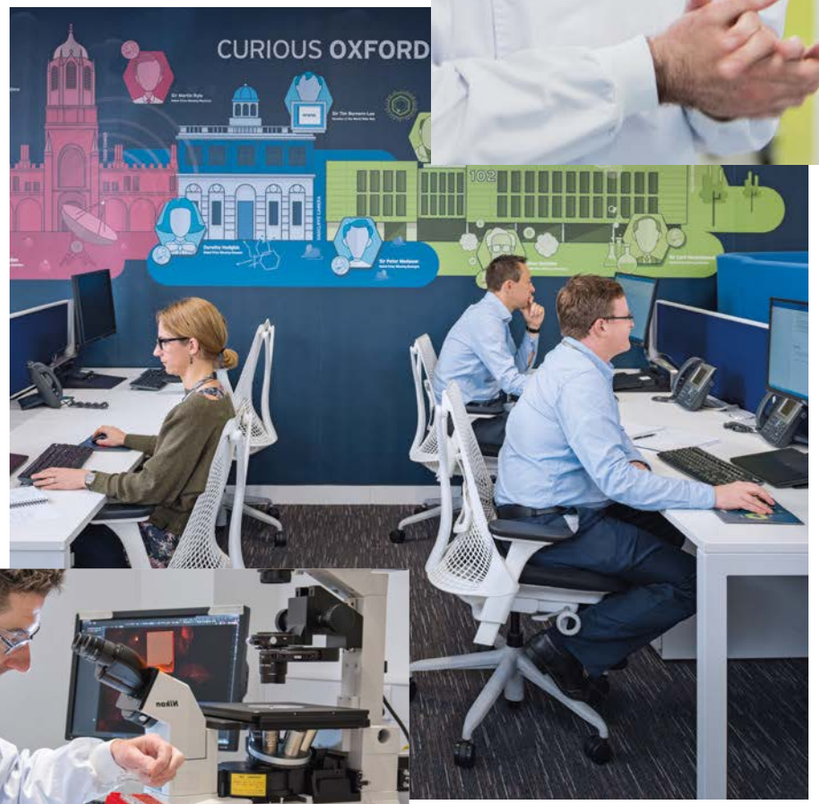
At Ipsen, we strive to integrate EHS excellence into our culture as we enable our employees to deliver innovative products for patients worldwide. This starts with our S3 policy that helps us empower employees to "Step Up, Speak Out and Stay Safe". Applying an organized, methodical approach, we are able to promote awareness and dialogue at every level.

Safety first

We believe in embedding a culture of safety into everything we do. In 2017, Ipsen conducted 2,115 manager safety visits enabling us to set specific safety targets for each site, as well as overall targets at the company or division level. This approach allows us to share best practices with our teams and offer them incentives to improve safety performance. The results of our efforts have been extremely positive over the last few years, and we are stepping up the rollout of prevention campaigns in our nine largest affiliates, for example to promote awareness on slip, trip and fall incidents and road safety. Our accident frequency rate decreased from 3.48 just two years ago to 0.97 in 2017, allowing us to achieve a world-class rating relative to our biopharma peers.

Paving the way for certification and enterprise excellence

We also achieved a major milestone as we completed group certification regarding ISO 14001 and OHSAS 18001 including Corporate EHS at three of our French sites: Dreux, L'Isle-sur-la-Sorgue and Signes. Two additional sites, Wrexham and Dublin, will be added to that scope in 2018, at which time all five of our wholly owned manufacturing sites will be included in this group certification – demonstrating Ipsen's unique, integrated approach to EHS certification. As we seek to engage our people in a culture of continuous improvement, we are working on streamlining operations in our manufacturing facilities. We are currently challenging for the internationally renowned Shingo Prize for Operational Excellence for all of our manufacturing sites. This award is attributed to organizations that demonstrate a culture where enterprise excellence has become an integral part of the way they operate at every level.



"Ipsen is committed to being part of corporate social responsibility benchmarks such as the Dow Jones Sustainability Index, the Gaïa Index and the Global 100."

Driving environmental progress

Environmental policy represents another key component of our EHS strategy. Our EHS Manual was rolled out in our nine largest affiliates in 2017 and will be extended to all other significant affiliates in 2018, including the manufacturing site in Cambridge acquired in 2017. Over the year, we implemented 21 energy and water management projects to reach the ambitious goals we have established. We maintained energy consumption even with our total area footprint increasing by more than 19% and production demand increasing by approximately 20% in 2017. Given our progress to date, we are confident that we will exceed our target of reducing energy consumption by 5% from 2016 to 2020, even during a period when Ipsen is experiencing tremendous growth. For our offices, we are currently streamlining the data collection and reporting processes. In 2018, close to 98% of our offices will be covered through an Office EHS Manual project program that is being rolled out. ●

— QUESTION —
8

HOW ARE YOU GOING TO CONTINUE TO DRIVE SHAREHOLDER VALUE GOING FORWARD?

ÉRIC LE BERRIGAUD,
Managing Partner and Equity Analyst,
Bryan Garnier, France

Access
to the video

2017 was a great year for Ipsen. We achieved record top-line growth of more than 21%, and continued to improve our core operating income margin by more than three points, while investing in our two important product launches in oncology, Cabometyx® and Onivyde®.

We were also able to generate strong free cash flow at more than €300 million in 2017, and we have room to further increase our leverage to capture business development opportunities. This is our top priority in terms of capital allocation as we are focusing on acquisitions and business development in order to continue to build a sustainable pipeline and accelerate our growth.

We have also proposed to increase our dividend from €0.85 in 2016 to €1 for the year 2017, to be paid in 2018. It will still protect our ability to continue to engage in business development and accelerate the growth of the company.

In 2018, we will continue to perform in our core business, especially with our largest and most profitable product, Somatuline®, as well as with our two oncology launches, Cabometyx® in Europe and Onivyde® in the United States. In 2018, we will also focus on delivering additional business development transactions in order to build an innovative and sustainable pipeline to continue to increase long-term value for the company and our shareholders.

AYMERIC LE CHATELIER,
Executive Vice President, Chief Financial Officer, Ipsen

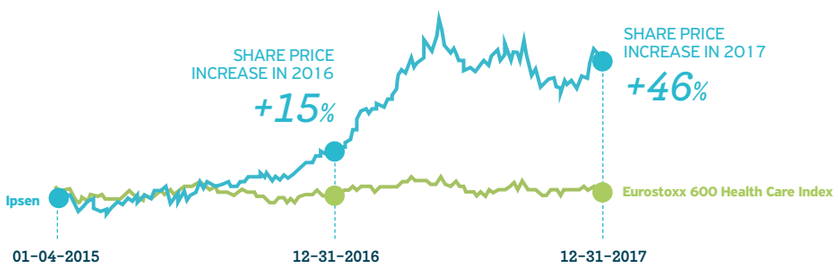
2017 WAS ALSO AN EXCELLENT YEAR FOR IPSEN IN TERMS OF SHARE PRICE. CAN YOU EXPLAIN THE DYNAMICS BEHIND THIS SHARE PRICE MOVEMENT THROUGHOUT THE YEAR?

EUGENIA LITZ, Vice President, Investor Relations, Ipsen

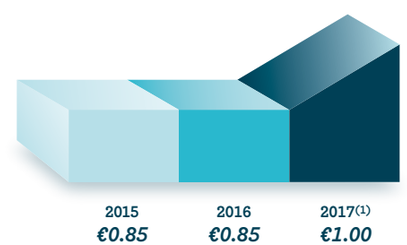
"We started off the year by announcing the Onivyde® acquisition, which was very well-received by the investment community, and we continued to outperform with Somatuline® throughout the year. At our Investor Day in May, we presented our new strategy, which included improved midterm financial targets. In 2017, we delivered a 46% increase in the Ipsen share price, significantly outperforming the Euro STOXX 600 Health Care Index."

2017, A RECORD YEAR FOR THE STOCK

Ipsen's stock price evolution

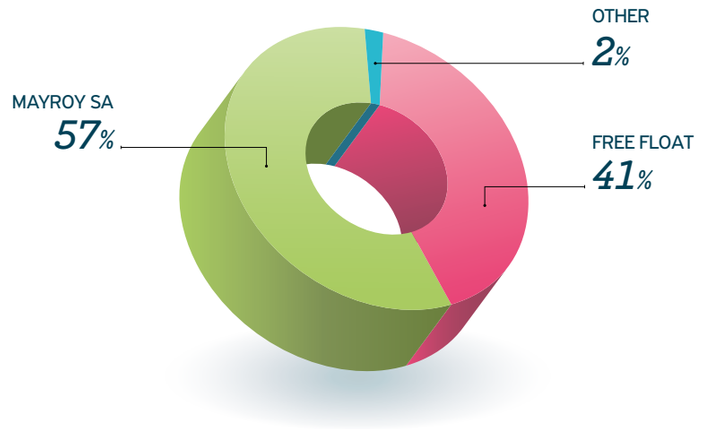


Ipsen's dividend per share evolution

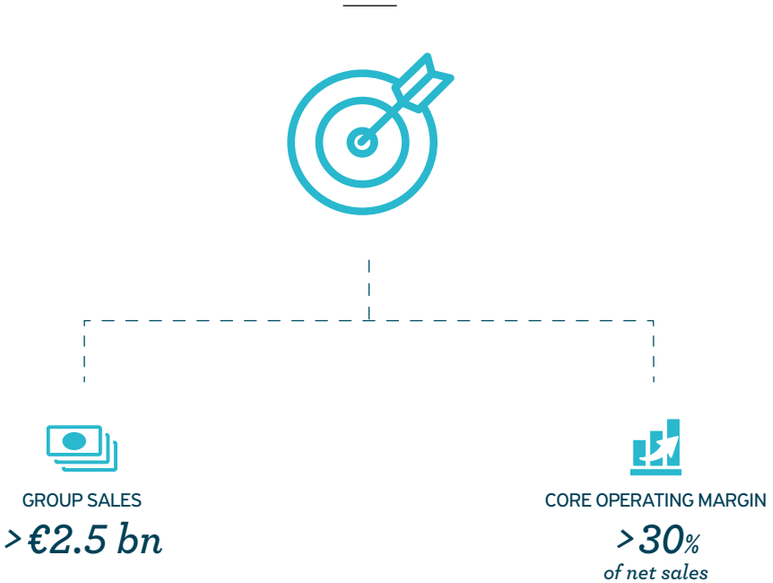


(1) The dividend increase from €0.85 to € 1.00 will be submitted for approval at the annual shareholders' meeting on May 30, 2018.

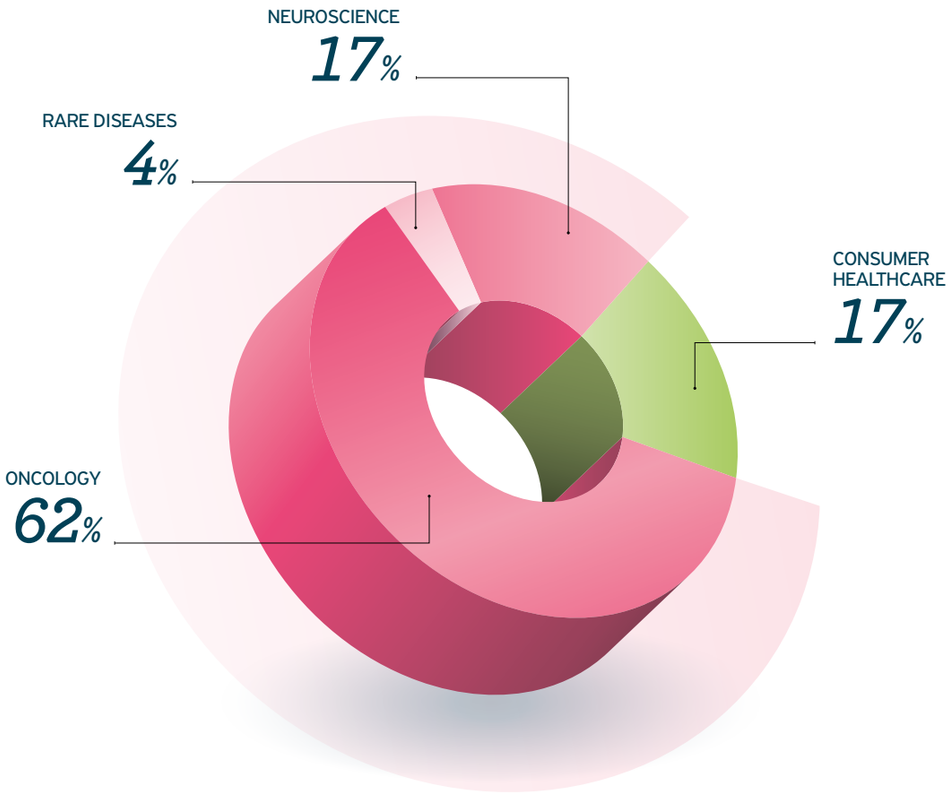
Ownership of Ipsen's share capital as of December 31, 2017



OUR 2020 OBJECTIVES



Sales by therapeutic area in 2017



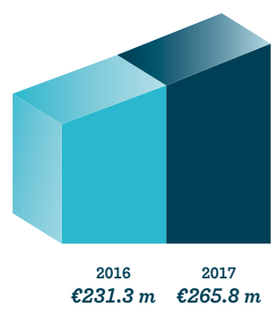
SPECIALTY CARE
83%
Sales growth
+25.9%

CONSUMER HEALTHCARE
17%
Sales growth
+1.4%

NB: Year-on-year growth 2017 vs 2016 excluding foreign exchange impacts.

A STRONG COMMITMENT TO R&D

€265.8 m
13.9%
of 2017 sales



MAJOR R&D CENTERS
3

EMPLOYEEES WORKING IN R&D
550

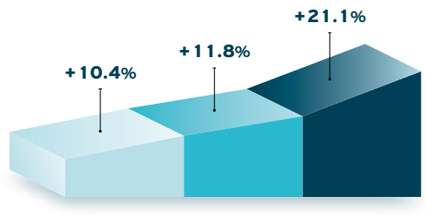
CLINICAL STUDIES IN PHASE 3
8

SALES AND OPERATING INCOME GROWTH

2017 Group sales

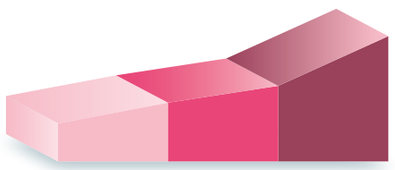
€1,908.7 m

+21.1%



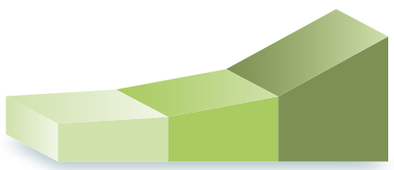
CORE OPERATING INCOME

€503.6 m



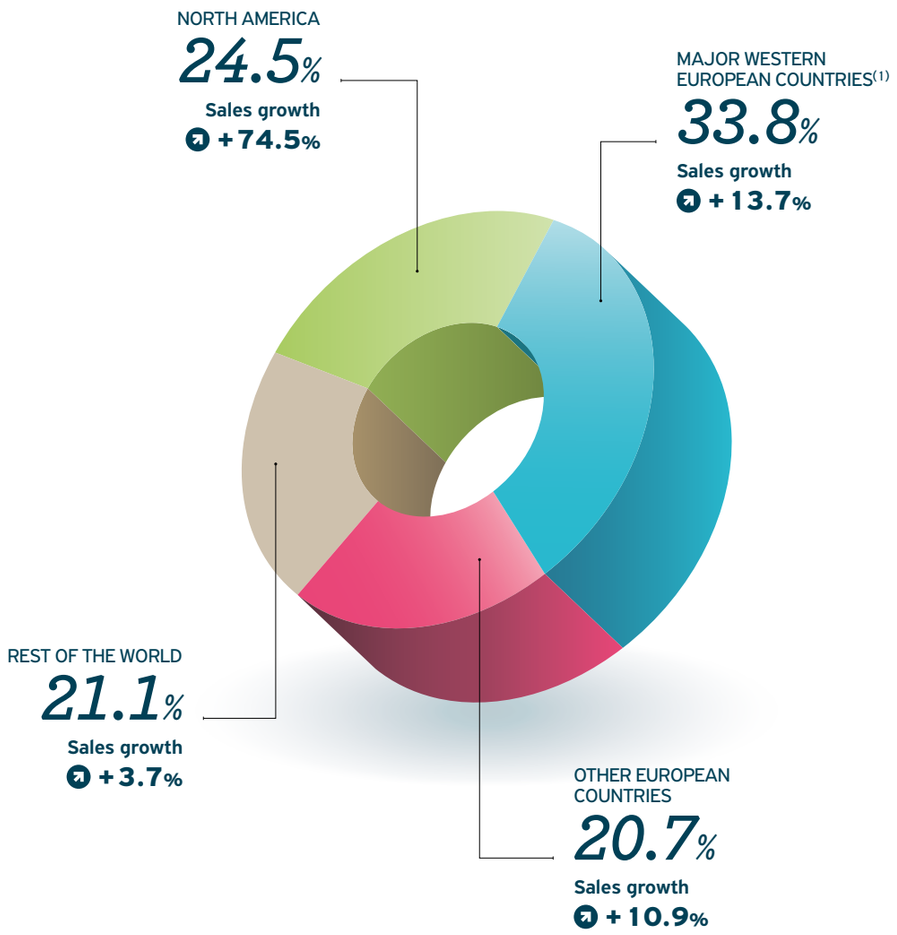
CORE OPERATING MARGIN

26.4%



NB: Year-on-year sales growth excluding foreign exchange impacts.

Sales by geographic area in 2017



(1) France, Germany, Italy, United Kingdom, Spain.

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