

Ipsen reports strong first quarter 2018 sales growth of 23.1% at constant exchange rates

Paris (France), 26 April 2018 - Ipsen (Euronext: IPN; ADR: IPSEY), a global specialty-driven biopharmaceutical group, today announced its sales for the first quarter of 2018.

Q1 2018 Financial highlights:

- Group sales growth of 23.1%, driven by Specialty Care sales growth of 27.4%, reflecting continued Somatuline[®] momentum and increasing contribution from Cabometyx[®] and Onivyde[®]
- Full year 2018 guidance confirmed with Group sales growth greater than 16.0% and Core Operating Income margin greater than 28.0% of net sales

Q1 2018 Pipeline highlights:

- Positive opinion issued by the CHMP for Cabometyx[®] for the first-line treatment of adults with intermediate or poor risk advanced renal cell carcinoma (aRCC)
- Validation by the EMA of the filing for an additional indication for Cabometyx[®] for patients with previously treated advanced Hepatocellular Carcinoma (HCC)

First quarter 2018 unaudited IFRS consolidated sales

(in million euros)	Q1 2018	Q1 2017	% Change	% Change at constant currency
Specialty Care	440.4	366.5	20.2%	27.4%
Consumer Healthcare	69.9	71.6	-2.4%	0.8%
Group Sales	510.3	438.0	16.5%	23.1%

In the first quarter of 2018, **Consolidated Group sales** rose to €510.3 million. Sales grew by 23.1% at constant exchange rates driven by Specialty Care sales growth of 27.4%. Reported Group sales grew by 16.5%, impacted by the appreciation of the euro against a number of currencies, notably the U.S. dollar.

David Meek, Chief Executive Officer of Ipsen stated: *“The first quarter of 2018 marked a robust start to the year. Specialty Care drove the growth of Group sales due to the continued strong momentum of Somatuline[®] and the execution of the Cabometyx[®] and Onivyde[®] launches. We also made significant advancements during the period to expand the market potential of Cabometyx[®], which further strengthens our presence in Oncology. We remain focused on the execution of our commercial products and identifying new business development opportunities to maintain the sustainable longer-term growth of the company.”*

Conference call

Ipsen will host a conference call on Thursday 26 April 2018 at 2:30 p.m. (Paris time, GMT+1). Details provided on page 7.

Comparison of Consolidated Sales for the First Quarter 2018 and 2017:

Sales by therapeutic area and by product

Note: Unless stated otherwise, all variations in sales are stated excluding foreign exchange impacts.

Currency effects are established by recalculating net sales for the relevant period at the exchange rates used for the previous period.

The following table shows sales by therapeutic area and by product for the first quarter 2018 and 2017:

1st Quarter				
(in millions euros)	2018	2017	% Variation	% Variation at constant currency
Oncology	337.0	260.9	29.2%	36.9%
Somatuline®	195.7	168.9	15.8%	25.1%
Decapeptyl®	83.1	77.5	7.2%	9.2%
Cabometyx®	28.2	7.6	NA	NA
Onivyde®	23.8	0.0	NA	NA
Other Oncology	6.3	6.9	-9.1%	-8.7%
Neuroscience	85.0	86.6	-1.8%	4.7%
Dysport®	84.4	85.8	-1.6%	4.8%
Rare Diseases	18.4	19.0	-3.1%	0.3%
NutropinAq®	12.2	13.3	-8.5%	-8.2%
Increlex®	5.9	5.7	3.3%	14.8%
Specialty Care	440.4	366.5	20.2%	27.4%
Smecta®	25.4	29.2	-13.0%	-8.5%
Forlax®	10.2	10.0	2.6%	4.1%
Tanakan®	7.8	6.3	22.9%	26.9%
Fortrans/Eziclen®	6.0	7.0	-15.3%	-11.6%
Etiasa®	0.1	2.7	-97.6%	-97.5%
Other Consumer Healthcare	3.4	3.0	12.0%	12.7%
Consumer Healthcare	69.9	71.6	-2.4%	0.8%
Group Sales	510.3	438.0	16.5%	23.1%

Group sales reached €510.3 million, up 23.1%, driven by 27.4% growth of Specialty Care sales and 0.8% growth of Consumer Healthcare sales.

Specialty Care sales amounted to €440.4 million, up 27.4%. Oncology and Neuroscience sales grew by 36.9% and 4.7%, respectively, and Rare Diseases sales increased by 0.3%. Over the period, the relative weight of Specialty Care continued to increase to reach 86.3% of Group sales, compared to 83.7% in 2017.

In **Oncology**, sales reached €337.0 million, up 36.9% year-on-year, driven by the continued strong performance of Somatuline® as well as the launches of Onivyde® and Cabometyx®. Over the period, Oncology sales represented 66.0% of total Group sales, compared to 59.6% in 2017.

Somatuline® – Sales reached €195.7 million, up 25.1% year-on-year, driven by a strong growth of 39.7% in North America, a solid performance in most European countries, notably in France, the United

Kingdom and Germany, as well as the contribution from Japan following the launch of the neuroendocrine tumor indication in 2017.

Decapeptyl® – Sales totaled €83.1 million, up 9.2% year-on-year, positively impacted by good volume growth, notably in France, Algeria and Ukraine, and also in China despite pricing pressure.

Cabometyx® – Sales reached €28.2 million, driven by good performance in Germany, France and the UK, as well as by volume growth in Spain, Italy and new launches in other European countries. In the first quarter of 2018, sales were up 37.2% versus the fourth quarter of 2017, positively impacted by inventory build up in newly reimbursed territories.

Onivyde® – Sales amounted to €23.8 million. In the first quarter of 2018, sales were up 28.1% versus the fourth quarter of 2017, reflecting a progressive sales ramp in the U.S. and increasing sales to Ipsen's European partner.

In **Neuroscience**, sales of **Dysport®** reached €84.4 million, up 4.8%, driven by the resupply following the renewal of the Good Manufacturing Practices (GMP) certificate and a strong demand in Brazil in the first quarter of 2018, a good performance in North America in the therapeutics market, partly offset by lower sales in North America to Galderma as compared to the first quarter of 2017 when there was a higher phasing of shipments. Over the period, Neuroscience sales represented 16.7% of total Group sales, compared to 19.8% in 2017.

In **Rare Diseases**, sales of **NutropinAq®** reached €12.2 million, down 8.2% year-on-year, impacted by lower volumes across Europe. Sales of **Increlex®** reached €5.9 million, growing by 14.8% year-on-year, driven by performance in the U.S. Over the period, Rare Diseases sales represented 3.6% of total Group sales, compared to 4.3% in 2017.

Consumer Healthcare sales reached €69.9 million, up 0.8% year-on-year (or up 6.4% excluding the impact of the new Etiasa contractual set up in China), driven by the performance of Tanakan® and of other Consumer Healthcare products, as well as the contribution of the newly acquired OTC products (including Prontalgine® and Buscopan®). Over the period, Consumer Healthcare sales represented 13.7% of total Group sales, compared to 16.3% in 2017.

Smecta® – Sales reached €25.4 million, down 8.5% year-on-year, due to the negative impact of inventory in the first quarter of 2017 in Russia and in China, partly compensated by higher sales in France from the new OTC formulation.

Forlax® – Sales reached €10.2 million, up 4.1% year-on-year, driven by growing sales to partners.

Tanakan® – Sales reached €7.8 million, up 26.9% year-on-year, positively impacted by the lower inventory in Russia in the first quarter of 2017.

Fortrans/Eziclen® – Sales reached €6.0 million, down 11.6% year-on-year, impacted by the negative inventory impact and high competitive pressure in Russia, partly offset by good local performance in China.

Etiasa® – Sales reached only €0.1 million, due to the new contractual set up in China which started in the third quarter of 2017.

Other Consumer Healthcare – Sales reached €3.4 million, up 12.7% year-on-year, supported by the new products Prontalgine® and Buscopan®.

Sales by geographical area

Group sales by geographical area in the First quarter 2018 and 2017:

		1st Quarter			
(in million euros)		2018	2017	% Variation	% Variation at constant currency
	France	68.2	61.5	11.0%	11.0%
	Germany	44.2	34.6	27.7%	27.7%
	Italy	26.2	23.7	10.5%	10.5%
	United Kingdom	22.5	18.8	20.2%	23.5%
	Spain	21.0	17.0	23.0%	23.0%
	Major Western European countries	182.2	155.6	17.1%	17.4%
	Eastern Europe	42.5	46.9	-9.5%	-6.0%
	Others Europe	65.3	50.2	30.1%	31.3%
	Other European Countries	107.7	97.1	11.0%	13.5%
	North America	134.4	102.5	31.2%	51.1%
	Asia	39.4	39.9	-1.1%	6.6%
	Other countries in the Rest of the world	46.6	43.0	8.2%	16.2%
	Rest of the World	86.0	82.9	3.7%	11.6%
	Group Sales	510.3	438.0	16.5%	23.1%

Sales in **Major Western European countries** reached €182.2 million, up 17.4% year-on-year. Over the period, sales in Major Western European countries represented 35.7% of total Group sales, compared to 35.5% in 2017.

France – Sales reached €68.2 million, up 11.0% year-on-year, driven by the Cabometyx® launch, the sustained growth of Somatuline®, the strong sales of Decapeptyl® and Smecta® and the contribution of Prontalgine®.

Germany – Sales reached €44.2 million, up 27.7% year-on-year, driven by the Cabometyx® launch and the strong growth of Somatuline®.

Italy – Sales reached €26.2 million, up 10.5% year-on-year, mainly driven by the launch of Cabometyx®.

United Kingdom – Sales reached €22.5 million, up 23.5% year-on-year, driven by the strong performance of Somatuline® and Cabometyx®.

Spain – Sales reached €21.0 million, up 23.0% year-on-year, driven by the good performance of Somatuline® and Decapeptyl®, as well as the contribution of Cabometyx®.

Sales in **Other European countries** reached €107.7 million, up 13.5% year-on-year, supported by the strong growth of Dysport®, the launch of Cabometyx® in certain countries, Onivyde® sales to Ipsen's partner, as well as the solid performance of Somatuline® and Decapeptyl®. Over the period, sales in the region represented 21.1% of total Group sales compared to 22.2% in 2017.

Sales generated in **North America** reached €134.4 million, up 51.1% year-on-year, driven by continued strong growth of Somatuline®, the good performance of Dysport® in the therapeutics market and the

contribution of Onivyde®. Over the period, sales in North America represented 26.3% of total Group sales, compared to 23.4% in 2017.

Sales in the **Rest of the World** reached €86.0 million, up 11.6% year-on-year, driven by the good performance of Dysport® in Brazil and Australia, and the growth of Somatuline® in certain countries. Over the period, sales in the Rest of the World represented 16.9% of total Group sales, compared to 18.9% in 2017.

MAJOR DEVELOPMENTS

During the first quarter of 2018, major developments included:

- 12 January 2018 – Ipsen announced the appointment of Richard Paulson as Executive Vice-President and Chief Executive Officer of Ipsen North America, responsible for all commercial operations throughout the region. He joined Ipsen from Amgen where he most recently served as Vice-President and General Manager of the Oncology Business Unit.
- 16 January 2018 – Ipsen and Exelixis announced detailed results of the pivotal Phase 3 CELESTIAL trial in patients with previously treated advanced hepatocellular carcinoma (HCC), were presented in a late-breaking oral session at the 2018 ASCO-GI Symposium being held in San Francisco, January 18-20, 2018.
- 26 January 2018 – Ipsen announced that Sotirios G. Stergiopoulos, MD, has been appointed as Chief Medical Officer. Dr Stergiopoulos joined Ipsen in January 2017 as Senior Vice President, Head of Global Medical Affairs (GMA) and retains this position in addition to the role as the new Chief Medical Officer within the company.
- 21 February 2018 – Arix Bioscience plc, a global healthcare and life science company supporting medical innovation, and Ipsen announced a strategic agreement to develop and commercialize innovative therapies.
- 13 March 2018 – Ipsen announced the appointment of two key executive positions in its Executive Leadership Team. Ivana Magovčević-Liebisch, Ph.D., J.D., joined as Executive Vice-President, Chief Business Officer, and Régis Mulot joined as Executive Vice-President, Chief Human Resources Officer.
- 23 March 2018 – Ipsen announced that the Committee for Medicinal Products for Human Use (CHMP) provided a positive opinion for Cabometyx® (cabozantinib) for the first-line treatment of adults with intermediate or poor risk advanced renal cell carcinoma (aRCC).
- 28 March 2018 – Ipsen announced that the European Medicines Agency (EMA) has validated the filing of a new application for an additional indication for Cabometyx®, for patients with previously treated advanced Hepatocellular Carcinoma (HCC).

Conference call

Ipsen will host a conference call on Thursday 26 April 2018 at 2:30 p.m. (Paris time, GMT+1). A conference call will take place and a web conference (audio and slides) will be available at www.ipсен.com. Participants should dial in to the call approximately 5 to 10 minutes prior to its start. No reservation is required to participate in the conference call.

France and continental Europe: +33 (0)1 76 74 24 28

UK: +44 (0) 1452 555 566

US: +1 631 510 7498

Conference ID: 7769826

A recording will be available for 7 days on Ipsen's website and at the above numbers

About Ipsen

Ipsen is a global specialty-driven biopharmaceutical group focused on innovation and specialty care. The group develops and commercializes innovative medicines in three key therapeutic areas - Oncology, Neuroscience and Rare Diseases. Its commitment to Oncology is exemplified through its growing portfolio of key therapies for prostate cancer, neuroendocrine tumors, renal cell carcinoma and pancreatic cancer. Ipsen also has a well-established Consumer Healthcare business. With total sales over €1.9 billion in 2017, Ipsen sells more than 20 drugs in over 115 countries, with a direct commercial presence in more than 30 countries. Ipsen's R&D is focused on its innovative and differentiated technological platforms located in the heart of the leading biotechnological and life sciences hubs (Paris-Saclay, France; Oxford, UK; Cambridge, US). The Group has about 5,400 employees worldwide. Ipsen is listed in Paris (Euronext: IPN) and in the United States through a Sponsored Level I American Depositary Receipt program (ADR: IPSEY). For more information on Ipsen, visit www.ipсен.com.

Forward Looking Statement

The forward-looking statements, objectives and targets contained herein are based on the Group's management strategy, current views and assumptions. Such statements involve known and unknown risks and uncertainties that may cause actual results, performance or events to differ materially from those anticipated herein. All of the above risks could affect the Group's future ability to achieve its financial targets, which were set assuming reasonable macroeconomic conditions based on the information available today. Use of the words "believes", "anticipates" and "expects" and similar expressions are intended to identify forward-looking statements, including the Group's expectations regarding future events, including regulatory filings and determinations. Moreover, the targets described in this document were prepared without taking into account external growth assumptions and potential future acquisitions, which may alter these parameters. These objectives are based on data and assumptions regarded as reasonable by the Group. These targets depend on conditions or facts likely to happen in the future, and not exclusively on historical data. Actual results may depart significantly from these targets given the occurrence of certain risks and uncertainties, notably the fact that a promising product in early development phase or clinical trial may end up never being launched on the market or reaching its commercial targets, notably for regulatory or competition reasons. The Group must face or might face competition from generic products that might translate into a loss of market share. Furthermore, the Research and Development process involves several stages each of which involves the substantial risk that the Group may fail to achieve its objectives and be forced to abandon its efforts with regards to a product in which it has invested significant sums. Therefore, the Group cannot be certain that favorable results obtained during pre-clinical trials will be confirmed subsequently during clinical trials, or that the results of clinical trials will be sufficient to demonstrate the safe and effective nature of the product concerned. There can be no guarantees a product will receive the necessary regulatory approvals or that the product will prove to be commercially successful. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements. Other risks and uncertainties include but are not limited to, general industry conditions and competition; general economic factors, including interest rate and currency exchange rate fluctuations; the impact of pharmaceutical industry regulation and health care legislation; global trends toward health care cost containment; technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approval; the Group's ability to accurately predict future market conditions; manufacturing difficulties or delays; financial instability of international economies and sovereign risk; dependence on the effectiveness of the Group's patents and other protections for innovative products; and the exposure to litigation, including patent litigation, and/or regulatory actions. The Group also depends on third parties to develop and market some of its products which could potentially

generate substantial royalties; these partners could behave in such ways which could cause damage to the Group's activities and financial results. The Group cannot be certain that its partners will fulfil their obligations. It might be unable to obtain any benefit from those agreements. A default by any of the Group's partners could generate lower revenues than expected. Such situations could have a negative impact on the Group's business, financial position or performance. The Group expressly disclaims any obligation or undertaking to update or revise any forward looking statements, targets or estimates contained in this press release to reflect any change in events, conditions, assumptions or circumstances on which any such statements are based, unless so required by applicable law. The Group's business is subject to the risk factors outlined in its registration documents filed with the French Autorité des Marchés Financiers. The risks and uncertainties set out are not exhaustive and the reader is advised to refer to the Group's 2016 Registration Document available on its website (www.ipsen.com).

For further information :

Media

Ian Weatherhead

Vice President, Corporate External Communications
+44 (0) 1753 627733
ian.weatherhead@ipsen.com

Brigitte Le Guennec

Senior Manager, Global External Communications
+33 (0)1 58 33 51 17
brigitte.le.guennec@ipsen.com

Financial Community

Eugenia Litz

Vice President, Investor Relations
+44 (0) 1753 627721
eugenia.litz@ipsen.com

Myriam Koutchinsky

Investor Relations Manager
+33 (0)1 58 33 51 04
myriam.koutchinsky@ipsen.com