


# Ipsen overview

**Goldman Sachs - 2007 Healthcare Conference**

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**13 - 14 June 2007**

## Disclaimer

**This presentation includes only summary information and does not purport to be comprehensive. Forward-looking statements, targets and estimates contained herein are for illustrative purposes only and are based on management's current views and assumptions. Such statements involve known and unknown risks and uncertainties that may cause actual results, performance or events to differ materially from those anticipated in the summary information. The Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statements, targets or estimates contained in this presentation to reflect any change in events, conditions, assumptions or circumstances on which any such statements are based unless so required by applicable law.**

# Profile and strategy

# An innovation driven International Specialty Pharma Group

| | | |
|---|---|---|
| **A world-class Group** | | ▪ > 100 countries. c.4,000 employees, founded in 1929.<br>▪ 2006 Sales: €862 m. 2006 operating income: €187 m<br>▪ Market capitalisation (as of June 1, 2007): ~€3.3 bn |
| **A diversified and balanced portfolio of products with more than 20 field proven products** | **A longstanding presence in primary care in France** | ▪ 47% of 2005 Group sales, 45% in 2006<br>▪ Gastroenterology, cognitive disorders and cardiovascular. |
| | **A clear strategic focus on fast-growing specialist care worldwide** | ▪ 49% of 2005 Group sales, 52% in 2006<br>▪ Oncology, neuromuscular disorders and endocrinology |
| **A differentiating R&D capability** | | ▪ Focused on (i) hormone-dependent diseases, (ii) peptide and protein engineering and (iii) innovative delivery systems.<br>▪ 700 staff, 2006 R&D expense: 20.7% of sales. |
| **A recognised strategic partner** | | ▪ Alliances with international industry leaders in US, Europe and Japan and best-in-class universities around the world. |



Note: Figures are IFRS

## A market leader in our Targeted Therapeutic Areas

**Decapeptyl®**

- GnRH analogue - 3 months formulation – longer Sustained Release Formulations ("SRF") under development
- **n°1 or n°2 in most Ipsen markets**
- Long lasting relationships with target audiences and EU urology organisations
- Main competitors: Enantone (Takeda), Zoladex (Astra-Zeneca)

**Somatuline®**

- Somatostatin analogue
- Specific know-how of Ipsen in innovative SRF with the Autogel presentation: 28-days and over SRFs
- **n°1 or n°2 in most Ipsen markets**
- Main competitors: Sandostatin (Novartis)

**Dysport®**

- Botulinum Toxin of Type A
- Efficient and field proven product (launched in 1991), an attractive alternative to the market leader
- **n°1 or n°2 in most Ipsen markets**
- Challenger of Botox® (Allergan)



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## A solid performance despite a challenging environment

**Drug sales**

**+7.6%**

**Volumes of drugs sold**

**+10.2%**

**Specialist care product sales**

**+13.4%**

**Sales outside major Western European countries**

**+19.3%**

*2006/2005 growth rates*



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## A rigorous execution of our strategy

**Mission Statement**

**To be a worldwide best-in-class provider of innovative drugs, addressing unmet medical needs in its targeted therapeutic areas**

**Strategic Priorities**

1. **GROW** top-line and profits in the Targeted Therapeutic Areas by providing innovative drug therapy
2. **OPTIMISE** returns of primary care through selected product life cycle management, partnerships and focused investments
3. **GLOBALISE** through active geographical expansion policy

- Partnership with Tercica for Increlex™ in Europe
- Partnership with GTx Inc for Acapodene® in Europe
- Partnership with MSD for Adrovance™ in France
- Partnership with Tercica in endocrinology in North America
- Partnership with Medicis for Reloxin® in North America



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## A differentiating R&D

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# A unique convergence of capabilities

**A differentiating R&D focused on…**

1. **Hormone dependent diseases**
2. **Peptide and protein engineering**
3. **Innovative delivery systems**

**A competitive R&D capability with…**

1. **4 R&D specialized centres** (Boston, Paris, Barcelona, London)
2. **A staff of 700**
3. **20.7% of sales spent on R&D in 2006**
4. **A unique convergence of technological platforms**

**A recognised strategic partner**

**Ipsen has built a strong network of centres of research excellence and industry leaders**



# Strengthening our franchise in Uro-oncology

**KEY PRODUCT: DECAPEPTYL® 3 MONTHS**

- ✓ Active ingredient:
  - Triptorelin (GnRH analogue)
- ✓ Main indications:
  - Prostate cancer
- ✓ Commercialisation:
  - Over 60 countries (25 in Europe)
- ✓ 2006 sales
  - €222 million
  - 64% in G5 countries
- ✓ 2006 growth
  - +8.6% in volumes
  - +5.1% in sales

**ACAPODENE ®**

Prevention of prostate cancer ("HG-PIN")

**Phase II - option**

**ACAPODENE ®**

treatment of multiple side effects of androgen deprivation therapy (ADT) for advanced prostate cancer

**Phase III**

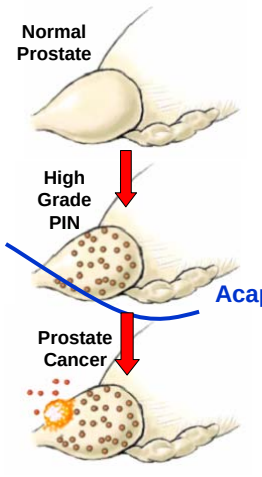
**DECAPEPTYL®**
**4 MONTHS**

**DECAPEPTYL®**
**6 MONTHS**

**An active product life cycle management**

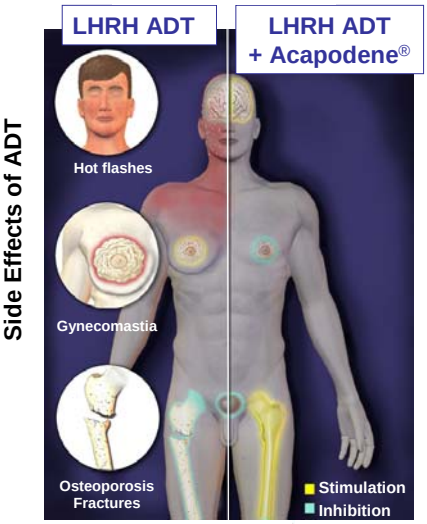
## Acapodene® – Selective Estrogen Receptor Modulator (SERM)

### I. High Grade PIN
**- Prevention of Advancement to PC**




Source: GTx

### II. Prostate Cancer
**- Prevention of ADT Side Effects**






## Strengthening our franchise in Endocrinology

**KEY PRODUCT: SOMATULINE® AUTOGEL®**

- ✓ Active ingredient:
  - Somatostatin analogue
- ✓ Main indications :
  - Acromegaly
  - NET
- ✓ Commercialisation:
  - Over 40 countries
- ✓ 2006 sales
  - €92 million
  - 68% made in G5 countries
- ✓ 2006 sales growth
  - +12.8%

**KEY PRODUCT: NUTROPIN AQ®**

- ✓ Active ingredient:
  - Recombinant GH
- ✓ Main indications :
  - Growth retardations
  - Acquired GH deficit
- ✓ Commercialisation:
  - Over 30 countries
- ✓ 2006 sales
  - €15 million
  - 81% made in G5 countries
- ✓ 2006 sales growth
  - Approximately multiplied by 3

**DOPASTATIN**

**Initiation of phase I targeted in 2007**

**INCRELEX®**

Severe primary IGF-1 deficiency
**Under regulatory review**

**Building a first-class portfolio for the treatment of growth disorders**



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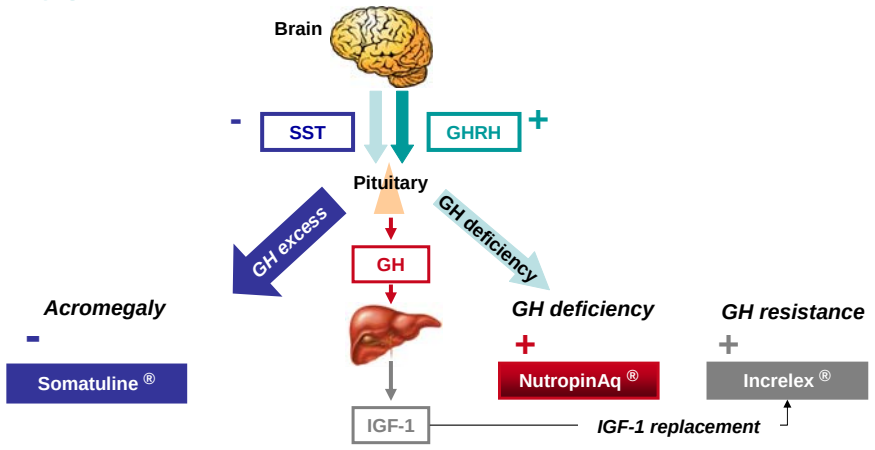
# Regulation of GH secretion




**Building a global care solution for patients suffering from growth disorders**



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# A strong R&D pipeline to fuel future growth: 9 NCEs

**NEW CHEMICAL ENTITIES**

| | | |
|---|---|---|
| BN 83495 (STX 64) | Post-menopausal breast cancer | Phase I |
| BN 2629 (SJG-136) | Advanced metastatic cancers | Phase I |
| Diflomotecan (BN 80915) | Advanced metastatic cancers | Phase II |
| Elomotecan (BN 80927) | Advanced metastatic cancers | Phase I |
| Acapodene® | Treatment of Androgen Deprivation Therapy induced iatrogenic effects | Phase III |
| Increlex® | Severe primary IGF-1 deficiency | Under regulatory review in the EU |
| BIM 51077 | Type 2 diabetes | Partnered with Roche |
| **OBI-1®** | **Haemostasis** | **Phase II** |
| Febuxostat® | Symptomatic hyperuricaemia | Under regulatory review in the EU |

**LIFE CYCLE MANAGEMENT PROGRAMMES**

| | | |
|---|---|---|
| Decapeptyl® | Pre-menopausal breast cancer<br>4 -6 month SRF (prostate) | Phase III<br>Phase III / I |
| Somatuline Autogel® | Non functioning neuro endocrine tumors | Phase III |
| **Somatuline Autogel®** | **Acromegaly** | **Under regulatory review in the US** |
| Somatuline Autogel® | Co-administration with Pegvisomant | Phase III |
| NutropinAq® | Non-GH deficient short stature | Under regulatory review in the EU |
| **Dysport®** | **Cervical Dystonia** | **Phase III<br>US filing expected in 2007** |
| Dysport® | Myofascial pain | Phase II |
| **Reloxin®** | **Aesthetic medicine** | Under regulatory review in the EU<br>**US: Partnered with Medicis - filing expected in 2007** |
| Tanakan® | Mild cognitive impairment related to age | Phase III |

*Purple: Oncology / Green: Endocrinology / Blue: Neuromuscular disorders*
*In Bold: US projects - NDAs*
*This table excludes pre-clinical projects*



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## 2007 target newsflow

- **Dopastatin**
  - Phase I initiation
- **Dysport®: Cervical dystonia**
  - Filing with the FDA in the US
- **Reloxin®: Glabellar lines**
  - Filing by Medicis with the FDA in the US
- **NutropinAq®: Idiopathic short stature**
  - Under regulatory review in Europe
- **Somatuline® Autogel®: Acromegaly**
  - Under regulatory review in the US (PDUFA date: August 30, 2007)
- **Increlex®: Severe primary IGF-1 deficiency** ✓
  - Under regulatory review in Europe
- **Febuxostat: Hyperuricaemia**
  - Under regulatory review in Europe
- **Botulinum toxin type A in Europe: aesthetic medicine indications**
  - Under regulatory review in Europe
  - Ipsen has decided, in consultation with its European partner Galderma, to broaden the European filings at the earliest opportunity in 2007 with the full US clinical data, on both efficacy and safety, carried out by Medicis, in order to ensure a fully competitive profile

**2 filings targeted in the US (NDAs) and 5 dossiers under regulatory review**



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## Outlook

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## A rich newsflow expected in the future…

**Mission Statement**

**To be a worldwide best-in-class provider of innovative drugs, addressing unmet medical needs in its targeted therapeutic areas**

**Strategic Priorities**

1. **GROW** top-line and profits in the Targeted Therapeutic Areas by providing innovative drug therapy
2. **OPTIMISE** returns of primary care through selected product life cycle management, partnerships and focused investments
3. **GLOBALISE** through active geographical expansion policy

- 5 dossiers under regulatory review
- Specialist care products licensing-in opportunities will be examined
- Choice of a partnership options for Ginkor Fort®
- Rationalisation of certain non strategic activities
- Somatuline Autogel®: the first global product for Ipsen
- 2 NDA (Reloxin® and Dysport®) to file with the FDA
- OBI-1
- Choice of a partnership option for the commercialisation of Dysport® in North America



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## Financial objectives

| | 2007 objectives (1) | 2006 actuals |
|---|---|---|
| Sales | 6.5 to 7.5% growth | €861.7 million |
| Total revenues | 4.0 to 5.0% Growth | €945.3 million |
| Reported operating margin | 22.0 to 23.0% (in % of sales) | 21.7% |

**NOTE 1 : before taking into account any price decrease on Tanakan® in France and before taking into account any change in situation unknown to this date**



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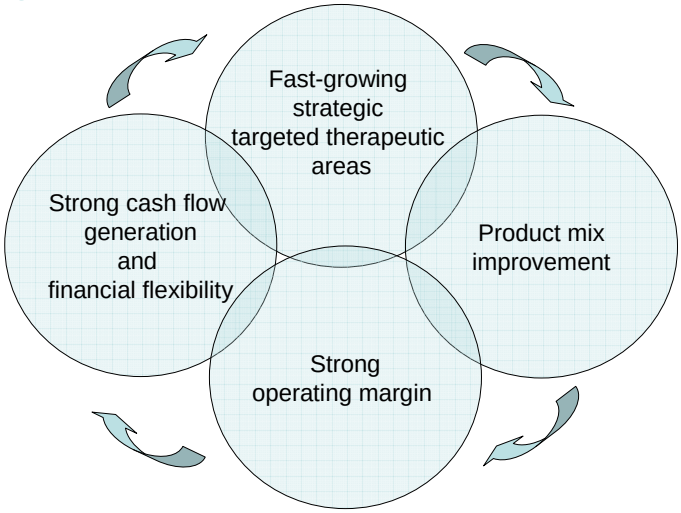
## Profitable growth



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## Back-up #1

## Financials

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# 2006 P&L

| *in million euros* | 2005 Pro forma | 2006 | % change |
|---|---|---|---|
| **Sales** | **807.1** | **861.7** | **+6.8%** |
| Other revenue | 80.7 | 83.6 | +3.5% |
| **Total revenue** | **887.9** | **945.3** | **+6.5%** |
| Cost of goods sold | (171.0) | (181.4) | +6.0% |
| Research and Dvelopment expenses | (169.0) | (178.3) | +5.5% |
| Selling, General and administrative expenses | (364.1) | (383.0) | +5.2% |
| Other operating income and expenses | 1.2 | (8.2) | |
| Restructuring costs | 0.5 | 0.2 | |
| Impairment losses | | (7.3) | |
| **Operating income** | **185.3** | **187.2** | **+1.0%** |
| *in % of sales* | *23.0%* | *21.7%* | |
| **Recurring operating income** | **177.8** | **204.1** | **+14.8%** |
| *in % of sales* | *22.0%* | *23.7%* | |
| Net finance cost and others | (6.6) | 0.1 | |
| **Income tax** | **(34.2)** | **(40.9)** | |
| *Effective tax rate of continuing operations* | 19.1% | 21.8% | |
| loss from associate | | (1.7) | |
| **Profit from continuing operations** | **144.6** | **144.8** | **+0.1%** |
| Profit / (loss) from discontinued operations | 4.4 | (0.3) | |
| **Consolidated profit** | **149.0** | **144.5** | **-3.0%** |
| *in % of sales* | *18.5%* | *16.8%* | |
| **Recurring consolidated profit** | **128.9** | **148.9** | **15.6%** |
| **Earnings per share (fully diluted)** | **2.2** | **1.71** | |
| **Recurring earnings per share (fully diluted)** | **1.91** | **1.77** | |

**Other revenue**
- Lower Kogenate® royalties
- Medicis / Roche Milestone
- In 2005, income of € 10 millions in connection with the termination of a research contract

**COGS improvement despite downward price pressures**

**Productivity improvement in sales & marketing expenses**

**Including € 8.4 million paid to Inamed**

**Impairment of Testim ™ for € 7.3 millions**

**Effective tax rate of 21.8 %**
Use of UK capital losses brought forward
Recurring effective tax rate : 25.6 % (24.0 % in 2005)

**Loss from Tercica**



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# Growth drivers

**Primary care: A sound business platform** — ***+2.4%***

***2006/2005 sales growth***

***+13.4%*** — **Specialist care: Growth engines**

**Examples of products**

**Smecta®**
- ~ €80m sales in 2006

**Tanakan®**
- ~ €130m sales in 2006

**Nisis/Nisisco®**
- ~ €51m sales in 2006

| | | | |
|---|---|---|---|
| Gastroenterology — *18% of sales* | ***+11.6%*** | ***+5.4%*** | Oncology — *26% of sales* |
| Cognitive disorders — *15% of sales* | *+7.4%* | ***+23.2%*** | Endocrinology — *13% of sales* |
| Cardiovascular — *12% of sales* | ***(14.1)%*** | ***+22.5%*** | Neuromuscular Disorders — *13% of sales* |

***GROUP: +6.8%***

***2006 sales: €861.7 m***

**Examples of products**

**Decapeptyl®**
- ~ €222 m sales in 2006

**Somatuline®**
- ~ €92 m sales in 2006

**Dysport®**
- ~ €113 m sales in 2006
- Expected US filing: 2007



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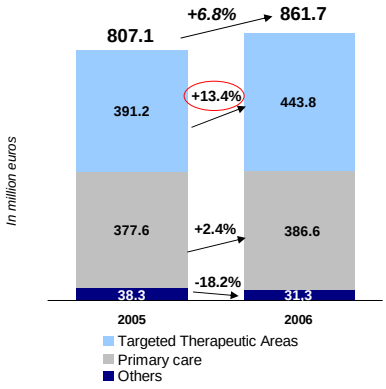
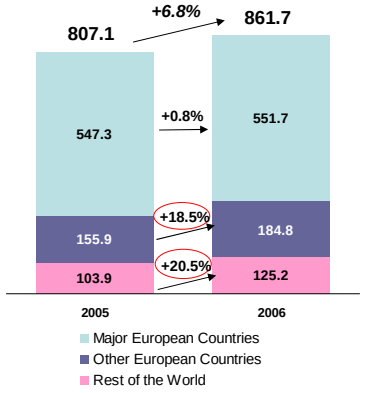
# Sales evolution

## 2005 and 2006 sales by therapeutic area




## 2005 and 2006 sales by geographical area

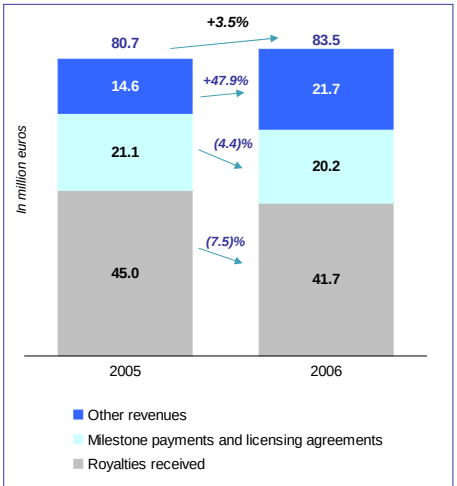



**Targeted Therapeutic Areas and International markets drive our expansion**



# Other revenues evolution

- **Royalties received**
  - Kogenate® licence, (€38.7 million in 2006, down 7.8% year-on-year vs. €42.0 million in 2005): Q1 2005 had been particularly high due to the carry-over of some 2004 royalties into 2005
- **Milestone payments and licensing agreements**
  - Milestones received in relation with the Roche, Medicis and Recordati partnerships
  - In 2005, an income of €10.0 million was recorded in connection with the termination of a research contract.
- **Other revenues**
  - Higher billings for R&D services within the framework of existing partnerships (GLP-1…)
  - Co-promotion revenues slightly down notably because of the negative impact of the early termination of the co-promotion contract for Zoxan® with Pfizer.



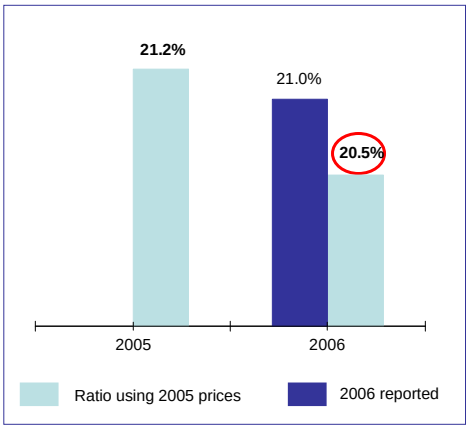
## Cost of goods sold evolution

**Positives**

- Fast growing targeted therapeutic areas (favourable "mix effect")
- Productivity efforts

**Negatives**

- Price decreases (€19.4 million) mechanically reduce COGS ratio




**A significant improvement in the cost of goods sold despite a challenging environment**



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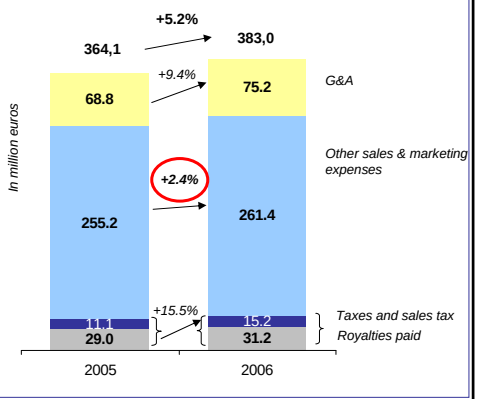
## SG&A expenses evolution

**Other sales and marketing expenses**

- Other sales and marketing expenses up by only 2.4%, significantly below the sales growth level: reflects the success of **productivity improvement programmes**
- **Increase in royalties paid to third parties and in taxes and sales taxes in France**

**G&A**

- Increase in the costs of corporate functions, notably due to the **stock exchange listing** of the Group, as well as **reinforcement of certain administrative functions** related to the Group's expansion in international markets




**Significant productivity improvements achieved in 2006**



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# R&D expenses evolution

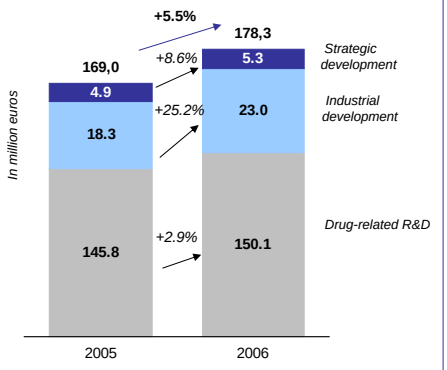
**Drug-related research and development**

Major research and development projects:

- **preparation of NDA for Somatuline® Autogel®**
- continuation of phase III clinical trials for Dysport® in the USA
- finalisation of BIM 51077 development programmes agreed within the partnership with Roche, until July 2006
- strengthening of clinical development teams

**Industrial development**

- **Preparation for pre-approval inspections by the FDA** at some of the Group's manufacturing sites, in the context of future launches of Dysport® and Somatuline® Autogel® in the US

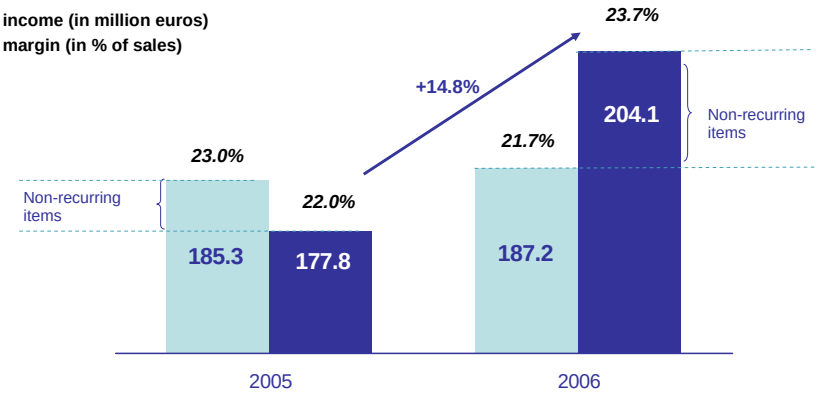



**A sustained level of R&D in a context of preparation for registrations**



# Published and recurring operating income evolution

**Operating income (in million euros)**
**Operating margin (in % of sales)**




**Strong increase in recurring operating profit**
**despite a challenging environment for the pharmaceutical industry**

# Cash flow generation evolution

*In million euros*

| | 2005 | 2006 |
|---|---|---|
| **Cash Flow before change in working capital** | **173.0** | **167.6** |
| Decrease in working capital | 3.9 | 160.0 |
| **Net cash flow generated by operating activities** | **176.9** | **327.6** |
| Acquisition of property, plant & equipment and intangible assets | (44.4) | (81.8) |
| Investments in associates | | (63.1) |
| Others | (8.3) | (18.7) |
| **Net cash flow used in investing activities** | **(52.7)** | **(163.6)** |
| Net change in borrowings | (180.0) | (31.8) |
| Dividends paid | (29.3) | (50.4) |
| Capital increase | 191.8 | |
| Others | (1.5) | |
| **Net cash flow used in financing activities** | **(19.0)** | **(82.2)** |
| **Impact of operations due to be sold or discontinued** | **12.0** | **0.6** |
| **Impact of pro forma restatements** | **(10.2)** | |
| **Change in cash and cash equivalent** | **107.0** | **82.5** |
| **Net cash position** | **138.5** | **252.9** |

- Tax effect on milestones cashed in but not yet recognised
- Milestones from Medicis and Roche not yet recognised as other revenues.
- - of which ~€ 41 millions for tangible assets
- ~of which €41 millions for intangible assets (Increlex™ and Acapodene®)
- Acquisition of 25% of the capital of Tercica
- Including Tercica convertible bond



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# Balance sheet evolution

*In million euros*

**Assets**

| | 31-dec-05 | 31-dec-06 |
|---|---|---|
| **Goodwill** | **188.8** | **188.8** |
| **Property, plans & equipments** | **187.8** | **198.2** |
| **Intangible assets** | **39.8** | **68.2** |
| **Other non-current assets** | **18.4** | **147.3** |
| **Total non-current assets** | **434.8** | **602.5** |
| **Total current assets** | **495.0** | **603.4** |
| ***Incl. cash and cash equivalents*** | ***202.0*** | ***285.5*** |
| **Non-current assets classified as discontinued operations** | **12.7** | **8.4** |
| **Total assets** | **942.5** | **1214.3** |
| **Net (Debt) / Cash** | **138.5** | **252.9** |

**Liabilities**

| | 31-dec-05 | 31-dec-06 |
|---|---|---|
| **Equity** | **619.8** | **726.5** |
| **Minority interests** | **1.3** | **1.4** |
| **Long-term financial debts** | **53.3** | **21.6** |
| **Other non-current liabilities** | **17.6** | **195.4** |
| **Short-term debts** | **10.3** | **10.9** |
| **Other current liabilities** | **226.1** | **247.7** |
| **Liabilities directly associated with non-current assets classified as discontinued operations** | **14.1** | **10.8** |
| **Total Liabilities** | **942.5** | **1214.3** |

**A recurring cash flow generation and an increased financial flexibility**



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## Milestones cashed in but not yet recognised as revenues

**Milestones cashed in before December 31, 2006 but not yet recognised as revenues**

| *(in million euros)* | **December 31, 2006** | December 31, 2005 |
|---|---|---|
| ***Total cashed in :*** | **184.3** | 21.8 |
| ***These payments will be recognised in time as follows:*** | | |
| **2007** | **13.6** | 9.6 |
| **2008 and beyond** | **170.7** | 12.2 |

**Guaranteed future revenues to fuel Ipsen's growth**



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## Back-up #2

## Tercica transaction details

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## Creating a global endocrinology franchise with Tercica

- Cross-Licensing agreement for Somatuline® Autogel® in North America and Increlex™ in Europe & other territories
- Ipsen becomes Tercica's largest shareholder, with a 25% stake and with the ability to increase its stake to 40%

- ✓ Implementation of Somatuline® US strategy
- ✓ Enhanced Endocrinology portfolio with the combination of Somatuline®, NutropinAq® and Increlex, creating a "global care solution" for patients suffering from growth disorders
- ✓ Building a platform in endocrinology in the US through a staged and flexible equity investment in Tercica



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## Key terms of the cross licensing agreements

| | Ipsen<br>Commercialisation of Increlex | Tercica<br>Commercialisation of Somatuline |
|---|---|---|
| Territory | Worldwide<br>ex USA, Canada and Japan | USA and Canada |
| Duration | 15 Years[1] | 15 Years[1] |
| Upfront Payment | €10m<br>(paid upon closing) | $25m<br>(paid with a convertible upon closing) |
| Milestone on MA grant | €15m<br>(paid upon MA in EU) | €30m<br>(paid with a convertible upon MA in U.S.) |
| Royalty on Net Sales | sliding scale (from 15 to 25%) based upon net sales of the product, in addition to supply price of 20% of net sales | sliding scale (from 15 to 25%) based upon net sales of the product, in addition to supply price of 20%of net sales |

*NOTE1: The longer of the patent protection or 15 years. Period after which licence is fully paid and irrevocable*



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# A staged investment in Tercica

| | | Cumulative Stake | Conside-ration | Price per Share ($) | Total Amount (€m) | Comments |
|---|---|---|---|---|---|---|
| ❶ | Equity Investment | 25.0% | Cash | $6.17 | €61.8m | • 30% premium over the 15-days weighted average share price |
| ❷ | Convertible Notes 1&2 | 27.5%[1]<br>33.3%[1] | Somatuline Rights | $7.41<br>$7.41 | €20.0m<br>€30.0m | • Convert 1 issued at closing and Convert2 at FDA approval for Somatuline US<br>• Issued against Somatuline Rights (no cash considerations)<br>• 2.5% PIK coupon not taken into account |
| ❸ | Convertible Note 3 | 35.4%[1] | Cash | $7.41 | €12.0m | • Issued for cash at FDA approval<br>• 2.5% PIK coupon not taken into account |
| ❹ | Warrants (Illustrative figures) | 40.0%[1] | Cash | $7.41 | €29.3m | • Issued for free in order to reach 40% if necessary<br>• The number of warrants will be adjusted for Tercica share issuance |

**Total equity stake: 40.0%**

**Total cash out excluding warrants: €73.7 million**

*Note 1: Fully diluted stake. The fully diluted number of shares includes the dilution of the investment and of all outstanding options / warrants*



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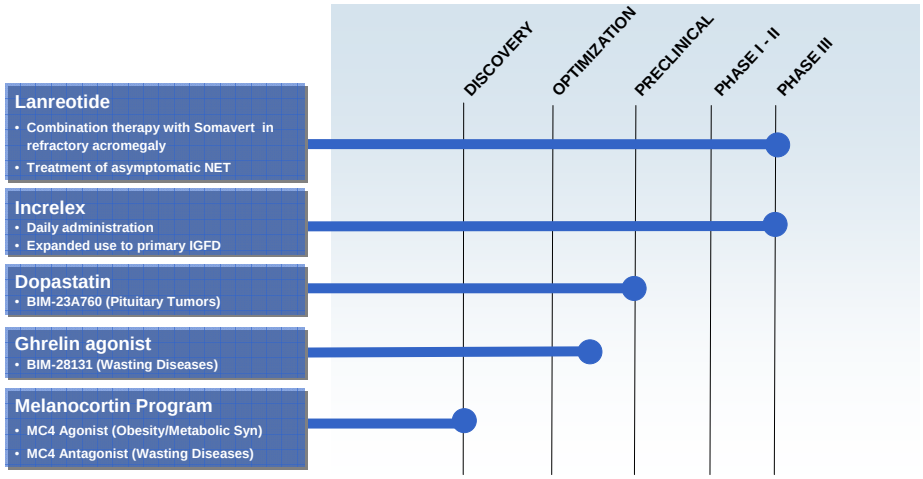
# A rich Endocrinology pipeline



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# Back-up #3

# Product information

## Decapeptyl® at a Glance

| | |
|---|---|
| **Classification** | ▪ Ephmra class: H1C et L2A<br>▪ ATC code: L2A<br>▪ Active substance: triptorelin |
| **Mechanism of Actions** | ▪ Analogue of GnRH |
| **Territories** | ▪ Approved in more than 60 countries, including 25 in Europe<br>▪ Exclusive rights held by Ipsen for the marketing of Decapeptyl in EU (except Sweden) and in several other countries |
| **Approved Indications / Prevalence** | ▪ Prostate cancer<br>– 1.2% of men over 50 years old in Europe (1)<br>▪ Endometriosis<br>– 10% of reproductive-aged women (2)<br>▪ Fibroid tumors (uterine leiomyomas)<br>– 20% to 25% of reproductive age women (3)<br>▪ Precocious puberty<br>– 0.05% of children aged 6 to 8 years old (4)<br>▪ Female infertility (in vitro fertilisation)<br>– 14% of reproductive-aged women (2) |
| **Target Audience** | ▪ Urologists<br>▪ Oncologists<br>▪ Andrologists, Radiotherapy specialists, Paediatricians-endocrinologists, Gynaecologists, Obstetricians and IVF specialists |
| **Patent Position** | ▪ US and Europe patent expiring in 2010 |

*Source: (1) DaVinci Cancer Perspectives 2005; (2) Datamonitor, Endometriosis; (3) Cancer Weekly; (4) Diagnostics Business Matters*

# Somatuline® at a Glance

**Classification**
- Ephmra class: H4V
- ATC code: H1C
- Active substance: lanreotide

**Mechanism of action**
- Analogue of somatostatin

**Territories**
- Approved in more than 50 countries (including more than 25 in Europe)
- Indicated for acromegaly and symptoms associated with neuroendocrine tumors (NET) in most countries
- Worldwide exclusive production and marketing rights owned by Ipsen (for both Somatuline® and Somatuline® Autogel®

**Approved Indications / Prevalence**
- Symptomatic treatment of acromegaly
  - 60 per million inhabitants (1)
- Relief of symptoms associated with neuroendocrine tumors (carcinoids)
  - 15 per million inhabitants (2)

**Target Audience**
- Endocrinologists
- Gastroenterologists
- Oncologists

**Patent Position**
- Somatuline® Autogel® : US and Europe patent expiring in 2015
- Somatuline® : Europe patent expiring in 2009 for most countries

*Source: (1) Clinical Endocrinology; (2) C. Tebbi, MD; eMedicine*



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# Somatuline® Autogel® : convenient administration

| | Somatuline® Autogel ® | Sandostatin LAR® |
|---|---|---|
| **Indications** | **Acromegaly, NET (EU only)** | **Acromegaly, NET** |
| **Administration route** | **Subcutaneous (s.c.)** | **Intramuscular (i.m.)** |
| **Volume injected** | **0.4 ml** | **2.0 ml** |
| **Needle length** | **20mm** | **40mm** |
| **Formulation** | **Ready to use** | **Powder for reconstitution** |

*Comparison Of pre-filled (RHS) Versus competitor Intramuscular Injection device (LHS)*


Somatuline® autogel®
lanreotide



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# Dysport® at a Glance

| | |
|---|---|
| **Classification** | ▪ ATC code: M3A, S1X |
| **Mechanism of action** | ▪ Active substance: Botulinum toxin of Type A |
| **Target Audience** | ▪ Neurologists<br>▪ Physical medicine and rehabilitation<br>▪ Neuro-paediatricians, Ear-nose and throat specialists, Ophthalmologists<br>▪ Dermatologists, Plastic surgeons |
| **Approved Indications / Prevalence** | ▪ Hemifacial spasm<br>– 11 per 100,000 inhabitants (1)<br>▪ Blepharospasm<br>– 5 per 100,000 inhabitants (2)<br>▪ Spasmodic torticollis<br>– 9 per 100,000 inhabitants (3)<br>▪ Adult arm spasticity and Adult leg spasticity<br>– 322 per 100,000 inhabitants (4)<br>▪ Paediatric cerebral palsy spasticity<br>– 19 per 100,000 persons aged 17 and less (4)<br>▪ Glabellar Lines (Brazil, Mexico, Russia) |
| **Territories** | ▪ First launch in the UK in 1991<br>▪ Approved in more than 70 countries |
| **Patent Position** | ▪ No patent |

*Source: (1) Q J Med V95; (2) www.blepharospasm.org; (3) Movement disorders V10; (4) www.cdc.gov;*



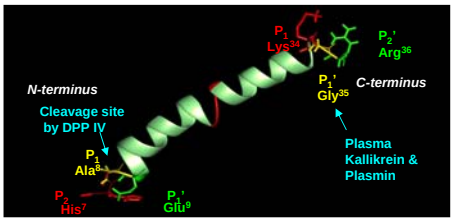
IPSEN Innovation for patient care

# Focus on BIM-51077: illustrating Ipsen's R&D capabilities

- ✓ **Equal / greater potency compared to native compound**
- ✓ **Extended metabolic half-life: 22x more stable in plasma**
- ✓ **Complete retention of incretin properties**
- ✓ **Strong patent positions**

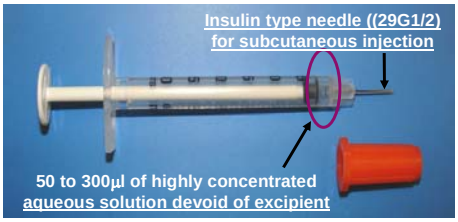
**Roche opt-in in July 2006**
- ✓ **€56 m paid upfront + €3 m in 2007**
- ✓ **€170 m potential additional milestones**
- ✓ **Mid-teens royalties on WW net sales**

***Designing the peptide itself…***




**Human GLP-1(7-36)NH2 is cleaved in plasma at both N- & C termini: modification of positions 8 & 35**

***…so that it fits Ipsen's innovative delivery systems technologies***




**Syringe used for BIM51077 SRF: - 0.3mL TERUMO Myjector U-100 with 29G1/2 (0.33 X 12 mm)**



IPSEN Innovation for patient care

## Primary Care: a strong historic presence in France

**Tanakan®**

- Field-proven over 30 years, very strong brand name in France
- On-going large scale clinical trials in Europe and US (NIH) in Alzheimer prevention. First EU Alzheimer indication approval granted in Belgium in 2004
- Competitors: Trivastal (Servier), Praxilene (Lipha Santé), Sermion (Sanofi-Aventis)

**Smecta®**

- Strong brand recognition in all its markets by patients and doctors
- Cost-effective and field proven product for more than 25 years with very favourable safety profile
- Long-standing know-how in clay sourcing
- Competitors: Imodium and Arestal (Janssen Cilag), Ercefuryl (Sanofi-Aventis)

**Forlax®**

- 1st clinical development in paediatric field for a constipation drug
- Cost-effective and field proven product (launched in 1996) with very favourable safety profile
- Competitors: Duphalac (Solvay Pharma), Movicol (Norgine Pharma)



## Contacts & useful information

### Investor Relations contact:

**David Schilansky**
**+33 (0) 1 4430 4388**
**david.schilansky@ipsen.com**

### Stock info:

| | |
|---|---|
| **Outstanding number of shares (June 2007):** | **84,024,683** |
| **Approx. market capitalisation (June 2007):** | **~€3.3 bn** |
| **Tickers** | **BBG: IPN FP**<br>**RTRS: IPN.PA** |
| **Listing** | **Euronext Paris** |