

Press release

Ipsen and Debiopharm extend their agreement for the exclusive commercialization of Decapeptyl[®] (triptorelin pamoate) in Europe and certain other territories

Paris (France), and Lausanne (Switzerland), 31 October 2007 - Ipsen (Euronext: FR0010259150; IPN) and Debiopharm Group (Debiopharm), a global independent biopharmaceutical development specialist in oncology and serious medical conditions today announced the extension of their agreement, whereby Ipsen exclusively in-licenses know-how and new patent applications for the commercialization rights of Decapeptyl[®] (triptorelin pamoate) in the world excluding North America, and some other countries (Sweden, Israel, Iran and Japan). This new agreement will last for a minimum of 5 years, with a 2 year termination period, after the patent expiry of the current marketed formulations in July 2010. It further enables Ipsen to access future sustained-release formulations of Decapeptyl^{®1} developed by Debiopharm, among which a 6 month sustained release formulation that has completed phase III clinical trials and is expected to be filed by Debiopharm in 2008.

Ipsen will thus be able to propose Decapeptyl[®] in a wider range of treatment regimens, allowing further adaptation to the therapeutic needs of cancer patients.

Under the terms of this agreement, the royalties paid by Ipsen to Debiopharm until July 2010 will remain unchanged. After this date, Ipsen will continue to pay royalties on its sales of all formulations of Decapeptyl[®]. Ipsen and Debiopharm will share development costs of the 6 month formulation once it is approved in one major country in Europe. Ipsen will thereafter exclusively purchase Decapeptyl[®] (triptorelin pamoate) 6 month from Debiopharm's cGMP² FDA inspected development and production facility in Martigny, Switzerland, whilst the royalty rate for the entire franchise will stand in the mid-single digit range.

Stéphane Thiroloix, Executive Vice President, Corporate Development of Ipsen said *"We are very pleased to have extended our relationship with our long-standing partner Debiopharm. This agreement should further enable Ipsen to provide patients and physicians with enhancements to a well-established therapeutic standard. Beyond the opportunities inherent to this deal, we have now decided to focus our own current development effort on our in-house sustained release innovative formulations of triptorelin, capitalizing on our proprietary technologies and currently in pre-clinical phase, that we believe will constitute the next generation for this drug."*

Kim Bill, Vice President, Corporate Development of Debiopharm added *"Our collaboration with Ipsen has lasted more than 20 years. This agreement is testament to the excellence of our product, Decapeptyl[®], Ipsen's top product, to Debiopharm's tenacity and capability in drug development and life cycle management strategies, as well as the strength of Debiopharm and Ipsen's relationship. Debiopharm continues its' strive for developing excellent drugs adapted to today's and tomorrow's needs."*

¹ This agreement refers to triptorelin formulations mainly sold as Decapeptyl[®], Diphereline[®] and Pamorelin[®]

² Current Good Manufacturing Practices

About Decapeptyl®

Decapeptyl® is a peptide formulation for injection that was initially developed and continues to be used mainly in the treatment of advanced metastatic prostate cancer. Additional indications developed subsequently include the treatment of uterine fibroids (a benign tumour of muscle tissues in the uterus), endometriosis (proliferation of endometrial tissue, the mucous membrane that lines the uterine wall outside the reproductive tract) prior to surgery or when surgery is not deemed appropriate, as well as early onset puberty and female infertility (in vitro fertilisation). Decapeptyl® is available in monthly or quarterly sustained-release formulations, as well as a daily formulation. The active substance in Decapeptyl® is triptorelin, a decapeptide analogue of GnRH (Gonadotrophin Releasing Hormone), a hormone secreted by the hypothalamus, which initially stimulates the release of pituitary gonadotrophins (hormones produced by the pituitary gland), which in turn control hormonal secretions by the testes and ovaries. Decapeptyl® is mainly indicated in the treatment of advanced metastatic prostate cancer. In this indication, Decapeptyl® temporarily increases the concentration of testosterone and dihydro testosterone, but continuous administration paradoxically leads to a reduction in plasmatic testosterone concentration. After two to three weeks' treatment, testosterone is reduced to levels below the castration threshold, thereby depriving prostate tumours of one of the main hormones promoting tumour development. Decapeptyl® was initially launched in France during 1986. At 31 December 2006, Decapeptyl® had marketing authorizations in over 60 countries, including 25 in Europe. In 2006, 64.4% of Decapeptyl® sales were generated in the five major European Countries. Debiopharm, which holds the patent to pamoate formulations of Decapeptyl® has granted the Group an exclusive licence to Decapeptyl® within the European Union (outside Sweden) and in certain other countries. Debiopharm has also granted the Group a co-exclusive licence to manufacture Decapeptyl® within the European Union (outside Sweden) and in certain other countries (with Debiopharm nonetheless retaining the right to manufacture and supply Decapeptyl® for its own purposes and those of its other licensees in territories not licensed to the Group). The pamoate formulations of Decapeptyl® (which contributed 66.5% of Decapeptyl®'s total sales in 2006) are protected by patents until 2010 and are composed of monthly and quarterly administration formulations. The acetate formulations of Decapeptyl® (which contributed 33.5% of Decapeptyl®'s total sales in 2006) have no longer had any patent protection since 2001, with the exception of France, where an additional certificate of protection expired in August 2005 and in Italy where an additional certificate of protection is valid until November 2007. These formulations include daily and monthly administration formulations.

About Ipsen

Ipsen is an innovation driven international specialty pharmaceutical group with over 20 products on the market and a total worldwide staff of nearly 4,000. The company's development strategy is based on a combination of products in targeted therapeutic areas (oncology, endocrinology and neuromuscular disorders) which are growth drivers, and primary care products which contribute significantly to its research financing. This strategy is also supported by an active policy of partnerships. The location of its four Research and Development centres (Paris, Boston, Barcelona, London) gives the Group a competitive edge in gaining access to leading university research teams and highly qualified personnel. In 2006, R&D expenditure was €178.3 million, i.e. 20.7% of consolidated sales, which amounted to €861.7 million while total revenues amounted to €945.3 million (in IFRS). 700 people in R&D are dedicated to the discovery and development of innovative drugs for patient care. Ipsen's shares are traded on Segment A of Euronext by Euronext™ (stock code: IPN, ISIN code: FR0010259150). Ipsen's shares are eligible to the "Système à Règlement Différé" ("SRD") and the Group is part of the SBF 250 index. For more information on Ipsen, visit our website at www.ipсен.com.

Forward-looking statements

The forward-looking statements and targets contained herein are based on Ipsen's 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 herein. Moreover, the Research and Development process involves several stages at each of which there is a substantial risk that the Group will fail to achieve its objectives and be forced to abandon its efforts in respect of a product in which it has invested significant sums. Therefore, the Group cannot be certain that favourable 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. Ipsen 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. Ipsen's business is subject to the risk factors outlined in its information documents filed with the French *Autorité des Marchés Financiers*.

About Debiopharm Group

Debiopharm Group is a global biopharmaceutical development specialist that in-licenses promising biologics and small molecule drug candidates. Debiopharm develops its products for global registration and maximum commercial potential for out-licensing to pharmaceutical partners for sales and marketing.

Debiopharm independently funds the worldwide development of all of its products while providing expertise in pre-clinical and clinical trials, manufacturing, drug delivery and formulation, and regulatory affairs.

Founded in 1979 and headquartered in Lausanne, Switzerland, Debiopharm has developed three products with global combined sales in excess of \$2.6 billion in 2006.

For more information on Debiopharm Group, please visit: www.debiopharm.com

For further information

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