

Press release

Ipsen's full year 2008 sales

- **Full year 2008 sales above objectives:
+8.2% performance⁽¹⁾ sales growth**
 - **Robust growth in speciality care: +13.9% at constant exchange rates**
 - **Sustained growth in international markets: +13.9% at constant exchange rates**
 - **North American operations performance in line with expectations**

Paris (France), 29 January 2009 - Ipsen (Euronext: IPN) reported today its sales for the fourth quarter and full year 2008.

Fourth quarter and full year 2008 unaudited IFRS consolidated sales

| (in million euros) | Fourth quarter | | | Full year | | |
|---|---------------------|---------------------|----------------|---------------------|---------------------|--------------|
| | 2008 ⁽²⁾ | 2007 ⁽²⁾ | % change | 2008 ⁽²⁾ | 2007 ⁽²⁾ | % change |
| Underlying Group sales growth ⁽¹⁾ | | | | | | +8.2% |
| SALES BY REGION | | | | | | |
| Major Western European countries | 145.0 | 145.3 | (0.2%) | 559.5 | 564.3 | (0.8%) |
| Other European countries | 51.0 | 50.4 | 1.1% | 236.2 | 208.1 | 13.5% |
| Rest of the World | 40.0 | 37.5 | 6.5% | 175.3 | 148.1 | 18.4% |
| of which: North America | 7.0 | 0.5 | nm | 11.2 | 0.4 | nm |
| Group Sales | 235.9 | 233.2 | 1.2% | 971.0 | 920.5 | 5.5% |
| SALES BY PRODUCT | | | | | | |
| Specialist Care | 135.8 | 128.4 | 5.8% | 553.1 | 493.6 | 12.0% |
| Primary Care | 94.7 | 96.8 | (2.1%) | 383.1 | 393.2 | (2.6%) |
| Total Drug Sales | 230.6 | 225.2 | 2.4% | 936.2 | 886.8 | 5.6% |
| Drug-related Sales | 5.4 | 8.0 | (33.1%) | 34.8 | 33.7 | 3.4% |
| Group Sales | 235.9 | 233.2 | 1.2% | 971.0 | 920.5 | 5.5% |

NOTE 1. "Performance sales growth" or "Underlying Group sales growth" is defined as consolidated Group sales growth at constant currency, excluding the consolidated sales of the US acquisitions of endocrinology and neurology operations and excluding Ginkor Fort[®] sales which was sold as of 1 January 2008.

NOTE 2. 2007 sales include in-market sales of Ginkor Fort[®], divested on January 1, 2008, whereas 2008 includes mostly supply sales of the product to the OTC partner.

Commenting on the full year 2008 sales performance, **Jean-Luc Bélingard, Chairman and Chief Executive Officer of Ipsen** said: "We are very pleased with our performance in 2008, which enables Ipsen to deliver once again on its objectives. This strong result, significantly above industry average, illustrates the robustness of our specialist care positioning in a difficult environment." Jean-Luc Bélingard added: "The integration of our recently acquired US operations is going as per plan, as shown by the performance of Somatuline[®] Depot, Increlex[®] and Apokyn[®] in the fourth quarter, in line with our stated expectations. Going forward, we believe our US operations will benefit from our global expertise, thereby further strengthening our competitive positions and share of voice in the North American market."

Full year 2008 sales highlight

Underlying Group sales grew by a strong 8.2% year-on-year (excluding the sales of the US acquisitions consolidated by the Group, the sales of Ginkor Fort[®], divested on January 1, 2008, and excluding foreign exchange impacts).

Consolidated Group sales reached €971.0 million for the full year 2008, up 5.5% year-on-year. This positive development was fuelled by a strong growth in the Group's endocrinology and neurology franchises, up 23.7% and 12.5% respectively over the period.

Sales generated in the Major Western European countries amounted to €559.5 million, down 0.8% year-on-year. Excluding the sales of Ginkor Fort[®], sales in this region were up 3.3% year-on-year, reflecting a good performance of all products in all countries, except for Tanakan[®] in France, notably following the 10% price cut enforced on July 1, 2007. Group sales in the Major Western European countries represented 57.6% of consolidated sales compared with 61.3% a year earlier.

Sales generated in Other European countries reached €236.2 million, up 13.5% mainly driven by strong growth of Dysport[®] in Russia, Greece, Poland and Czech Republic, as well as Somatuline[®] in the Netherlands, Nordic countries and Romania, Tanakan[®] in Russia and Eastern European countries, as well as Nutropin[®] in Romania. Sales in Other European countries represented 24.3% of total consolidated Group sales, against 22.6% a year earlier.

Sales generated in North America reached €11.2 million driven by Somatuline[®] and Increlex[®]. Tercica Inc. generated \$26.6 million in net sales for the full year 2008, of which \$8.3 million (€5.7 million) were consolidated in the Group's total sales. Following the closing of the acquisition of its North American neurology commercial platform on July 1, 2008, the Group booked €2.4 million in Apokyn[®] sales.

Sales generated in the Rest of the World excluding North America reached €164.1million, up 11.1% year-on-year thanks to the volume growth of Decapeptyl[®] in China and Algeria, Somatuline[®] in Australia or Smecta[®] in China.

Sales generated in the Rest of the World reached €175.3 million, up 18.4% year-on-year. Sales in the Rest of the World represented 18.1% of total consolidated Group sales, against 16.1% a year earlier.

Sales of specialist care products reached €553.1 million, up 12.0% year-on-year or 13.9% excluding foreign exchange impacts, representing 57.0% of the Group's consolidated sales, against 53.6% a year earlier. Sales of primary care products reached €383.1 million, down 2.6% year-on-year, representing 39.5% of the Group's consolidated sales, against 42.7% a year earlier. Excluding the sales of Ginkor Fort[®], divested on January 1, 2008, sales grew by 3.5% year-on-year. Sales made in France represented 59.1% of total primary care sales, against 63.9% a year earlier.

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. Its development strategy is based on a combination of specialty products, which are growth drivers, in targeted therapeutic areas (oncology, endocrinology and neuromuscular disorders), and primary care products which contribute significantly to its research financing. The location of its four Research & Development centres (Paris, Boston, Barcelona, London) and its peptide and protein engineering platform give the Group a competitive edge in gaining access to leading university research teams and highly qualified personnel. More than 700 people in R&D are dedicated to the discovery and development of innovative drugs for patient care. This strategy is also supported by an active policy of partnerships. In 2007, Research and Development expenditure was about €185 million, in excess of 20% of consolidated sales, which amounted to €920.5 million while total revenues amounted to €993.8 million. Ipsen's shares are traded on Segment A of Euronext Paris (stock code: IPN, ISIN code: FR0010259150). Ipsen's shares are eligible to the "Service de Règlement Différé" ("SRD") and the Group is part of the SBF 120 index. For more information on Ipsen, visit our website at www.ipсен.com

Ipsen Forward-looking statements

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. Moreover, the targets described in this document were prepared without taking into any other 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 given that a new product can appear to be promising at a preparatory stage of development or after clinical trials but never be launched on the market or be launched on the market but fail to sell notably for regulatory or competitive reasons. The Group must deal with or may have to deal with competition from generic that may result in market share losses, which could affect its current level of growth in sales or profitability. Furthermore, 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. 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.

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APPENDIX

Risk factors

The Group carries out business in an environment which is undergoing rapid change and exposes its operations to a number of risks, some of which are outside its control. The risks and uncertainties set out below are not exhaustive and the reader is advised to refer to the Group's 2007 Registration Document available on its website (www.ipsen.com).

- The Group is dependent on the setting of prices for medicines and is vulnerable to the possible withdrawal of certain products from the list of reimbursable products by governments or by the relevant regulatory authorities in the countries where it does business.
- The Group depends on third parties to develop and market some of its products, which generates substantial royalties for the Group, but these third parties could behave in ways which cause damage to the Group's business. The Group cannot be certain that its partners will fulfil their obligations and it might be unable to obtain any benefit from those agreements. A default by any of the Group's partners could result in some of the Group's products generating lower revenues than expected. Such situations could have a negative impact on the business of the Group, its financial situation or its results.
- Actual results may depart significantly from the objectives set by the management given that a new product can appear to be promising at a development stage or after clinical trials but never be launched on the market or be launched on the market but fail to sell notably for regulatory or competitive reasons.
- The Group's competitors could infringe its patents or circumvent them through design innovations. In order to prevent infringements, the Group could engage in patent litigation which is costly and time-consuming. It is difficult to monitor the unauthorised use of the Group's intellectual property rights and it could find itself unable to prevent the unlawful appropriation of its intellectual property rights.
- The Group must deal with or may have to deal with competition (i) from generic products in particular for some of the Group's products that do not benefit from any patent protection, such as Forlax[®] or Smecta[®] for example (ii) products which, although they are not strictly identical to the Group's products or which have not demonstrated their bioequivalence, may obtain a marketing authorisation for indications similar to those of the Group's products pursuant to the bibliographic reference regulatory procedure (well established medicinal use) before the patents protecting its products expire, in particular Tanakan[®] and (iii) products sold for unauthorised uses when the protection afforded by patent law to the Group's products and those of its competitors expires. Such a situation could result in the Group losing market share which could affect its current level of growth in sales or profitability. To avoid such situations or to reduce their impact, the Group could bring legal actions against the counterfeiters in order to protect its rights.
- As a result of its acquisitions in North America, notably Tercica Inc.'s, which closed on October 16, 2008, the Group may record certain transaction related recordings, such a purchase price allocation, restructuring costs or other one-off items that may impact the Group's financial situation.
- Third parties might claim the benefit of intellectual property rights in respect to the Group's inventions. The Group provides the third parties with which it collaborates (including universities and other public or private entities) with information and data in various forms relating to the research, development, manufacture and marketing of its products. Despite the precautions taken by the Group with regard to these entities, in particular of a contractual nature, they (or certain of their members) could claim ownership of intellectual property rights arising from the trials carried out by their employees or any other intellectual property right relating to the Group's products.

Major developments

During the fourth quarter 2008, major developments included:

- On December 29, 2008 - Ipsen announced that the US Food and Drug Administration (FDA) issued a Complete Response Letter for its Biologics License Application (BLA) for its Botulinum toxin Type A, Dysport®.
- On December 17, 2008 - Ipsen announced it added €1,000,000 to its current liquidity contract. In accordance to the clause added to the liquidity contract signed on February 19, 2007, Ipsen entrusts Natixis Securities additional means of €1,000,000.
- On December 12, 2008 – During its meeting, the Board of Directors of Ipsen reviewed the AFEP/MEDEF recommendations issued on 6 October 2008 regarding compensation of executive directors of listed companies. The Board considers that those recommendations are in line with the Company's corporate governance approach.
- On October 17, 2008 – The Group announced that stockholders of Tercica, Inc. voted to approve its previously announced acquisition of Tercica at a special meeting of shareholders held on 16 October 2008 in Brisbane, California. Over 90% of the approximately 68.5 million total votable shares were cast in favour of the transaction. Following the meeting, the closing was completed, the merger certificate was filed and the merger became effective as of 16 October 2008.
- On October 10, 2008 – The French *Agence Française de Sécurité Sanitaire des Produits de Santé* ("afssaps") informed the Group that it had granted a marketing authorisation to a generic product of Forlax® in France.

After the close of the period under review, major developments included:

- On January 28, 2009 – The Group announced that it had signed an agreement with Novartis for the co-promotion in France of the antihypertensive drug Exforge®.
- On January 7, 2009 - The Group announced that the U.S. Food and Drug Administration (FDA) provided notification that the Prescription Drug User Fee Act (PDUFA) action date for Reloxin® (botulinum toxin of type A) Biologics License Application (BLA) in aesthetic indications (glabellar lines) has been extended to April 13, 2009.
- On January 8, 2009 - The Group held its first Investor Day. The Group's management has provided an update on the R&D pipeline as well as an overview of its specialist care franchise, notably in the US, as well as potential opportunities across disease areas and geographies.

Update on claims

- On December 31, 2008 - The Group has sued Bayer Healthcare LLC for breach of contract, breach of the covenant of good faith and fair dealing, and unjust enrichment in connection with the parties' long-standing exclusive license to manufacture and sell Kogenate® and related anti-hemophilic drugs, which the Group believes runs until June 2009. The complaint was filed in the Superior Court of the State of California in the County of Alameda on November 24, 2008 and service has been effective as of December 31st, 2008.
- On December 8, 2008, an affiliate within the Ipsen Group, Biomeasure (Milford, MA, USA) has been served a complaint in Louisiana by the University of Tulane of New Orleans (United States) and Dr. David H. Coy alleging breach of contract by Biomeasure and that Dr. David H. Coy is an inventor of some of the GLP-1 analogue patents that the Group licensed out to Roche Holding AG in July 2006. Biomeasure is currently evaluating the matter.

Comparison of consolidated sales for the fourth quarter and full year of 2008 and 2007:

Sales by geographical region

Group sales by geographical region for the fourth quarter and full year of 2008 and 2007 were as follows:

| (in thousand euros) | Fourth quarter | | | Full year | | |
|--|----------------|----------------|---------------|----------------|----------------|---------------|
| | 2008 | 2007 | % change | 2008 | 2007 | % change |
| France | 92,660 | 92,764 | (0.1%) | 334,106 | 353,894 | (5.6%) |
| Spain | 13,754 | 14,325 | (4.0%) | 57,929 | 55,604 | 4.2% |
| Italy | 16,723 | 15,896 | 5.2% | 69,908 | 65,312 | 7.0% |
| Germany | 10,953 | 11,429 | (4.2%) | 54,332 | 48,026 | 13.1% |
| United Kingdom | 10,880 | 10,888 | (0.1%) | 43,238 | 41,426 | 4.4% |
| Major Western European countries | 144,970 | 145,302 | (0.2%) | 559,513 | 564,263 | (0.8%) |
| Other European countries | 50,976 | 50,406 | 1.1% | 236,238 | 208,121 | 13.5% |
| Asia | 15,994 | 17,690 | (9.6%) | 84,850 | 77,988 | 8.8% |
| Other countries in the rest of the world | 16,965 | 19,376 | (12.4%) | 79,202 | 69,684 | 13.7% |
| Sub total | 32,959 | 37,066 | (11.1%) | 164,052 | 147,671 | 11.1% |
| North America | 7,032 | 469 | nm | 11,220 | 420 | nm |
| Rest of the world | 39,991 | 37,535 | 6.5% | 175,271 | 148,091 | 18.4% |
| Group Sales | 235,937 | 233,244 | 1.2% | 971,022 | 920,475 | 5.5% |

For the fourth quarter 2008, sales generated in the **Major Western European countries** amounted to €145.0 million, down 0.2% year-on-year (fourth quarter 2007, €145.3 million) and up 3.7% excluding the sales of Ginkor Fort[®] divested on January 1, 2008. For the full year 2008, sales generated in the Major Western European countries amounted to €559.5 million, down 0.8% year-on-year (full year 2007, €564.3 million). Excluding the sales of Ginkor Fort[®], sales in this region were up 3.3% year-on-year, fuelled by strong sales in Germany, Italy, the United Kingdom and Spain. This good performance was offset by negative foreign exchange impacts in the United Kingdom (where growth in local currency reached 21.1%) and by a decrease in Tanakan[®] sales in France following a 10% price cut implemented on July 1, 2007 in an increased competitive environment. Sales in this region in the full year 2008 represented 57.6% of total sales compared with 61.3% a year earlier.

France – For the fourth quarter 2008, sales reached €92.7 million, down 0.1% year-on-year (fourth quarter 2007, €92.8 million) reflecting notably the divestment of Ginkor Fort[®] as of 1 January 2008. For the full year 2008, sales reached €334.1 million, down 5.6% year-on-year (full year 2007, €353.9 million), driven by the good performances notably of Adrovan[®], NutropinAq[®], Nisis[®] & Nisisco[®], Somatuline[®] and Forlax[®]. This good performance was more than offset by the divestment of Ginkor Fort[®] as well as by the price cut on Tanakan[®]. The weight of France in the Group's consolidated sales continued to decline, representing 34.4% of total Group sales against 38.4% a year earlier.

Spain – For the fourth quarter 2008, sales reached €13.8 million, down 4.0% year-on-year (fourth quarter 2007, €14.3 million) reflecting an increased competitive environment for Decapeptyl. For the full year 2008, sales reached €57.9 million, up 4.2% year-on-year (full year 2007, €55.6 million) fuelled by strong sales growth notably of Somatuline[®] and NutropinAq[®] despite an increased competitive environment for Decapeptyl[®]. The weight of Spain in the Group's consolidated sales remained stable year-on-year, at 6.0% of total Group sales.

Italy – For the fourth quarter 2008, sales reached €16.7 million, up 5.2% year-on-year (fourth quarter 2007, €15.9 million), thanks to the strong growth of Somatuline[®] and NutropinAq[®]. For the full year of 2008, sales reached €69.9 million, up 7.0% year-on-year (full year 2007, €65.3 million) fuelled by strong sales of NutropinAq[®] and Somatuline[®].

Germany – For the fourth quarter 2008, sales reached €11.0 million, down 4.2% year-on-year (fourth quarter 2007, €11.4 million), due to the sharp decline in drug-related sales (active ingredients and raw materials) down 77.0% year-on-year, as the first half of the year saw significant stock building. The specialist care franchise, fuelled by the good performances of Dysport[®], Decapeptyl[®] and Somatuline[®] and the launch of Increlex[®] continued to grow double digit. For the full year 2008, sales reached €54.3 million, up 13.1% year-on-year (full year of 2007, €48.0 million) fuelled by strong sales of Decapeptyl[®], Somatuline[®], Dysport[®] and Increlex[®]. The weight of Germany in the Group's consolidated sales represented 5.6% of total Group sales against 5.2% a year earlier.

United Kingdom – For the fourth quarter 2008, sales reached €10.9 million, down 0.1% year-on-year (fourth quarter 2007, €10.9 million) with all specialty products displaying solid volume growth, offset by a negative foreign exchange impact (excluding foreign exchange impacts, sales in the United Kingdom grew by 17.2% year-on-year). For the full year 2008, sales reached €43.2 million, up 4.4% year-on-year (full year 2007, €41.4 million) or up 21.1% excluding foreign exchange impacts, fuelled by strong sales of Decapeptyl[®], NutropinAq[®], Dysport[®] and Somatuline[®].

For the fourth quarter 2008, sales generated in the **Other European countries** reached €51.0 million, up 1.1% year-on-year (fourth quarter 2007, €50.4 million) impacted by some stocking effects during the third quarter, notably for Tanakan[®] and Smecta[®] in Russia. For the full year 2008, sales reached €236.2 million, up 13.5% (full year 2007, €208.1 million) mainly driven by strong growth of Dysport[®] in Russia, Greece, Poland and Czech Republic, as well as Somatuline[®] in the Netherlands, Nordic countries and Romania, Tanakan[®] in Russia and Eastern European countries, as well as Nutropin[®] in Romania. Over the same period, sales in this region represented 24.3% of total consolidated Group sales, against 22.6% a year earlier.

For the fourth quarter 2008, sales generated in **North America** reached €7.0 million, up from €0.5 million a year earlier, reflecting the full consolidation of the Group's US acquisitions. For the full year 2008, sales generated in North America reached €11.2 million driven by Somatuline[®] and Increlex[®]. Tercica Inc. generated \$26.6 million in net sales for the full year 2008, of which \$8.3 million (€5.7 million) were consolidated in the Group's total sales. Following the closing of the acquisition of its North American neurology commercial platform on July 1, 2008, the Group booked €2.4 million in Apokyn[®] sales.

For the fourth quarter 2008, sales generated in the **Rest of the World excluding North America** reached €33.0 million, down 11.1% year-on-year (fourth quarter 2007, €37.1 million) impacted by some stocking effects during the third quarter, notably for Dysport[®] in Brazil and Decapeptyl[®] in China. For the full year 2008, sales generated in the Rest of the World excluding North America reached €164.1million, up 11.1% year-on-year thanks to the volume growth of Decapeptyl[®] in China and Algeria, Somatuline[®] in Australia or Smecta[®] in China.

For the fourth quarter 2008, sales generated in the **Rest of the World** reached €40.0 million, up 6.5% year-on-year (fourth quarter 2007, €37.5 million). For the full year 2008, sales generated in the Rest of the World reached €175.3 million, up 18.4% year-on-year. Sales in the Rest of the World represented 18.1% of total consolidated Group sales, against 16.1% a year earlier.

Sales by therapeutic area and by product

The following table shows sales by products, grouped together by therapeutic areas for the fourth quarter and full years 2008 and 2007:

| (in thousand euros) | Fourth quarter | | | Full year | | |
|--|----------------|----------------|----------------|----------------|----------------|---------------|
| | 2008 | 2007 | % change | 2008 | 2007 | % change |
| Oncology | 57,779 | 60,759 | (4.9%) | 247,789 | 235,164 | 5.4% |
| of which Decapeptyl ^{®(1)} | 57,775 | 60,755 | (4.9%) | 247,778 | 235,141 | 5.4% |
| Endocrinology | 45,133 | 34,685 | 30.1% | 160,458 | 129,755 | 23.7% |
| of which Somatuline ^{®(1)} | 30,686 | 27,783 | 10.4% | 120,636 | 103,622 | 16.4% |
| NutropinAq ^{®(1)} | 9,864 | 6,123 | 61.1% | 32,485 | 23,688 | 37.1% |
| Increlex ^{®(1)} | 4,071 | 190 | nm | 5,253 | 193 | nm |
| Neurology | 32,926 | 33,004 | (0.2%) | 144,841 | 128,699 | 12.5% |
| of which Apokyn ^{®(1)} | 912 | | nm | 2,352 | | nm |
| Dysport ^{®(1)} | 32,015 | 33,004 | (3.0%) | 142,489 | 128,699 | 10.7% |
| Specialist Care | 135,839 | 128,448 | 5.8% | 553,087 | 493,618 | 12.0% |
| Gastroenterology | 43,599 | 41,148 | 6.0% | 182,488 | 171,852 | 6.2% |
| of which Smecta [®] | 21,671 | 20,899 | 3.7% | 93,190 | 88,889 | 4.8% |
| Forlax [®] | 13,944 | 13,225 | 5.4% | 53,788 | 51,843 | 3.8% |
| Cognitive disorders | 27,305 | 29,201 | (6.5%) | 109,233 | 119,347 | (8.5%) |
| of which Tanakan [®] | 27,305 | 29,201 | (6.5%) | 109,233 | 119,347 | (8.5%) |
| Cardiovascular | 19,325 | 23,692 | (18.4%) | 77,273 | 95,245 | (18.9%) |
| of which Nisis [®] & Nisco [®] | 15,789 | 15,406 | 2.5% | 57,700 | 53,694 | 7.5% |
| Ginkor Fort [®] | 2,157 | 7,541 | (71.4%) | 14,314 | 36,891 | (61.2%) |
| Other Primary Care products | 4,510 | 2,741 | 64.5% | 14,104 | 6,731 | 109.6% |
| of which Adrovan [™] | 2,806 | 1,010 | 177.9% | 9,543 | 2,609 | 265.8% |
| Primary care | 94,739 | 96,783 | (2.1%) | 383,098 | 393,174 | (2.6%) |
| Total Drug sales | 230,578 | 225,231 | 2.4% | 936,185 | 886,792 | 5.6% |
| Drug-related sales | 5,359 | 8,013 | (33.1%) | 34,837 | 33,684 | 3.4% |
| Group Sales | 235,937 | 233,244 | 1.2% | 971,022 | 920,475 | 5.5% |

(1) Peptide- or protein-based products

For the fourth quarter 2008, sales of **specialist care products** reached €135.8 million, up 5.8% year-on-year (fourth quarter 2007, €128.4 million) impacted by some seasonal stocking in China and Russia during the third quarter. For the full year 2008, sales reached €553.1 million, up 12.0% year-on-year or up 13.9% excluding foreign exchange impacts. Sales of specialty care products represented 57.0% of the Group's consolidated sales, against 53.6% a year earlier.

- **In the oncology franchise**, sales of **Decapeptyl[®]** reached €57.8 million for the fourth quarter 2008, down 4.9% year-on-year, impacted by some seasonal stocking in China during the third quarter and a slow down of growth in Spain due to an increasing competitive environment. For the full year 2008, sales of Decapeptyl[®] were up 5.4%, notably driven by strong sales in China, Germany, Algeria and the United Kingdom, despite a certain slow down of growth in the Middle East, Poland and Spain.
- **In endocrinology**, sales reached €45.1 million for the fourth quarter 2008, up 30.1% year-on-year (fourth quarter 2007, €34.7 million), driven by the strong performance of Somatuline[®] and NutropinAq[®] in

most markets, and the consolidation from October 1, 2008 of sales generated by Tercica Inc. following the closing of its acquisition. For the full year 2008, sales in endocrinology represented 16.5% of total Group sales, against 14.1% a year earlier.

Somatuline[®] – For the fourth quarter 2008, sales reached €30.7 million, up 10.4% year-on-year (fourth quarter 2007, €27.8 million). The integration of Tercica Inc. brought an additional €2.1 million of Somatuline[®] sales to the global franchise. For the full year 2008, Somatuline[®] sales amounted to €120.6 million, up 16.4% year-on-year (or up 18.8% excluding foreign exchange impacts), fuelled by strong growth in Spain, Germany, Nordic countries, France and Italy and by the successful launch of Somatuline[®] Depot in the United States, as the Group booked the sales of the product to Tercica Inc. and in-market sales once the closing of the transaction has been effective for a total amount of €4.9 million.

NutropinAq[®] – For the fourth quarter 2008, sales reached €9.9 million, up 61.1% year-on-year (fourth quarter 2007, €6.1 million). For the full year 2008, sales of NutropinAq[®] amounted for €32.5 million, up 37.1% year-on-year driven by strong performances in all countries, especially in France, Italy, Spain and Romania.

Increlex[®] – For the fourth quarter 2008, sales of Increlex[®] reached €4.1 million, including €3.5 million in the US. Outside of the US, Increlex[®] has been launched in Germany, Austria, the United Kingdom, Nordic countries, Hungary and Czech Republic in late 2007 and in France, Spain, Poland, Italy, Greece, Portugal and Belgium in 2008. For the full year of 2008, sales of Increlex[®] reached €5.3 million of which €3.5 million in the United States, a sharp increase compared with 2007, which did not include any US sales.

- **In the neurology franchise**, sales reached €32.9 million for the fourth quarter 2008, roughly flat year-on-year (fourth quarter 2007, €33.0 million). For the full year 2008, sales in neurology represented 14.9% of total Group sales, against 14.0% a year earlier.

Dysport[®] – For the fourth quarter 2008, sales reached €32.0 million, down 3.0% year-on-year (fourth quarter 2007, €33.0 million), impacted by some seasonal stocking in Russia and Brazil during the third quarter and negative foreign exchange impacts, notably in the United Kingdom. For the full year 2008, sales of Dysport[®] amounted to €142.5 million, up 10.7% year-on-year (up 14.9% excluding foreign exchange impacts), fuelled by the good performances in Russia, Ukraine, Poland, Czech Republic and France and by the start of the distribution agreement in aesthetic indications with Galderma in Brazil.

Apokyn[®] – Following the closing of the acquisition of its North American neurology commercial platform and the rights to market Apokyn[®] in the United States in July 2008, the Group booked €2.4 million in sales for the full year 2008.

For the fourth quarter 2008, sales of **Primary Care products** reached €94.7 million, down 2.1% year-on-year (fourth quarter 2007, €96.8 million). Excluding the sales of Ginkor Fort[®], divested on January 1, 2008, sales of Primary care products grew by 3.7% year-on-year. For the full year 2008, sales of Primary Care products reached €383.1 million, down 2.6% year-on-year (full year of 2007, €393.2 million), representing 39.5% of the Group's consolidated sales, against 42.7% a year earlier. Excluding the sales of Ginkor Fort[®], sales of Primary care products for the full year grew by 3.5% year-on-year. For the full year 2008, sales of Primary Care products made in France represented 59.1% of total Primary Care products sales, against 63.9% a year earlier.

- **In gastroenterology**, sales reached €43.6 million, up 6.0% year-on-year (fourth quarter 2007, €41.1 million).

Smecta[®] – For the fourth quarter 2008, sales reached €21.7 million, up 3.7% year-on-year (fourth quarter 2007, €20.9 million), due to good performances of the product in China, Algeria and Italy. For the full year 2008, sales of Smecta[®] amounted to €93.2 million, up 4.8% year-on-year. Sales of Smecta[®] outside of France reached 68.3% of total sales for 2008, compared with 67.1% a year earlier

Forlax® – For the fourth quarter 2008, sales reached €13.9 million, up 5.4%. For the full year 2008, sales of Forlax® amounted to €53.8 million, up 3.8% year-on-year. Sales in France represented 75.6% of total sales of the product over the period, versus 76.0% a year ago. The Group will monitor its sales of Forlax® in 2009 in an increased competitive environment in France.

- **In the cognitive disorders area**, sales of **Tanakan®** for the fourth quarter of 2008 reached €27.3 million, down 6.5% year-on-year (fourth quarter 2007, €29.2 million) due to lower sales in France. For the full year 2008, sales of Tanakan® amounted to €109.2 million, down 8.5% year-on-year, impacted by the price reduction in France enforced on July 1, 2007 and despite a solid 12.9% growth outside France. Sales of Tanakan® in France represented 57.8% of total Tanakan® sales compared with 65.8% a year earlier.
- **In the cardiovascular area**, sales in the fourth quarter 2008 amounted to €19.3 million, down 18.4% year-on-year (fourth quarter 2007, €23.7 million). For the full year 2008, sales reached €77.3 million, down 18.9% year-on-year mainly due to the divestment of Ginkor Fort® as of January 2008.

Nisis® and Nisisco® – For the fourth quarter 2008, sales reached €15.8 million, up 2.5% year-on-year (fourth quarter 2007, €15.4 million) notably explained by a destocking impact. For the full year 2008, sales reached €57.7 million, up 7.5% year-on-year.

Ginkor Fort® (divested in January 2008) – For the fourth quarter 2008, supply sales of Ginkor Fort® to its OTC distributor amounted to €2.2 million. For the full year 2008, sales reached €14.3 million.

- **Other primary care products** sales reached €4.5 million for the fourth quarter 2008, against €2.7 million a year earlier, with sales of **Adrovanse™** launched in France in April 2007 contributing to €2.8 million during the fourth quarter 2008. For the full year 2008, other primary care products sales reached €14.1 million, with sales of Adrovanse® reaching €9.5 million.

For the fourth quarter 2008, **drug-related sales (active ingredients and raw materials)** were down 33.1% to €5.4 million due to a low second semester, impacted by important stocking effects during the first half of the year, notably in Germany. For the full year 2008, drug related sales amounted to €34.8 million, up 3.4% year-on-year. This growth was mainly driven by sales of Ginkgo biloba extract in Germany and other active ingredients in Switzerland.