

Press release

Ipsen Grants Rhythm Exclusive Worldwide License for Two Programs in the Field of Metabolic Disorders

Paris (France) and Boston (USA), - March 12, 2010 - Ipsen (Euronext: FR0010259150; IPN), a global biotechnology specialty care group, and Rhythm Pharmaceuticals (Rhythm), a biotechnology company developing peptide therapeutics for metabolic diseases, announced today that they have concluded a license agreement for Ipsen's proprietary peptide therapeutics targeting obesity, metabolic diseases, and gastrointestinal disorders. Under the terms of the agreement, Ipsen has granted Rhythm an exclusive worldwide license for research, development, and commercialization of its melanocortin and ghrelin programs originating from Ipsen research.

"The agreement with Rhythm is a clear catalyst for the development of proprietary molecules from Ipsen in promising indications within the area of metabolic diseases, which are outside of our core strategic focus," said **Stéphane Thiroloix, Executive Vice President, Corporate Development, Ipsen**. *"Given Rhythm's complete focus on metabolic diseases, this transaction will leverage our combined expertise and resources to rapidly transform these important discoveries into valuable medical treatments."*

"Rhythm has a great opportunity to develop significant new peptide therapeutics to improve the health of people with obesity, diabetes, and other intractable metabolic diseases," said **Bart Henderson, President of Rhythm**. *"We are extremely fortunate to have access to Ipsen's peptide discoveries and expertise in peptide formulations to help us achieve this vision."*

About the Agreement

The license granted to Rhythm includes Ipsen's compounds and intellectual property related to analogs of the peptide hormones, ghrelin and MSH, which regulate food intake, energy homeostasis, and gastrointestinal function.

- Ghrelin agonists—in particular, the lead compound, BIM-28131—are potential treatments for gastrointestinal motility disorders such as postoperative ileus and diabetic gastroparesis and for cachexia resulting from multiple causes, including cancer.
- Melanocyte-stimulating hormone (MSH) agonists—in particular, the lead compound, BIM-22493—which specifically target the melanocortin-4 (MC4) receptor, are potential treatments for obesity, diabetes, and related metabolic disorders.

Under the terms of the license agreement, Ipsen will receive progressive payments of up to U.S. \$80 million upon the achievement of certain development and commercial milestones and royalties on future sales of the products. Rhythm will also continue to use Ipsen's recognized formulation expertise to develop innovative delivery systems for the peptide programs. Ipsen will also acquire 17% equity in Rhythm and is granted one seat on Rhythm's Board of Directors.

About Rhythm (www.rhythmtx.com)

Rhythm is a biotechnology company developing peptide therapeutics that address unmet needs in metabolic diseases. Rhythm investors include MPM Capital and New Enterprise Associates. The company is based in Boston, Massachusetts.

About Ipsen

Ipsen is a global biotechnology specialty care group with total sales in excess of 1 billion euros in 2009, and total worldwide staff of more than 4,400. Its strategy is based on fast growing specialty care drugs in oncology, endocrinology, neurology and hematology, and primary care drugs, which significantly contribute to research financing. This strategy is also supported by an active policy of partnerships. Ipsen's specific Research & Development (R&D) centers and peptide & protein engineering platform give the Group a competitive edge. Almost 900 people are dedicated to the discovery and development of innovative drugs for patient care. In 2009, R&D spend reached close to €200 million, representing more than 19% of total Group sales. 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 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. 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. Notably, future currency fluctuations may negatively impact the profitability of the Group and its ability to reach its objectives. Actual results may depart significantly from these targets given the occurrence of certain risks and uncertainties. The Group does not commit nor gives any guarantee that it will meet the targets mentioned above. Furthermore, the Research and Development process involves several stages each of which involve 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 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 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 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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