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The implementation of the strategy has to be submitted to the relevant staff representation authorities in each country concerned, in compliance with the specific procedures, terms and conditions set forth by each national legislation.
## Agenda for the day

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<th>Time</th>
<th>Session</th>
<th>Speaker(s)</th>
</tr>
</thead>
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<tr>
<td>13:30</td>
<td>Introduction</td>
<td>Marc de Garidel</td>
</tr>
<tr>
<td>14:00</td>
<td>Endocrinology/ Somatuline®</td>
<td>Christophe Jean</td>
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<tr>
<td>14:20</td>
<td>Field of NET</td>
<td>Pr. Wouter de Herder</td>
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<td>14:45</td>
<td>Neurology/ Dysport®</td>
<td>Christophe Jean</td>
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<td>15:05</td>
<td>Field of toxins</td>
<td>Pr. Pierre Denys</td>
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<tr>
<td>15:25</td>
<td>R&amp;D</td>
<td>Claude Bertrand</td>
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<td>15:45</td>
<td>Q&amp;A session</td>
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<td>16:05</td>
<td>Break - 20 minutes</td>
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<td>16:25</td>
<td>Uro-oncology/ Decapeptyl®</td>
<td>Christophe Jean</td>
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<td>16:40</td>
<td>Hemophilia</td>
<td>Marc de Garidel</td>
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<td>16:50</td>
<td>Field of Hemophilia USA</td>
<td>Pr. Claude Négrier</td>
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<td>17:10</td>
<td>USA</td>
<td>Christophe Jean</td>
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<td>17:30</td>
<td>China</td>
<td>Eric Bouteiller</td>
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<td>17:50</td>
<td>Primary care</td>
<td>Marc de Garidel</td>
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<td>18:00</td>
<td>Conclusion</td>
<td>Marc de Garidel</td>
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<tr>
<td>18:10</td>
<td>Q&amp;A session</td>
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</table>
Executive summary
Ipsen’s 2020 aspiration:
Become a global leader in targeted debilitating diseases

Increase Focus
Invest to Grow
Leverage Footprint

A market-oriented franchise model…
…driving an R&D patient centric organization focused on core platforms, peptides and toxins.

More than double revenues\(^1\)
…and more than triple EBIT\(^2\)

NOTE 1: 2020 projected figures include contribution of Inspiration portfolio and are set at constant foreign exchange rate
NOTE 2: prior to purchase accounting recordings and non recurring elements
Introduction

M. de Garidel
Chairman and Chief Executive Officer
Quick overview of the pharma context
Over the past decade, the pharmaceutical environment has significantly toughened

Cross industry topline pressure...
- Increased primary care pressure
- Intensifying competition in specialty care globally
- Patent cliff 2010-2014

...fewer NMEs and higher R&D costs...
- R&D spend more than doubled since 1997\(^2\) with lower R&D productivity
- 50% less New Molecular Entities approved per year vs. 1997\(^2\)
- Decrease to 50% from 70% of Ph III success rate\(^1\)

...and more complex market access
- Overall pressure on new drug prices
- Increasing hurdles
- In EU, regional decision making, tenders…

Increasing pressure across P&L

1 Nature Review Drugs Discovery, Feb 2011
2 IMS
Growth potential lies in specialty care and global footprint

- High unmet medical needs addressed by Specialty Care provide growth:
  - Global 2010 growth of 6.3%\(^1\) (vs. 2.3%\(^1\) for global primary care growth)
  - Lower exposure to substitutable generics

- Steady development of emerging countries:
  - Improving healthcare coverage
  - Increasing drug purchasing power
  - Pharmerging markets to grow \(~15\%\(^1\)\) CAGR (2010-2015)

- US market to remain by far the largest market (with \(~30\%\(^1\)\) of WW market in 2015)
  - Expected contribution to global growth to remain important: 11%\(^1\) between 2010 and 2015

\(^1\) IMS Health
First assessment
Over the last decade, Ipsen has succeeded in adapting to a fast changing environment...

Evolution of Ipsen’s sales profile

2002

- Primary Care: ~60%
- Specialty Care: ~40%
- Others: ~50%
- Main emerging: ~7%

2010

- Primary Care: ~36%
- Specialty Care: ~64%
- Others: ~51%
- Main emerging & North Am.: ~21%

Ipsen is ideally positioned to benefit from current market trends

Main emerging countries: China, Russia, Brazil

Note: French accounting standards for 2002 figures
... building key assets, creating a unique profile in 2011

**Valuable specialty care portfolio**
- Growth potential with Somatuline®, Dysport® & Decapeptyl®
- New products: FIX₁, OBI-1₁, Tasquinimod

**Talents**
- Strong top and middle management
- Entrepreneurial subsidiaries

**Open model culture**
- Partnerships from research to marketing

**Innovative & differentiated platforms**
- Peptides
- Toxins

**Internationally Footprint**
- Pharmerging & US

**Comparatively low exposure to patent expiry**
- Specialty Care
- Life cycle management

**Geographical reach**

**Ipsen’s key strengths**

**Specialty care**

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NOTE 1: Inspiration Biopharmaceutical
During the strategic review, several key questions were identified…

- Are we focused enough?
- Have we fully leveraged our current portfolio’s potential?
- Is our early stage compound portfolio sufficient to sustain long term growth?
- How do we improve return in the US?
- How do we address the primary care situation?
There is still significant scope to enhance focus

We can further leverage the potential that lies in Dysport® and Somatuline®

We need to replenish our early stage pipeline for the out years

Focus on our core products Dysport® and Somatuline®

All partnering opportunities are being assessed
Long term Ambition

“To become a global leader in targeted debilitating diseases”
Ipsen’s 2020 ambitions

More than double total revenues…

\[ \text{€1.1bn} \rightarrow \text{€2.0bn to €2.5bn} \]

….and more than triple EBIT\(^2\)…

\[ \text{€183m} \rightarrow \text{€500m to €600m} \]

… over 2 periods:

1. **2011 – 2015 Investment**
   - Label extension
   - Leveraged geographies
   - Increased commercial investments
   - Inspiration option

2. **2016 – 2020 Solid growth**
   - Dysport\(^*\) and Somatuline\(^*\) on track for full potential
   - New products: Inspiration option, tasquinimod, others…
   - R&D productivity/pipeline delivering
   - US platform to materialize potential

NOTE 1: 2020 figures include contribution of Inspiration portfolio and are set at constant FX
NOTE 2: prior to purchase accounting recordings and non recurring elements
To achieve our ambition, we need to…

- **Increase focus**
  - Capture Ipsen’s assets full potential, on a limited number of:
    - technological platforms (R&D focus)
    - Disease areas (commercial focus)

- **Invest to grow**
  - Enhance leadership in technological platforms (R&D and manufacturing)
  - Grow market share in selected disease areas
  - Build pipeline
  - R&D productivity

- **Leverage footprint**
  - Leverage Ipsen’s presence to broaden access to:
    - US specialty care growth reservoir
    - Accelerate Pharmerging market penetration in both primary and specialty care
Franchise will bring commercial reality at the center of drug development

**FRANCHISE**

**MEDICAL**
- Medical input and narrative
- Lead Ph IIb and Ph III clinical trials
- Medical training

**MARKETING**
- Define and roll out global marketing strategy
- Product marketing expertise
- Define Target Product Profile (TPP)

Countries are responsible for P&L performance
Increase market focus on 4 franchises, driving innovation

<table>
<thead>
<tr>
<th>Franchise</th>
<th>Research</th>
<th>Early dev. (end of PhIIa)</th>
<th>Late dev. (PhIIb &amp; PhIV)</th>
<th>Manufacturing</th>
<th>Operations</th>
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</thead>
<tbody>
<tr>
<td>Endocrinology/ Somatuline®</td>
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<td>✔</td>
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<td>✔</td>
<td>✔</td>
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<tr>
<td>Neurology/ Dysport®</td>
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<tr>
<td>Uro-oncology/ Decapeptyl®</td>
<td>✔  Ipsen or Partner</td>
<td>✔  Ipsen or Partner</td>
<td>✔  Ipsen or Partner</td>
<td>✔  Ipsen or Partner</td>
<td>✔  Ipsen or Partner</td>
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<tr>
<td>Hemophilia</td>
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<td>✔  Partner</td>
<td>✔  Ipsen or Partner</td>
<td>✔  Ipsen or Partner</td>
<td>✔  Ipsen or Partner</td>
</tr>
</tbody>
</table>

*Primary care and Short Stature in a commercial optimization strategy*
An integrated R&D “push-pull” model to fulfill patient/commercial requirements

NOTE 1: Proof of Concept is the evidence that a drug is safe and capable of treating a specific patient population
Ipsen’s path to **INCREASED FOCUS**

### Key projected priorities

- **Market-focused franchise model**
  - Implementation of four market-driven franchises:
    - 2 franchises covering full value chain supporting Somatuline® and Dysport®
    - 2 franchises primarily focused on late stage development and commercial performance around Decapeptyl® and Hemophilia

- **Market driven R&D**
  - Focus R&D on core platforms, peptides and toxins
  - Merge “R” and “D” departments, increase productivity and improve time to market
  - Streamline R&D footprint

### Projected deprioritizations

- Short Stature in commercial optimization perspective. Ipsen will explore all options to maximize value while meeting its obligations to patients and partners. It will be managed directly by regions and countries
- Proteins and small molecules
- Short Stature and non-prostate cancer oncology R&D programs are no longer in Ipsen’s strategic priorities
- R&D activities at Barcelona site to close
INVEST TO GROW: Ipsen’s way forward

Invest to grow over 2011-2015

Focused investment effort to further develop Somatuline® and Dysport®

- Dysport® Ph III in spasticity
- Dysport® Ph II in urology
- Dysport® Ph III Next Generation
- Somatuline® Ph III in NET
  - Functioning in the US
  - Non functioning WW

Increase investment effort in growth markets: pharmerging, US

- Somatuline® and Dysport® full label in the US
- Local/ regional partnering
- Decapeptyl® 6 month in the emerging markets
- Increase sales force in China to benefit from existing positions
- Reinforce GI portfolio around Smecta® in emerging markets

Stronger commercial push on key products to catch up vs. competition

Allocate reprioritized R&D resources to support highly differentiated peptide and toxin technological platforms

Enhance leadership in technological platforms
Grow market share in selected disease areas
An already existing extensive commercial reach…

Sales recorded in 115 countries:

- Direct commercial presence in 49 countries
- Commercial presence through partners in 66 countries
… that will provide most of the growth in the future

Evolution of Group sales outside G5

€1.1bn to €2.0bn to €2.5bn

Illustrative G5 trend

Europe G5
Outside G5

NOTE 1: 2020 figures include contribution of Inspiration portfolio and are set at constant FX
LEVERAGE FOOTPRINT as a major growth driver

Leverage Footprint

- Allocate additional commercial efforts to Somatuline® and Dysport® to capture sales full potential
- Inspiration opportunity
- Move teams to the East Coast

Projected deprioritizations

- Apokyn® and Increlex® are no longer in Ipsen’s strategic priorities. The Group will explore all options to maximize value while meeting its obligations to patients and partners

US

 Pharmerging

- Further leverage Ipsen’s profitable emerging market base:
  - Leverage primary care portfolio
  - Expand specialty care portfolio to most existing countries
- China:
  - Support strong Decapeptyl® growth in China
  - Register Dysport® and Somatuline®
Increase focus, Invest to grow, Leverage footprint...

...a renewed Executive Committee to serve our strategy

CEO

Hemophilia Alliance

Operations
  Christophe Jean

Research & Development
  Claude Bertrand

Technical Operations
  Eric Drapé

Human resources
  Etienne de Blois

Strategy, BD and Market Access
  Pierre Boulud

Corporate counsel / Company secretary
  TBD

Finance
  Claire Giraut

Public Affairs and Communications

Regions and franchises reporting to Operations

Driving global demand

Ensuring Supply

Supporting the business

Operating divisions

Central functions
Enhance Ipsen’s corporate culture

- Team work
- Accountability
- Excellence
- Nimbleness
In short...
Become a global leader in targeted debilitating diseases

Increase Focus  Invest to Grow  Leverage Footprint

A market-oriented franchise model…

…driving an R&D patient centric organization focused on core platforms, peptides and toxins.

2020 ambition

More than double revenues\(^1\)

…and more than triple EBIT\(^2\)

NOTE 1 : 2020 figures include contribution of Inspiration portfolio and are set at constant FX

NOTE 2: prior to purchase accounting recordings and non recurring elements
Endocrinology/ Somatuline®

C. Jean
EVP, Chief Operating Officer
Endocrinology/ Somatuline® franchise

### Acromegaly
- Pituitary disorder triggering excess GH secretion and leading to gigantism and growth of soft tissues
- Prevalence: 60 per 1 million
- 5-10 years less life expectancy
- North America: ~15,000 patients
- Europe: ~15,000 patients
- Ipsen geographies: Europe, RoW and North America

### Neuro Endocrine Tumors (NET)
- Arise from cells with both neuronal and endocrine origins
- Prevalence: 25 to 50 per 1 million
- Prevalence x5 in 30 years in the US
- Can arise from almost any organ, most commonly GI tract, pancreas, and lung
- 5 years of survival for carcinoid tumors in 60% of cases
- Ipsen geographies: Europe, RoW ex North America

Franchise territory: Adult endocrinology, NET

2. US Surveillance Epidemiology and End Results (SEER) 2008
Global Somatostatin Analog (SSA) market in 2010: ~ 1.1 billion euros...

Q4, 2010 market figures

- 2010 SSA market: ~€ 1.1bn
- Solid SSA market growth (+9%¹ in 2009 and +18%¹ in 2010)
- A fairly balanced geographical split between Europe (42% of total sales), the US (35%) and the RoW (23%)
- Somatuline®, an established product in Europe both in Acromegaly and in NET with 55% SSA market share in France and 32% SSA market Share in G5
- Ramping up acromegaly sales in the US with only 2.4% SSA long acting market share in 2010

Note 1: Actual (Somatuline® + Sandostatin) reported sales
Others : based on company reported sales ; IMS MIDAS MAT Q4 2010
... exceeding 1.6 billion euros in 2020, driven by NET

NET incidence over 30 years

Incidence per 100,000 for NET between 1973 - 2004²

Steady 3.8%¹ CAGR until 2020

- 2020 SSA market: ~€1.6bn¹ (+ 45% or 3.8% CAGR)

Growth in the SSA market mainly driven by:

- NET
  - Studies suggest that NET incidence has been growing rapidly over the past several decades, particularly in the US
  - Increased awareness of NETs results in a wider availability of improved diagnostic techniques

- The US
  - +4.6%¹ expected market growth in the US between 2010-2020 (world most solid growth)

Note 1: Company’s internal data
Note 2: US Surveillance Epidemiology and End Results (SEER) 2008
Great potential lies ahead for Somatuline®...

<table>
<thead>
<tr>
<th>Number of indications</th>
<th>Full Potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small</td>
<td>Somatuline® in EU + RoW</td>
</tr>
<tr>
<td>Medium</td>
<td></td>
</tr>
<tr>
<td>Large</td>
<td>Somatuline® in the US</td>
</tr>
</tbody>
</table>

- **Somatuline® in the US**
- **Somatuline® in EU + RoW**

Current Somatuline® market share

Target Somatuline® market share

… while SSA market is expected to grow 3.8% CAGR until 2020
### Commitment across the full value chain

<table>
<thead>
<tr>
<th>Competitive landscape</th>
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<td>Technological platform</td>
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<td>Barrier to entry</td>
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<td>Competition</td>
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<td>Market size/ Growth</td>
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<td>Market share</td>
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<td>Geographies</td>
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<tr>
<td>Somatuline® competitive adv.</td>
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<tr>
<td>Somatuline® growth potential</td>
<td>✓</td>
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</table>

**Core:** peptides

**High** – pre filled syringe & long acting peptide

**Well characterized** – 1 major competitor, targeted combo therapies emerging

**Large/ Solid** – 3.8% CAGR until 2020 (€1.59bn)

**Room to grow:** Somatuline® 2nd player

**US + Pharmerging** potential – solid growth in Europe

**Significant** – elements of differentiation to be further enhanced

**Strong** - 2 ongoing PhIII in NET (non functioning WW + functioning US)...
Somatuline® ambition: 10% to 15% CAGR* until 2020

Balanced geographical growth...

- Expected filing: 2014
- [€500m-€600m]

- Functioning NET US
- Non Functioning NET worldwide

2010: €170m
2020: [€500m-€600m]

...driven by NET

- Expected filing: 2014
- [€500m-€600m]

- Functioning NET US
- Non Functioning NET worldwide

2010: €170m
2020: [€500m-€600m]

* two sequences: one invest; two return
Ipsen to work on key levers to reach full potential

Leverage product differentiation

Investment and capabilities

Improve visibility & clinical development

Geographic and indication footprint

Partnerships

**NET and the US: two main growth drivers**

Key
- Now
- Tomorrow
New additional elements of differentiation

**Increased extended dosing interval worldwide**
- Approved in the US in March 2011
- From one injection every 4 weeks (60-90mg) to every 6-8 weeks (120mg)
- Increased comfort for the patients
- Economic benefit

**New device**
- Retractable needle to ensure full dose release
- Optimal safety for hospital care practitioners/patients
- Health economic benefits related to absence of clogging and no need for reconstitution

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**Long-acting octreotide**
- 2.5 mL

**Somatuline Autogel**
- 0.2 – 0.5 mL
- Short needle
- Prefilled syringe
- Built-in needle retraction system
- Low-volume injection
- Skin
- Fat layer
- Muscle

10 step reconstitution needed
Somatuline® New Device: preferred by Nurses
Somatostatin Analog Nurse Preference Study - 1st publication

Global preference score

New device better on all attributes

Global preference score = Added sum of each attribute’s importance score/10 * Product Evaluation score

= significant difference compared to Ocreotide LAR (p<0.05)

Source: Cegedim Strategic Data (CSD)
<table>
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<tr>
<th>Improve share of voice &amp; clinical development</th>
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<tbody>
<tr>
<td>Leverage clinical and safety data</td>
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<td>Enhance differentiation elements</td>
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<td>New campaign: “Start right, stay right”</td>
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<tr>
<td>Enhance collaborations with medical and scientific communities</td>
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<tr>
<td>Enhance services to physicians, nurses, patients and payers</td>
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</tbody>
</table>
Partnerships to explore new treatment paradigm

Innovative partnership with Pfizer Europe in Neuro Endocrine Tumors (NET)

Medical education initiative kicked off at ENETS (joint symposium on March 11th 2011 in Lisbon)

Build upon respective best-in-class position to develop medical education on gastro-entero-pancreatic NET (GEP NET) management

Drive guidance on patients profiles who would benefit most from both agents
Partnerships to increase penetration in emerging markets

Promotion agreement with Sanofi in Latin America

- Long term agreement between Sanofi and Ipsen in emerging markets focused on Latin America
- Started in January 2009
- Potential extension in other geographies

Promotion agreement with Invida in Asia

- New Geographical footprint for Ipsen’s Specialty Care Portfolio in Endocrinology (and Oncology)
- Started in April 2010

- Accelerates penetration of Ipsen’s products
- Leaves Ipsen’s options open for the future

Note 1: JV between Zuellig – Quintiles and Temasek
New indications: Functioning NET in the US and Non Functioning NET worldwide

**Functioning NET for US label**
- Recruitment target: 100 patients
- Global recruitment status on target for completion end of 2012
- Carcinoid syndrome initially slow to recruit due to trial design and ongoing competitive trials
- 12 countries planned (US + 11 ROW countries), 66 sites (56 Row + 10 US)

<table>
<thead>
<tr>
<th>USA</th>
<th>Russia</th>
<th>South Africa</th>
<th>Turkey</th>
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<td>Brazil</td>
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**Non Functioning NET worldwide - CLARINET**
- **RECRUITMENT COMPLETED** end of April 2011
- 200 patients accrued (45 centers in 14 countries)

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<tr>
<th>Austria</th>
<th>Italy</th>
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<td>Belgium</td>
<td>Poland</td>
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<td>Czech Rep.</td>
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<td>India</td>
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<tr>
<td>Latvia</td>
<td>Ukraine</td>
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Somatuline®, potentially the only SSA with functioning and non-functioning NET label

Note 1: WHO The Atlas of Heart Disease and Stroke, Dr Judith MacKay and Dr George A. Mensah
# Somatuline® Autogel 2010 footprint and indications

<table>
<thead>
<tr>
<th>Geography/Indication</th>
<th>Europe</th>
<th>US</th>
<th>China</th>
<th>Brazil</th>
<th>Russia</th>
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<tbody>
<tr>
<td><strong>Acromegaly</strong></td>
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<td>But no national reimbursement</td>
<td>But no national reimbursement</td>
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<tr>
<td><strong>Functioning NET</strong></td>
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<td>-</td>
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<td>But no national reimbursement</td>
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<tr>
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Ipsen presence
## Somatuline® Autogel 2020: a globalized reach

<table>
<thead>
<tr>
<th>Geography/Indication</th>
<th>Europe</th>
<th>US</th>
<th>China</th>
<th>Brazil</th>
<th>Russia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acromegaly</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Functioning NET</td>
<td>✔</td>
<td>✔</td>
<td>-</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Non-functioning NET</td>
<td>✔</td>
<td>✔</td>
<td>-</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>

LatAm and Asia covered through partnerships

- Ipsen presence
**Somatuline® milestones**

**New indications**
- Expected filling - US Ph III functioning NET
- Expected filing - Worldwide non functioning NET

**New geographies**
- Filing China – Somatuline® ATG in Acromegaly
- Partnerships

**Focus on services and product characteristics**
- Worldwide switch to new device
- “Start right, stay right” campaign launch
  - Europe
  - USA
  - RoW
- Roll out of medical education initiatives

**Timeline**
- 2011
- 2012
- 2013
- 2014
- 2015
- After 2015

**NOTE 1:** CTA or filing for Clinical Trial Authorization
Professor Wouter de Herder

Professor of endocrine oncology at the Erasmus University, Rotterdam, Netherlands

Chairman and Vice-Chairman of ENETS (European Neuroendocrine Tumour Society)

Member of the advisory boards of ENETS and NANETS (North American Neuroendocrine Tumor Society)
Neurology/ Dysport®

C. Jean
EVP, Chief Operating Officer
A 2010 botulinum toxin market in excess of 1.3 billion euros

**Dysport® market metrics**

- 2010 Botulinum toxin market: ~€1.35bn
- The US represent north of 50% of the market
- Therapeutic indications represent 58% of the market
- Dysport®, a solid second player
- Dysport® recently launched by Ipsen in the USA (November 2009) with a single medical indication (cervical dystonia) and by Medecis in aesthetics (Glabellar lines)

**2010 BonTA market figures**

<table>
<thead>
<tr>
<th></th>
<th>Therapeutic</th>
<th>Aesthetics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>USA</strong></td>
<td>~€370m</td>
<td>~€310m</td>
</tr>
<tr>
<td><strong>RoW</strong></td>
<td>~€420m</td>
<td>~€240m</td>
</tr>
</tbody>
</table>

**Note 1**: Internal company data

Source: Ipsen analysis
Botulinum toxin market expected to grow by ~7% p.a. to 2.7 billion euros in ten years

US to remain half of 2020 WW market …

Botulinum toxin A market by geography (€Bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>US</th>
<th>RoW</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>~€1.35</td>
<td>~0.7</td>
<td>~€1.42</td>
</tr>
<tr>
<td>2020</td>
<td>~€2.7</td>
<td>~1.3</td>
<td>~€4.0</td>
</tr>
</tbody>
</table>

CAGR (10E-20F)

~7%

…with split between therapeutics and aesthetics remaining stable

Botulinum toxin A market by use (€B)

<table>
<thead>
<tr>
<th>Year</th>
<th>Therapeutics</th>
<th>Aesthetics</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>~€1.35</td>
<td>~0.6</td>
<td>~€1.95</td>
</tr>
<tr>
<td>2020</td>
<td>~€2.7</td>
<td>~1.6</td>
<td>~€4.3</td>
</tr>
</tbody>
</table>

CAGR (10E-20F)

~40%

Source: Ipsen analysis
Room for new indications in North America

Ex North America

- Aesthetic use
- Blepharospasm
- Hemifacial spasm
- Cervical Dystonia
- Hyperhydrosis
- Adult Spasticity
- Cerebral Palsy (pediatric)

North America

- Aesthetic use
- Cervical Dystonia
- Adult Spasticity
- Cerebral Palsy (pediatric)

- Current indications
- Aesthetic medicine
- Phase III trials started 2011
Full potential of Dysport® lies ahead…

- Current Dysport® market share
- Target Dysport® market share

Full potential of Dysport® lies ahead… and BonTA market is expected to grow 7% CAGR until 2020

Note: bubble size only for representation purposes
Brazil, success built on focus and strong selling fundamentals

Focus and strong selling fundamentals...

Dysport®: The Ipsen product in Brazil

- Therapeutic focus
- Intense KOL management program (with dedicated medical affairs support)
- Knowledge of local environment (tender, product access...)
- Customer segmentation and targeting
- Intense injector training program

... to become market leader

Dysport®'s market share in Brazil¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Total market including Aesthetics with Galderma</th>
<th>Therapeutics: Ipsen only</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>~37%</td>
<td>~43%</td>
</tr>
<tr>
<td>2010</td>
<td>~45%</td>
<td>~55%</td>
</tr>
</tbody>
</table>

In Brazil, Dysport® gains market share and expands the market with a 2006-10 CAGR of 13% vs. 10% for the market (Botox®, Xeomin® and Prosigne®)

¹ Note 1: Internal data
Commitment across the full value chain

<table>
<thead>
<tr>
<th>Competitive landscape</th>
<th>-</th>
<th>=</th>
<th>+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toxin Technological platform</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barrier to entry</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competition</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market size/Growth</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Dysport® Market share</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Geographies</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dysport® competitive adv.</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dysport® NG competitive adv.</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dysport® growth potential</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Core to Ipsen
- High
- Well characterized – 2 major competitors, more to come – strong Aesthetics alliances
- Large/Solid – 7% CAGR until 2020
- 2nd after Botox® – room to grow
- US and emerging markets potential
- At par with competitors
- Further differentiation with Next Generation
- 4 ongoing PhIII in spasticity…
Dysport® ambition: 10% to 13% CAGR* until 2020

Driven mainly by US...

- Expected filing: around 2014
  - Spasticity indications
  - Dysport® NG

  ~€184m

2010 2020
USA Europe RoW

[€600m-€700m]

...and therapeutics

- Expected filing: around 2014
  - Spasticity indications
  - Dysport® NG

  ~€184m

2010 2020
Aesthetics Therapeutics Others

[€600m-€700m]

* two sequences: one invest; two return
Ipsen to work on key levers to reach full potential

Spasticity and the US: two main growth drivers
### Dysport® 2020 footprint aspiration: More geographies, more indications

<table>
<thead>
<tr>
<th>Geography/Therapeutic area</th>
<th>Europe</th>
<th>US</th>
<th>China</th>
<th>Brazil</th>
<th>Russia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Therapeutic</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Paediatric per equinus spasticity (Cerebral palsy)</td>
<td>5. Pediatric Upper Limb</td>
<td>5. Paediatric per equinus spasticity (Cerebral palsy)</td>
<td>5. Paediatric per equinus spasticity (Cerebral palsy)</td>
<td>5. Paediatric per equinus spasticity (Cerebral palsy)</td>
<td>5. Paediatric per equinus spasticity (Cerebral palsy)</td>
</tr>
<tr>
<td><strong>Aesthetic</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Dysport® in aesthetics**

**Through partnerships...**
- Rationale: access the aesthetic market potential with partners offering a range of aesthetics products
- Successful partnerships with:
  - **Medicis** in North America
  - **Galderma** in Europe and other selected geographies (e.g. Brazil)

**... or solely as Ipsen**
- In geographies not covered by partnerships...
- ... when it makes business and economic sense

*Note 1: market share in volume - Ipsen analysis*
New indications: Focus on spasticity and urology indications

Focus on spasticity in the short term...

- Current spasticity indications:
  - Adult upper (ex-US) and lower limb (limited markets)
  - Pediatric lower limb (ex-US)
- Spasticity, a major short-term growth opportunity:
  - Stroke: 15 million people worldwide every year. 5 million are left permanently disabled¹
- World-wide Adult and Pediatric Ph III program (4 trials):
  - 4 new indications in the US
  - New and/or Improved labeling ex-US

... and in urology in the longer term

- Leverage current access to prescriber base:
  - Clear synergies with Uro-oncology franchise in Europe
  - Clear WW synergies with neuro-rehabilitation environment
- Neurogenic Detrusor Overactivity: Ph IIa started (NCT01357980):
  - First patient screened in May 2011
  - Limited cost and high probability of success
- Urology indications, a significant mid term growth potential

¹ Note 1: WHO The Atlas of Heart Disease and Stroke, Dr Judith MacKay and Dr George A. Mensah
Ipsen to improve medical narrative and prescriber relationship

- Leverage unique clinical experience
- Enhance collaborations with medical and scientific communities
- Dysport® value
- Enhance services to physicians and payors
Dysport® Next Generation: a potential new exciting opportunity

The first ready-to-use toxin A…

- …is a breakthrough innovation bringing clear differentiation vs. competitors
- …saves time by avoiding reconstitution
- …improves safety (dilution/dosage, reconstitution, single use product …)
- …has very positive qualitative and quantitative market research results¹ (c. 500 participants):
  - 83% of potential adopters on time saving and improved safety grounds

A potentially transforming project

- A WW Ph III program to assess safety and efficacy:
  - Indication: Cervical Dystonia
  - 350 patients
  - 71 sites (42 in Europe, 29 in the US)
  - First patients recruited in Europe
  - US recruitment pending feedback from FDA in Q3 2011
- A complex manufacturing process with technical hurdles to be addressed
- Ipsen team fully mobilized to bring R&D project to fruition

Potentially, a major change in market paradigm

Note 1: with Neurologists and Neuro–rehabilitators
Dysport® milestones:

**New indications**
- Ph III Spasticity trials – US expected filing
  - Adult & Pediatric Lower limb
  - Adult Upper limb
  - Pediatric upper limb
- Expected filing of uro-oncology indications
- Brazil:
  - Expected Filing Pediatric Upper Limb
  - Expected Filing uro-oncology indications

**Next Generation**
- WW Ph III trial

**New geographies**
- China
  - Filing Cervical Dystonia

**Focus on service and product characteristics**
- Leverage Clinical and safety data
- Dysport® value
- Enhance service to physicians
- Reinforce KOL network

**Timeline:**
- 2011
- 2012
- 2013
- 2014
- 2015
- After 2015

**NOTE 1:** CTA or filing for Clinical Trial Authorization
Professor Pierre Denys

Professor of Physical Medicine and Rehabilitation at the Medicine University, Paris West, France

Hospital Physician in the Neuro-Urology Unit, Raymond Poincaré Hospital, Garches, France
Research & Development

C. Bertrand
EVP, Chief Scientific Officer
A changing environment that calls for a dramatic change in the way of doing R&D

Tougher times for the Pharma Industry...

- Increased competition
- Generic/hybrid entry
- Persistent attrition rate
- Pressure of payers

... calls for

- Scientific & medical excellence
- Focus on patients (Patient centric)
- Speed of execution across the value chain
- Collaborative innovation
Ipsen’s R&D has recognized strengths...

- Peptide & toxin engineering and formulation
- Knowledge of Hormonal pathways synergizing across endocrinology and hormonal cancers
- Life-cycle management
- Track record of successful partnerships at all stages
- Highly innovative and breakthrough approaches in Research
Ipsen’s R&D has experienced setbacks...

- BIM23A760 (Phase IIb)
- Taspoglutide (Late Phase III)¹
- Difficulties to properly position GH-IGF-1 combo program in short stature
- Difficulty to derive value out of promising research compounds (CDC25, diflomotecan, elomotecan, angiomate...)
- Irosustat in monotherapy (Phase IIa)

... push for greater focus across R&D

- Increase alignment between science & business analysis
- Focus resources on key projects and technological platforms
- Increase alignment in decision making
- Implement culture of decision and speed of execution

NOTE 1: developed in Ph III by Roche
... calling for an overhaul of our R&D engine...

Success to come from highly differentiated healthcare solutions with demonstrated patient benefits

- **Focus & align priorities** between R&D and Commercial Operations in expert mid-size niches in specialty care
- **Patient-centric driven R&D**
- **Continue to foster partnerships**
- **Speed of execution & Operational Excellence**
- **Highly differentiated technological platforms**

R&D to focus on short, medium and long term deliveries

1. **Highly focused in targeted debilitating diseases**
2. **Core Translational Sciences/Medicine capabilities**
3. **Integrated R&D and lean organization**
4. **Internal resources and competencies focused on peptides and toxins**
5. **Open Innovation & built from our strong partnerships**
... applied to well defined disease areas and indications

**Endocrinology**
- **Somatuline®**
  - Acromegaly

**Neurology**
- **Dysport®**
  - Neuromuscular disorders, focusing on dyskinesia
  - New toxins, new formulations & indications
  - Neurogenic Detrusor Over-activity (NDO)

**Uro-Oncology**
- **Decapeptyl®**
  - Prostate cancer

**Hematology**
- Hemophilia A
- Hemophilia B
- Hemophilia with inhibitors:
  - Acquired hemophilia
  - Congenital hemophilia

**Patient Centric**
- Peptide & toxin engineering
  - Cushing’s
  - NET
  - GI cancers
  - NFPA

**Partnerships**

**Focused. Aligned. Synergies across therapeutic areas**
An integrated R&D “push-pull” model to fulfill patient/commercial requirements

R&D Push

- Peptides
- Toxins
- External

FRANCHISE pull

- Endocrinology/Somatuline®
- Uro-oncology/Decapeptyl®
- Neurology/Dysport®
- Other

Target Product Profile

- Gives Input
- Recommends

Integrated Development Plan

- Gives Input

Execution

- Performs

Decides

Performs

Decides

Is informed

NOTE 1: Proof of Concept is the evidence that a drug is safe and capable of treating a specific patient population
Biomarkers help compounds move to POC quicker while reducing failure rate in late development stages

Benefits from the new approach

- **Anticipation** of Clinical plan at early Research stage
- **Early recycling** for some projects
- **Higher Probability of Success** for projects entering Phase II-b

Source: Nat.Reviews Drug Discovery 2010

**Traditional Development approach**

- Scarceness of drug discovery
- Preclinical
- Phase I
- Phase II
- Phase III
- CS
- FHD
- FED
- PD
- Launch

**New approach**

- Abundance of drug discovery
- Preclinical
- FIM
- Confirmation, dose finding
- Commercialization
- POC
- biomarkers
- PD
- Launch

Note: $ indicates financial investment or cost.
Ipsen partnerships in personalized medicine

Centers of excellence in translational medicine

Biomarkers as catalyst for early Proof of Concept decision

Current partnerships: Centers of Translational Medicine & BioMérieux

Confirmatory Trials

Speed to Market
Ipsen has built a state-of-the-art peptide engineering platform...

State-of-the-art scientific expertise and technology

- Enhance potency & efficacy
- Improve target selectivity
- Increase enzymatic stability and prolong duration of action
- Target specific tissues, cells and tumors
- Synergize activities at multiple targets with chimeric peptides
- Combine sustained release expertise with chemical engineering to enhance compatibility with novel formulations

Ipsen has a proven peptide track record with marketed drugs and drug candidates
Emerging peptide-based technologies have potential to further expand applications of peptide-based agents

- Cell-penetrating peptides, “stapled” peptides
- Peptides used as targeting agents to deliver therapeutic “war heads”
- Oral delivery technologies
- Chimeric peptides
- Phage display technology
- Cytotoxic-peptide and toxin-peptide conjugates, peptide-siRNA chimeras
- Peptide toxins & protein mimetics, inhibiting protein-protein interactions

... and will continue to invest in emerging technologies

Ipsen to expand and reinforce its peptide platform, in-house and with selected partners.
Design of novel targeted toxins
Design of toxins with different characteristics (onset of action, duration)
Platform versatility based on feasible modification(s) of the functional domains of native Botulinum toxin:
- Binding domain
- Translocation domain
- SNARE cleavage domain
Possibilities to improve the properties of the current available toxin formulation
Clear and measurable clinical effects
Ipsen is ideally placed to become a key player in “the toxin of the future”

Track record expertise in botulinum toxin with Dysport®

State-of-the-art facilities: research, scale up, development and manufacturing

Pharmacological, preclinical and clinical expertise in Botulinum Toxin in neuromuscular diseases

Valuable partnerships synergize with Ipsen

Established network of Toxin experts
Partnerships at the Heart of Ipsen’s Innovation
Our key drivers entail major decisions

- **Merge** Research and Development departments
- **Close** R&D activities at Barcelona site
- **Stop** internal non toxin and non peptide research*
- **Build** project management excellence

* The Group keeps the OBI-1 development platform in Milford, MA, USA
Key decisions on Ipsen’s Ph II pipeline

- **Oncology**
  - Discontinuation of the development of Irosustat as a single agent (monotherapy) in all indications
  - Seeking partnership

- **Endocrinology**
  - GH-IGF-1 Combo and all IGF-1 programs are deprioritized
  - Ipsen to explore all options to maximize value while meeting its obligations to patients and partners

**Assets no longer in strategic focus**
R&D pipeline

**Dysport® Neurology**
- Dysport® - Spasticity US
- Dysport® - Neurogenic Detrusor Over-activity (NDO)
- Dysport® - Next Generation
- Fipamezole - Dyskinesia
- BN82451B - Huntington Disease

**Somatuline® Endocrinology**
- Somatuline® - Acromegaly Japan
- Somatuline® - Non Functioning NET
- Somatuline® - Functioning NET - US
- Somatuline® - Acromegaly China
- Somatuline® - Long Acting

**Decapeptyl® Oncology**
- TASQ CRPC

**Hemophilia (Inspiration)**
- IB1001
- OBI-1
- FVIII
- FVIIa

- Pre-clinical
- Phase 1
- Phase 2
- Phase 3
- Filing

Glabellar Lines
Cervical Dystonia

(continued on next page)
Ipsen “new” R&D ambition

5 novel pre-clinical candidates…

…out of which 3 will reach POC decision by end of 2015…

…while all life cycle initiatives are achieved on time
Q&A
Break

Presentation resumes in 20 minutes
Uro-Oncology/ Decapeptyl®

C. Jean
EVP, Chief Operating Officer
A franchise with renewed growth opportunities

Tasquinimod
for castrate resistant tumors
Once a day oral formulation in PhIII

Decapeptyl®
for hormone-sensitive tumors
Prostate cancer: disease evolution towards castration resistance

Disease controlled by androgen deprivation therapy (GnRH Analogs & anti-androgens)

Castration resistance

1. Clinically Localized Disease
   - Diagnosis: 67% of cases in Western Europe

2. Rising PSA post radical therapy*

3. Locally advanced
   - Clinical Metastases: Non-Castrate
   - Castrate Pre-docetaxel
   - Castrate 1st Line Docetaxel Standard

4. Rising PSA: Castrate
   - Castrate Post-Doc

Tasquinimod

Decapeptyl®

*Radical treatment: prostatectomy or radiotherapy
Decapeptyl®: a solid basis to develop a Uro-Oncology franchise

A 20-year growth story…

- Marketed in over 60 countries (Excl. the Americas and Japan)
- Indications:
  - Prostate Cancer (more than 70% of sales)
  - Gynaecology
  - Precocious puberty
  - IVF
- Formulations: Daily, 1 month, 3 months and 6 months
- No true generics of GnRH analogs anticipated

… and still poised to grow

- GnRH analogs remain mainstay of first line hormonal manipulation in PCa
- 6 month formulation enables market share gain in key EU countries
- Emerging countries, and in particular China, provide a long term growth
  - In 2010, emerging markets contributed to ~65% of Decapeptyl®’s growth
- European sales affected by increased competition and price pressure
Decapeptyl®: strong market shares throughout the world, and room to grow

Current market share (in units)

Market share in the UK and Germany (~40% of G5 GnRH Analogs sales) has doubled in the past 3 years

SOURCE: IMS – Year 2010
100 indicates most mature markets
Emerging countries, and in particular China, as growth engine

China, limited GnRh analog market but poised to grow (2006-2010)

Increasing access of patients to medicines (2002-2017)

Prostate cancer China: treatment usage pattern

Source: IMS health

Source: GBI research 2010

China expected to become 2nd country in terms of Decapeptyl® sales in 2011
Decapeptyl® 6 month formulation: a differentiated product profile, enabling market share gain

**Decapeptyl 6 month formulation**

- **Efficacy**
  - Sustained low level of testosterone, without breakthrough*
  - Similar efficacy on PSA control and Testosterone across all formulations**

- **Local Tolerance**
  - Limited local side effects (6.7% of patients)
  - No nodule or abscess at site of injection

- **Formulation reconstitution**
  - Lyophilized slow release formulation
  - Easy to reconstitute with no product loss

**E.g. Impact on market shares in Spain**

*Source: IMS sales data*

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*Lundstrom E & Al., ClunDrug Invest 2009; 29(12):757-765

**Mounedjii N & al, J clin Oncol 29: 2011 (suppl 7; abstr 162)*
No true generics of GnRH analogs anticipated, only Hybrids

**Hybrids rather than true generics**

- Risk of true long acting GnRH analogs generics entry expected to be low
- Only hybrids of leuprorelin are available today\(^1\)
- Hybrids are currently not substitutable and priced 20-25% below original products
- In Germany, the 2 leuprorelin hybrids have reached less than 10% MS in 3 years\(^2\) with no impact on class price yet

**Impact of hybrids on market shares MEU (*) in Germany**

![Graph showing market share for various products over time](image)

\(^{*}\) MEU = Monthly equivalent units
Source: Insight Health, OdV data - Germany

**Hybrids represent a moderate threat to GnRH\(a\) established brands compared to true generics**

Note 1: goserelin hybrid has been withdrawn from the 2 markets where they were launched (UK and GER)
Note 2: despite promotional investments and push from payers
Tasquinimod: a perfect strategic fit

- Leverage the Group’s current leadership position in prostate cancer
- Expand to medical oncology
- Access to significant sales potential
- Beyond prostate, tasquinimod has potential in other cancers (such as GI)

Population Incidence in G5*

<table>
<thead>
<tr>
<th>Disease Stage</th>
<th>Incidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage I &amp; II</td>
<td>149,000</td>
</tr>
<tr>
<td>Stage III &amp; IV</td>
<td>111,000</td>
</tr>
<tr>
<td>CRPC</td>
<td>153,000</td>
</tr>
</tbody>
</table>

* Oncos Da Vinci, 2008
Tasquinimod, promising phase II results

Safety and efficacy analysis* of Phase II study of Tasquinimod in chemotherapy naïve patients with asymptomatic metastatic castrate-resistant prostate cancer (CRPC) (n=201)

Primary end point
Proportion of patients with progression at 6 months:

n=134/67 31% in Taquinimod group vs. 66% in placebo group

Radiographic

Placebo switch on TasQ

Most common AE-s and percent of patients with grade 1-4 in Double-blind phase

Nausea
Fatigue
Constipation
Decreased Appetite
Flatulence
Diarrhoea
Back Pain
Pain in extremity
Arthralgia
Blood Amylase increased
Lipase Increased
Vomiting
Anaemia
Headache
Abdominal pain

Tasquinimod improves Radiographic Progression Free survival vs. placebo (8.8 months vs. 4.4 months)

Side effects are manageable

Tasquinimod, Phase III program ongoing

A Phase III randomized, double-blind, placebo-controlled study of Tasquinimod in men with asymptomatic/mildly asymptomatic Metastatic Castrate Resistant Prostate Cancer

- **Objectives**
  - TASQ in chemonaïve patients with metastatic castrate-resistant prostate cancer
  - Effect of Tasquinimod on delaying disease progression compared with placebo

- **Endpoints**
  - Primary: Radiological progression-free survival (PFS)
  - Secondary Endpoint: Overall Survival (OS) – Study powered for OS

- **Study plan:**
  - Placebo (n=400)*
  - Tasquinimod (n=800)*

  *Once daily, orally

- **Principal investigators:**
  - America: Michael A Carducci, Johns Hopkins Kimmel Cancer Center, Baltimore, USA
  - Europe: Cora N Sternberg, San Camillo and Forlanini Hospitals – Rome, Italy

*International Pivotal Phase III opened 1Q 2011…

... filing expected in 2014...*
Tasquinimod, deal terms for Ipsen

**Geographies**
- World excluding Japan and the Americas

**Execution**
- Active Biotech: Pivotal registration PhIII
- Ipsen: Supportive study

**Financials**
- Milestones:
  - Upfront payment of €25 million
  - Additional payments of €175 million contingent upon progress/achievement of clinical, regulatory and commercial milestones
- Royalty rate: progressive on the level of sales starting in the low teens

**Expected peak sales: in excess of €250m**
Hemophilia

M. de Garidel
Chairman and Chief Executive Officer
Ipsen and Inspiration are aiming at all levels of the coagulation cascade for the treatment of hemophilia.

- A full fledged hemophilia franchise, with potentially 4 products
- With a broad potential inhibitor therapy offering (OBI-1, FVIIa)...
- And the first recombinant competitor in hemophilia B therapy, IB1001
- Differentiated with OBI-1, the only recombinant porcine FVIII product...

- An $8bn market
- A high margin market
- 2 products in Ph III:
  - OBI-1: a highly innovative porcine recombinant Factor VIII (orphan drug)
  - IB1001: first rFIX biosimilar in an underserved, fast growing market
Growing Market Opportunity in Hemophilia B

Current market
- FIX market overlooked – primary focus FVIII
- 90% recombinant in developed markets
- 40% recombinant and growing in underserved markets

Long-term growth prospects
- 2% to 6% CAGR until 2020
- Broadening access to care grows overall market:
  - Driven by prophylaxis in developed markets
  - Driven by more patients treated in underserved markets

Critical unmet medical need: access to treatment for more patients
- Hemophilia B market potential of 6.5 billion International units (IU), based on population

Significant market opportunity for IB1001, a recombinant FIX currently in Phase III

Recombinant FIX sales of $700m in 2009; plasma sales of $300 million
Historical and projected hemophilia market growth drivers

- **Hemophilia population growth**: Increasing weight of demographics
- **Diagnosis & treatment rate**: Limited, longer-term opportunity
- **Prophylaxis penetration**: Market opportunity
- **Conversion to recombinant**: Market opportunity
- **Increased competition**: Opportunity to enhance prophylaxis and conversion to rFIX
IB 1001 demonstrated non-inferiority to BeneFIX®

The preliminary safety data collected during the PK study phase indicate that IB1001 has an acceptable safety profile and is well tolerated.

Study IB1001-01 is ongoing and further analyses on safety and efficacy will be available in 2011.
Growing Market for More Effective Inhibitor Treatments

Current market

- 1/3 of hemophilia A patients will require inhibitor therapy during their lifetime:
  - Inhibitor therapy (IT) 70% recombinant in developed markets
  - IT <10% recombinant in underserved markets
  - Current therapies are FVIIa bypassing agents

Long-term growth prospects

- 3% to 6% CAGR until 2016, 0-1% thereafter (due to increased competition, downward pricing pressure):
  - Driven by prophylaxis in developed markets
  - Driven by more patients treated in underserved markets

- Opportunities in treating inhibitors to human FVIII and acquired hemophilia

Most important unmet need:

- Additional inhibitor therapy options

- Current inhibitor therapies are expensive; not always effective
- Lack of biomarkers to predict efficacy

Unique positioning for OBI-1, a differentiated porcine recombinant FVIII currently in Phase III

Inhibitor Therapy

- Recombinant FVIIa sales of $1.1bn in 2009; plasma sales of $400m
- 2009 Actual sales: ~$1.5bn
- 2020 forecast sales: ~$2.1bn
Inspiration hemophilia product portfolio – short term timeline

IB 1001 (rFIX)
- Enrollment of Ph III prophylaxis clinical trial: completed
- Enrollment of Ph III surgery clinical trial: completed
- MAA regulatory submission in Europe: H2
- BLA regulatory submission in the US: H1

0BI-1 (rpFVIII)
- Complete enrollment of Ph III in acquired hemophilia: H1
- BLA regulatory submission in the US for acquired hemophilia: H2/H1
- Initiation and site ramp up Ph III in congenital hemophilia: H2/H1
- Scientific presentation and poster at ISTH (Japan): July
Ipsen now has ~34% of fully diluted ownership of Inspiration.

Today
- c.34% fully diluted ownership

29%*

20%

7 remaining clinical and regulatory milestones on OBI-1 and IB-1001

2010

Initial equity stake: $85 m
+ upfront: $50 m
+ 27.5% royalty rate on OBI-1

OBI-1 PhIII initiation
- $50 m paid by Ipsen in exchange for convertible bonds

Total development funding of $124m in exchange for convertible bonds maturing the later of 7 years or the end of the call exercise period

Call at market value exercisable on triggering events expiring at the latest in 2019

* O/W 20% of outstanding shares
Professor Claude Négrier

Head of the Hematology Department at Edouard Herriot University Hospital in Lyon, France

Professor of Hematology at the Lyon School of Medicine, France

Adjunct Professor in the Division of Hematology at the University of North Carolina, Chapel Hill, USA
US platform

C. Jean
EVP, Chief Operating Officer
Ipsen has completed a comprehensive assessment of global operations and reaffirms its commitment to the US market.

- Significant upside potential for new indications for Dysport® and Somatuline Depot®
- Significant market opportunity for hemophilia portfolio
- Significant value in further developing Ipsen’s presence and insight into the US market
The U.S. will continue to lead the global marketplace and remains an important pillar in Ipsen’s global strategy.

In 2015, the U.S. market will represent ~30% of the global pharmaceutical market...

- Global therapeutic botulinum toxin market expected to grow at 7.4% CAGR to €1.6bn in 2020
- US botulinum toxin market to grow at 7.4% CAGR to €1.4bn in 2020 (50% of total market)
- Global SSA³ market expected to grow at 3.8% CAGR to ~€1.6bn²
- World most solid growth in the US with a SSA³ market expected market growth 4.6%² CACG in the US

The US will contribute to 11%¹ of the 2010-15 global pharma market growth and specialty products are anticipated to grow faster than the overall market...

SOURCE: (1) IMS Health 2011
(2) Company estimates
(3) SSA: Somatostatin Analogs
To ensure we maximize the opportunity, there will be four key changes to the U.S. Organization

| **Focus investment and resources to drive** Dysport® and Somatuline Depot® **growth in current and future indications** |
| **Restructure the US organization to increase focus and align US operations with the new global franchise structure** |
| **Better integrate the US business with the global organization and move US commercial operations to the East Coast** |
| **Allocate internal effort to activities that drive differentiation and focus and form outsourcing partnerships to support other activities** |
U.S. growth also will be fueled by life-cycle management and new products

8 on-going phase IIIs in the US

- **4 Dysport® (Spasticity)**
  - Adult upper limb spasticity
  - Adult lower limb spasticity
  - Pediatric upper limb spasticity
  - Pediatric lower limb spasticity
  - Expected filing 2014 - 15

- **2 Somatuline® (NET)**
  - Functioning NET
  - Non Functioning NET
  - Expected filing 2014

- **2 Hemophilia (Inspiration)**
  - IB 1001 (rFIX)
  - OBI-1 (rpFVIII)
  - Expected filing H1 2012 for IB1001
  - Expected filings 2012/2013

**Opportunistic Business Development will be considered**
A two-phased US strategy supports short- and long-term growth objectives

<table>
<thead>
<tr>
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<tbody>
<tr>
<td><strong>Invest in current indications for Dysport® and Somatuline® Depot to gain share in cervical dystonia and acromegaly markets respectively</strong></td>
<td><strong>Assess the option to enter US hemophilia market</strong></td>
<td><strong>Launch and grow Dysport® in spasticity and Somatuline® Depot in NET</strong></td>
</tr>
<tr>
<td><strong>Invest in clinical trials to support life cycle management of Dysport® and Somatuline® Depot</strong></td>
<td></td>
<td><strong>Hemophilia franchise option</strong></td>
</tr>
<tr>
<td>– Dysport®: 4 Ph III in spasticity</td>
<td></td>
<td><strong>Become a significant sales and profit contributor to the Ipsen Group</strong></td>
</tr>
<tr>
<td>– Somatuline®: 2 PhIII in functioning and non functioning NET</td>
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A new President and General Manager for Ipsen North America

Sean McKercher

- **30 years of experience** in the healthcare industry, working in many different locations including Canada, Asia, Africa, US and most recently Europe.


- Since 2009, **head of Ipsen's business development and alliance management organization** completing over 20 different transactions including the creative relationship with Inspiration.

- In 2010, named the **Business Development Executive of the Year by the UK Pharmaceutical Licensing Group**.

- Recently named **President and General Manager for Ipsen North America**
China focus: Invest to accelerate value growth to harvest the full benefit of 20 years experience

E. Bouteiller
General Manager, China
China amongst top pharma markets...

Region contribution to global growth

<table>
<thead>
<tr>
<th>Region</th>
<th>2005-2010</th>
<th>2010-2015</th>
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<tbody>
<tr>
<td>RoW</td>
<td>12%</td>
<td>19%</td>
</tr>
<tr>
<td>Tier 3</td>
<td>15%</td>
<td>12%</td>
</tr>
<tr>
<td>Tier 2</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>China</td>
<td>27%</td>
<td>11%</td>
</tr>
<tr>
<td>South Korea</td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>Japan</td>
<td>3%</td>
<td>8%</td>
</tr>
<tr>
<td>EUS</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>Canada</td>
<td>14%</td>
<td>26%</td>
</tr>
<tr>
<td>US</td>
<td>2%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Region market share of global sales 2015

- United States: 30%
- China: 15%
- Japan: 9%
- Canada: 11%
- EUS: 1%
- South Korea: 2%
- Tier 2: 14%
- Tier 3: 10%
- US: 8%
- RoW: 2%

* 2015 sales estimated using 2011-2014 CAGR sept. 2010 for Egypt & Ukraine in Tier 3 and RoW
Source: IMS Health Market Prognosis, March 2011

In 2010, China became the world’s second largest economy ahead of Japan
...and more Healthcare potential to come

Healthcare expenditure as percent of GDP [percent, 2008]

China healthcare expenditure – projected spend [USD billions]

A US$ 600 billion market by 2015, trending towards $1 trillion by 2020

Source: McKinsey analysis
China a bursting market place

**Competitors**

- **International competitors**: “Arms race” on coverage, investment, products, talents, etc…
- **Local competitors**: strong development & ambitions, with strong cash reserves (subsidies for State-owned enterprises, IPO for private companies…) that start to venture abroad

**Patients**

- Looking for quality
- Paying out of pocket
- Better informed

**Authorities**

- More balanced development
- Support national champions
- **Healthcare as a political challenge**

**Healthcare Reforms:**

- Expand basic medical insurance programs
- Establish national essential drug system
- Develop primary healthcare services system
- Provide equal access to urban and rural residents
- Accelerate public hospital reform
Essential Drug System may reconfigure Chinese healthcare modus operandi

Drug List
- Not reimbursed
- Reimbursed
- Essential Drug List

Insurance
- Private
- Basic Medical Insurance for Urbans
- Rural Cooperative Medical Scheme

Medical Provider
- Hospitals
- Urban Community Health Centers
- Township Health Centers

Price → Which strategy? → Volume

→ x 31 provinces
China today, a tougher place for new comers...

China is more and more costly:
- Salaries
- Taxes and employer contributions
- Regulatory requirements
- Inflation
- Strong headcounts increase for better coverage
- Decreased overall profitability

with price cuts

China is increasingly discriminant

Perception of governmental policies as discriminating against Foreign-Invested Companies for the next 2 years

Ipsen benefits from a longstanding presence in China, now its 2nd affiliate

- Established in 1992
- HQ in Tianjin. Total staff of ~500 employees
- ~€90m 2010 sales
- A truly Chinese organisation with a local JV partner and 2 expatriates
- Regional sales force teams focused on key coastal cities, now spreading towards the west into lower tier cities
- Excellent National & Provincial market access team (patent, pricing, reimbursement, bidding, etc.)
- Experienced medico-regulatory team to conduct local clinical and registration trials
- World class manufacturing site since 2000

Proven track record of building brand value and leadership in targeted therapeutic areas
Solidly anchored on two pillars, with three market leader products

### Primary care
- **Gastro-Intestinal franchise**
  - **Etiasa®** [17%]
  - **Smecta®** [14%]

### Specialty care
- **Decapeptyl®** [40%]

2005 - 2010 CAGR: 22% at constant exchange rate

[Market share] source IMS and internal survey.

---

**NOTE 1:** Etiasa® in-licensed from Ethypharm

**NOTE 2:** 40% market share over all indications (Gynecology, prostate cancer, IVF, …)
Strengthening our Gastro Intestinal Franchise

**Currently promoted portfolio**
- Smecta®
- Etiasa®
- Fortrans®
- Forlax®
- Meteospasmyl®
- Tanakan®

**Strong Alliance Management**
- Currently: 2 in-licensed products: Etiasa® in 1999; Meteospasmyl® in 2011
- Continuing local business development efforts

**Life Cycle Management**

**Current coverage and sales force**
- 180 cities
- 250 Medical and Trade representatives

**Expand coverage**
- Cover more than 400 cities by 2020
- Double sales force team by 2020

**Assess EDL opportunity regularly**

2020 ambition
Developing our Specialty care franchise

Currently promoted portfolio

Decapeptyl® with a complete range of formulations:
- Prostate Cancer
- Gynecology
- ...

- Consolidate gynecology leadership position while developing prostate cancer indication with launch 3M formulation
- Prostate Cancer extension
  - Tasquinimod
  - Additional licensing projects under discussion
- Introduction of 2 major Ipsen products
  - Somatuline® CTA filing 2011; regulatory approval expected in 2016
  - Dysport® in Cervical Dystonia and aesthetic indications: CTA filing 2011; regulatory approval expected in 2016 and 2017 respectively

2020 ambition

Current coverage and sales force

- 120 cities
- 120 Medical and Trade representatives
- Highly focused and trained teams

- Increase medicalization:
  - Already ongoing with 4 studies in 60 centers and more than 1500 patients in 2011 (against none in 2009)
  - 2012: Creation of a Clinical trial platform in Beijing
- Extend and deepen coverage
  - Triple sales force team by 2020

2020 ambition

NOTE1 : CTA filing for Clinical Trial Authorization
Focusing to secure long term growth

- Strengthen medical development capabilities
- Creation of a clinical trial platform in Beijing in 2012
- Earlier integration of China in global product development

- Constantly adapt to the changing market conditions
- In every province: Local Government Affairs to be close to local decision makers

- High turnover in whole pharmaceutical industry with new competitors local / state companies
- Recruit / retain / develop in a talent war context
In summary, Ipsen in China is...

...well positioned for its size...

...in this market of unique magnitude and growth opportunities, with a solid portfolio and a highly competitive infrastructure

...well aware and vigilant...

...about market fragmentation, dynamics and complexity and has become a “market mover” in its selected therapeutic areas

...committed...

...with a professional and motivated team dedicated to gaining market share and delivering sales and profit growth
Primary Care France

M. de Garidel
Chairman and Chief Executive Officer
Contrasted primary care dynamics

Total primary care vs. specialty care sales

French vs. RoW primary care sales

Pressure on Ipsen’s French primary care
A European-wide pharmaceutical industry situation

Large, mid and small Pharma situation in Europe

- Average price for daily treatment cost has declined and will continue to decline
- R&D productivity lower in GP products
- Increased restriction on promotion
- Mature products are still responsive to promotion but may not justify a large dedicated sales network

Potential solutions: add products and/or work the cost base
Ipsen’s French PC remains an efficient platform ready for further commercial leverage

- A growth potential to materialize
- Adenuric®, Exforge® and perspectives
- A potential leverage in the OTX market with established brands

- Solid foundations
- An established portfolio of primary care products
- A recognized and respected sales and marketing organization
Today, optimization is no longer sufficient for French PC

Straight forward co-marketing and co-promotion optimization deals will not remain sufficiently financially attractive

We need to explore more engaging partnership models

- Enlarge the portfolio of promoted products:
  - Usual co-promotion and co-marketing in-licensing agreement
  - Combine Ipsen’s portfolio with other companies’ primary care products, including “mature” products

- Have access to OTC/OTX know-how and capabilities, including pharmacy sales force

- Mutually optimize the cost bases
Primary care France – Manufacturing

A well established manufacturing facility in Dreux…

- Drug manufacturing and packaging activity for finished products including Smecta®, Forlax®, Tanakan®

- Specific expertise and high volumes in Sachet manufacturing

- While French related volumes are expected to decline, international activity will provide a favorable basis for partnering discussions

...could ensure a sustainable future and add value to Dreux manufacturing site...

...better than Ipsen

Other industry actors like CMOs...
Conclusion

M. de Garidel
Chairman and Chief Executive Officer
Become a global leader in targeted debilitating diseases

Increase Focus  
Invest to Grow  
Leverage Footprint

A market-oriented franchise model…
…driving an R&D patient centric organization focused on core platforms, peptides and toxins

2020 ambition

More than double revenues\(^1\)
…and more than triple EBIT\(^2\)

**NOTE 1**: 2020 figures include contribution of Inspiration portfolio and are set at constant foreign exchange rate

**NOTE 2**: prior to purchase accounting recordings and non recurring elements
One-off costs associated with the new organization

Expected one-off costs of 80 to 100 million euros before tax over 2011 and 2012

- USA transfer costs to east coast
- Closing of R&D activities of Barcelona site
- Other one-off costs related to the implementation of the strategy and of new organization
A significant contribution of Dysport® and Somatuline® to 2020 sales aspiration

- Dysport®
- Somatuline®
- Others:
  - Uro-oncology/Decapeptyl®
  - Hemophilia
  - Primary care
  - Short stature

<table>
<thead>
<tr>
<th>Year</th>
<th>Dysport®</th>
<th>Somatuline®</th>
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<tbody>
<tr>
<td>2010</td>
<td>€724m</td>
<td>€184m</td>
</tr>
<tr>
<td></td>
<td>€170m</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>€900m</td>
<td>€600m</td>
</tr>
<tr>
<td></td>
<td>€500m</td>
<td>€600m</td>
</tr>
</tbody>
</table>

High range: €2.5bn

Low range: €2.0bn

~€1.1bn

€600m

€700m
Requiring an initial investment phase

1. 2011 – 2015 Invest to grow

- **Clinical trials:**
  - Dysport® in spasticity
  - Dysport® in urology
  - Dysport® Next Generation
  - Somatuline® in NET:
    - Functioning
    - Non functioning

- **Leveraged geographies:**
  - New geographies for Dysport® and Somatuline®
  - New geographies for Decapeptyl® 6 months

- **Overall efforts**
  - Stronger commercial push on key products

2. 2016 – 2020 Solid growth

- Dysport® and Somatuline® on track for full potential:
  - US
  - Launch in China/ Russia/ Brazil
  - Dysport® Next Generation

Global Decapeptyl 6 month supported by tasquinimod

**NOTE 1:** prior to (i) purchase accounting impacts related to the Group’s acquisitions on North America and (ii) non recurring elements
Implementation: main milestones to success

2011
- Define strategy
- Merge R&D
- Reinforce Uro-oncology franchise (TASQ)
- Dysport® CD CTA filing in China
- Somatuline® Acromegaly CTA filing in China
- New extended Executive Committee staffed
- Franchise org. implemented
- IB1001 filed in Europe

2012
- R&D « PoC » machine implemented
- Barcelona R&D site closed
- French primary care commercial activities partnered
- IB1001 filed in the USA
- OBI-1 PhIII (Acquired H.) enrollment completed
- OB-1 PhIII Congenital H. initiated
- US platform reorganized

2013
- Somatuline® New device rolled out globally
- Dysport® A.& P. L.L spasticity filed
- Dysport® NDO Ph III initiated
- Smecta® EDL assessment (China)
- OBI-1 Acquired H. filed in the US

2014
- TASQ filed in Europe
- Somatuline® F. NET filed in the US
- Somatuline® NF NET filed WW
- Dysport® A.U.L filed
- Dysport® NG filed
- Dysport® P.U.L filed in Brazil
- Inspiration option assessment
- Smecta® EDL assessment (China)

2015
- Inspiration option assessment
- Dysport® P.U.L filed in the US
- 5 new Pre clinical candidates (vs. June 2011) O/W
- 3 reach POC
- Smecta® EDL assessment (China)

NOTE 1: CTA or filing for Clinical Trial Authorization
Subject to the relevant staff representation authorities in each country concerned, in compliance with the specific procedures, terms and conditions set forth by each national legislation
Thank you
Appendices
Acromegaly: current therapy algorithm

- **Diagnosis**
- **Monitor every 6 months**
- **SSA***
  - Increase dose or combination
  - Consider mass effect (MRI)
  - Not controlled
- **Surgery**
- **SSA***
  - Absent
  - Present
- **Radiation therapy and/or surgery**

*SSA = Somatostatin Analogs

Adapted from Melmed; J Clin Endocrinol Metab, May 2009, 94(5):1509–1517
Neuro Endocrine tumors (NET): Current Therapy Algorithm

- Disease severity

Gastro-entero NETs (‘carcinoids’)
- low proliferation
  - highly differentiated

Symptomatic NETs

Pancreatic NETs
- high proliferation
  - poorly differentiated

Surgery

Somatostatin analogs
- SOMATULINE®

Molecular Targeted Therapies (Sutent – Afinitor)

Cytotoxics