Press release

Ipsen's first quarter 2012 sales

- **Strong growth of specialty care sales, up 9.7%[1]**
  - Somatuline® up 17.5%[1]
  - Dysport® up 13.8%[1]
- **Primary care sales down 14.2%[1]**
  - Underlying primary care performance down 10.1%[1] excluding strong Q1 2011 stocking effect in Russia
- **Drug sales up 1.5%[1] and underlying drug sales up 3.2%[1] excluding strong Q1 2011 stocking effect in Russia**

Paris (France), 3 May 2012 - Ipsen (Euronext: IPN; ADR: IPSEY) reported today its sales for the first quarter 2012.

First quarter 2012 unaudited IFRS consolidated sales

(in million euros)	***2012***	***2011***	*% Change*	*% Change at constant currency*
SALES BY REGION				
Major Western European countries	135.6	132.0	2.7%	2.5%
Other European countries	77.0	77.2	(0.2%)	(0.6%)
North America	16.4	16.6	(1.5%)	(5.0%)
Rest of the world	63.8	60.0	6.3%	3.1%
Group Sales	**292.8**	**285.8**	**2.4%**	**1.4%**
SALES BY THERAPEUTIC AREA				
Specialty care	202.4	182.8	10.8%	9.7%
Primary care	81.9	94.6	(13.4%)	(14.2%)
Total Drug Sales	**284.4**	**277.3**	**2.5%**	**1.5%**
Drug-related sales[2]	8.4	8.5	(0.9%)	(4.1%)
Group Sales	**292.8**	**285.8**	**2.4%**	**1.4%**

Commenting on the first quarter 2012 performance, **Marc de Garidel, Chairman and Chief Executive Officer of Ipsen** said: "*In the first quarter 2012, Somatuline® and Dysport® have delivered a strong performance, respectively up 17.5%[1] and 13.8%[1] year-on-year, driving the growth of specialty care close to 10%[1]. This performance illustrates the pertinence of the chosen strategy of enhanced focus on the company's differentiated peptides and toxins strengths.*" **Marc de Garidel** added: *"While delivering on sales, the Group is progressing on its milestones. With the US reorganization swiftly moving on, we are focused on overcoming our industrial challenges and on setting up the best sustainable solution for the Group's French primary care activity."*

[1] Year-on-year growth excluding foreign exchange impacts
[2] Drug related sales correspond to sales of active indredients and raw materials

First quarter 2012 sales highlights

Consolidated Group sales reached €292.8 million in the first quarter 2012, up 1.4% year-on-year excluding foreign exchange impacts.

Drug sales reached €284.4 million in the first quarter, up 1.5% year-on-year excluding foreign exchange impacts. This performance was driven by the strong performance of **specialty care** sales, up 10.8% year-on-year or up 9.7% excluding foreign exchange impacts. Endocrinology, neurology and uro-oncology grew year-on-year by 11.0%, 10.2% and 7.9% respectively, excluding foreign exchange impacts. This strong performance was partially offset by **primary care** sales, down 14.2% year-on-year excluding foreign exchange impacts, negatively impacted by the difficult French market situation and by a stocking effect (c.€4.4 million) in Russia at the end of the first quarter 2011. Restated to exclude the non recurring stocking effect in Russia, underlying sales of primary care were down 10.1% year-on-year excluding foreign exchange impacts.

Sales in **Major Western European countries** amounted to €135.6 million, up 2.5% year-on-year excluding foreign exchange impacts. Dynamic volume sales growth of specialty care products was partially offset by the consequences of a tougher competitive environment in the French primary care landscape and government measures that negatively impacted growth in Spain. For the first quarter 2012, sales in this region represented 46.3% of total Group sales, stable year-on-year.

Sales generated in the **Other European countries** reached €77.0 million, down 0.6% year-on-year excluding foreign exchange impacts, penalized by a primary care product stocking effect of c.€4.4 million in Russia at the end of the first quarter 2011. Restated to exclude this non recurring effect, underlying sales in this region were up 5.4% excluding foreign exchange impacts. Performance was fuelled by volume growth, notably in Poland, Russia (on specialty care products), Ukraine and the Netherlands. For the first quarter 2012, sales in this region represented 26.3% of total consolidated Group sales against 27.0% a year earlier.

Sales generated in **North America** reached €16.4 million, down 5.0% year-on-year excluding foreign exchange impacts. In November 2011, Ipsen sold its North American development and marketing rights for Apokyn® to Britannia Pharmaceuticals. As a consequence, Ipsen stopped recording Apokyn® sales in its accounts as of November 30, 2011. Restated to exclude Apokyn® sales, underlying North American sales were up 4.9% excluding foreign exchange impacts, fuelled by strong growth of Dysport® sales to Medicis in aesthetic medicine and by the continuous penetration of Somatuline®, partly offset by lower sales of Increlex®, negatively impacted by the redesign of New York State Medicaid program and the deprioritization of the product. Sales in North America represented 5.6% of total consolidated Group sales against 5.8% a year earlier.

Sales generated in the **Rest of the World** reached €63.8 million, up 3.1% year-on-year excluding foreign exchange impacts. This performance was mainly driven by strong volume growth in Brazil, Venezuela, Vietnam and Mexico. Over the first quarter 2012, this region was negatively impacted by the timing of local sales in Algeria and an unfavorable stocking effect on a primary care product in China in gastroenterology. In the first quarter 2012, sales in this region increased to 21.8% of total consolidated Group sales against 21.0% a year earlier.

About Ipsen

Ipsen is a global specialty-driven pharmaceutical company with total sales exceeding €1.1 billion in 2011. Ipsen's ambition is to become a leader in specialty healthcare solutions for targeted debilitating diseases. Its development strategy is supported by four franchises: neurology / Dysport®, endocrinology / Somatuline®, uro-oncology / Decapeptyl® and hemophilia. Moreover, the Group has an active policy of partnerships. R&D is focused on innovative and differentiated technological patient-driven platforms, peptides and toxins. In 2011, R&D expenditure totaled more than €250 million, above 21% of Group sales. The Group has total worldwide staff of close to 4,500 employees. Ipsen's shares are traded on segment A of Euronext Paris (stock code: IPN, ISIN code: FR0010259150) and eligible to the "Service de Règlement Différé" ("SRD"). The Group is part of the SBF 120 index. Ipsen has implemented a Sponsored Level I American Depositary Receipt (ADR) program, which trade on the over-the-counter market in the United States under the symbol IPSEY. For more information on Ipsen, visit www.ipsen.com.

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. All of the above risks could affect the Group's future ability to achieve its financial targets, which were set assuming reasonable macroeconomic conditions based on the information available today.

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. Actual results may depart significantly from these targets given the occurrence of certain risks and uncertainties, notably the fact that a promising product in early development phase or clinical trial may end up never being launched on the market or reaching its commercial targets, notably for regulatory or competition reasons. The Group must face or might face competition from Generics that might translate into loose of market shares.

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 favorable 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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APPENDICES

Risk factors

The Group operates 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 2011 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 reduction of prices of certain of its products by public or private payers or to their possible withdrawal from the list of reimbursable products by the relevant regulatory authorities in the countries where it does business. In general terms, the Group is faced with uncertainty in relation to the prices set for all its products, in so far as medication prices have come under severe pressure over the last few years as a result of various factors, including the tendency for governments and private payers to reduce prices or reimbursement rates for certain drugs marketed by the Group in the countries in which it operates, or even to remove those drugs from lists of reimbursable drugs.
- The Group depends on third parties to develop and market some of its products which generate or may generate 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 fulfill their obligations. It might be unable to obtain any benefit from those agreements. A default by any of the Group's partners could generate lower revenues than expected. Such situations could have a negative impact on the Group's business, financial position or performance.
- Actual results may depart significantly from the objectives 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 Research and Development process typically lasts between eight and twelve years from the date of a discovery to a product being brought to market. This process involves several stages; at each stage, there is a substantial risk that the Group could fail to achieve its objectives and be forced to abandon its efforts in respect of products in which it has invested significant amounts. Thus, in order to develop viable products from a commercial point of view, the Group must demonstrate, by means of pre-clinical and clinical trials, that the molecules in question are effective and are not harmful to humans. The Group cannot be certain that favorable results obtained during pre-clinical trials will subsequently be confirmed during clinical trials, or that the results of clinical trials will be sufficient to demonstrate the safety and efficacy of the product in question such that the required marketing approvals can be obtained.
- The Group must deal with or may have to deal with competition (i) from generic products, particularly in relation to Group products which are not protected by patents, for example, Forlax® or Smecta® (ii), products which, although they are not strictly identical to the Group's products or which have not demonstrated their bioequivalence, have obtained or may obtain a marketing authorization 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. Such a situation could result to the Group losing market share which could affect its current level of growth in sales or profitability.
- 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, manufacturing 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 or affiliates) 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 or molecules in development.
- The Group's strategy includes acquiring companies or assets which may enable or facilitate access to new markets, research projects or geographical regions or enable it to realize synergies with its existing businesses. Should the growth prospects or earnings potential of such assets as well as valuation assumptions change materially from initial assumptions, the Group might be under the obligation to adjust the values of these assets in its balance sheet, thereby negatively impacting its results and financial situation.

- The marketing of certain products by the Group has been and could be affected by supply shortages and other disruptions. Such difficulties may be of both a regulatory nature (the need to correct certain technical problems in order to bring production sites into compliance with applicable regulations) and a technical nature (difficulties in obtaining supplies of satisfactory quality or difficulties in manufacturing active ingredients or drugs complying with their technical specifications on a sufficiently reliable and uniform basis). This situation may result in inventory shortages and/or in a significant reduction in the sales of one or more products. More specifically, in their US Hopkinton facility, Lonza, supplier of IGF-1 (Increlex® active ingredient), is facing a regulatory challenge by the Food and Drug Administration. Products manufactured for the US in this plant are currently on hold. The follow-up inspection and its result are expected before the end of the first half of 2012.
- In certain countries exposed to significant public deficits, and where the Group sells its drugs directly to public hospitals, it could face discount or lengthened payment terms or difficulties in recovering its receivables in full. In Greece notably, which represented in 2011 approximately 1.6% of consolidated sales, and where payment terms from public hospitals are particularly long, the Group is closely monitoring the current situation. More generally, the Group may also be unable to purchase sufficient credit insurance to protect itself adequately against the risk of payment default from certain customers worldwide. Such situations could negatively impact the Group's activities, financial situation and results.
- In the normal course of business, the Group is or may be involved in legal or administrative proceedings. Financial claims are or may be brought against the Group in connection with some of these proceedings. Ipsen Pharmaceuticals, Inc. has received an administrative demand from the United States Attorney's Office for the Northern District of Georgia seeking documents relating to its sales and marketing of Dysport® (abobotulinumtoxinA) for therapeutic use. Ipsen's policy is to fully comply with all applicable laws, rules and regulations. Ipsen is cooperating with the U.S. Attorney's Office in responding to the government's administrative demand.
- Additionally, In February 2012, Allergan has commenced legal proceedings against Ipsen in Italy and in the United Kingdom concerning an alleged patent infringement. The patents claim certain therapeutic uses of botulinum toxin products in the field of urology. Ipsen will vigorously defend its rights in these legal proceedings, which are based on patents that are being challenged by Ipsen "inter alia" in opposition proceedings before the European Patent Office.

MAJOR DEVELOPMENTS

During the first quarter 2012, major developments included:

- On January 5, 2012 – Onco*design*, a Drug Discovery company and Oncology pharmacology service provider, and Ipsen announced that the two companies have entered into a research collaboration to discover and develop innovative LRRK2 kinase inhibitors as potential therapeutic agents against Parkinson's Disease and for potential additional uses in other therapeutic areas.
- On January 24, 2012 – Santhera Pharmaceuticals and Ipsen announced that they had renegotiated their fipamezole licensing agreement. Santhera regains the worldwide rights to the development and commercialization of fipamezole, its first-in-class selective adrenergic alpha-2 receptor antagonist for the management of levodopa-induced Dyskinesia in Parkinson's Disease. Under the renegotiated terms, Ipsen returns its rights for territories outside of North America and Japan in exchange for milestone payments and royalties based on future partnering and commercial success of fipamezole. Ipsen retains a call option for worldwide license to the program under certain conditions.
- On January 27, 2012 – Ipsen acknowledged the French government's decision to no longer reimburse Tanakan®, Tramisal® and Ginkogink®. This decision is linked to the French policy to reassess the reimbursement of a certain number of drugs by the French Social Security. Although Tanakan®, Tramisal® and Ginkogink® have been delisted from 1st March 2012 onwards, they can continue to be prescribed and delivered by healthcare professionals to patients in France. The Group plans a decrease of Tanakan® sales of around 35%[1] in France in 2012. This estimate is based on decreases of sales following the delisting of veintonics in 2008.

[1] Impact estimated for full year

- On February 24, 2012 – Active Biotech's and Ipsen's castrate resistant prostate cancer project, TASQ, announced the presentation of the up to three years safety data from the TASQ Phase II study in chemotherapy-naïve metastatic castrate resistant prostate cancer (CRPC) at the 27th Annual EAU Congress.

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

- On April 17, 2012 – Ipsen announced that its partner, Inspiration Biopharmaceuticals, Inc. (Inspiration), has submitted a Biologics License Application to the U.S. Food and Drug Administration (FDA) for the approval of IB1001, an intravenous recombinant factor IX (rFIX) for the treatment and prevention of bleeding in individuals with hemophilia B. Under the terms of this partnership and following the filing, Ipsen decided to pay Inspiration a $35 million milestone payment. In return, Inspiration has issued a convertible note to Ipsen, bringing Ipsen's fully diluted equity ownership position in Inspiration to approximately 43.5%.
- On April 25, 2012 – Ipsen announced the official opening of its new US commercial headquarters in Basking Ridge, New Jersey. This is an important step forward for Ipsen in the United States. This announcement confirms Ipsen's commitment to growth for its uniquely targeted neurology and endocrinology therapeutics in the United States and to provide innovative specialty medicines to US patients in need.
- On May 3, 2012 – Ipsen today disclosed that it had sold, under a share purchase agreement, all of its shares in Spirogen Limited (19.31% of Spirogen's equity) on February 24, 2012, and is no longer represented on the board of Spirogen. Ipsen received an upfront cash payment and may receive deferred consideration.
- On May 3, 2012 – Ipsen today disclosed that it had terminated its agreement with Novartis for the co-promotion of Exforge® in France effective April 30, 2012. Ipsen will receive a contractual cash exit fee payment of €4 million from Novartis.

GOVERNMENT MEASURES

In a context of financial and economic crisis, the governments of many countries in which the Group operates continue to introduce new measures to reduce public health expenses, some of which will affect the Group sales and profitability in 2012. In addition, certain measures introduced in 2011 have continued to affect the Group's accounts year-on-year.

In the Major Western European countries:

- In France, Forlax® price was reduced by 3.5% on October 1st, 2011 and Nisis® - Nisisco® price by 15.0% on November 14th, 2011. On January 1st, 2012, Decapeptyl® price was reduced by 3.0% for both 3 and 6-month formulations while Adrovance® price was reduced by 33.0%. An additional tax on promotional expenses of 0.6% will be also applied;

- As of November 1st, 2011, Spain has raised its tax on drug sales from 7.5% (introduced in June 2010) to 15.0% for products that have been on the market for more than 10 years and have no generic or biosimilar on the Spanish market.

In the Other European countries:

- In Belgium, new cost saving measures are being discussed: price comparison with foreign countries could be introduced in H1 2012 leading to an International Price Referencing;
- In Poland, a new Reimbursement Law Reform was enforced on January 1st 2012, introducing an obligatory pay-back in case of budget excess, a tax on manufacturers' income to publicly fund clinical trials and lower regulated margins. As a result, prices of Decapeptyl® and Somatuline® were both reduced by 3.0% on January 1st 2012;
- Greece has voted new measures designed to cut pharmaceutical expenditure. Key measures include higher mandatory manufacturer rebates on reimbursed drugs now based on the lowest daily cost of the therapeutic class (from average daily cost), price reductions for generics and off-patent

branded originals, revised wholesale and retail pharmacy rebates (9% instead of 4% - retroactive effect as of 1 January 2012) and compulsory International Non-proprietary Name (INN) prescribing;

- In 2011, Portugal has introduced an electronic system encouraging the prescription of the cheapest product (including generics). A new basket of countries for International Pricing System taking in consideration Spanish, Italian and Slovenian prices, has also been introduced;
- The Czech Republic introduced a series of measures on December 1st, 2011, among which:
    - electronic auction to lower generic and biosimilar prices;
    - maximum price set at the average of the 3 lowest prices in the 21 reference countries in Europe;
    - more stringent conditions for the reimbursement of highly innovative products.

  Additional measures are expected in H1 2012.

  Additionnally, the legislative act 362/2011, introducing changes to the regulation on promotion was enforced on 1st December 2011. Besides the ban of promotion during doctors' working hours, the new act provides for the disclosure of expenditures incurred in relation with healthcare professionals, and for the ban of gifts during the time of promotion;
- In early 2011, Ireland announced a global austerity plan and asked the pharmaceutical industry to save €140 million. More recently, the Irish government has hinted that price reduction of patented drugs, along with a new system of reference pricing and generic substitution would be discussed in 2012.

In the Rest of the World:

- On August 4, 2011 China announced an average retail price decrease of 14.0% on 82 drugs primarily targeting steroid, endocrine and central nervous system therapeutics, effective on 1st October 2011. In this process, Decapeptyl® price was reduced by 7.0%;
- In January 2011, Algeria initiated the implementation of a new healthcare reform focused on setting reference pricing per therapeutic class (potential price alignment on Decapeptyl® expected in Q2 2012) and control or potential ban of imported products to promote local production, putting Forlax® and Smecta® at risk in 2012.

Furthermore, and still in the financial and economic crisis context, governments of many countries in which the Group operates continue to introduce new measures to reduce public health expenses, some of them will affect the Group results beyond 2012.

In the Major Western European countries:

- Spain will implement an international price referencing in 2012 based on lowest price of a referenced basket which will include: France, Italy, Germany, Greece, Portugal, the Netherlands. Spanish Health Minister also confirmed 14% of reduction in healthcare budget for 2012 and discussion on Co-Payments.

In the Other European countries:

- Within the frame of the Healthcare Reform, Russian Health Authorities are considering a possible change in the price-setting methodology for the Vital and Essential Medicines list (EDL). Future registered price for medicines on such list should be set as the average weighted price of all medicines with the same International Non-proprietary Name (INN);
- The Belgian government has stepped up its efforts to contain growth in the pharmaceutical sector by planning measures as from Q2 2012. Changes consist in increasing recourse to generic substitution, further price cuts on reimbursable medicines, and the creation of a new reimbursement category;
- Ukrainian Health Authorities to implement an International Price Referencing System. The system is being introduced and aims at reducing prices of drug by 25–30% when fully operational.

In the Rest of the World:

- In China, the National Reform and Development Commission (NDRC) announced a new round of drug price cuts likely to exceed the average 20% cut on anti-infectives and cardiovascular drugs implemented in March 2011. Focus is expected on oncology drugs, immune-regulators, blood related and digestive system drugs.

Comparison of consolidated sales for the first quarters 2012 and 2011:

Sales by geographical area

Group sales by geographical area for the first quarters 2012 and 2011 were as follows:

(in million euros)	First quarter 2012	First quarter 2011	% Change	% Change at constant currency
France	68.4	69.2	(1.1%)	(1.1%)
United Kingdom	12.8	11.1	14.9%	12.7%
Spain	15.0	15.6	(3.8%)	(3.8%)
Germany	18.3	14.8	23.5%	23.5%
Italy	21.0	21.2	(1.0%)	(1.0%)
Major Western European countries	**135.6**	**132.0**	**2.7%**	**2.5%**
Eastern Europe	42.6	44.1	(3.4%)	(3.4%)
Others Europe	34.4	33.0	4.1%	3.1%
Other European Countries	**77.0**	**77.2**	**(0.2%)**	**(0.6%)**
North America	**16.4**	**16.6**	**(1.5%)**	**(5.0%)**
Asia	28.7	27.7	3.7%	(1.6%)
Other countries in the rest of the world	35.1	32.4	8.4%	7.3%
Rest of the World	**63.8**	**60.0**	**6.3%**	**3.1%**
Group Sales	**292.8**	**285.8**	**2.4%**	**1.4%**
Of which: Total Drug Sales	**284.4**	**277.3**	**2.5%**	**1.5%**
Drug-related Sales[1]	**8.4**	**8.5**	**(0.9%)**	**(4.1%)**

For the first quarter 2012, sales generated in the **Major Western European countries** amounted to €135.6 millions, up 2.5% year-on-year excluding foreign exchange impacts. Dynamic volume sales growth of specialty care products were partly offset by the consequences of a tougher competitive environment in the French primary care landscape and by government measures that negatively impacted growth in Spain, outlined below. Sales in the Major Western European countries represented 46.3% of total Group sales at the end of the first quarter 2012, stable year-on-year.

France – For the first quarter 2012, sales reached €68.4 million, down 1.1% year-on-year, penalized by the decline of primary care sales. Despite the stong growth of Somatuline® and Decapeptyl®, sales in France were negatively impacted by declining sales of Nisis® and Nisisco®, following a price reduction of 15% and the launch of several generics in November 2011, and by decreasing sales of Tanakan® after the delisting of the product as of 1st March 2012. Consequently, the relative weight of France in the Group's consolidated sales continued to decrease, representing 23.4% of total Group sales against 24.2% a year earlier.

Spain – For the first quarter 2012, sales reached €15.0 million, down 3.8% year-on-year penalized by the increase of the tax on sales from 7.5% to 15.0% implemented on November 1, 2011, despite strong volume sales of the new 6-month formulation of Decapeptyl®, NutropinAq® and Dysport®. At the end of the first quarter 2012, sales in Spain represented 5.1% of total group sales against 5.4% a year earlier.

Italy – For the first quarter 2012, sales reached €21.0 million, down 1.0% year-on-year, penalized by the decline of sales of Forlax® following a shift in distribution model in the country, despite double digit growth of Somatuline® and NutropinAq®. Italy represented 7.2% of the Group's consolidated sales at the end of the first quarter 2012 against 7.4% a year earlier.

Germany – For the first quarter 2012, sales reached €18.3 million, up 23.5% year-on-year driven by strong volume growth of Somatuline®, Hexvix® and drug-related sales[1]. In the first quarter 2012, sales in Germany represented 6.2% of total Group sales against 5.2% a year earlier.

[1] Drug related sales correspond to sales of active indredients and raw materials

United Kingdom – For the first quarter 2012, sales reached €12.8 million, up 12.7% year-on-year excluding foreign exchange impacts, fuelled by strong volume growths of Decapeptyl® and Somatuline®. At the end of the first quarter 2012, United Kingdom represented 4.4% of total Group sales against 3.9% a year earlier.

For the first quarter 2012, sales generated in the **Other European countries** reached €77.0 million, down 0.6% year-on-year excluding foreign exchange impacts, penalized by a stocking effect of about €4.4 million in Russia for primary care products at the end of March 2011. Restated to exclude this non recurring effect, underlying sales in this region were up 5.4% excluding foreign exchange impacts. Performance was fuelled by volume growth, notably in Poland, Russia (on specialty care products), Ukraine and the Netherlands. In the first quarter 2012, sales in this region represented 26.3% of total consolidated Group sales against 27.0% a year earlier.

For the first quarter 2012, sales generated in **North America** reached €16.4 million, down 5.0% year-on-year excluding foreign exchange impacts. In November 2011, Ipsen sold its North American development and marketing rights for Apokyn® to Britannia Pharmaceuticals. As a consequence, Ipsen stopped recording Apokyn® sales in its accounts as of November 30, 2011. Restated to exclude Apokyn® sales, North American sales were up 4.9% excluding foreign exchange impacts, fuelled by strong growth of Dysport® sales to Medicis in aesthetic medicine and by the continuous penetration of Somatuline®, partly offset by lower sales of Increlex®, negatively impacted by the redesign of New York State Medicaid program and the deprioritization of the product. Sales in North America represented 5.6% of total consolidated Group sales against 5.8% a year earlier.

For the first quarter 2012, sales generated in the **Rest of the World** reached €63.8 million, up 3.1% year-on-year excluding foreign exchange impacts. This performance was mainly driven by strong volume growth in Brazil, Venezuela, Vietnam and Mexico. Over the first quarter 2012, this region was negatively impacted by the timing of local sales in Algeria and an unfavorable stocking effect in China on a primary care product in gastroenterology. In the first quarter 2012, sales in the Rest of the World increased to 21.8% of total consolidated Group sales against 21.0% a year earlier.

Sales by therapeutic area and by product

The following table shows sales by therapeutic area and by product for the first quarters 2012 and 2011:

(in million euros)	First quarter 2012	First quarter 2011	% Change	% Change at constant currency
Uro-oncology	**71.0**	**65.2**	**8.8%**	**7.9%**
of which Hexvix®	3.0	0.0	N/A	N/A
of which Decapeptyl®	68.0	65.2	4.3%	3.4%
Endocrinology	**74.0**	**65.9**	**12.3%**	**11.0%**
of which Somatuline®	54.7	46.1	18.7%	17.5%
of which NutropinAq®	13.1	13.0	0.6%	0.3%
of which Increlex®	6.2	6.8	(8.8%)	(11.7%)
Neurology	**57.4**	**51.6**	**11.2%**	**10.2%**
of which Dysport®	57.4	50.1	14.7%	13.8%
of which Apokyn®	0.0	1.6	(100.0%)	(100.0%)
Specialty Care	**202.4**	**182.8**	**10.8%**	**9.7%**
Gastroenterology	**44.6**	**52.3**	**(14.8%)**	**(16.3%)**
of which Smecta®	26.6	28.2	(5.5%)	(8.2%)
of which Forlax®	9.9	11.3	(12.0%)	(12.5%)
Cognitive Disorders	**23.0**	**23.1**	**(0.5%)**	**(0.7%)**
of which Tanakan®	23.0	23.1	(0.5%)	(0.7%)
Cardiovascular	**11.0**	**15.6**	**(29.1%)**	**(29.1%)**
of which Nisis & Nisisco®	6.9	11.2	(38.2%)	(38.2%)
of which Ginkor®	3.2	3.4	(7.5%)	(7.5%)
Other Primary Care	**3.3**	**3.5**	**(5.8%)**	**(5.8%)**
of which Adrovance®	3.0	2.5	20.5%	20.5%
Primary Care	**81.9**	**94.6**	**(13.4%)**	**(14.2%)**
Total Drug Sales	**284.4**	**277.3**	**2.5%**	**1.5%**
Drug-related Sales[1]	**8.4**	**8.5**	**(0.9%)**	**(4.1%)**
Group Sales	**292.8**	**285.8**	**2.4%**	**1.4%**

For the first quarter 2012, sales of **Specialty Care products** reached €202.4 million, up 9.7% year-on-year excluding foreign exchange impacts. Sales in endocrinology, neurology and uro-oncology grew year-on-year by 11.0%, 10.2% and 7.9% respectively, excluding foreign exchange impacts. At the end of the first quarter 2012, the relative weight of Specialty Care products continued to increase to 69.1% of total Group sales, compared to 63.9% a year earlier.

In uro-oncology, sales of **Decapeptyl®** reached €68.0 million for the first quarter 2012, up 3.4% year-on-year excluding foreign exchange impacts. Solid sales in France, Russia and the United Kingdom were partly offset by lower sales in Algeria penalized by the timing of local sales. On September 27, 2011, Ipsen in-licensed **Hexvix®** from Photocure, the first approved and marketed drug for improved detection of bladder cancer. For the first quarter 2012, sales of **Hexvix®** amounted to €3.0 million, mostly generated in Germany. Sales in uro-oncology represented 24.2% of total Group sales at the end of the first quarter 2012 against 22.8% a year earlier.

In endocrinology, sales continued to grow, reaching €74.0 million for the first quarter 2012, up 11.0% year-on-year excluding foreign exchange impacts, representing 25.3% of total Group sales, against 23.1% a year earlier.

[1] Drug related sales correspond to sales of active indredients and raw materials

Somatuline® – For the first quarter 2012, sales reached €54.7 million, up 17.5% excluding foreign exchange impacts, fuelled by a strong growth in France, Poland, Italy, the United States, the Netherlands, Germany and Russia.

NutropinAq® – For the first quarter 2012, sales totaled €13.1 million, up 0.3% excluding foreign exchange impacts, driven by strong performance in France and Italy partly offset by lower sales in Eastern Europe.

Increlex® – For the first quarter 2012, sales amounted to €6.2 million, down 11.7% excluding foreign exchange impacts with lower sales of Increlex® in North America negatively affected by the redesign of New York State Medicaid program and the deprioritization of the product.

In neurology, sales reached €57.4 million for the first quarter 2012, up 10.2% year-on-year excluding foreign exchange impacts. Sales in neurology represented 19.6% of total Group sales against 18.1% a year earlier.

Dysport® – For the first quarter 2012, sales reached €57.4 million, up 13.8% year-on-year excluding foreign exchange impacts, fuelled by strong growth of sales in South America, Russia and Mexico. Growth was also driven by robust sales to the Group's partner Medicis.

Apokyn® – In November 2011, Ipsen sold its North American development and marketing rights for Apokyn® to Britannia Pharmaceuticals. Ipsen stopped recording Apokyn® sales in its accounts as of November 30, 2011.

In the first quarter 2012, sales of **Primary Care products** amounted to €81.9 million, down 14.2% year-on-year excluding foreign exchange impacts, negatively impacted by the difficult French market situation and by a stocking effect of about €4.4 million in Russia at the end of the first quarter 2011. Restated to exclude the non recurring stocking effect in Russia, sales of primary care were down 10.1% year-on-year excluding foreign exchange impacts. Primary Care sales represented 28.0% of the Group's consolidated sales at the end of the first quarter 2012, down from 33.1% over the same period last year. Restated to exclude the non recurring stocking effect in Russia, Primary Care sales in France represented 46.3% of total Group Primary Care sales at the end of the first quarter 2012, against 47.8% a year earlier.

In gastroenterology, sales reached €44.6 million in the first quarter 2012, down 16.3% year-on-year excluding exchange rate impacts, notably negatively impacted by an unfavorable stocking effect in China and the first quarter 2011 stocking effect in Russia described above.

Smecta® – For the first quarter 2012, sales reached €26.6 million, down 8.2% year-on-year excluding exchange rate impacts, negatively impacted by the high first quarter 2011 baseline in Russia mentioned above, partly offset by a good performance in China. Sales of Smecta® represented 9.1% of total Group sales during the period compared with 9.9% a year earlier.

Forlax® – For the first quarter 2012, sales amounted to €9.9 million, down 12.5% year-on-year excluding exchange rate impacts, mainly due to a decrease in Italy (described above). At the end of the first quarter 2012, France represented 61.2% of the overall sales of the product, up from 53.6% a year earlier.

In the cognitive disorders area, sales of **Tanakan®** for the first quarter 2012 reached €23.0 million, down 0.7% year-on-year excluding exchange rate impacts. Lower sales were recorded in France following the delisting of the product as of March 1, 2012, partly offset by solid sales in Russia. In the first quarter 2012, 40.3% of Tanakan® sales were made in France compared with 45.7% a year earlier.

In the cardiovascular area, sales in the first quarter 2012 amounted to €11.0 million, down 29.1% year-on-year, mainly related to the 15% price decrease of Nisis® and Nisisco® and the arrival of several generics in November 2011.

Other primary care products sales reached €3.3 million for the first quarter 2012, down 5.8% year-on-year, with sales of **Adrovance®** contributing to €3.0 million, up 20.5% year-on-year despite a 33.0% price cut enforced in January 2012 in France.

For the first quarter 2012, **drug-related sales (active ingredients and raw materials)** reached €8.4 million, down 4.1% year-on-year excluding foreign exchange impacts.