

Ipsen and Inspiration Biopharmaceuticals renegotiate strategic partnership agreement

- Ipsen gains commercial rights in key territories
- Ipsen made \$30.0m upfront payment to Inspiration as part of renegotiation
- In the short term and subject to certain conditions, Ipsen could invest up to an additional \$20.0m in Inspiration

Paris (France), 21 August 2012 – Ipsen (Euronext: IPN; ADR: IPSEY) today announced the renegotiation of its 2010 strategic partnership agreement with Inspiration Biopharmaceuticals, Inc. (Inspiration) for the development and commercialization of Inspiration's recombinant product portfolio: OBI-1, a recombinant porcine factor VIII (rpFVIII) being developed for the treatment of patients with acquired hemophilia A and congenital hemophilia A with inhibitors, and IB1001, a recombinant factor IX (rFIX) for the treatment and prevention of bleeding in patients with hemophilia B.

The new agreement aims to establish an effective structure whereby Ipsen gains commercial rights in key territories. Inspiration remains responsible for the world-wide development of OBI-1 and IB1001.

As part of the renegotiation, Ipsen paid Inspiration \$30.0 million (approximately €24.0 million, based on current exchange rates) upfront. Including this upfront payment, Ipsen is entitled to pay Inspiration milestones for a total amount of up to \$200m, of which \$27.5m are regulatory milestones and the remaining are commercial milestones. Both companies believe this new agreement will facilitate Inspiration's ability to raise independent third party financing to meet its financing needs until a potential equity offering in 2013.

Under the new agreement and in its territories¹:

- Ipsen recovers commercial rights to OBI-1;
- Ipsen is granted commercial rights for IB1001.

Consequently, Ipsen will:

- Record sales of OBI-1 and IB1001 in its drug sales line;
- Pay Inspiration a mid-teen royalty on OBI-1 sales and a higher double digit royalty on IB1001's sales;

In Inspiration's territories², Ipsen will receive a mid-twenties royalty on sales of OBI-1.

¹ Europe (EU, Switzerland, Monaco, Norway, Lichtenstein, Georgia, Bosnia, Albania and all EU candidates excluding Turkey), Russia and CIS (Community of Independent States), part of Asia Pacific (main countries are Australia, New Zealand, China, Singapore, South Korea and Vietnam) and certain countries in North Africa (Morocco, Algeria, Tunisia, Libya)

² Countries outside Ipsen territories

Previous contractual obligations have also been reset, notably:

- The remaining potential \$29.0m milestone payments by Ipsen are cancelled;
- Ipsen's call option to acquire full control of Inspiration is now to expire upon successful refinancing of Inspiration;
- Ipsen will no longer act as Inspiration's commercial agent, as such the European commercial organization is no longer billed to Inspiration.

As part of this new agreement, Ipsen will be entitled to appoint two additional members (out of a total of 9) to Inspiration's Board of Directors.

Furthermore, under the new terms, Ipsen has agreed to invest up to \$20.0 million in Inspiration, as follows:

- If Inspiration raises external funding prior to August 31, 2012, Ipsen will pay \$20.0 million in exchange for equity;
- If Inspiration does not raise external funding prior to August 31, 2012, Ipsen will pay \$7.5 million and receive a warrant for 15% of Inspiration's equity. Ipsen has an option to exercise the warrant should Inspiration fail to raise external funding by September 30, 2012;
- If Inspiration raises external funding prior to September 30, 2012, Ipsen will pay an additional \$12.5 million in exchange for equity.

About the agreement between Inspiration and Ipsen and the product portfolio

In January 2010, Inspiration entered into a strategic agreement with Ipsen, leveraging the combined expertise and resources of the two companies, to develop a broad portfolio of hemophilia products and two products in phase III. IB1001, an investigational intravenous recombinant factor IX (rFIX) therapy for the treatment and prevention of bleeding episodes in people with hemophilia B and OBI-1 an investigational intravenous recombinant porcine factor VIII (rpFVIII) therapy for the treatment of people with i) acquired hemophilia A and ii) congenital hemophilia A who have developed inhibitors against human FVIII.

In August 2011, Ipsen and Inspiration announced the extension of their agreement to create a hemophilia business unit structure that will act as the exclusive sales organization for all hemophilia products commercialized under the Inspiration brand in Europe.

In July 2012 Inspiration announced that IB1001 was placed on clinical hold by the Food and Drug Administration (FDA).

In August 2012, Ipsen and Inspiration announce the renegotiation of their strategic agreement.

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. Ipsen's R&D is focused on its innovative and differentiated technological 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.

Ipsen's 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 loss 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. There is no certainty that Inspiration will be able to raise independent third party financing in the given timeframe. 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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