

INFORMATION RELATING TO THE REMUNERATION OF MR. DAVID MEEK, NEW CEO

At its meeting on July 8, 2016, the Board of Directors of the Company has decided to appoint Mr. David Meek as Chief Executive Officer as of July 18, 2016 and has approved the terms and conditions of his corporate office, including the indemnities and other benefits due or likely to be due as a result of the termination of his duties or at the end of his term of office.

In accordance with Articles L. 225-42-1 and R. 225-34-1 of the French Commercial Code and the recommendations of the AFEP-MEDEF Corporate Governance Code, IPSEN discloses the elements of remuneration of Mr. David Meek as new Chief Executive Officer of the Company.

I. Special financial indemnity (*indemnité de compensation financière*)

At the recommendation of the Compensation Committee, the Board of Directors has decided to grant Mr. David Meek a special financial indemnity (*indemnité de compensation financière*) of an annual gross amount of EUR 900,000, payable in two installments (50% on the date of his appointment as Chief Executive Officer and 50% one year later, provided that he has not resigned or left the Company by that time), to compensate for the loss of a portion of the elements of his variable remuneration at his previous employer.

II. Remuneration for the term of the corporate office of Mr. David Meek

Gross fixed remuneration for the 2016 financial year

For the 2016 financial year, at the recommendation of the Compensation Committee, the Board of Directors has set the fixed remuneration of Mr. David Meek at an annual gross amount of EUR 900,000. For 2016, this remuneration will be paid on a *prorata temporis* basis from July 18, 2016.

Gross variable remuneration for the 2016 financial year

For the 2016 financial year, at the recommendation of the Compensation Committee, the Board of Directors has decided to grant Mr. David Meek a gross target bonus of EUR 900,000, which may vary within a range between 0 and 200% based on quantitative and qualitative performance criteria. Two-thirds of this gross target bonus will depend on the achievement of consolidated revenues, current operating profit, cash flow from operations and diluted earnings per share. One-third will depend on qualitative criteria regarding strategic guidelines. Details regarding the qualitative criteria and the level of expectations of the performance criteria have not been made public for confidentiality reasons. For 2016, the gross target bonus will be calculated and paid on a *prorata temporis* basis.

The Board of Directors has also decided to grant Mr. David Meek an exceptional bonus of a maximum gross amount of EUR 300,000. The definitive amount of this special bonus will be subject to his successful integration within the Company by the end of the year 2016.

Long term incentives (LTIs) – Granting of restricted shares

The Board of Directors has agreed on the principle of granting to Mr. David Meek in 2016, as part of the long term incentive plan, depending on the performance of the Company over the 2016-2017 period, LTIs equal to 100% of his annual gross fixed remuneration. The LTIs will take the form of restricted shares (*actions gratuites*) within the meaning of Article L. 225-197-1 of the French Commercial Code (the "Restricted Shares"). Under the Company's current compensation policy for executive officers, the number of Restricted Shares which will be granted to Mr. David Meek will be calculated on the basis of the average stock price of the IPSEN share over the 20 trading days prior to the date of grant minus a 25% discount. The number of Restricted Shares which will be granted to David Meek in 2016 will be calculated on a *prorata temporis* basis.

The definite vesting of Restricted Shares will be subject to a condition of presence within the Company. The definitive number of Restricted Shares that will vest will depend on the performance conditions that are applicable under the plan, namely:

- an internal performance condition, based on the Core Operating Income (COI), and
- an external performance condition measuring the relative performance of IPSEN's stock price compared to that of the other companies which are part of the STOXX TMI 600 Health Care index.

Each of these conditions shall be measured annually by comparing the target threshold and the actual performance of the Company over the first and second financial years used as reference periods for the plan. Each of these conditions may generate a payout varying within a range between 0 and 250%.

These Restricted Shares will be subject to a 2-year vesting period from the date of grant and 50% of the restricted shares vested will be subject to a 2-year holding period.

III. Remuneration following the term of the corporate office of Mr. David Meek

The Board of Directors has decided to grant Mr. David Meek a severance package under the following conditions, in accordance with the recommendations of the AFEP-MEDEF Code:

- an indemnity which will only be due in the event of a forced departure (*départ contraint*) within the meaning of the AFEP-MEDEF Code,
- equal to 24 months of gross (fixed and variable) remuneration paid for his duties as Chief Executive Officer,

- the grant of which will be subject to the maintaining of the recurring operating margin of the Group during the three years preceding his departure at a minimum threshold of 15%, and
- including, for a portion equal to 50% of the amount hereof, the amount payable in consideration for the non-compete undertaking of Mr. David Meek referred to above.

The Board of Directors has also decided to allow Mr. David Meek to benefit from the existing additional pension scheme of the Company giving the right, at the time of retirement, to the payment of an annual pension calculated by reference to his seniority within the Group at a rate of 0.6% of the total gross remuneration ("TGR") per year of seniority for the portion of the TGR lower than 8 times the French annual social security ceiling and at a rate of 1% per year of seniority for the portion of the TGR exceeding 8 times the French annual social security ceiling (with the French annual social security ceiling amounting to EUR 38,616 in 2016). In accordance with the recommendations of the AFEP-MEDEF Code and to Article L. 255-42-1 of the French Commercial Code, the grant of this additional pension scheme will be subject to the following performance condition: the maintaining of the recurring operating margin of the Group during the three years preceding departure at a minimum threshold of 15%. Mr. David Meek shall also have a minimum seniority of 5 years within the Group, and be eligible to social security retirement at the full rate.

IV. Commitments of Mr. David Meek

Non-compete undertaking

Mr. David Meek agreed, in the event of his departure from the Group, during a period of 24 months following the date of his effective departure from the Company, not to perform or participate from an operational standpoint (including as a consultant), within the territory of the European Economic Area (EEA) and/or North America, in any activity relating to the development and/or the marketing of products belonging to the same therapeutic category (source IMS-Health) as (1) one of the top three products of the Group based on the turnover generated by such products or their importance from a strategic standpoint (as assessed by the Board) on the date of Mr. David Meek's effective departure, and (2) any product acquired by the Company between January 1, 2016 and the date of Mr. David Meek's effective departure for a total consideration exceeding EUR 300 million. The indemnity owed by the Company in consideration of this non-compete undertaking will be deemed to be included in the severance package referred to above if it is also owed.

Prevention of certain conflicts of interests

Mr. David Meek also undertook towards the Company, during a period of three (3) years following the date of his effective departure, to prevent certain conflicts of interest situations.

The statutory auditors will be informed of these undertakings following the term of his corporate office under the conditions established by law. In accordance with Article L. 225-42-1 paragraph 4 of the French Commercial Code, a specific resolution on remuneration elements following the term of the corporate office will be submitted to the approval of the annual Shareholders' Meeting of the Company convened to approve the 2016 financial statements.

In accordance with the AFEP-MEDEF Corporate Governance Code, the remuneration package of Mr. David Meek shall be submitted to a consultative vote of the shareholders at the annual Shareholders' Meeting of the Company convened to approve the 2016 financial statements.

The corporate governance practices of the Company and the remuneration package of Mr. David Meek will be detailed in the Company's Registration Document for 2016.

This press release is established and available on IPSEN's website (www.ipsen.com) in accordance with the provisions of the French Commercial Code and the AFEP-MEDEF Corporate Governance Code.