PRESS RELEASE

IPSEN
Innovation for patient care

Ipsen reports strong first quarter 2017 sales growth of 19,1%[1]

Primary Care division to become Consumer Healthcare

Paris (France), 27 April 2017 - Ipsen (Euronext: IPN; ADR: IPSEY), a global specialty-driven pharmaceutical group, today announced sales for the first quarter of 2017.

First quarter 2017 unaudited IFRS consolidated sales

(in million euros)	**Q1 2017**	**Q1 2016**	*% Change at constant currency*
Specialty Care	366.5	288.1	25.4%
Consumer Healthcare	71.6	73.9	-5.3%
Group Sales	**438.0**	**362.0**	**19.1%**

In the first quarter of 2017, **Consolidated Group sales** grew 19.1% to €438.0 million driven by Specialty Care growth of 25.4%[1] including growth of 86.3%[1] from North America.

Commenting on the first quarter 2017 performance, **David Meek, Chief Executive Officer of Ipsen** said: *"In the first quarter, Specialty Care continued to drive remarkable organic top-line growth for Ipsen, led by the outstanding performance of Somatuline®, both in the United States and Europe, as well as a strong acceleration for Dysport®. We continue to face headwinds in certain emerging markets for our Consumer Healthcare business."* **David Meek** continued, *"After the successful closing of the Onivyde® transaction, our largest acquisition to date, we are focused on the successful execution of the Onivyde® and Cabometyx® launches. These two important products strengthen our presence in Oncology and will contribute meaningfully to our top-line growth and profitability in the coming years."*

Ipsen confirms its financial targets for 2017, with Specialty Care sales growth year-on-year greater than +18.0%[1], Consumer Healthcare sales growth year-on-year greater than +4.0%[1] and Core Operating margin greater than 24% of net sales.

In addition, **Ipsen announces the change in name of its Primary Care division to Consumer Healthcare.** This reflects the evolution over the last two years of the promotional model from classical prescription-based to a combination of prescription and over-the-counter (OTx) in select countries with gastrointestinal portfolios. The transaction announced in February to acquire a portfolio of select consumer healthcare assets from Sanofi will strengthen the evolution of the Consumer Healthcare portfolio in France and Central Europe with the strategic intent to further develop the OTx model in most geographies.

[1] Year-on-year growth excluding foreign exchange impacts

Comparison of Consolidated Sales for the First Quarter 2017 and 2016:

Sales by therapeutic area and by product

Note: Unless stated otherwise, all variations in sales are stated excluding foreign exchange impacts.

The following table shows sales by therapeutic area and by product for the first quarter 2017 and 2016:

	1st Quarter			
(in millions euros)	**2017**	**2016**	% Variation	% Variation at constant currency
Oncology	**260.9**	**204.4**	**27.7%**	**26.5%**
Somatuline®	168.9	121.7	38.8%	36.6%
Decapeptyl®	77.5	78.2	-0.9%	-0.5%
Cabometyx®	7.6	0.0	N/A	N/A
Other Oncology	6.9	4.5	54.8%	54.9%
Neurosciences	**86.6**	**63.6**	**36.2%**	**31.5%**
Dysport®	85.8	63.2	35.7%	31.3%
Endocrinology	**19.0**	**20.1**	**-5.6%**	**-5.8%**
NutropinAq®	13.3	15.1	-12.1%	-11.7%
Increlex®	5.7	5.0	14.1%	11.8%
Specialty Care	**366.5**	**288.1**	**27.2%**	**25.4%**
Gastroenterology	**51.5**	**51.0**	**1.0%**	**-1.4%**
Smecta®	29.2	29.3	-0.2%	-2.4%
Forlax®	10.0	10.0	-0.3%	-1.1%
Fortrans®	6.1	3.2	92.6%	77.8%
Etiasa®	2.7	3.4	-21.4%	-20.2%
Cognitive disorders	**6.3**	**9.8**	**-35.1%**	**-37.9%**
Tanakan®	6.3	9.8	-35.1%	-37.9%
Other Consumer Healthcare	**7.1**	**6.6**	**6.5%**	**6.3%**
Drug-related Sales	**6.7**	**6.5**	**2.7%**	**2.6%**
Consumer Healthcare	**71.6**	**73.9**	**-3.2%**	**-5.3%**
Group Sales	**438.0**	**362.0**	**21.0%**	**19.1%**

In the first quarter of 2017, **Consolidated Group sales** grew 19.1% to €438.0 million.

Sales of **Specialty Care** products of €366.5 million were up 25.4% year-on-year driven by Oncology sales growth of 26.5% and Neurosciences sales growth of 31.5%, while Endocrinology sales decreased by 5.8%. The relative weight of Specialty Care continued to increase to reach 83.7% of Group sales, compared to 79.6% in the previous year.

In **Oncology,** sales reached €260.9 million in the first quarter of 2017, up 26.5% year-on-year.

Somatuline® – In the first quarter of 2017, sales reached €168.9 million, up 36.6% year-on-year. Somatuline®'s strong performance was driven by solid volume and market share growth in North America and by a strong performance in most European countries, notably in France, Germany, the United Kingdom and Poland.

Decapeptyl® – In the first quarter of 2017, sales reached €77.5 million, down 0.5% year-on-year, negatively impacted by a change in the distribution scheme and continued price pressure in China. Across Europe, Decapeptyl® gained market share, notably in France, Spain and Germany.

Cabometyx® – In the first quarter of 2017, sales reached €7.6 million, including sales recognized in France under the Cabometyx® Managed Access Program, as well as a good start in Germany five months after launch.

Other Oncology – In the first quarter of 2017, **Hexvix®** sales amounted to €5.1 million, up 14.1% year-on-year mainly driven by the good performance in Germany. The Group also registered sales of **Cometriq®** of €1.8 million in the first quarter of 2017, mainly in Germany.

In **Neurosciences**, sales of **Dysport®** reached €85.8 million in the first quarter of 2017, up 31.3% year-on-year, driven by a strong volume growth in the aesthetics business with Galderma worldwide, particularly in North America including some favorable phasing of shipments. The Group still faces importation issues in Brazil due to the temporary cancellation of the certificate of Good Manufacturing Practices (cGMP) which occurred in 2016. In the rest of the world, sales growth is positively driven by positive dynamics in most European countries and the United States as well as in the Middle East.

In **Endocrinology**, sales of **NutropinAq®** reached €13.3 million in the first quarter of 2017, down 11.7% year-on-year impacted by lower volumes, especially in Germany, France and the UK. In the first quarter of 2017, sales of **Increlex®** reached €5.7 million, up 11.8% year-on-year, mostly driven by the United States.

In the first quarter of 2017, **Consumer Healthcare** sales reached €71.6 million, down 5.3% year-on-year. The relative weight of Consumer Healthcare sales represented 16.3% of total Group sales, compared to 20.4% in 2016.

In the first quarter of 2017, **Gastroenterology** sales reached €51.5 million, down 1.4% year-on-year. **Smecta®** sales reached €29.2 million, down 2.4% year-on-year, impacted by the stock building for the licence renewal in Vietnam last year, and offset by new contracts in Italy following the Akkadeas Pharma transaction and good performance in China. **Forlax®** sales reached €10.0 million, down 1.1% year-on-year due to a delay in the authorization of an import program in Algeria, and compensated by good sales volume of Macrogol® to partners. **Fortrans®** sales reached €6.1 million, up 77.8% year-on-year driven by a strong volume increase in Russia as a result of an inventory shortage in 2016. **Etiasa®** sales reached €2.7 million, down 20.2% year-on-year due to destocking in a province in China.

In the **Cognitive Disorders** area, sales of **Tanakan®** reached €6.3 million in the first quarter of 2017, down 37.9% year-on-year, impacted by the underperformance of the product in Russia and France.

Sales of **Other Consumer Healthcare** products reached €7.1 million in the first quarter of 2017, up 6.3% year-on-year mainly affected by the underperformance of Adrovance®, which was down 23.4% over the period.

Sales by geographical area

Group sales by geographical area in the first quarter 2017 and 2016:

	1st Quarter			
(in million euros)	2017	2016	% Variation	% Variation at constant currency
France	61.5	55.1	11.5%	11.5%
Germany	34.6	29.4	17.8%	17.8%
Italy	23.7	21.6	10.2%	10.2%
United Kingdom	18.8	18.5	1.5%	13.5%
Spain	17.0	16.9	0.7%	0.7%
Major Western European countries	**155.6**	**141.5**	**10.0%**	**11.5%**
Eastern Europe	46.9	39.5	18.7%	8.3%
Others Europe	50.1	40.9	22.4%	23.2%
Other European Countries	**97.1**	**80.4**	**20.7%**	**15.9%**
North America	**102.5**	**53.4**	**92.0%**	**86.3%**
Asia	39.9	46.0	-13.3%	-13.4%
Other countries in the Rest of the world	43.0	40.7	5.7%	0.7%
Rest of the World	**82.9**	**86.7**	**-4.4%**	**-6.7%**
Group Sales	**438.0**	**362.0**	**21.0%**	**19.1%**

In the first quarter of 2017, sales in the **Major Western European countries** reached €155.6 million, up 11.5% year-on-year. Sales in the Major Western European countries represented 35.5% of total Group sales, compared to 39.1% in the previous year.

France – In the first quarter of 2017, sales reached €61.5 million, up 11.5% year-on-year, driven by the sales growth of Cabometyx® and Somatuline® while Consumer Healthcare sales were impacted by Tanakan® underperformance and Smecta® lower sales due to a shorter gastroenteritis epidemic.

Germany – In the first quarter of 2017, sales reached €34.6 million, up 17.8% year-on-year, driven by the launch of Cabometyx® at the end of 2016 as well as the strong growth of Somatuline®.

Italy – In the first quarter of 2017, sales reached €23.7 million, up 10.2% year-on-year, impacted by the solid growth of Somatuline® as well as the first sales of the Akkadeas products.

United Kingdom – In the first quarter of 2017, sales reached €18.8 million, up 13.5% year-on-year. This performance is mainly driven by the strong demand of Somatuline®.

Spain – In the first quarter of 2017, sales reached €17.0 million, up 0.7% year-on-year driven by strong volume growth of Decapeptyl®.

In the first quarter of 2017, sales in **Other European countries** reached €97.1 million, up 15.9% year-on-year, driven by a strong increase in Dysport® volume mainly in the aesthetics market, as well as Turkey, Ukraine and Greece, and Somatuline®'s good performance in Poland.

In the first quarter of 2017, sales in **North America** reached €102.5 million, up 86.3% year-on-year, supported by the growth of Somatuline® as well as the strong performance of Dysport® in the aesthetics market through the Galderma partnership. Over the period, sales in North America represented 23.4% of total Group sales, compared to 14.7% in the previous year.

In the first quarter of 2017, sales in the **Rest of the World** reached €82.9 million, down 6.7% year-on-year, mainly impacted by a delay in the import program authorization in Algeria, as well as Smecta® stock building at the beginning of 2016 in Vietnam.

MAJOR DEVELOPMENTS

During the first quarter 2017, major developments included:

- 9 January 2017 – Ipsen announced that it had entered into a definitive agreement to acquire the global oncology assets from Merrimack Pharmaceuticals, including its key marketed product Onivyde® (irinotecan liposome injection) for the treatment of patients with metastatic adenocarcinoma of the pancreas after disease progression following gemcitabine-based therapy, in combination with fluorouracil and leucovorin.

- 20 January 2017 – Ipsen announced the appointment of Harout Semerjian as President, Head of Specialty Care International Region & Global Franchises1, effective February 2, 2017. He reports to David Meek, CEO of Ipsen, and will be a member of the Executive Leadership Team.

- 31 January 2017 – Ipsen announced that is had signed an agreement to take an equity stake in Akkadeas Pharma with the option to take control of the company in the future. Akkadeas Pharma is a privately-held consumer health care company in Italy with a diversified gastrointestinal-focused portfolio including probiotics, medical devices and food supplements. As part of the transaction, Akkadeas Pharma becomes Ipsen's Italian distributor for Smecta® (Diosmectal®).

- 13 February 2017 – Ipsen announced that it had entered into a definitive agreement to acquire from Sanofi five consumer healthcare products in certain European territories. The most significant product is Prontalgine®, an analgesic for the treatment of moderate to severe pain, which has grown at double digit rates over the last four years and is available only in France.

- 27 February 2017 – Ipsen's partner Exelixis announced clinical collaboration with Bristol Myers Squibb for late-stage combination trial in first-line renal cell carcinoma.

- 2 March 2017 – Ipsen announced the appointment of Benoit Hennion as Executive Vice President and President, Primary Care, effective 13 March 2017. Mr. Hennion reports directly to David Meek, CEO of Ipsen, and joins the Executive Leadership Team. Jean Fabre, who has led the Primary Care business since 2011 stepped down from the position in March 2017 to pursue a new career opportunity at another company.

- 13 March 2017 – Ipsen announced that the Medicines and Healthcare Products Regulatory Agency (MHRA) in the UK, in coordination with fourteen other European regulatory agencies, had approved a new indication for Decapeptyl® as adjuvant treatment in combination with tamoxifen or an aromatase inhibitor, of endocrine-responsive early-stage breast cancer in women at high-risk of recurrence who are confirmed as pre-menopausal after completion of chemotherapy.

- 3 April 2017 – Ipsen announced that it had completed its acquisition of global oncology assets from Merrimack Pharmaceuticals, in Cambridge, MA., focusing on Onivyde® (irinotecan liposome injection) for the treatment of patients with metastatic adenocarcinoma of the pancreas after disease progression following gemcitabine-based therapy, in combination with fluorouracil and leucovorin.

About Ipsen

Ipsen is a global specialty-driven pharmaceutical group with total sales close to €1.6 billion in 2016. Ipsen sells more than 20 drugs in more than 115 countries, with a direct commercial presence in more than 30 countries. Ipsen's ambition is to become a leader in specialty healthcare solutions for targeted debilitating diseases. Its fields of expertise cover oncology, neurosciences and endocrinology (adult & pediatric). Ipsen's commitment to oncology is exemplified through its growing portfolio of key therapies improving the care of patients suffering from prostate cancer, neuro-endocrine tumors, renal cell carcinoma and pancreatic cancer. Ipsen also has a significant presence in consumer healthcare. 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, located in the heart of the leading biotechnological and life sciences hubs (Les Ulis/Paris-Saclay, France; Slough/Oxford, UK; Cambridge, US). In 2016, R&D expenditures exceeded €200 million. The Group has more than 4,900 employees worldwide. Ipsen's shares are traded on segment A of Euronext Paris (stock code: IPN, ISIN code: FR0010259150) and are 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 trades 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. Use of the words "believes," "anticipates" and "expects" and similar expressions are intended to identify forward-looking statements, including the Group's expectations regarding future events, including regulatory filings and determinations. 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 generic products that might translate into a loss of market share. Furthermore, the Research and Development process involves several stages each of which involves 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. There can be no guarantees a product will receive the necessary regulatory approvals or that the product will prove to be commercially successful. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements. Other risks and uncertainties include but are not limited to, general industry conditions and competition; general economic factors, including interest rate and currency exchange rate fluctuations; the impact of pharmaceutical industry regulation and health care legislation; global trends toward health care cost containment; technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approval; the Group's ability to accurately predict future market conditions; manufacturing difficulties or delays; financial instability of international economies and sovereign risk; dependence on the effectiveness of the Group's patents and other protections for innovative products; and the exposure to litigation, including patent litigation, and/or regulatory actions. 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 cannot be certain that its partners will fulfil 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. 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.

The risks and uncertainties set out are not exhaustive and the reader is advised to refer to the Group's 2016 Registration Document available on its website (www.ipsen.com).

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