



FY 2019 Results

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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.

The Group operates in certain geographical regions whose governmental finances, local currencies or inflation rates could be affected by the current crisis, which could in turn erode the local competitiveness of the Group's products relative to competitors operating in local currency, and/or could be detrimental to the Group's margins in those regions where the Group's drugs are billed in local currencies.

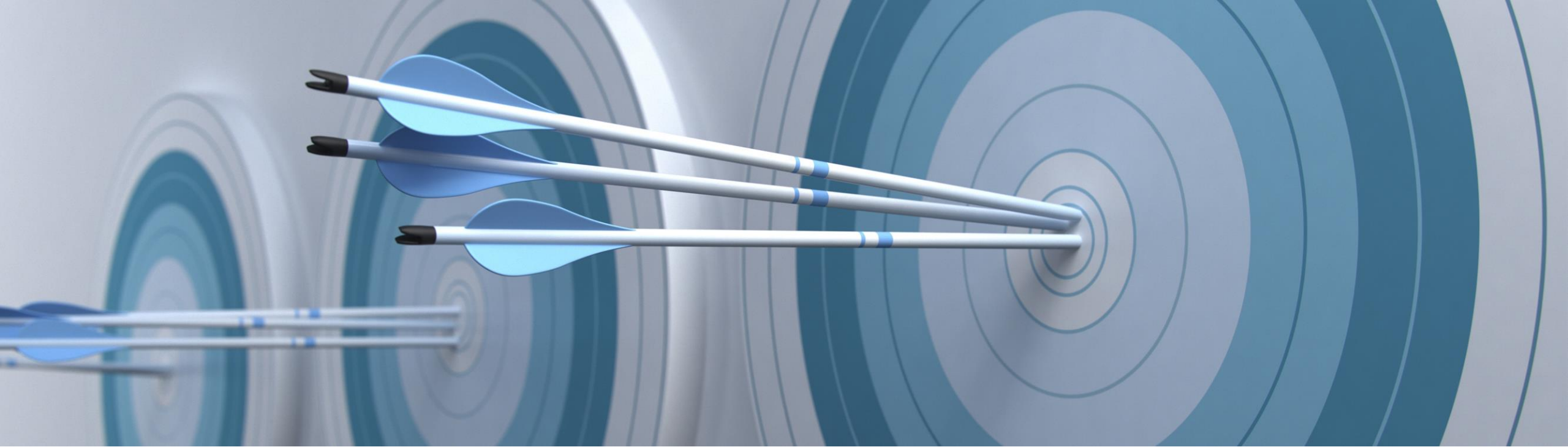
In a number of countries, the Group markets its drugs via distributors or agents: some of these partners' financial strength could be impacted by the crisis, potentially subjecting the Group to difficulties in recovering its receivables. Furthermore, in certain countries whose financial equilibrium is threatened by the crisis and where the Group sells its drugs directly to hospitals, the Group could be forced to lengthen its payment terms or could experience difficulties in recovering its receivables in full.

Finally, in those countries in which public or private health cover is provided, the impact of the financial crisis could cause medical insurance agencies to place added pressure on drug prices, increase financial contributions by patients or adopt a more selective approach to reimbursement criteria.

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.

Agenda

- 01 Excellent 2019 operating performance including sound financial structure
- 02 Setback in palovarotene development program
- 03 Strong business fundamentals and strategy
- 04 Solid 2020 guidance / Updated 2022 outlook
- 05 Conclusion/ Q&A



01

FY 2019 Financial Performance

Delivering strong 2019 operating performance and sound financial structure



Top line



Group sales exceeded €2.5bn

Double-digit Group sales growth of +14.8%¹ driven by Specialty Care growth of +17.2%¹

Strong performance across all major Specialty Care products and geographies

Somatuline exceeded €1.0 billion in sales

Bottom line



Core Operating Income growth of +18.6% and **margin expansion to 30.4%**

Leveraging global commercial Oncology infrastructure

Accelerated investment in R&D (>15% of net sales), including palovarotene

Financial structure



Sound financial structure with net debt at €1.1 billion after acquisition of Clementia

Net leverage ratio² of 1.3x allowing for additional investments in future growth

Proposed distribution of €1.00 per share³, consistent with the prior year

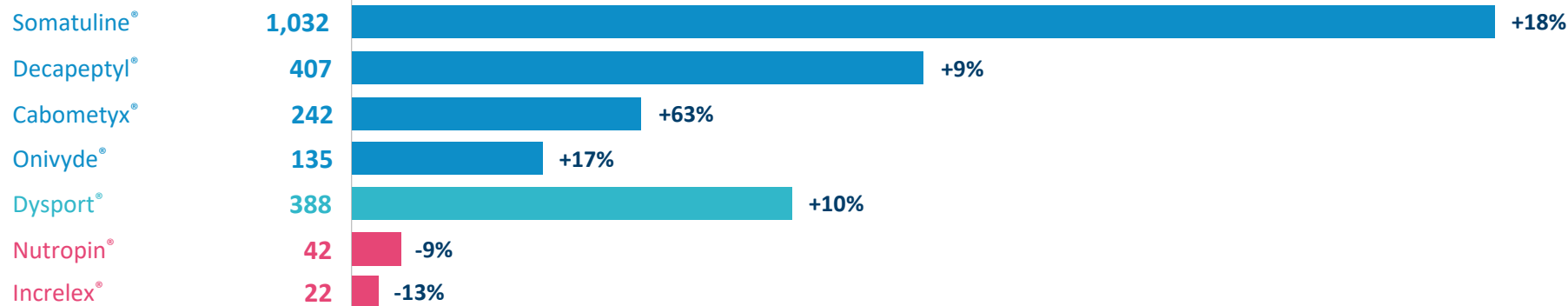
FY 2019 sales growth driven by Specialty Care



Janice
Living with cervical dystonia
Tennessee, USA

Net sales of key products in FY 2019 in million euros – % excluding foreign exchange impact

Specialty Care sales



Consumer Healthcare sales



Group sales
€2,576.2m
+14.8%¹

Specialty Care
€2,299.4m
+17.2%¹

Consumer Healthcare
€276,8m
-1.2%¹

Specialty Care growth driven across all major products and geographies

FY 2019 Commercial highlights



Wade
Living with acromegaly,
Salt Lake City, USA

Oncology

+20% growth driven by strong performance across all major products and geographies

Somatuline sales > €1bn, +18%
including +21% in North America

Cabometyx sales +63%
reflecting continued steady launch across geographies and indications

Onivyde sales +17%
in the U.S. and through ex-U.S. partner

Decapeptyl sales +9%
driven by double-digit growth in China

Neuroscience

+10% growth of strong sustainable neurotoxin franchise

Dysport brand total sales > €600m

U.S.
Good performance in the U.S. in the therapeutics and aesthetics markets

Rest of World
Solid performance in the aesthetics market in Brazil, as well as higher sales in Russia and in the Middle East

Consumer Healthcare

Sales down -1.2%
with sales growth +0.9% in H2 2019

Smecta sales -1.8% mainly due to the new hospital competitive environment in China and lower sales in Algeria

Fortrans/Eziclen sales up +16.0% driven by China

Tanakan sales were down 3.2%
due to lower demand in China

Investments focused on pipeline and commercial support

In €m	FY 2019	FY 2018	% Change
Net sales	2,576.2	2,224.8	+15.8%
Other Revenues	116.5	123.6	-5.7%
COGS	(488.0)	(454.2)	+7.4%
<i>as % of net sales</i>	<i>18.9%</i>	<i>20.4%</i>	
Selling expenses	(838.6)	(787.4)	+6.5%
<i>as % of net sales</i>	<i>32.6%</i>	<i>35.4%</i>	
R&D Expenses	(388.8)	(302.1)	+28.7%
<i>as % of net sales</i>	<i>15.1%</i>	<i>13.6%</i>	
G&A Expenses	(181.4)	(165.7)	+9.5%
<i>as % of net sales</i>	<i>7.0%</i>	<i>7.4%</i>	
Other core operating income and expenses	(13.2)	(20.8)	
Core Operating Income	782.6	659.9	+18.6%
Core Operating Margin	30.4%	29.7%	+0.7 pts

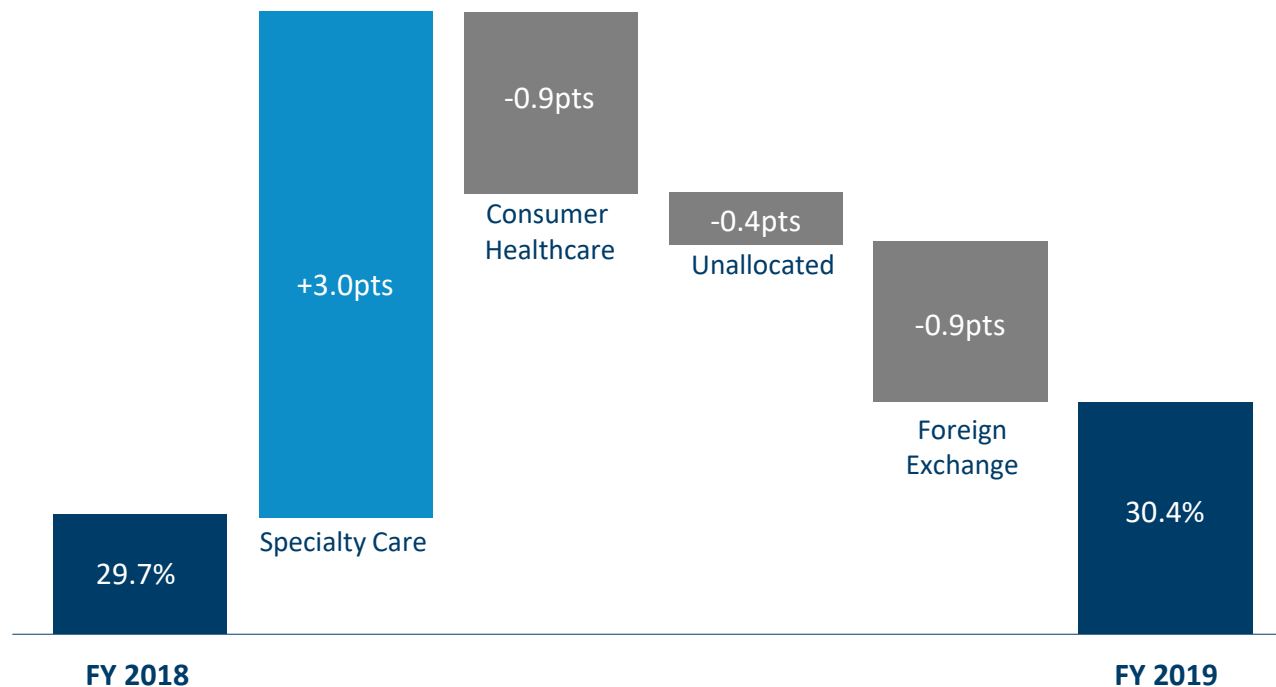
COGS: Improvement from positive mix effect of growing Specialty Care business offset by higher Cabometyx royalties

Selling expenses: Limited growth in commercial investments to support Specialty Care product growth thanks to disciplined and smart allocation of resources

R&D investments: Significant increase to support advancement of internal pipeline programs in oncology and neurotoxins and for palovarotene

G&A expenses: Increase resulting from the impact of increased corporate structure and new rare disease infrastructure

Operating leverage driving core operating margin expansion



Further Core Operating Income margin expansion **exceeding 30.0%** of net sales

Group margin expansion **driven by Specialty Care growth** despite dilutive impact of palovarotene development costs

Consumer Healthcare lower profitability as compared to the Group margin with selected investments based on limited top-line growth

Negative limited impact of currencies on profitability

Core Operating Income to Consolidated Net Profit



In €m	FY 2019	FY 2018	Change
Core Operating Income	782.6	659.9	+122.8
<i>Core operating margin</i>	<i>30.4%</i>	<i>29.7%</i>	<i>+0.7pts</i>
Amortization of intangible assets	(83.8)	(73.1)	-10.7
Restructuring/ Other operating income and expense	(63.4)	(52.3)	-11.1
Impairment gain / (loss)	(668.8)	(15.0)	-653.8
Operating Income / (loss)	(33.4)	519.4	-552.8
Net financing costs	(28.0)	(5.3)	-22.7
Other financial income / expense	22.8	(20.1)	+42.9
Income taxes and other	(11.7)	(105.0)	+93.3
Consolidated net profit / (loss)	(50.2)	389.1	-439.3

Operating Income

Impairment loss of €669 million before tax related to the recent setbacks in the palovarotene development program

Restructuring and Other Operating costs mainly from the Group's transformation programs and the Clementia acquisition and integration costs

Consolidated net profit

Other financial income/ expense including the Clementia CVR revaluation, partly offset by the Onivyde earnout revaluation

Income taxes including the write-off of deferred tax assets related to Clementia, offset by the positive impact of the palovarotene intangible asset impairment on deferred tax

Strong cash flow generation and sound financial structure

2019 Free Cash Flow at €468m (+2.2% vs. 2018)

with an EBITDA of €873m (+22%), limited increase in working capital and increased capital expenditure

Strong Free Cash Flow conversion to support business development strategy

Net Debt at €1.1bn at the end of 2019

after acquisition of Clementia for €1.0bn and dividend paid for €83m

Net debt to EBITDA at 1.3x in 2019,
below industry average

Full refinancing in 2019

to increase debt capacity for future business development, extend the maturity horizon and diversify sources of financing:

€1.5 billion 5-year revolving credit facility (RCF)

\$300 million dual-tranche issuance of notes on the U.S. market (U.S. Private Placement)

Significant financing capacity

to leverage balance sheet up to **2.0x net debt to EBITDA**

>€1bn business development fire power by end of 2020



02

Palovarotene Update

Setback in palovarotene development program

What happened

- **FDA partial clinical hold** for patients below 14 years in FOP and MO studies
 - *Dosing discontinued in this population; FDA letter received by end of December*
- IDMC informed Ipsen that Phase 3 MOVE trial reached pre-specified second interim futility analysis criteria
 - *Ipsen **paused dosing of patients (≥ 14 years)** in FOP trials; IDMC recommended to not discontinue trials based on **encouraging therapeutic activity** observed in post-hoc analyses*

Next steps

- Expeditious assessment of Phase 3 MOVE dataset
- Questions being addressed from FDA and other health authorities
- **Next steps of the program to be decided as soon as possible** in close collaboration with patients, investigators, ethics committees and regulatory authorities

Financial implications

- Partial impairment of **€668.8m** before tax based on risk-adjusted scenarios (non cash)
- Discounted accounting value of CVR and earnout related to MO reducing net debt by €114.6m

Commitment to FOP and to build successful Rare Diseases franchise



Marin
Living with fibrodysplasia ossificans progressiva
Hamilton, Canada

FOP: Ultra-rare and severely-disabling bone disorder with no therapeutic treatment options

Palovarotene

- Most advanced clinical program for the treatment of FOP
- Ipsen remains highly committed and motivated to bring the first therapeutic treatment option to the FOP patient community

BLU-782

- Most advanced ALK2 inhibitor in development for FOP - Different mechanism of action addressing the underlying cause of FOP
- Phase 1 showed BLU-782 is well-tolerated; expect to initiate Phase 2 in 2020

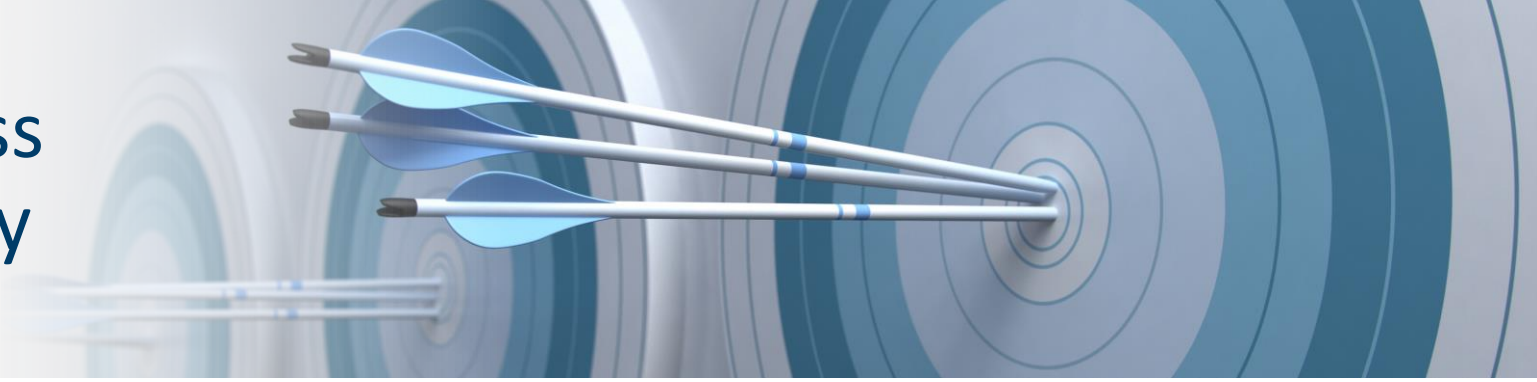




03

Strong Business Fundamentals and Strategy

Confirming strong business fundamentals and strategy



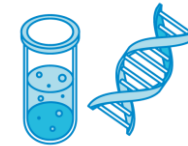
Diversified
geographical
footprint



Strong Specialty
Care franchise built
over the years



Sound financial
structure and
attractive cash flow
conversion



Advancing R&D
pipeline

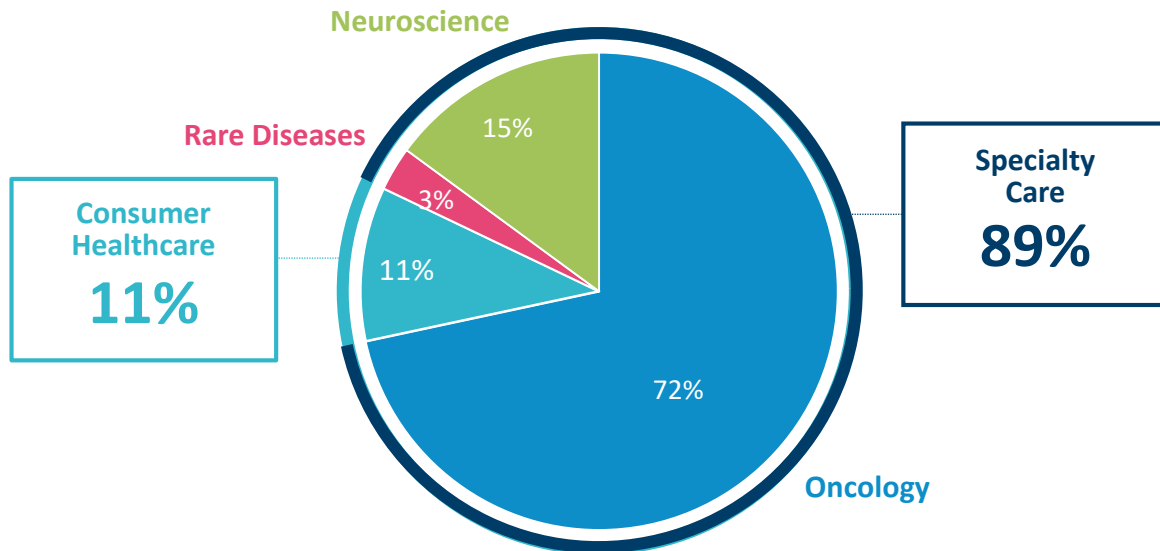


Disciplined business
development
strategy

Leading global biopharma focused on innovation and Specialty Care

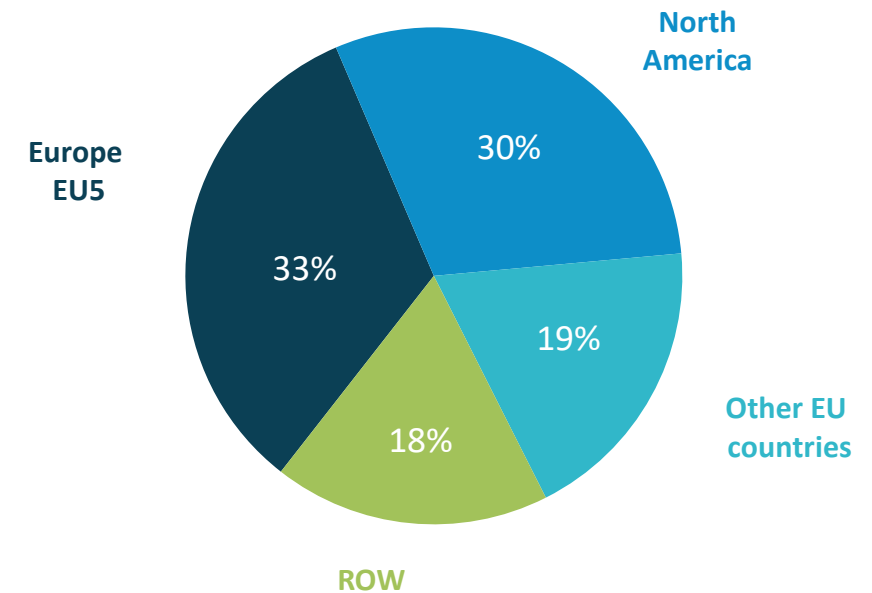
Sales by therapeutic area

FY 2019 sales by therapeutic area



Sales by geography

FY 2019 sales by geographical area



Strong Specialty Care franchise built over the years



Ronny
Living with neuroendocrine tumors
Ringwood, UK

Oncology

Established niche presence

Somatuline: Best-in-class SSA with superior clinical profile, positive real-world evidence, new delivery system

Decapeptyl: Recommended backbone therapy in prostate cancer with expanded use in other indications

Cabometyx: TKI of choice in 2L RCC; significant 2L RCC opportunity as IO combinations move into 1L RCC

Onivyde: Strong synergies with U.S. commercial oncology team

Significant LCM programs in additional indications to expand benefits and market potential (Cabometyx, Onivyde)

Neuroscience

Leading player

Leading neurotoxin Dysport

Expertise in research, development, manufacturing, commercialization

R&D programs for additional indications
– Phase 2 trials for hallux valgus and vulvodynia

Recombinant neurotoxins to provide innovative solutions along treatment paradigm - Fast acting neurotoxin entering in Phase 2 and long-acting program in preclinical

Rare Diseases

Establishing niche presence

Proven capabilities and patient-centric model to serve unmet medical needs

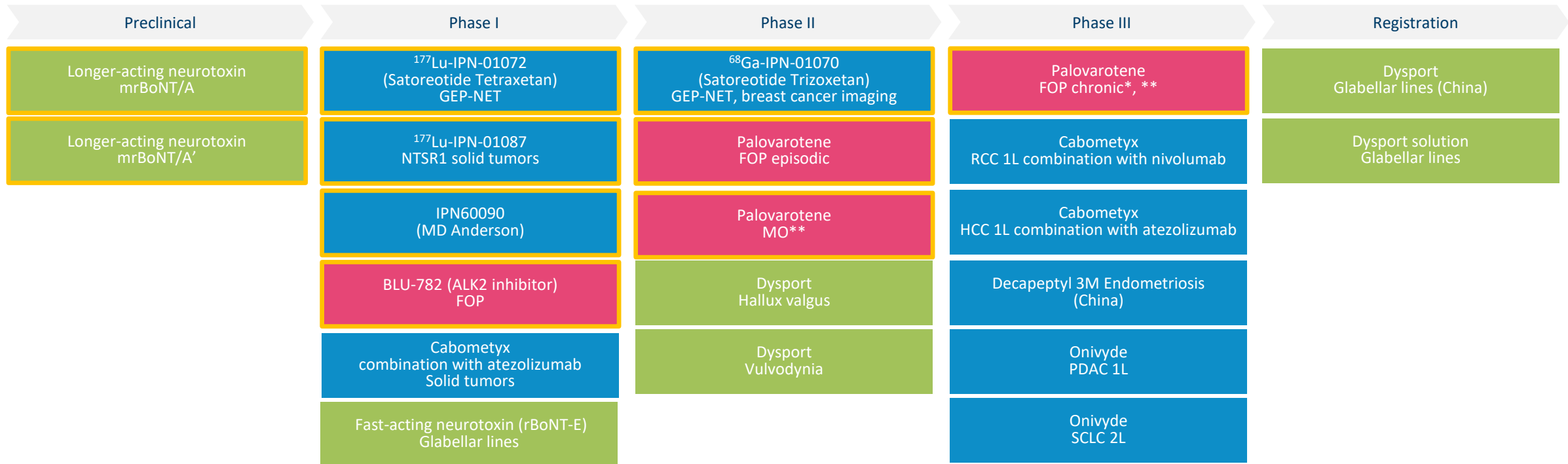
Established Rare Disease assets in endocrinology (Increlex, Nutropin)

Establishing leadership position in FOP with anchor asset palovarotene and additional licensing of BLU-782

Remain committed to developing the first therapeutic treatment option for the FOP patient community

Searching for additional assets in selected rare disease space with unmet medical needs and well-defined patient population

Advancing solid pipeline across 3 strategic TAs with several significant Phase 3 / registrational trials



Delivering key R&D milestones in 2020

Program advancements

Long-acting neurotoxin (A)
Phase 1/2
Spasticity and aesthetics

Fast-acting neurotoxin
Phase 2
Glabellar lines

BLU-782
Phase 2
FOP

Top-line results

Cabometyx
Phase 3 CheckMate 9ER
1L RCC combo w/Opdivo

Dysport
Phase 2
Hallux Valgus

Decapeptyl
Phase 3
3M Endometriosis

Regulatory decisions

Dysport
Glabellar Lines
(China)

Dysport solution
Glabellar Lines
(EU)

Driving disciplined business development strategy for long-term sustainability

Core therapeutic areas targeted

Oncology

Differentiated, best-in-class assets in specialized niche markets

Neuroscience

Expertise in research, development, manufacturing, commercialization

Rare Diseases

Proven capabilities and patient-centric model to serve unmet medical needs

Type of investments

Full maturity spectrum:

Early and mid-stage assets to low-risk late-stage investments

All types of transactions:

licensing, partnership, co-development, M&A transactions

Deal structuring of transactions to minimize risk

Funding and management of investments

Strong Free Cash Flow generation to replenish **firepower to >€1bn by end of 2020, growing beyond**

Focus on capital discipline and risk/return profile of transactions



04

2020 Guidance Updated 2022 Outlook

2020 guidance



Sales growth

>+6.0% at constant currency

- Assuming no impact of currencies based on the current level of exchange rates
- Assuming no impact in 2020 of new SSA generic entry

Core Operating margin

~30.0% of net sales

- Assuming no impact in 2020 of new SSA generic entry
- Excluding the impact of incremental investments in pipeline expansion initiatives

High single-digit sales growth for Specialty Care Despite impact of octreotide generic on Somatuline in EU and lower sales for Onivyde

Mid single-digit sales decline for Consumer Healthcare Challenging competitive environment in China hospital channel and in France

Increasing investment in R&D to support internal pipeline in Oncology, Neuroscience and Rare Diseases

Leveraging global Specialty Care commercial infrastructure

Protecting Consumer Healthcare profitability through cost optimization

Updated 2022 financial outlook



Group Net Sales **>€2.8bn**

(assuming current level of exchange rates)

Core Operating Margin **>28.0%**

(as % of net sales)

2019








2020

2021

2022

- **Existing portfolio**, assumes no approval of additional meaningful products or indications
 - *No sales assumed for palovarotene*
- **Assuming progressive entry** of additional octreotide and lanreotide generics globally from 2021
- **Excluding the impact of incremental investments in pipeline expansion initiatives**
 - *Early and mid-stage pipeline transactions could negatively impact short-term margins*

Solid product portfolio

	Brand/ asset	Geographies	Major indications	Growth / Peak sales
Specialty Care	 Somatuline autogel	Global	Neuroendocrine Tumors (NET) Acromegaly	Double-digit volume growth until potential impact of lanreotide generic
	 Decapeptyl [®] SR triptorelin	Ex-U.S. and Japan	Prostate Cancer	Mid single-digit growth in all territories (assuming no generic impact in China)
	 CABOMETYX [®] (cabozantinib) tablets	Ex-U.S. and Japan	Renal Cell Carcinoma (RCC) Hepatocellular Carcinoma (HCC)	Expected peak sales of €400m on current approved indications
	 onivyde [™] (irinotecan liposome injection)	U.S. only	Pancreatic cancer	Expected peak sales of \$175m ¹ for current indication in 2L PDAC post gemcitabine
	 Dysport [®] (abobotulinumtoxinA)	Global	Spasticity (Tx) Glabellar lines (Ax)	Double-digit growth in line with market growth in both therapeutic and aesthetic markets
CHC	 smecta  tanakan forlax [®] 10g Macrogol 4000	Mainly France, Russia and China	Gastro Intestinal (GI)	Expected to grow in line with Consumer Healthcare market



05

Conclusion
Q&A

2020 Objectives



Growth

- Maximize growth, value and market share worldwide for differentiated best-in-class **Specialty Care** products
- Continue **Consumer Healthcare** transformation and autonomy
- Leverage current organization and optimize **cost base** for growth



Pipeline

- Increase value of **internal pipeline** by transforming R&D organization and prioritizing key internal R&D programs
- Foster disciplined **business development** strategy to bring new assets or products and build innovative and sustainable pipeline



Culture

- **People**: Continue transformation through leadership and people
- **Patients**: Bring innovative therapies to patients with unmet medical needs
- **Environment**: Minimize impact by ensuring activities are safe and sustainable

Deliver long-term superior value to patients and shareholders



Q&A



Marin
Living with fibrodysplasia ossificans progressiva
Hamilton, Canada

Thank You



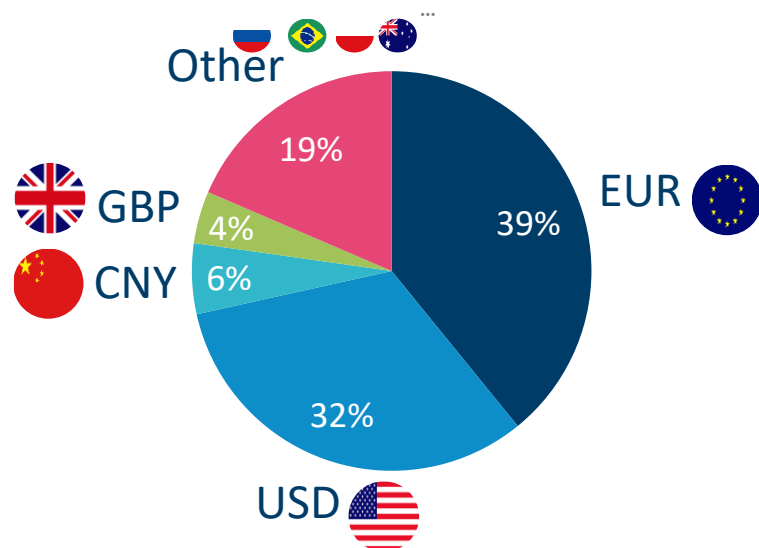
From consolidated net profit to core net profit

<i>In €m</i>	Actual 2019 Reported	Palovarotene impairment impacts	Actual 2019 Before Impairment
Consolidated net profit	-50.2	448.8	398.6
Amortization of intangible assets (excl. software)	83.8	-	83.8
Other operating income and expenses	35.8	-	35.8
Restructuring costs	27.7	-	27.7
Impairment losses	668.8	-668.8	-
Financial result	-51.6	114.6	63.0
Net profit/(loss) from disc. operations	-4.2	-	-4.2
Tax effects on non current items	-146.6	105.4	-41.2
Core net profit	563.4	-	563.4

Positive impact of foreign exchange in FY 2019

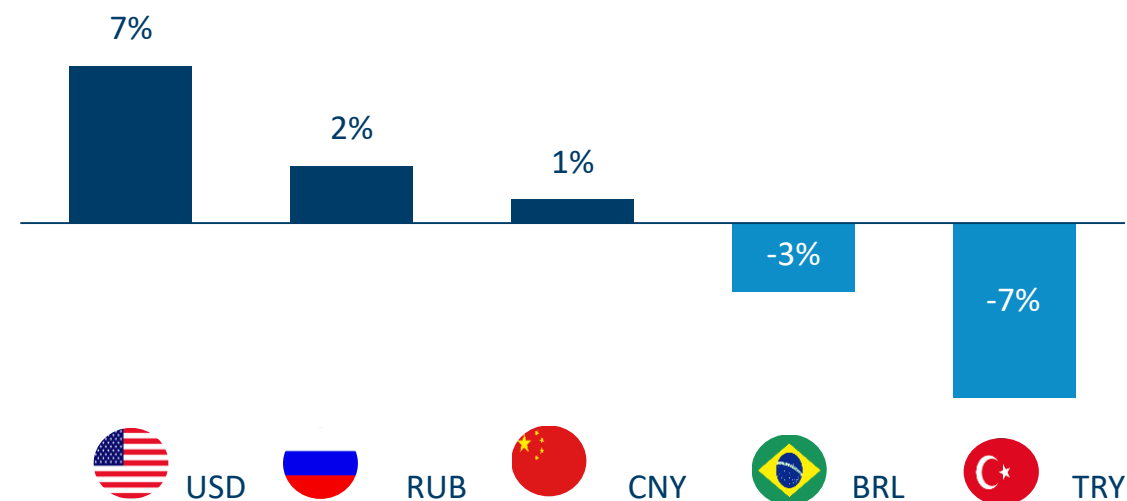
61% of sales in non-EUR currencies
USD now 32% of sales

2019 sales by currency¹



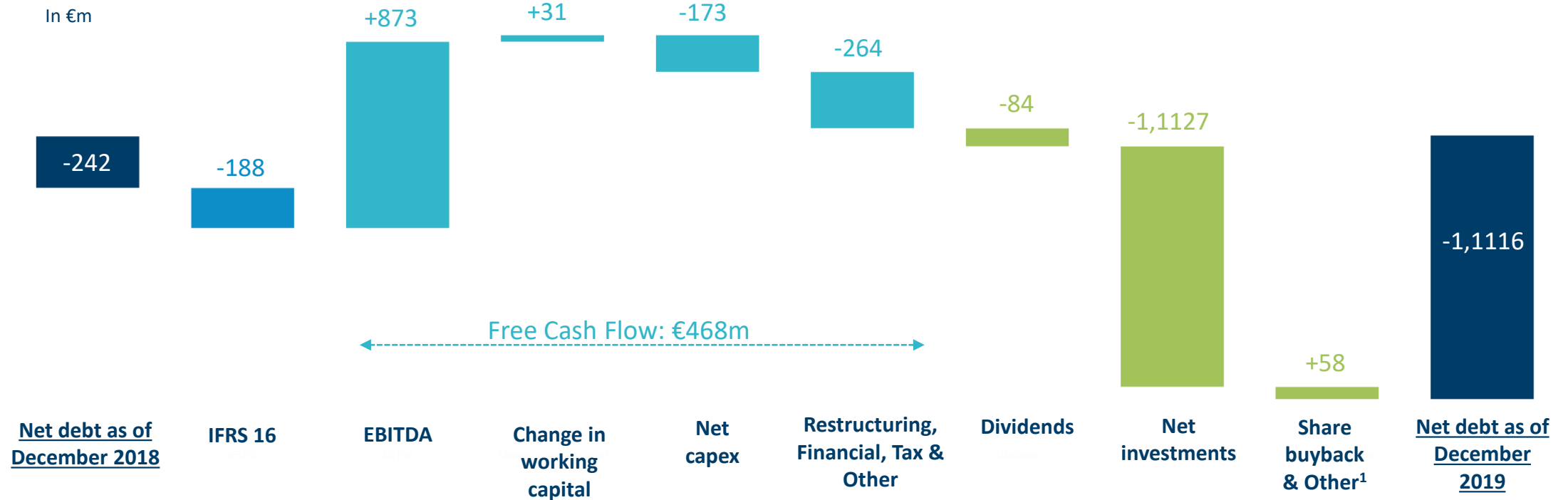
Sales by geography

Average rates change (2019 vs. 2018)



Positive impact on Sales of +2.1% mainly from higher USD

Free Cash Flow generation of €468mn strengthening Balance Sheet



Strong Free Cash Flow of €468 million
 impact of application of IFRS16 (leases) as of January 1, 2019 amounted to €188 million

Oncology ongoing clinical trial highlights

Trial	Population	Patients	Design	Endpoints	Status	Addressable population in Ipsen territories
Cabometyx Phase 3 CheckMate 9ER NCT03141177	1L RCC	638	<ul style="list-style-type: none"> Arm 1: cabozantinib + nivolumab Arm 2: sunitinib 	<ul style="list-style-type: none"> Primary: PFS Secondary: OS, ORR, safety 	Data expected early 2020	~30K patients
Cabometyx Phase 3 COSMIC 312 NCT03755791	1L HCC	740	<ul style="list-style-type: none"> cabozantinib 40 mg oral, qd + atezolizumab 1200 mg infusion, q3w sorafenib 400 mg bid 	<ul style="list-style-type: none"> Primary: PFS, OS 	Recruiting	~26K patients (ex-China)
Cabometyx Phase 1b NCT03170960	Solid tumors	1732	<ul style="list-style-type: none"> cabozantinib (20 mg, 40 mg, or 60 mg qd) + atezolizumab 1200 mg infusion q3w 	<ul style="list-style-type: none"> Primary: MTD, ORR Secondary: safety 	Recruiting	
Cabometyx Phase 1b NCT03299946	1L HCC	15	<ul style="list-style-type: none"> cabozantinib 40mg daily for 8 weeks + nivolumab 240mg intravenously every 2 weeks 	<ul style="list-style-type: none"> Primary: safety 	Recruiting	~26K patients (ex-China)
Onivyde Phase 3 NCT03487016	1L PDAC	270	<ul style="list-style-type: none"> Arm 1: Onivyde (nanoliposomal irinotecan) + 5-FU/LV + oxaliplatin Arm 2: Gem-Abraxane 	<ul style="list-style-type: none"> Primary: PFS 	Recruiting	~28K patients
Onivyde Phase 2/3 NCT03088813	2L SCLC	486	<ul style="list-style-type: none"> Onivyde (nanoliposomal irinotecan) Topotecan 	<ul style="list-style-type: none"> Primary: OS Secondary: PFS, ORR, safety 	Recruiting	~14K drug-treated patients
Onivyde Phase 1 NCT01770353	Breast cancer (ER/PR positive, TNBC, active brain metastasis)	45	<ul style="list-style-type: none"> Onivyde (nanoliposomal irinotecan) IV on Days 1 and 15 every 4 weeks + ferumoxytol 5 mg/kg IV once on Day 1 	<ul style="list-style-type: none"> Primary: tumor levels of irinotecan and SN-38 Secondary: safety, tumor response rate 	Ongoing	

Oncology ongoing clinical trial highlights

Trial	Population	Patients	Design	Endpoints	Status
Satoreotide trizoxetan ⁶⁸ Ga-IPN-01070 Phase 2 NCT03220217	GEP-NET	25	<ul style="list-style-type: none"> Satoreotide trizoxetan 	<ul style="list-style-type: none"> Primary: Difference in relative lesion counts Secondary: Difference in image quality 	Recruiting
IPN01087 Phase 1 NCT03525392	NTSR1 solid tumors	320	<ul style="list-style-type: none"> IPN01087 	<ul style="list-style-type: none"> Incidence DLT and organ exposure to radiation 	Recruiting
IPN 60090 Phase 1 NCT03894540	Solid tumors	236	<ul style="list-style-type: none"> IPN 60090 	<ul style="list-style-type: none"> Primary: Rate of DLT, MTD, RD 	Recruiting

Neuroscience ongoing clinical trial highlights

Trial	Population	Patients	Design	Endpoints	Status	Addressable population in Ipsen territories
Dysport Phase 2 NCT03569098	Hallux valgus (foot bunions)	165	<ul style="list-style-type: none"> Dysport (AbobotulinumtoxinA) 	<ul style="list-style-type: none"> Primary: Change from baseline in daily Numeric Pain Rating Scale (NPRS) score 	Recruiting	<ul style="list-style-type: none"> High prevalence worldwide: 23%¹ 15% consult specialist 10%² moderate to severe patients
Dysport Phase 2 NCT03598777	Vulvodynia	93	<ul style="list-style-type: none"> Dysport (AbobotulinumtoxinA) Placebo 	<ul style="list-style-type: none"> Primary: Safety, change from baseline in vaginal pain on Numeric Rating Scale 	Recruiting	<ul style="list-style-type: none"> 6.5%³ of female population 69%⁴ consult specialist 40% vulvodynia diagnosis 60%⁵ provoked vulvodynia

Rare Diseases ongoing clinical trial highlights

Trial	Population	Patients	Design	Endpoints	Status	Addressable population in Ipsen territories
Palovarotene Phase 3 MOVE NCT03312634	FOP (chronic)	90	<ul style="list-style-type: none"> Palovarotene - 5 mg once daily and upon flare-up, 20 mg once daily for 28 days followed by 10 mg for 56 days 	<ul style="list-style-type: none"> Primary: Change in HO volume 	Dosing paused after reaching pre-specified second interim analysis futility criteria / partial clinical hold on patients <14 years of age	~9K WW
Palovarotene Phase 2	MO	240	<ul style="list-style-type: none"> Palovarotene 2.5 mg daily Palovarotene 5.0 mg daily Placebo 	<ul style="list-style-type: none"> Primary: Annualized rate of new osteochondromas 	Partial clinical hold on patients <14 years of age	~150K WW, ~24K pediatric, moderate to severe