

Ipsen reports strong double-digit sales growth in First Quarter 2019 and confirms Full Year 2019 financial targets

Paris (France), 24 April 2019 - Ipsen (Euronext: IPN; ADR: IPSEY), a global specialty-driven biopharmaceutical group, today announced its sales for the first quarter of 2019.

- Q1 2019 Group sales growth of 17.0% as reported, or 15.8%¹ at constant exchange rates and consolidation scope driven by:
 - Specialty Care sales growth of 17.6%¹, with continued strong momentum across all major products and geographies
 - Consumer Healthcare sales growth of 3.3%¹
- Full Year 2019 guidance confirmed following the completion of the acquisition of Clementia Pharmaceuticals on 17 April:
 - Group sales growth greater than 13.0%¹ at constant exchange rates and consolidation scope. Based on the current level of exchange rates, there is an expected +2.0% impact from currencies.
 - Core Operating Income margin around 30.0% of net sales (excluding incremental investments in pipeline expansion initiatives)

First quarter 2019 unaudited IFRS consolidated sales

<i>(in million euros)</i>	Q1 2019	Q1 2018	% Change	% Change at constant currency & consolidation scope ¹
Specialty Care	530.9	440.4	+20.5%	+17.6%
Consumer Healthcare	66.3	69.9	-5.2%	+3.3%
Group Sales	597.2	510.3	+17.0%	+15.8%

David Meek, Chief Executive Officer of Ipsen stated: *“With robust double-digit sales growth in the first quarter, Ipsen is on track for another year of outstanding business execution. The Specialty Care business continues to thrive across all major products and geographies with volume and market share gains. We are accelerating the ongoing transformation of Ipsen by executing on our external innovation strategy to strengthen the R&D pipeline with novel first and best-in-class assets.*

“Notably, in the first quarter, we announced and completed the acquisition of Clementia Pharmaceuticals, a company focused on the treatment of rare and severely-disabling bone disorders. Palovarotene is a largely de-risked near-term launch opportunity with significant upside potential. Together, with our new colleagues from Clementia, we will leverage our combined scientific and development expertise to deliver new treatments to patients with high unmet medical needs.”

¹ At constant exchange rates and reflecting a change in the consolidation method for joint arrangements related to the Consumer Healthcare Schwabe partnership. Year-on-year growth excluding foreign exchange impact established by recalculating net sales for the relevant period at the rate used for the previous period.

Comparison of Consolidated Sales for the First Quarter 2019 and 2018:

All variations in sales are stated excluding foreign exchange impacts, established by recalculating net sales for the relevant period at the rates from the previous period.

Starting in 2019, the joint arrangements related to the Consumer Healthcare Schwabe partnership is consolidated using the equity method instead of consolidating in 2018 as joint operations under IFRS 11. Group and Consumer Healthcare variations in sales presented below are restated to exclude 2018 sales from the Schwabe partnership.

Sales by therapeutic area and by product

		1 st Quarter			
(in million euros)		2019	2018	% Variation	% Variation at constant currency and consolidation scope ¹
Oncology		420.7	337.3	24.7%	21.2%
	Somatuline®	235.5	195.7	20.4%	15.7%
	Decapeptyl®	88.7	83.1	6.8%	6.4%
	Cabometyx®	53.9	28.2	91.2%	91.1%
	Onivyde®	34.6	23.8	45.8%	35.3%
	Other Oncology	8.0	6.6	20.4%	20.1%
Neuroscience		94.3	85.0	10.9%	9.8%
	Dysport®	93.8	84.4	11.1%	9.9%
Rare Diseases		15.8	18.0	-12.3%	-13.9%
	NutropinAq®	10.5	12.2	-13.6%	-13.6%
	Increlex®	5.3	5.9	-9.7%	-14.7%
Specialty Care		530.9	440.4	20.5%	17.6%
	Smecta®	29.9	29.1	2.6%	2.0%
	Tanakan®	9.4	7.8	20.6%	21.3%
	Forlax®	8.5	10.2	-17.1%	-17.1%
	Fortrans/Eziclen®	7.8	6.0	31.5%	31.6%
	Other Consumer Healthcare	10.7	10.9	-36.3%	-2.3%
Consumer Healthcare		66.3	69.9	-5.2%	3.3%
Group Sales		597.2	510.3	17.0%	15.8%

Group sales reached €597.2 million, up 15.8%¹, driven by Specialty Care sales growth 17.6%¹ and Consumer Healthcare sales growth of 3.3%¹.

Specialty Care sales amounted to €530.9 million, up 17.6%¹. Oncology and Neuroscience sales grew by 21.2% and 9.8%, respectively, while Rare Diseases sales decreased by 13.9%. Over the period, the relative weight of Specialty Care continued to increase to reach 88.9% of total Group sales, compared to 86.3% in 2018.

In **Oncology**, sales reached €420.7 million, up 21.2% year-on-year, driven by the continued strong performance of Somatuline® as well as the contribution of Cabometyx® and Onivyde®. Over the period, Oncology sales represented 70.5% of total Group sales, compared to 66.1% in 2018.

Somatuline® – Sales reached €235.5 million, up 15.7% year-on-year, driven by 22.7% growth in North America primarily from volume growth and despite inventory build at the end of 2018. There was also continued double-digit growth in most European countries, notably in Germany, the UK, Spain, Sweden and Italy.

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Decapeptyl® – Sales reached €88.7 million, up 6.4% year-on-year, positively impacted by good volume growth across Europe, higher sales in the Middle East and in China, partly offset by an importation delay in Algeria.

Cabometyx® – Sales reached €53.9 million, up 91.1% year-on-year, driven by good performance in all European countries, as well as launches in Asia and Oceania.

Onivyde® – Sales reached €34.6 million, up 35.3% year on year, including steady growth in the U.S. and a growing demand from Ipsen's ex-U.S. partner.

In **Neuroscience**, sales of **Dysport®** reached €93.8 million, up 9.9%, driven by the good performance in the U.S. both in the therapeutics and aesthetics markets. Over the period, Neuroscience sales represented 15.8% of total Group sales, compared to 16.7% in 2018.

In **Rare Diseases**, sales of **NutropinAq®** reached €10.5 million, down 13.6% year-on-year, impacted by lower volumes across Europe. Sales of **Increlex®** reached €5.3 million, down 14.7% year-on-year mainly due to lower volumes in the U.S. Over the period, Rare Diseases sales represented 2.6% of total Group sales, compared to 3.5% in 2018.

Consumer Healthcare sales reached €66.3 million, up 3.3%¹, driven by the good performance in Russia and Eastern Europe of Fortrans®/Eziclen® which was up 31.6% year-on-year; the 21.3% growth of Tanakan® year-on-year, which benefitted from the low 2018 baseline in Vietnam due to license renewal. The growth of the first quarter was also driven by the higher sales of Smecta®, up by 2.0% year-on-year, with a good performance in Russia, France and China, partly offset by some importation delay in Algeria. Over the period, Consumer Healthcare sales represented 11.1% of total Group sales, compared to 13.7% in 2018.

Sales by geographical area

1 st Quarter				
(in million euros)	2019	2018	% Variation	% Variation at constant currency and consolidation scope ¹
France	82.0	68.2	20.3%	19.9%
Germany	45.4	44.2	2.5%	18.2%
Italy	29.8	26.2	13.4%	13.4%
United Kingdom	25.2	22.5	11.7%	11.2%
Spain	23.8	21.0	13.5%	13.5%
Major Western European countries	206.1	182.2	13.1%	16.7%
Eastern Europe	47.8	42.5	12.5%	15.0%
Other Europe	65.8	66.1	-0.6%	-0.3%
Other European Countries	113.5	108.6	4.5%	5.6%
North America	179.2	133.5	34.2%	23.9%
Asia	50.4	39.4	27.8%	24.6%
Other countries in the Rest of the world	47.9	46.6	3.0%	3.8%
Rest of the World	98.3	86.0	14.4%	13.5%
Group Sales	597.2	510.3	17.0%	15.8%

Sales in **Major Western European countries** reached €206.1 million, up 16.7%¹ year-on-year. Over the period, sales in Major Western European countries represented 34.5%¹ of total Group sales, compared to 34.9% in 2018.

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France – Sales reached €82.0 million, up 19.9% year-on-year, driven by the continued Cabometyx® ramp-up, sustained growth of Somatuline®, positive sales trends of Decapeptyl® and Smecta® and the contribution of Prontalgine® and Onivyde® sales to Ipsen's new ex-U.S. partner since September 2018.

Germany – Sales reached €45.4 million, up 18.2%¹ year-on-year, driven by Cabometyx® and the strong double-digit growth of Somatuline®.

Italy – Sales reached €29.8 million, up 13.4% year-on-year, mainly driven by Cabometyx® and good double-digit growth of Somatuline® and Decapeptyl®.

United Kingdom – Sales reached €25.2 million, up 11.2% year-on-year, driven by the strong performance of Somatuline® and Cabometyx®.

Spain – Sales reached €23.8 million, up 13.5% year-on-year, driven by the Cabometyx® contribution and Somatuline® sales growth.

Sales in **Other European countries** reached €113.5 million, up 5.6% year-on-year, driven by the launch of Cabometyx® in certain countries and the strong growth of Somatuline®. Over the period, sales in the region represented 19.0% of total Group sales, compared to 21.3% in 2018.

Sales in **North America** reached €179.2 million, up 23.9% year-on-year, driven by continued strong growth of Somatuline®, as well as the Onivyde® contribution and the good performance of Dysport®. Over the period, sales in North America represented 30.0% of total Group sales, compared to 26.2% in 2018.

Sales in the **Rest of the World** reached €98.3 million, up 13.5% year-on-year, driven by Cabometyx® launches in some countries as well as by good performance of Dysport® and Decapeptyl®, partly offset by an importation delay in Algeria. Over the period, sales in the Rest of the World represented 16.5% of total Group sales, compared to 16.9% in 2018.

Conference call

Ipsen will host a conference call on Wednesday 24 April 2019 at 2:30 p.m. (Paris time, GMT+1). A conference call will take place and a web conference (audio and slides) will be available at www.ipсен.com. Participants should dial in to the call approximately 5 to 10 minutes prior to its start. No reservation is required to participate in the conference call.

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France and continental Europe: + 33 (0) 1 76 70 07 94
UK: 08-445-718-892
U.S.: 1-6315-107-495

Conference ID: 9846139

A recording will be available for 7 days on Ipsen's website.

About Ipsen

Ipsen is a global specialty-driven biopharmaceutical group focused on innovation and Specialty Care. The group develops and commercializes innovative medicines in three key therapeutic areas - Oncology, Neuroscience and Rare Diseases. Its commitment to Oncology is exemplified through its growing portfolio of key therapies for prostate cancer, neuroendocrine tumors, renal cell carcinoma and pancreatic cancer. Ipsen also has a well-established Consumer Healthcare business. With total sales over €2.2 billion in 2018, Ipsen sells more than 20 drugs in over 115 countries, with a direct commercial presence in more than 30 countries. Ipsen's R&D is focused on its innovative and differentiated technological platforms located in the heart of the leading biotechnological and life sciences hubs (Paris-Saclay, France; Oxford, UK; Cambridge, US). The Group has about 5,700 employees worldwide. Ipsen is listed in Paris (Euronext: IPN) and in the United States through a Sponsored Level I American Depositary Receipt program (ADR: IPSEY). For more information on Ipsen, visit www.ipсен.com.

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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 2018 Registration Document available on its website (www.ipsen.com).

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