Press release

Ipsen's fourth quarter and full year 2011 sales and other significant developments

In the context of its strategic realignment, Ipsen delivers a strong 2011 sales performance and prepares to recognize significant non-cash impairment charges

- **Impairment charges[1] ranging from 110 to 130 million euros[2] after tax**
- **Dynamic and sustained growth of specialty care, in line with objectives: +8.0%[3]**
- **Strong resilience of primary care, ahead of objectives: +1.3%[3]**
- **Strong international drug sales, up 9.9%[3] in 2011**

Paris (France), 2 February 2012 - Ipsen (Euronext: IPN; ADR: IPSEY) reported today its sales for the fourth quarter and full year 2011.

Fourth quarter and full year 2011 unaudited IFRS consolidated sales

	Fourth Quarter			Twelve Months			
(in million Euros)	*2011*	*2010*	*% Variation*	*2011*	*2010*	*% Variation*	*% Variation at constant currency*
SALES BY REGION							
Major Western European countries	136.4	138.8	(1.7%)	542.0	550.4	(1.5%)	(1.4%)
Other European countries	68.4	51.3	33.4%	279.6	255.1	9.6%	8.5%
North America	18.4	15.5	18.3%	65.7	59.5	10.5%	15.3%
Rest of the world	72.7	52.4	38.6%	272.5	235.2	15.9%	15.4%
Group Sales	**295.8**	**258.0**	**14.6%**	**1,159.8**	**1,100.2**	**5.4%**	**5.4%**
SALES BY THERAPEUTIC AREA							
Specialty Care	193.6	168.9	14.6%	759.4	704.3	7.8%	8.0%
Primary care	94.3	81.7	15.5%	368.5	364.0	1.2%	1.3%
Total Drug Sales	**287.9**	**250.6**	**14.9%**	**1,127.9**	**1,068.3**	**5.6%**	**5.7%**
Drug-related sales[4]	7.9	7.5	5.9%	31.9	31.9	0.0%	(5.4%)
Group Sales	**295.8**	**258.0**	**14.6%**	**1,159.8**	**1,100.2**	**5.4%**	**5.4%**

Commenting on the full year 2011 sales performance, **Marc de Garidel**, **Chairman and Chief Executive Officer of Ipsen** said: "*With drug sales up 5.7%[3] in 2011, Ipsen has delivered a very strong sales performance, driven by the sustained growth of specialty care, the resilience of primary care and the very dynamic international drug sales, up 9.9% year-on-year excluding foreign exchange impacts. Over two third of the Group's top 15 countries are up in excess of 15% in 2011. In a year of significant*

[1] *Non-cash and non-recurring charges*
[2] *Non-audited figures*
[3] *Variations excluding foreign exchange impacts are computed by restating the 2010 figures with the 2011 average exchange rates.*
[4] *Active ingredients and raw materials*

strategic and macro economic changes, I truly believe this is an outstanding achievement to grow faster than the pharmaceutical market while delivering on all the identified strategic milestones presented last June." **Marc de Garidel** added: *"In spite of an ever toughening healthcare environment, especially in the French primary care space with the recent notice of the delisting of Tanakan® on March 1, 2012, Ipsen will continue work on finding the best possible solution for the Group's French primary care commercial and industrial activities. We will continue the ongoing transformation of our US commercial platform, while making sure we move our rich late stage development pipeline forward. Lastly, Ipsen and Inspiration will work closely together to prepare the launch of Ixinity® (IB1001) in Europe. 2012 will be an important transition year to meet the Group's 2020 ambition."*

Full year 2011 sales highlights

In 2011, Group drug sales grew by 5.7% year-on-year excluding foreign exchange impacts.

Consolidated Group sales reached €1,159.8 million for the full year 2011, up 5.4% year-on-year excluding foreign exchange impacts.

Sales generated in the **Major Western European countries** amounted to €542.0 million in 2011, down 1.4% year-on-year excluding foreign exchange impacts. Dynamic volume sales growth of specialty care products were more than offset by the consequences of a tougher competitive environment in the French primary care landscape and administrative measures that negatively impacted growth in Germany and Spain. As a result, sales in the Major Western European countries represented 46.7% of total Group sales at the end of 2011, compared with 50.0% a year earlier.

Sales generated in the **Other European countries** reached €279.6 million in 2011, up 8.5% year-on-year excluding foreign exchange impacts, fuelled by volume growth, notably in Switzerland where the Group sells Azzalure® to its partner Galderma, and in Russia, Ukraine and Hungary. For the fourth quarter 2011, sales generated in the Other European countries reached €68.4 million, up 33.4% year-on-year benefiting from a favorable Q4 2010 baseline in Russia where the Group's distributors destocked following the implementation of a new law on packaging of imported drugs. Restated from this non recurring effect, sales in this region were up 11.5% for the fourth quarter 2011. Over the year, sales in this region represented 24.1% of total consolidated Group sales, against 23.2% a year earlier.

Sales generated in **North America** reached €65.7 million in 2011, up 15.3% year-on-year excluding foreign exchange impacts, driven by the continuous penetration of Somatuline® in acromegaly (strong 28.5% year-on-year growth in the US excluding foreign exchange impacts) and Dysport® in cervical dystonia. In November, Ipsen sold its North American development and marketing rights for Apokyn® to Britannia Pharmaceuticals. As a consequence, Ipsen stopped recording Apokyn® sales in its accounts as of November 30th, 2011. Sales in North America represented 5.7% of total consolidated Group sales, against 5.4% a year earlier.

Sales generated in the **Rest of the World** reached €272.5 million in 2011, up 15.4% year-on-year excluding foreign exchange impacts, fuelled notably by strong volume growth in China, Brazil, Australia and Algeria. For the fourth quarter 2011, sales reached €72.7 million, up 38.6% year-on-year, positively impacted by the end of a destocking period related to the implementation of a new distribution model for Decapeptyl® in China where the Group now ships directly to its Chinese subsidiary and by recurring seasonality of sales to Algeria induced by more stringent import policies. Over the year, sales in the Rest of the World increased to 23.5% of total consolidated Group sales, against 21.4% a year earlier.

Sales of **Specialty Care products** reached €759.4 million in 2011, up 8.0% excluding foreign exchange impacts. Sales in Neurology, Endocrinology and Uro-oncology grew year-on-year by 10.9%, 8.5% and 5.5% respectively, excluding foreign exchange impacts. For the fourth quarter 2011, sales reached €193.6 million, up 14.6% year-on-year or up 10.1% excluding the 2010 destocking effect in Russia described above. At the end of 2011, the relative weight of Specialty Care products continued to increase to 65.5% of total Group sales, compared to 64.0% a year earlier.

Sales of **Primary Care products** reached €368.5 million in 2011, up 1.3% year-on-year excluding foreign exchange impacts. Solid sales growth outside of France was partly offset by the negative impacts of the French market situation. In the fourth quarter 2011, sales amounted to €94.3 million, up 15.5% year-on-year, positively impacted by the low Q4 2010 baseline in Russia mentioned above and by the timing of local sales in Algeria. Primary Care sales represented 31.8% of the Group's consolidated sales in 2011, down from 33.1% a year before. Primary Care sales in France represented 47.7% of total group Primary Care sales in 2011, against 51.1% a year earlier.

Other significant developments

Potential non-cash and non-recurring losses in 2011

On the basis of currently available information, indications of impairment arise notably from:

- Ipsen's reassessment of Inspiration Biopharmaceuticals' sales forecasts in a rapidly evolving competitive environment. Ipsen currently owns c.40.7% of Inspiration on a fully diluted basis;
- materializing uncertainties on the supply of Increlex®. Lonza received a warning letter from the FDA at its Hopkinton plant which manufactures IGF-1 (Increlex® active ingredient) for Ipsen. The FDA should be carrying out further plant inspection shortly;
- certain assets, notably related to the French Primary care activity.

These indications of impairment, submitted for approval to Ipsen's Board of Directors on February 28, 2012, could result in the recording of depreciation on some of the Group's tangible, intangible and financial assets for a total non-cash and non-recurring amount between 150 and 180 million euros[5] before tax or 110 and 130 million euros[6] after tax.

Note: the fair value of Inspiration's shares and convertible bonds on Ipsen's balance sheet does not take into account the significant potential proceeds from the future royalty stream of OBI-1, a recombinant porcine factor VIII licensed to Inspiration, currently in phase III clinical trial.

Ipsen - Media conference call (in French)

Ipsen will host a conference call on Thursday 2 February 2012 at 9:00 am (Paris time - GMT+1).

Participants in the conference call may connect for the meeting 5-10 minutes prior to its start. No reservations are required to participate. The conference ID is 46552589. The telephone number to call in order to connect to the conference call from France is 0805 111 346, from other countries in Europe it is +44 (0) 1452 569 335 and from the United States +1 866 655 1591.

The telephone number to call in order to access a recording of the conference call from France is 0805 111 337, from other countries in Europe it is +44 (0) 1452 55 00 00, from the United States +1 866 247 4222. The access code is 46552589#. The conference call is available for one week following the meeting.

Webcast and Conference Call (in English) for financial analysts

Ipsen will host a web conference (webcast) and conference call on Thursday 2 February 2012 at 3:00 pm (Paris time - GMT+1).

The webcast will be available live at: http://www.ipsen.com/fr/ipsen-en-bourse.

Participants in the conference call may connect for the meeting 5-10 minutes prior to its start. No reservations are required to participate. The telephone number to call in order to connect to the

[5] *Non-audited figures*

conference call from France is +33 (0)1 70 99 32 12, from UK is +44 (0)207 1620 177 and from the United States +1 334 323 6203 - The conference ID is 911171.

The telephone number to call to access the recording of the conference call from France is +33 (0) 1 70 99 35 29, from UK is +44 (0) 20 7031 4064 and from the United States +1-954-334-0342. The access code is 911171. The conference call and webcast will be available for one week following the meeting.

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. R&D is focused on innovative and differentiated technological patient-driven platforms, peptides and toxins. In 2010, R&D expenditure totaled more than €220 million, above 20% 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.

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 loose 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 favourable 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.
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.

For further information :

Media

Didier Véron

Director, Public Affairs and Corporate Communications

Tel.: +33 (0)1 58 33 51 16

Fax: +33 (0)1 58 33 50 58

E-mail: didier.veron@ipsen.com

Financial Community

Pierre Kemula

Investor Relations Officer

Tel.: +33 (0)1 58 33 60 08

Fax: +33 (0)1 58 33 50 63

E-mail: pierre.kemula@ipsen.com

Stéphane Durant des Aulnois

Investor Relations Manager

Tel.: +33 (0)1 58 33 60 09

Fax: +33 (0)1 58 33 50 63

E-mail: stephane.durant.des.aulnois@ipsen.com

APPENDICES

Risk factors

The Group operates in an environment which is undergoing rapid change and exposes its operations to a number of risks, some of which are outside its control. The risks and uncertainties set out below are not exhaustive and the reader is advised to refer to the Group's 2010 Registration Document available on its website www.ipsen.com

- The Group is dependent on the setting of prices for medicines and is vulnerable to the possible reduction of prices of certain of its products by public or private payers or to their possible withdrawal from the list of reimbursable products by the relevant regulatory authorities in the countries where it does business. In general terms, the Group is faced with uncertainty in relation to the prices set for all its products, in so far as medication prices have come under severe pressure over the last few years as a result of various factors, including the tendency for governments and private payers to reduce prices or reimbursement rates for certain drugs marketed by the Group in the countries in which it operates, or even to remove those drugs from lists of reimbursable drugs.
- The Group depends on third parties to develop and market some of its products which generate or may generate substantial royalties for the Group, but these third parties could behave in ways which cause damage to the Group's business. The Group cannot be certain that its partners will fulfill 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.
- Actual results may depart significantly from the objectives given that a new product can appear to be promising at a development stage or after clinical trials but never be launched on the market or be launched on the market but fail to sell notably for regulatory or competitive reasons.
- The Research and Development process typically lasts between eight and twelve years from the date of a discovery to a product being brought to market. This process involves several stages; at each stage, there is a substantial risk that the Group could fail to achieve its objectives and be forced to abandon its efforts in respect of products in which it has invested significant amounts. Thus, in order to develop viable products from a commercial point of view, the Group must demonstrate, by means of pre-clinical and clinical trials, that the molecules in question are effective and are not harmful to humans. The Group cannot be certain that favorable results obtained during pre-clinical trials will subsequently be confirmed during clinical trials, or that the results of clinical trials will be sufficient to demonstrate the safety and efficacy of the product in question such that the required marketing approvals can be obtained.
- The Group must deal with or may have to deal with competition (i) from generic products, particularly in relation to Group products which are not protected by patents, for example, Forlax® or Smecta® (ii), products which, although they are not strictly identical to the Group's products or which have not demonstrated their bioequivalence, may obtain a marketing authorization for indications similar to those of the Group's products pursuant to the bibliographic reference regulatory procedure (well established medicinal use) before the patents protecting its products expire. Such a situation could result to the Group losing market share which could affect its current level of growth in sales or profitability.
- Third parties might claim the benefit of intellectual property rights in respect to the Group's inventions. The Group provides the third parties with which it collaborates (including universities and other public or private entities) with information and data in various forms relating to the research, development, manufacturing and marketing of its products; Despite the precautions taken by the Group with regard to these entities, in particular of a contractual nature, they (or certain of their members or affiliates) could claim ownership of intellectual property rights arising from the trials carried out by their employees or any other intellectual property right relating to the Group's products or molecules in development.
- The Group's strategy includes acquiring companies or assets which may enable or facilitate access to new markets, research projects or geographical regions or enable it to realize synergies

with its existing businesses. Should the growth prospects or earnings potential of such assets as well as valuation assumptions change materially from initial assumptions, the Group might be under the obligation to adjust the values of these assets in its balance sheet, thereby negatively impacting its results and financial situation.

- The marketing of certain products by the Group has been and could be affected by supply shortages and other disruptions. Such difficulties may be of both a regulatory nature (the need to correct certain technical problems in order to bring production sites into compliance with applicable regulations) and a technical nature (difficulties in obtaining supplies of satisfactory quality or difficulties in manufacturing active ingredients or drugs complying with their technical specifications on a sufficiently reliable and uniform basis). This situation may result in inventory shortages and/or in a significant reduction in the sales of one or more products. More specifically, in their US Hopkinton facility, Lonza, our supplier of IGF-1 (Increlex® active ingredient), is facing a regulatory challenge by the Food and Drug Administration. Products manufactured for the US in this plant are currently on hold. The FDA should be carrying out further plant inspection shortly.
- In certain countries exposed to significant public deficits, and where it sells its drugs directly to public hospitals, the Group could face discount or lengthened payment terms or difficulties in recovering its receivables in full. In Greece notably, which represented in 2011 approximately 1.6% of consolidated sales, and where payment terms from public hospitals are particularly long, the Group is closely monitoring the current situation. More generally, the Group may also be unable to purchase sufficient credit insurance to protect itself adequately against the risk of payment default from certain customers worldwide. Such situations could negatively impact the Group's activities, financial situation and results.
- In the normal course of business, the Group is or may be involved in legal or administrative proceedings. Financial claims are or may be brought against the Group in connection with some of these proceedings.
- In France, the government presented at the Council of Ministers on August 1 a bill on enhancing drug safety. This reform has three main parts: transparency and management of links of interest for experts, governance of health products and measures on the drug (including restrictions of company rep visits to hospitals and new regulation of Named Patient Basis "ATU"). Other measures announced by the Minister for Work, Employment and Health but not in this bill, should also be decided, such as a new tax for drug companies to fund continuing medical education for physicians.

Major developments

- On February 2, 2011 - Ipsen announced that Roche informed it on its decision to return Taspoglutide to Ipsen. Roche's decision is based on the analysed data stemming from the root cause analysis carried-out on both nausea and hypersensitivity. According to the agreements signed with Roche in 2003 and 2006, Ipsen is entitled to the full body of data generated by Roche. Ipsen will thouroughly assess the available data to determine potential further partnership opportunities. Given the level of required investment, Ipsen does not intend to clinically develop taspoglutide on its own.
- On February 3, 2011 – Ipsen announced that its partner Inspiration Biopharmaceuticals Inc. (Inspiration) presented pharmacokinetic data on its lead product, IB1001, a recombinant factor IX (FIX) for the treatment and the prevention of bleeding in individuals with hemophilia B. According to Inspiration, results of the Phase I portion of an ongoing IB1001 clinical study demonstrated non-inferiority of IB1001 in achieving overall levels of replacement factor compared to BeneFIX®, the only approved recombinant FIX product for the treatment of hemophilia B.
- On February 25, 2011 - Ipsen and bioMérieux announced that they had entered into a partnership to create a global collaboration in theranostics, with a focus on hormone-dependent cancers. The two companies have signed a framework agreement to leverage their expertise and resources to develop a personalized approach to medicine based on Ipsen's broad portfolio of innovative compounds and bioMérieux's diagnostic tests.

- On March 2, 2011 – GTx announced that a decision has been taken with its European partner Ipsen to terminate their agreement on the development of toremifene citrate for the reduction of fractures in men with advanced prostate cancer on androgen deprivation therapy.
- On 9 March 2011 – Ipsen announced that the Food and Drug Administration (FDA) had approved Ipsen's Prior Approval Supplement application for the Extended Dosing Interval of Somatuline® Depot for patients suffering from acromegaly.
- On 18 April 2011 – The Group and Active Biotech announced the signature of a partnership agreement to co-develop and commercialize Tasquinimod "TASQ". A phase III clinical trial in men with metastatic castrate-resistant prostate cancer has recently been initiated by Active Biotech and patient recruitment is ongoing. Under the terms of the contract, Active Biotech grants to Ipsen exclusive rights to commercialize TASQ worldwide, except for North America, South America and Japan, where Active Biotech retains all commercial and marketing rights. Both companies will co-develop TASQ for the treatment of castrate-resistant prostate cancer, with the possibility to develop TASQ in other cancer indications. Active Biotech is responsible for conducting and financing the Phase III pivotal clinical trial and will receive up to €200 million consisting of an upfront payment of €25 million and additional payments contingent upon achievement of clinical, regulatory and commercial milestones. In addition, Ipsen will pay Active Biotech double-digit progressive royalties on its net sales and will conduct and fund a European supportive study in prostate cancer patients out of its R&D budget. Eventual costs to develop TASQ in future other cancer indications will be shared.
- On 28 April 2011 – The Paris Court of Appeal invalidated the Paris Commercial Court decision of 24 January 2008 relating to the commercialisation of Vitalogink®, and in favour of the arguments put forward by the Group. The Court ordered Mylan to pay Ipsen €17.2 million in compensation for losses incurred. On 7 July 2011, Mylan announced that it has submitted an appeal against this decision to the Supreme Court.
- On 2 May 2011 – Ipsen announced the departures of Frédéric Babin, Executive Vice-President Human Resources, and Stéphane Thiroloix, Executive Vice-President-Corporate Development.
- On 11 May 2011 – Ipsen announced the appointment of Etienne de Blois as Executive Vice-President Human Resources, member of the Group's Executive Committee.
- On 27 May 2011 – Ipsen announced the departure of Claire Giraut, Executive Vice-President, Chief Financial Officier, as of 1 September 2011.
- On 6 June 2011 – Ipsen announced its decision to stop the development of Irosustat (BN 83495) in monotherapy and to assess its alternative development in combination with other hormonal therapies. This decision is based on the futility analysis from the proof-of-concept trial phase II clinical study carried out in Europe in monotherapy in endometrial cancer, and on the phase I/II clinical study results obtained in metastatic prostate and breast cancers.
- On 9 June 2011 – Ipsen announced the appointment of Pierre Boulud as Executive Vice-President, Strategy, Business Development and Market Access, member of the Group's Executive Committee.
- On 9 June 2011 – Ipsen announced its new strategy based on three major pillars: Increase focus, Invest to grow and Leverage footprint
- On 12 July 2011 – Ipsen and the Salk Institute for Biological Studies announced that they are renewing the Ipsen Life Sciences Program at the Salk Institute. The mission of the partnership is to advance knowledge in the field of proliferative and degenerative diseases through fundamental and applied biology research.
- On 12 July 2011 – Ipsen and Institut de cancérologie Gustave Roussy (IGR, Villejuif), announced the signature of a partnership in the area of medical oncology to leverage the combined expertises of their respective R&D teams. This 3-year agreement was signed on 27 June 2011.
- On 28 July 2011 – Ipsen announced that its partner Inspiration Biopharmaceuticals presented data from its clinical development program for OBI-1, a recombinant porcine factor VIII product (rpFVIII), intended for the treatment of bleeding in people with hemophilia A with inhibitors and in people with acquired hemophilia. A total of three patients with acquired hemophilia, who had

experienced severe bleeds not controlled with by-passing agents, were treated with OBI-1; in all three patients, treatment with OBI-1 stopped the bleeding.

- On 30 August 2011 – Ipsen announced the appointment of two new members to the Group's Executive Committee: Nathalie Joannes, as Executive Vice President, General Counsel, and Susheel Surpal as Executive Vice President, Chief Financial Officer.
- On 30 August 2011 – Ipsen and Inspiration Biopharmaceuticals Inc. (Inspiration) announced they have entered into a strategic partnership agreement to create a European hemophilia commercial organization to launch Inspiration's hemophilia product portfolio in Europe. This partnership was designed to leverage the combined strengths of Ipsen's well established European commercial infrastructure and medical network with Inspiration's expertise in the field of hemophilia. Inspiration and Ipsen have worked together to hire and train a highly specialized commercial team to serve as the exclusive sales organization in Europe for all hemophilia drugs commercialized under the Inspiration brand. This commercial organization takes the form of a hemophilia business unit nested within Ipsen's existing commercial organization.
- On 27 September 2011 – Ipsen announced the in-licensing from Photocure of Hexvix®, the first approved & marketed drug for improved detection of bladder cancer. Ipsen will be responsible for marketing and selling Hexvix® worldwide, excluding the US and Nordic region. Ipsen will pay Photocure and GE Healthcare an upfront payment of €19 million as well as manufacturing milestones to Photocure of € 5 million. Ipsen will also pay royalties on net sales and milestones on specific sales achievements. In addition, Photocure will manufacture the product for Ipsen and, in 2012 and 2013 will invest with Ipsen in marketing and sales programs up to € 3 million to drive momentum and accelerate the sales growth of Hexvix®.
- On 3 October 2011 – Ipsen announced that its partner, Inspiration Biopharmaceuticals, Inc. (Inspiration), had been informed that the European Medicines Agency (EMA) has validated and accepted the filing of the Marketing Authorization Application (MAA) for Inspiration's IB1001, a recombinant factor IX (FIX) product for the treatment and prevention of bleeding in individuals with hemophilia B.
- On 20 October 2011 – Ipsen and Syntaxin announced a global strategic collaboration to explore the discovery and development of new compounds in the field of botulinum toxins. Syntaxin, in the first three years of the collaboration, is eligible to receive technology access fee, full time employee support, and research milestones amounting up to US$9 million. Syntaxin is also eligible to receive additional license fees, development and regulatory milestones and potentially over US$90 million of commercial milestones together with royalties on net sales. In exchange, Ipsen will have exclusive worldwide development and commercialisation rights to the programmes discovered within the scope of the collaboration.
- On 2 November 2011 – Ipsen announced that it had sold its North American (US, Canada, Puerto Rico, Brazil and Mexico) development and marketing rights for Apokyn® indicated in the United States for the acute, intermittent treatment of hypomobility "off" episodes associated with advanced Parkinson's disease to Britannia Pharmaceuticals. Ipsen no longer records Apokyn® sales in its accounts as from November 30th, 2011.
- On 28 November 2011 – Ipsen announced that its partner Inspiration Biopharmaceuticals, Inc. (Inspiration) had initiated the treatment of the first patient in the second of two pivotal studies from the OBI-1's Accur8 clinical trial program. In this newly initiated clinical study, OBI-1, an intravenous recombinant porcine factor VIII (FVIII) product, is evaluated for the treatment of individuals with congenital hemophilia A, who have developed inhibitory antibodies (inhibitors) against their human FVIII replacement therapy.

After 31 December 2011, major developments included:

- On 5 January 2012 – Oncodesign, a Drug Discovery company and Oncology pharmacology service provider, and Ipsen announced that the two companies had entered into a research collaboration to discover and develop innovative LRRK2 kinase inhibitors as potential therapeutic agents against Parkinson's Disease and for potential additional uses in other therapeutic areas.

Oncodesign and Ipsen leverage their respective expertise to bring innovative therapeutic solutions to Parkinson patients.

- On 24 January 2012 – Santhera Pharmaceuticals and Ipsen announced that they had renegotiated their fipamezole licensing agreement. Santhera regains the worldwide rights to the development and commercialization of fipamezole. Under the renegotiated terms, Ipsen returns its rights for territories outside of North America and Japan in exchange for milestone payments and royalties based on future partnering and commercial success of fipamezole. Ipsen retains a call option for worldwide license to the program under certain conditions.
- On 27 January 2012 – Ipsen acknowledges the French government's decision to no longer reimburse Tanakan®, Tramisal® and Ginkogink®, presently manufactured at the industrial site of Dreux (France). This decision is linked to the French policy to reassess the reimbursement of a certain number of drugs by the French Social Security. These products will be delisted from 1st March 2012 onwards and can continue to be prescribed and delivered by healthcare professionals to patients in France. The Group plans a decrease of Tanakan® sales of around 35%[6] in France in 2012. This estimate is based on the decrease of sales following the delisting of veintonics in 2008.

Administrative measures

In a context of financial and economic crisis, the governments of many countries in which the Group operates continue to introduce new measures to reduce public health expenses, some of which have affected Group sales and profitability in 2011. In addition, certain measures introduced in 2010 have continued to affect the Group's accounts year-on-year.

- On August 4, 2011 China announced an average retail price decrease of 14.0% on 82 drugs primarily targeting steroid, endocrine and central nervous system therapeutics, effective on 1st October 2011. In this process, Decapeptyl® price was reduced by 7.0%;
- In October 2011, Korea introduced a price volume control system, by which the price of a drug is reduced by 7.0% if its volume growth exceeds 60.0% year-on-year. Decapeptyl® is impacted by such measure;
- In 2010, Russia initiated the implementation of a new healthcare reform including both an Essential Drug List and the regulation of distribution channels mark-ups. The Essential Drug List has impacted Ipsen's primary care products (mainly Smecta®, Fortrans®, Tanakan®) with average price reduction of 3.0% as of 1st January 2011;
- In January 2011, Algeria initiated the implementation of a new healthcare reform focused on setting reference pricing per therapeutic class (potential price alignment on Decapeptyl® expected in Q212) and control or potential ban of imported products to promote local production putting Forlax® and Smecta® at risk in 2012;
- Turkey has completed the implementation of the International Price Reference System (IPRS). Current discount required by SSK (Turkish Social Insurance) on lowest EU prices translates into a 41.0% price reduction on Dysport® and a 32.5% price reduction on Somatuline®;
- In 2011, Belgium maintained the 1% "special crisis" subsidiary tax on reimbursed drugs put in place in 2009. Additionally, the pharmaceutical industry paid an additional 2.75% subsidiary tax. New cost saving measures are under discussion: price comparison with foreign countries could be introduced in April 2012 leading to an International Price Referencing;
- As of November 1st, 2011, Spain will raise its tax on drug sales from 7.5% (introduced in June 2010) to 15.0% for products that have been on the market for more than 10 years and have no generic or biosimilar on the Spanish market;
- In Greece, a new reimbursement list, based on ATC classes, has been submitted and a 4.0% fee (based on 2011 sales) to remain on the reimbursement list, is implemented;

[6] *Impact estimated for full year*

- After introducing an 8.0% tax on drug sales, Romania announced in October 2011 a reform wherein the new tax would be based on Healthcare budget excess, to be supported by companies according to their share of sales in NHIH consumption;
- In 2011, Portugal has introduced an electronic system encouraging the prescription of the cheapest product (including generics). A new basket of countries for International Pricing System taking in consideration Spanish, Italian and Slovenian prices, has also been introduced.
- In France, Forlax® price was reduced by 3.5% on October 1st, 2011 and Nisis® - Nisisco® price by 15% on November 14th, 2011;
- The Czech Republic introduced a series of measures on December 1st, 2011, among which:
    - electronic auction to lower generic and biosimilar prices;
    - maximum price set at the average of the 3 lowest prices in the 21 reference countries in Europe
    - more stringent conditions for the reimbursement of highly innovative products

  Additional measure are expected in April 2012.
- Slovakia has implemented in August 2011 the new reference pricing system, the 2nd cheapest in Europe (vs. 6th cheapest on average in 2011) and introduced a systematic 10% price decrease on each newly obtained indication. New price publication is expected in April 2012;
- In early 2011, Ireland announced a global austerity plan and asked the pharmaceutical industry to save €140 million. More recently, the Irish government has hinted that price reduction of patented drugs, along with a new system of reference pricing and generic substitution would be discussed in 2012;
- Hungary has doubled in July 2011, the health visitor tax, taking it to €40 thousand per year, and increased the tax on sales from 12% to 20%.
- The Baltic States have introduced price/volume agreements based on the growth of State budgets (in November 2010 for Lithuania and early 2011 for Latvia).

Furthermore, and still in the financial and economic crisis context, governments of many countries in which the Group operates continue to introduce new measures to reduce public health expenses, some of them will affect the Group sales and profitability beyond 2011:

- In France, as of January 1st, 2012, Decapeptyl® price was reduced by 3.0% for both 3 and 6-month formulations while Adrovance® price was reduced by 33.0%. An additional tax on promotional expenses of 0.6% will be also applied;
- In Poland, a new Reimbursement Law Reform was enforced on January 1st 2012, introducing an obligatory pay-back in case of budget excess, a tax on manufacturers' income to publicly fund clinical trials and lower regulated margins. As a result, prices of Decapeptyl® and Somatuline® were both reduced by 3.0% on January 1st 2012;
- In Hungary, mandatory INN prescription could be launched as a pilot for statins from April 2012, before possible extension to other therapeutic classes.

Comparison of consolidated sales for the fourth quarters and full year of 2011 and 2010

Sales by geographical area

Group sales by geographical area for the fourth quarters and full year of 2011 and 2010 were as follows:

	4th Quarter			Full Year			
(in million euros)	2011	2010	% Variation	2011	2010	% Variation	% variation at constant currency
France	72.4	76.9	(5.9%)	292.9	307.1	(4.6%)	(4.6%)
United Kingdom	12.6	13.1	(4.0%)	46.3	46.2	0.2%	1.5%
Spain	14.4	14.9	(3.3%)	59.2	58.9	0.4%	0.4%
Germany	18.2	15.6	17.2%	63.7	61.1	4.2%	4.3%
Italy	18.8	18.3	2.7%	79.9	77.0	3.7%	3.7%
Major Western European countries	**136.4**	**138.8**	**(1.7%)**	**542.0**	**550.4**	**(1.5%)**	**(1.4%)**
Eastern Europe	38.3	23.4	63.7%	151.2	139.9	8.1%	8.1%
Others Europe	30.0	27.9	7.8%	128.4	115.2	11.5%	8.9%
Other European Countries	**68.4**	**51.3**	**33.4%**	**279.6**	**255.1**	**9.6%**	**8.5%**
North America	**18.4**	**15.5**	**18.3%**	**65.7**	**59.5**	**10.5%**	**15.3%**
Asia	37.3	23.1	61.8%	138.3	121.5	13.8%	14.0%
Other countries in the rest of the world	35.4	29.4	20.5%	134.2	113.6	18.1%	16.9%
Rest of the World	**72.7**	**52.4**	**38.6%**	**272.5**	**235.2**	**15.9%**	**15.4%**
Group Sales	**295.8**	**258.0**	**14.6%**	**1,159.8**	**1,100.2**	**5.4%**	**5.4%**
Of which: Total Drug Sales	**287.9**	**250.6**	**14.9%**	**1,127.9**	**1,068.3**	**5.6%**	**5.7%**
Drug-related Sales[7]	**7.9**	**7.5**	**5.9%**	**31.9**	**31.9**	**0.0%**	**(5.4%)**

For the fourth quarter 2011, sales generated in the **Major Western European countries** amounted to €136.4 million, down 1.7% year-on-year. For the full year, sales generated in the major Western European countries amounted to €542.0 million, down 1.4% year-on-year excluding foreign exchange impacts. Dynamic volume sales growth of specialty care products were more than offset by the consequences of a tougher competitive environment in the French primary care landscape and administrative measures negatively impacting growth in Germany and Spain. As a result, sales in the Major Western European countries represented 46.7% of total Group sales at the end of 2011, compared with 50.0% a year earlier.

France – For the fourth quarter 2011, sales reached €72.4 million, down 5.9% year-on-year. For the full year, sales totaled €292.9 million, down 4.6% year-on-year, penalized notably by the decline of primary care sales. Despite the good performance of Smecta® with a high incidence of seasonal pathology, primary care sales in France were negatively impacted by declining sales of Nisis® and Nisisco® following successive price cuts of 11% in September 2010 and 15% in November 2011, the arrival of several generics in November 2011 and by the switches to Exforge®, co-promoted by the Group. Primary care sales in France were also impacted by decreasing sales of Tanakan®. Additionally, Decapeptyl® sales were down notably due to a destocking at wholesaler levels. Consequently, the relative weight of France in the Group's consolidated sales continued to decrease, representing 25.3% of total Group sales against 27.9% a year earlier.

Spain – For the fourth quarter 2011, sales reached €14.4 million, down 3.3% year-on-year. For the full year, sales totaled €59.2 million, up 0.4% year-on-year fuelled notably by strong volume

[7] *Active ingredients and raw materials*

growth of Somatuline®, NutropinAq® and the new 6-month formulation of Decapeptyl®, partly offset by the consequences of a 7.5% tax on sales implemented on June 1st 2010 and increased to 15% on 1st of November 2011. Dysport® sales declined following the launch of Azzalure® by the Group's partner, Galderma. At the end of 2011, sales in Spain represented 5.1% of total group sales against 5.4% a year earlier.

Italy – For the fourth quarter 2011, sales reached €18.8 million, up 2.7% year-on-year. For the full year 2011, sales were €79.9 million, up 3.7% year-on-year driven by the good performance of NutropinAq® and Somatuline®. Italy represented 6.9% of the Group's consolidated sales at the end of 2011, stable year-on-year.

Germany – For the fourth quarter 2011, sales reached €18.2 million, up 17.2% year-on-year. For the full year 2011, sales amounted to €63.7 million, up 4.2% year-on-year. Strong volume growth of Decapeptyl®, Somatuline® and Hexvix®, a product newly in-licensed from Photocure (outlined below), was partly offset by the increase to 16% from 6% of a mandatory rebate affecting the majority of the Group's sales as of August 1st 2010, by the decrease in sales of Dysport® following the launch of Azzalure® by Galderma and by a sharp decline in drug-related sales[8]. In 2011, sales in Germany represented 5.5% of total Group sales against 5.6% a year earlier.

United Kingdom – For the fourth quarter 2011, sales reached €12.6 million, down 4.0% year-on-year. For the full year 2011, sales totaled €46.3 million, up 1.5% excluding foreign exchange impacts fuelled by a strong double digit volume growth of Decapeptyl® and Somatuline®, partly offset by lower Dysport® sales following the launch of Azzalure® by Galderma and by certain discount accruals related to prior periods under the Pharmaceutical Price Regulation Scheme (PPRS). In 2011, United Kingdom represented 4.0% of total Group sales against 4.2% in 2010.

For the fourth quarter 2011, sales generated in the **Other European countries** reached €68.4 million, up 33.4% year-on-year benefiting from a favorable Q4 2010 baseline in Russia where the Group's distributors destocked following the implementation of a new law on packaging of imported drugs. Restated from this non recurring effect, sales in this region were up 11.5%. For the full year 2011, sales amounted to €279.6 million, up 8.5% excluding foreign exchange impacts. Performance was fuelled by volume growth, notably in Switzerland where the Group sells Azzalure® to its partner Galderma, and in Russia, Ukraine and Hungary. Over the year, sales in this region represented 24.1% of total Group sales, against 23.2% a year earlier.

For the fourth quarter 2011, sales generated in **North America** reached €18.4 million, up 18.3% from a year earlier. In November, Ipsen sold its North American development and marketing rights for Apokyn® to Britannia Pharmaceuticals. As a consequence, Ipsen stopped recording Apokyn® sales in its accounts as of November 30th, 2011. For the full year 2011, sales amounted to €65.7 million up 15.3% excluding foreign exchange impacts driven by the continuous penetration of Somatuline® in acromegaly (strong 28.5% year-on-year growth in the US excluding foreign exchange impacts) and Dysport® in cervical dystonia. For the full year 2011, Increlex® sales were stable year-on-year. Sales in North America represented 5.7% of total Group sales, against 5.4% a year earlier.

For the fourth quarter, sales generated in the **Rest of the World** reached €72.7 million, up 38.6% year-on-year. Over the fourth quarter 2011, this region was positively impacted by the end of a destocking period related to the implementation of a new distribution model for Decapeptyl® in China where the Group now ships directly to its Chinese subsidiary and by recurring seasonality of sales in Algeria induced by more stringent import policies. For the full year 2011, sales amounted to €272.5 million, up 15.4% year-on-year excluding foreign exchange impacts. This performance was notably driven by strong volume growth in China, Brazil, Australia and Algeria. Over the year, sales in the Rest of the World increased to 23.5% of total Group sales, against 21.4% a year earlier.

[8] *active ingredients and raw materials*

Sales by therapeutic area and by product

The following table shows sales by therapeutic area and by product for the fourth quarter and full year of 2011 and 2010:

	4th Quarter			Full Year			
(in million euros)	2011	2010	% Variation	2011	2010	% Variation	% variation at constant currency
Uro-oncology	**73.4**	**62.1**	**18.3%**	**285.0**	**270.2**	**5.5%**	**5.5%**
of which Hexvix®	1.3	-	-	1.3	-	-	-
of which Decapeptyl®	72.2	62.1	16.2%	283.6	270.2	5.0%	5.0%
Endocrinology	**63.4**	**61.8**	**2.6%**	**264.4**	**244.5**	**8.1%**	**8.5%**
of which Somatuline®	45.4	43.0	5.6%	188.4	170.0	10.8%	10.9%
of which NutropinAq®	12.3	12.2	0.5%	50.9	48.4	5.1%	4.8%
of which Increlex®	5.8	6.6	(12.7%)	25.2	26.1	(3.6%)	0.2%
Neurology	**56.7**	**45.0**	**26.0%**	**210.1**	**189.6**	**10.8%**	**10.9%**
of which Dysport®	55.2	43.7	26.4%	204.6	183.7	11.4%	11.3%
of which Apokyn®	1.5	1.3	11.3%	5.5	6.0	(7.8%)	(3.1%)
Specialty Care	**193.6**	**168.9**	**14.6%**	**759.4**	**704.3**	**7.8%**	**8.0%**
Gastroenterology	**50.8**	**41.6**	**22.0%**	**193.7**	**181.8**	**6.5%**	**6.6%**
of which Smecta®	25.8	24.5	5.3%	102.3	101.3	1.0%	1.1%
of which Forlax®	10.8	8.8	22.3%	41.4	38.9	6.4%	6.3%
Cognitive Disorders	**25.8**	**21.1**	**22.1%**	**96.4**	**96.4**	**0.0%**	**0.0%**
of which Tanakan®	25.8	21.1	22.1%	96.4	96.4	0.0%	0.0%
Cardiovascular	**12.5**	**14.8**	**(15.5%)**	**62.1**	**70.6**	**(11.9%)**	**(11.9%)**
of which Nisis & Nisisco®	9.6	13.3	(28.1%)	45.9	55.1	(16.6%)	(16.6%)
of which Ginkor®	2.4	1.1	119.9%	12.7	12.1	5.3%	5.3%
Other Primary Care	**5.2**	**4.1**	**27.9%**	**16.3**	**15.2**	**7.4%**	**7.4%**
of which Adrovance®	3.9	2.8	40.4%	12.8	11.5	11.2%	11.2%
Primary Care	**94.3**	**81.7**	**15.5%**	**368.5**	**364.0**	**1.2%**	**1.3%**
Total Drug Sales	**287.9**	**250.6**	**14.9%**	**1,127.9**	**1,068.3**	**5.6%**	**5.7%**
Drug-related Sales[9]	7.9	7.5	5.9%	31.9	31.9	0.0%	(5.4%)
Group Sales	**295.8**	**258.0**	**14.6%**	**1,159.8**	**1,100.2**	**5.4%**	**5.4%**

For the fourth quarter 2011, sales of **specialty care products** reached €193.6 million, up 14.6% year-on-year or up 10.1% excluding the 2010 destocking effect in Russia described above. For the full year of 2011, sales amounted to €759.4, up 8.0% year-on-year excluding foreign exchange impacts. Sales in Neurology, Endocrinology and Uro-oncology grew year-on-year by 10.9%, 8.5% and 5.5% respectively, excluding foreign exchange impacts . At the end of 2011, the relative weight of specialty care products continued to increase to 65.5% of total Group sales, compared to 64.0% a year earlier.

In uro-oncology, sales of **Decapeptyl®** reached €72.2 million for the fourth quarter 2011, up 16.2% year-on-year. For the full year of 2011, sales amounted to €283.6 million, up 5.0% excluding foreign exchange impacts. Solid sales in China, Germany, Algeria and in the United Kingdom were partly offset by lower sales in France and in Russia. For the year 2011, sales in uro-oncology represented 24.5% of total Group sales, stable year-on-year.

[9] *Active ingredients and raw materials*

On September 27th 2011, Ipsen in-licensed Hexvix® from Photocure, the first approved and marketed drug for improved detection of bladder cancer. For the fourth quarter 2011, sales amounted to €1.3 million mostly generated in Italy and Germany.

In endocrinology, sales continued to grow, reaching €63.4 million for the fourth quarter 2011, up 2.6% year-on-year. For the full year, sales amounted to €264.4 million, up 8.5% excluding foreign exchange impacts, representing 22.8% of total Group sales, against 22.2% a year earlier.

Somatuline® – For the fourth quarter 2011, sales reached €45.4 million, up 5.6%. For the full year 2011, Somatuline® sales reached €188.4 million, up 10.9% year-on-year excluding foreign exchange impacts, fuelled by a strong 28.5% year-on-year growth in the US excluding foreign exchange impacts and by strong growth in France, Germany, United Kingdom, the Netherlands, Belgium and Italy.

NutropinAq® – For the fourth quarter 2011, sales reached €12.3 million, up 0.5% year-on-year. For the full year 2011, NutropinAq® totaled €50.9 million, up 4.8% excluding foreign exchange impacts, driven by strong performances in Italy, Spain and Eastern Europe. In Germany, NutropinAq® displayed a strong volume growth in a stable market.

Increlex® – For the fourth quarter 2011, sales reached €5.8 million, down 12.7% year-on-year, negatively impacted by the performance in the Major Western European countries. Sales of Increlex® for the full year 2011 amounted to €25.2 million, up 0.2% excluding foreign exchange impacts.

In neurology, sales reached €56.7 million for the fourth quarter 2011, up 26.0% year-on-year. For the full year 2011, sales amounted to €210.1 million, up 10.9% excluding foreign exchange impacts. Sales in neurology represented 18.1% of total Group sales, against 17.2% a year earlier.

Dysport® – For the fourth quarter 2011, sales reached €55.2 million, up 26.4% year-on-year or up 14.3% year-on-year excluding the 2010 destocking effect in Russia described above. For the full year 2011, sales reached €204.6 million, up 11.3% year-on-year excluding foreign exchange impacts fuelled notably by strong growth of supply sales to the Group's partners Galderma and Medicis, slightly offset by the consequences of the launch of Azzalure® by Galderma in the main Western European countries. Growth was also driven by the growth in the United States in cervical dystonia and by strong performances in Brazil, Russia and Australia.

Apokyn® – For the fourth quarter 2011, sales reached €1.5 million in the United States, up 11.3% year-on-year. For the full year 2011, sales were €5.5 million, down 3.1% year-on-year excluding foreign exchange impacts. In November, Ipsen sold its North American development and marketing rights for Apokyn® to Britannia Pharmaceuticals. Ipsen stopped recording Apokyn® sales in its accounts as of November 30th, 2011.

In the fourth quarter 2011, sales of **Primary Care products** amounted to €94.3 million, up 15.5% year-on-year, positively impacted by the low Q4 2010 baseline in Russia mentioned above and by the timing of local sales in Algeria as mentioned above. For the full year 2011, sales amounted to €368.5 million, up 1.3% year-on-year excluding foreign exchange impacts. Solid sales growth outside of France were partly offset by the negative impacts of the French market situation. Primary Care sales represented 31.8% of the Group's consolidated sales in 2011, down from 33.1% a year before. Primary Care sales in France represented 47.7% of total group Primary Care sales in 2011, against 51.1% a year earlier.

In gastroenterology, sales reached €50.8 million in the fourth quarter 2011, up 22.0% year-on-year impacted by the timing of sales in Algeria as mentioned above. For the full year of 2011, sales amounted to €193.7 million, up 6.6% year-on-year excluding foreign exchange impacts.

Smecta® – For the fourth quarter 2011, sales reached €25.8 million, up 5.3% year-on-year positively impacted by the low Q4 2010 baseline in Russia mentioned above and by the timing

of local sales in Algeria as mentioned above. Sales of Smecta® in 2011 reached €102.3 million, up 1.1% year-on-year excluding foreign exchange impacts, notably fuelled by a good performance in Russia and high level of seasonal pathology in France. This performance was partly offset by lower sales in Poland and Vietnam. Sales of Smecta® represented 8.8% of total Group sales during the period compared with 9.2% a year earlier.

Forlax® – For the fourth quarter 2011, sales reached €10.8 million, up 22.3% year-on-year. For the full year of 2011, sales amounted to €41.4 million, up 6.4% year-on-year, positively impacted notably by a change in the distribution model in a country outside of France. In 2011, France represented 55.5% of the overall sales of the product, down from 59.9% a year earlier.

In the cognitive disorders area, sales of **Tanakan®** for the fourth quarter 2011 reached €25.8 million, up 22.1% year-on-year, notably affected by the low Q4 2010 baseline in Russia mentioned above. Sales in 2011 totaled €96.4 million, stable year-on-year. Lower sales in France were offset by higher sales in Russia. In 2011, 48.9% of Tanakan® sales were made in France compared with 52.0% a year earlier.

In the cardiovascular area, sales in the fourth quarter 2011 amounted to €12.5 million, down 15.5% year-on-year. For the full year 2011, sales amounted to €62.1 million, down 11.9% year-on-year, mainly related to successive price cuts on Nisis® and Nisisco® of 11% in September 2010 and 15% in November 2011, to the arrival of several generics in November 2011 and to the switches to Exforge® co-promoted by the Group in France.

Other primary care products sales reached €5.2 million for the fourth quarter 2011, up 27.9% year-on-year. Sales in 2011 amounted to €16.3 million, up 7.4% year-on-year, with sales of **Adrovance®** contributing to €12.8 million, up 11.2% year-on-year despite a 25% price cut enforced in May 2010 in France.

For the fourth quarter 2011, **drug-related sales (active ingredients and raw materials)** reached €7.9 million, up 5.9%. For the full year 2011, sales amounted to €31.9 million, down 5.4% excluding foreign exchange impacts.

.