



ASX AND MEDIA RELEASE

LEO Pharma to Acquire Peplin for US\$287.5m

EMERYVILLE, California and BRISBANE, Queensland, 3 September 2009: Peplin, Inc. (ASX:PLI) today announced a definitive merger agreement whereby **LEO Pharma A/S (LEO)**, a privately-held, leading global pharmaceutical company within Dermatology and Critical Care, will acquire all outstanding securities of Peplin for approximately US\$287.5 million (currently A\$348.4 million) in cash. This represents a purchase price of US\$16.99 per common share of Peplin stock or A\$1.03 per Peplin CHES Depositary Interest (CDI).¹

In addition, LEO will provide Peplin with access to a loan facility to fund ongoing operations until the transaction closes, which is expected to occur by the end of the calendar year. The Board of Directors of both companies unanimously approved the transaction. MPM Capital and GBS Venture Partners, two of Peplin's largest stockholders, along with Peplin's directors and executive officers have also agreed to vote in favour of the transaction.

The transaction is subject to approval of Peplin's stockholders and other customary closing conditions. Stockholder proxy materials will be distributed, and a stockholder meeting scheduled to approve the transaction, following any US Securities and Exchange Commission review of the proxy materials.

Peplin Chairman and CEO Tom Wiggins said "We are especially delighted to enter into this agreement with LEO, a globally recognised dermatology leader. We are very proud of the accomplishments of the entire Peplin team over the past several years to advance our lead candidate PEP005 Gel for actinic keratosis through to near completion of Phase 3 clinical trials. We are pleased LEO recognises the potential of PEP005 Gel as an innovative product for the treatment of actinic keratoses and other skin diseases."

President and CEO of LEO Pharma Gitte Aabo said "The agreement to acquire Peplin fits extremely well with our ambition of staying in the global lead within dermatology. We are truly impressed with the amount of work and dedication that the people at Peplin have tied into this project."

Peplin's lead product candidate, PEP005 Gel is currently in Phase 3 clinical trials for actinic (solar) keratosis (AK), a common pre-cancerous skin lesion, on both head and non-head locations. Peplin plans to complete Phase 3 AK clinical trials by the end of this year. Results from its first Phase 3 trial, REGION-I, were announced in May 2009. Peplin plans to file a New Drug Application in mid-2010. Peplin also has a Phase 2 clinical trial ongoing for PEP005 Gel in superficial basal cell carcinoma and preliminary data in squamous cell carcinoma and cutaneous warts.

Holders of Peplin CDIs should note that the per share purchase price is denominated in US dollars, and accordingly, that the price to be paid per CDI will fluctuate with changes in the US/Australian dollar exchange rate between now and the effective time of the merger.

Goldman, Sachs & Co. is acting as financial advisor and Fenwick & West LLP as legal counsel to Peplin, Inc. In addition, Leerink Swann LLC provided a fairness opinion to the Peplin Board of Directors and Corrs Chambers Westgarth is acting as Australian legal counsel to Peplin, Inc. Morgan Stanley & Co. Limited is acting as financial advisor and Cooley Godward Kronish LLP as legal counsel to LEO Pharma A/S. Gilbert+Tobin is acting as Australian legal counsel to LEO Pharma A/S.

¹ US/AUS exchange rate of 1.21 as at 2 September 2009

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Additional information about the merger and the supporting agreements is contained in Peplin's Form 8-K, which is available on the web site maintained by the SEC at www.sec.gov and ASX's company announcements platform.

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ABOUT LEO PHARMA

LEO Pharma is an independent, research-based pharmaceutical company based in Ballerup, Denmark, near Copenhagen. LEO Pharma is wholly owned by the LEO Foundation and is one of the world's leading companies within dermatology (skin diseases) and the parenteral treatment of thromboembolisms (thrombosis).

LEO Pharma discovers, develops, manufactures and markets safe and efficacious drugs globally. 96% of LEO Pharma's turnover (5.7 billion DKK, approximately US\$1.1 billion, in 2008) stems from outside Denmark. LEO Pharma is represented in more than 90 countries and has approx. 3,000 employees, of whom 1,200 work in Denmark. For more information, please see <http://www.leo-pharma.com>.

Morgan Stanley & Co. Limited is acting as financial adviser to Leo Pharma A/S and no one else in connection with the matters described in this announcement. In connection with such matters, Morgan Stanley & Co. Limited, its affiliates and their directors, officers, employees and agents will not regard any other person as their client nor will they be responsible to any other person for providing the protections afforded to their clients.

ABOUT PEPLIN

Peplin is a development stage specialty pharmaceutical company focused on advancing and commercialising innovative medical dermatology products. Peplin is currently developing ingenol mebutate, or PEP005, which is a novel compound derived from the sap of Euphorbia peplus, or E. peplus, a rapidly growing, readily available plant commonly referred to as petty spurge or radium weed. E. peplus has a long history of traditional use for a variety of conditions, including the topical self-treatment of various skin disorders, including skin cancer and pre-cancerous skin lesions.

Peplin's lead product candidate is a patient-applied topical gel containing ingenol mebutate, a compound the use of which Peplin has patented for the treatment of actinic (solar) keratosis, or AK. This product candidate referred to as PEP005 (ingenol mebutate) Gel is currently in Phase 3 clinical trials, having completed their first Phase 3, known as REGION-I. For more information, please see www.peplin.com.

FORWARD LOOKING STATEMENTS

This press release contains "forward-looking statements" as defined under U.S. federal securities laws, which involve a number of risks and uncertainties. Peplin cautions readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information. These forward-looking statements can be identified through the use of words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "may," "will," and variations of these words or similar expressions. All such forward-looking statements include, but are not limited to, statements about LEO's acquisition of Peplin, timing of filing of a New Drug Application and other statements that are not historical facts. Forward-looking statements speak only as of the date they were made. No undue reliance should be placed on any forward-looking statements. Such information is subject to change, and we undertake no obligation to update such statements.

The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: the ability to obtain regulatory approvals of the transaction on the proposed terms and schedule; the failure of Peplin stockholders to approve the transaction; risks that the

transaction may not close due to the failure of other closing conditions; and the risk that the businesses will not be integrated successfully. Additional factors that may affect future results are contained in Peplin's filings with the Securities Exchange Commission ("**SEC**"), which are available at the SEC's web site <http://www.sec.gov>. Peplin disclaims any obligation to update and revise statements contained in these materials based on new information or otherwise.

ADDITIONAL INFORMATION AND WHERE TO FIND IT

Peplin intends to file with the SEC preliminary and definitive proxy statements and other relevant materials in connection with the transaction. The proxy statement will be mailed to the stockholders of Peplin. Before making any voting or investment decision with respect to the transaction, investors and security holders of Peplin are urged to read the proxy statement and other relevant materials carefully when they are available because they will contain important information about LEO, Peplin, the transaction and related matters. Investors and security holders will be able to obtain free copies of these documents (when they become available) and other documents filed with the SEC by Peplin through the web site maintained by the SEC at www.sec.gov. In addition, investors and security holders will be able to obtain free copies of the documents filed with the SEC on Peplin's website at www.peplin.com or on ASX's company announcements platform.

PARTICIPANTS IN THE ACQUISITION OF PEPLIN

Peplin and its directors, executive officers and certain other members of management and employees may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding these persons who may, under the rules of the SEC, be considered participants in the solicitation of Peplin stockholders in connection with the proposed transaction will be set forth in the proxy statement described above when it is filed with the SEC. Additional information regarding Peplin's executive officers and directors is included in Peplin's Form S-1 Registration Statement, which was filed with the SEC on January 13, 2009. You can obtain free copies of these documents from Peplin using the contact information above.