PRESS RELEASE

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INNATE PHARMA RECEIVES REGULATORY AUTHORIZATION TO START RANDOMIZED PHASE II TRIAL WITH IPH2102 IN ACUTE MYELOID LEUKEMIA

- First randomized Phase II trial of the anti-KIR antibody IPH2102
- Led by French Cooperative Groups in AML and sponsored by Innate Pharma

Marseilles, September 4, 2012

Innate Pharma SA (the "Company" - Euronext Paris: FR0010331421 – IPH), the innate immunity company developing first-in-class drugs for cancer and inflammatory diseases, today announces that it has received regulatory authorization to start a double-blind placebo-controlled randomized Phase II trial of IPH2102/BMS-986015 as maintenance treatment in elderly patients with Acute Myeloid Leukemia (AML) in first complete remission (study IPH2102-201, the "EffiKIR" trial).

The protocol calls for inclusion of 150 patients, randomized into three arms. Two arms will test single agent IPH2102/BMS-986015 at different doses and one arm will receive placebo. The primary efficacy endpoint is leukemia-free survival. Secondary endpoints include safety and overall survival.

The rationale of this trial is based on the capacity of activated Natural Killer (NK) cells to directly kill tumor cells and trigger a broad immune activation. This rationale is supported by clinical studies showing that activated NK cells may significantly lower the recurrence of various hematological malignancies, including AML, following hematopoietic stem cell transplantation*.

This trial is sponsored by Innate Pharma and will be performed in France, with the participation of the two French clinical cooperative groups, ALFA and GOELAMS†, harnessing the research effort of the French centers qualified to treat patients with AML. First patient inclusion is expected before the end of the year.

"*The mobilization of a French intergroup is a testimony of the great interest of clinicians in the development of IPH2102/BMS-986015*", said Marcel Rozencweig, Chief Medical Officer of Innate Pharma. He added: "*With very limited treatment options for elderly patients and the expected safety of IPH2102/BMS-986015, AML is a good indication to test the promise of the anti-KIR immunotherapy approach. This randomized, double-blinded study, with central reading of relapse, will generate robust data*".

* Ruggeri et al, *Blood*, 2007, Giebel et al., *Blood*, 2003, Velardi et al, *Science*, 2002

† ALFA : Acute Leukemia French Association. GOELAMS : Groupe Ouest-Est des Leucémies Aiguës et Maladies du Sang (Acute Leukemia and Blood Diseases West-Est Group)

About IPH2102/BMS-986015

IPH2102/BMS-986015 is a fully human monoclonal antibody blocking interaction between Killer-cell immunoglobulin-like receptors (KIR) on NK cells with their ligands. Blocking these receptors facilitates activation of NK cells and, potentially, destruction of tumor cells by the latter.

IPH2102/BMS-986015 is licensed to Bristol-Myers Squibb Company (NYSE:BMY). As part of the agreement between Innate Pharma and BMS, BMS holds exclusive worldwide rights to develop, manufacture and commercialize IPH2102/BMS-986015 and related compounds blocking KIR receptors, for all indications. Under the agreement, Innate Pharma will complete the development of IPH2102 through Phase II in AML.

About acute myeloid leukemia ("AML"):

Acute myeloid leukemia is a cancer of the myeloid lineage of blood cells, characterized by the rapid growth and accumulation of abnormal and immature myeloblasts in the bone marrow and peripheral blood, interfering with the production of normal blood cells. It is one of the most common types of leukemia in adults in the United States and Europe. It is estimated that 13,780 new cases of AML will be diagnosed in the United States in 2012, accounting for about 30% of all leukemia. In the same time, it is estimated that the mortality related to AML will be 10,200 (source: American Cancer Society). Most patients are diagnosed with AML after the age of 65 (Source: SEER Cancer Statistics Review, 2003).

In elderly patients the prognosis for AML is very unfavorable, with a 5-year survival rate of between 5%-15%. Although the complete treatment response rate is 50 to 60%, most patients relapse rapidly. At present, the usual induction therapy (aimed at reducing the leukemic cell burden) is chemotherapy. One of the post-remission therapies is stem cell transplantation. Successful treatment is far less frequent in elderly AML patients than in younger patients. Therefore, there is a need for an efficient drug with a better safety profile than existing AML treatment regimens - especially for elderly patients.

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About Innate Pharma:

Innate Pharma S.A. is a biopharmaceutical company developing first-in-class immunotherapy drugs for cancer and inflammatory diseases.

The Company specializes in the development of new monoclonal antibodies targeting receptors and pathways controlling the activation of innate immunity cells. Its innovative approach has been validated by license agreements with two major pharmaceutical companies, Novo Nordisk A/S and Bristol-Myers Squibb Company (NYSE:BMY).

Incorporated in 1999 and listed on NYSE-Euronext in Paris in 2006, Innate Pharma is based in Marseilles, France, and had 81 employees as at June 30, 2012.

Learn more about Innate Pharma at www.innate-pharma.com.

Practical Information about Innate Pharma shares:

ISIN code	FR0010331421
Ticker code	IPH

Disclaimer:

This press release contains certain forward-looking statements. Although the company believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated. For a discussion of risks and uncertainties which could cause the company's actual results, financial condition, performance or achievements to differ from those contained in the forward-looking statements, please refer to the Risk Factors (“Facteurs de Risque") section of the *Document de Reference* prospectus filed with the AMF, which is available on the AMF website (http://www.amf-france.org) or on Innate Pharma’s website (http://www.innate-pharma.com).

This press release and the information contained herein do not constitute an offer to sell or a solicitation of an offer to buy or subscribe to shares in Innate Pharma in any country.

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