

## PRESS RELEASE

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### IPH 1101 IN COMBINATION WITH RITUXIMAB AUTHORIZED TO ENTER THE SECOND PART OF THE PHASE I/II TRIAL IN FOLLICULAR LYMPHOMA

Marseilles, France, July 16, 2008

Innate Pharma S.A. (Euronext Paris: FR0010331421 – IPH), a biopharmaceutical company developing first-in-class drugs targeting the innate immune system, announces today that IPH 1101 in combination with rituximab was authorized to enter the second part of the Phase I/II trial in follicular non-Hodgkin's lymphoma ("fNHL").

*"We are very pleased that this trial is going forward. The recruitment rate so far is satisfactory, and the good safety profile of the combination added to a strong pharmacodynamic effect is encouraging", commented Dr. Patrick Squiban, Chief Medical Officer at Innate Pharma. He added: "The preclinical rationale for a combination of IPH 1101 with a cytotoxic antibody is sound in this indication and we are eager to assess efficacy results next year".*

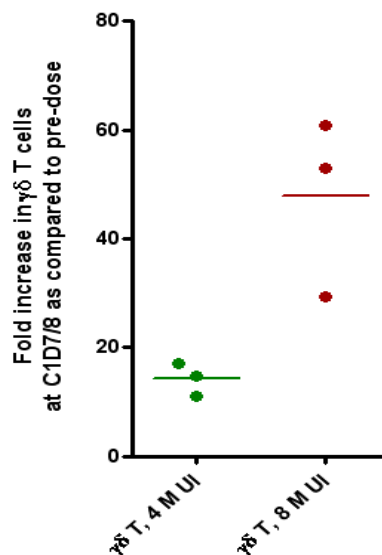
The Phase I/II trial in fNHL consists of two parts. The first part included 6 patients treated sequentially, in two cohorts of different low-doses of IL-2 (4 and 8MUI\*), in order to evaluate the safety profile of IPH 1101 associated with low-dose IL-2 in combination with rituximab. Whereas IPH 1101 activates  $\gamma\delta$  T cells, IL-2 enables their expansion. The combination with rituximab is expected to show a synergetic effect.

Following a positive review of the drug combination's safety profile for the 6 first patients by the study's data safety monitoring board (DSMB), the French regulatory authorities (Afssaps) authorized the initiation of the second part of the study.

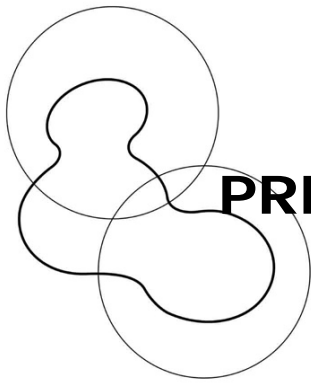
The second part will include about 40 patients. All patients will receive the same dosage of IPH 1101, IL-2 (8MUI) and rituximab.

IPH 1101 is tested in an exploratory Phase IIa program comprising three trials currently recruiting, two in onco-hematology indications (fNHL and chronic myeloid leukemia) and one in chronic hepatitis C. First efficacy results for these trials are expected in 2009, depending on the recruitment rate.

**Increase in  $\gamma\delta$ -T cells  
for the first amplification cycle  
compared with the pre-administration level**



\* Million International Units



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### **About IPH 1101-202 trial:**

The Phase I/II fNHL study (IPH 1101-202) is a multicenter trial performed in France, Belgium and Germany. The trial is aimed at evaluating the efficacy of IPH 1101 and low-dose IL-2 in combination with rituximab.

The study aims at evaluating the clinical efficacy, biological activity and safety of this combination in fNHL patients having relapsed after at least one rituximab course, and who are due to undergo an additional course of rituximab therapy.

The study rationale is based on two complementary data sets:

- the strong, well-established cytotoxicity of  $\gamma\delta$  T cells vis-à-vis lymphoma cells in cell culture models, and
- pre-clinical results showing promising synergy between rituximab and IPH 1101 (associated with low-dose IL-2) in decreasing the population of malignant cells.

This Phase II study is to be performed in two parts. In the first phase, 6 patients were consecutively enrolled in order to evaluate the safety of the drug combination. Two different low dosages of IL-2 were sequentially tested. Data have been reviewed by the study's DSMB, and Afssaps have now authorized the initiation of the second part of the study.

Efficacy will be analyzed according to the treatment response rate (Cheson's standard response criteria for NHL). About 46 patients will have received their first IPH 1101 cycle one week after having started rituximab treatment. Overall, patients will receive 3 cycles of IPH 1101. First efficacy data are expected in 2009, depending on recruitment rate.

In France, the trial is being performed with the assistance of the GELA and GOELAMS lymphoma collaborative study groups.

### **About Non-Hodgkin's Lymphoma:**

Non-Hodgkin lymphoma ("NHL") includes a heterogeneous group of more than 20 different malignant lymphoproliferative diseases that originate from lymphocytes.

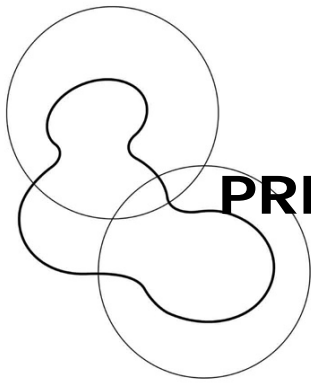
NHL is the sixth most common cause of cancer related death in the United States and the incidence of the disease has increased up to 4% of all new cancer cases in 2006.

The second most frequent clinical entity that is recognised in the new lymphoma classification, after diffuse large B-cell lymphoma, is the follicular lymphoma (22% of all non Hodgkin's Lymphoma). There were 63,190 new cases of follicular lymphoma in the United States in 2007 (Source: American Cancer Society, 2007).

Rituximab, a cytotoxic anti-CD20 monoclonal antibody (CD20 is expressed on the surface of more than 95% of B lymphocytes in NHL), is part of the current standard of care now approved in first line and maintenance therapy as well as in chemoresistant and relapsing follicular lymphoma.

The overall response rate after rituximab retreatment at the time of a relapse is about 40%, justifying the need for additional therapy in this setting.

Rituximab is commercialized by Genentech/Biogen-Idex and Hoffmann-La Roche as Rituxan<sup>®</sup> and MabThera<sup>®</sup>, respectively.



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### About IPH 1101:

IPH 1101 is the most advanced drug candidate of the  $\gamma\delta$  T cell platform - one of Innate Pharma's three platforms currently under development. This platform is constituted by a family of agonists of V $\gamma$ 9V $\delta$ 2 T lymphocytes, a non-conventional T cell population.

IPH 1101 is a chemically-synthesized structural analog of non-conventional bacterial phosphoantigens which specifically activate the V $\gamma$ 9V $\delta$ 2 T cell subset. The compound has been developed for intravenous delivery in association with subcutaneous, low-dose IL-2, since the latter enables the expansion of the V $\gamma$ 9V $\delta$ 2 T cell population.

IPH 1101 potentiates the direct cytotoxic activity of V $\gamma$ 9V $\delta$ 2 T cells against a large number of tumor cell lines and triggers the synthesis of pro-inflammatory cytokines - inducing the recruitment of other cell effectors and facilitating implementation of an adaptive response. It is tested in an exploratory Phase IIa program (more information on [www.innate-pharma.com](http://www.innate-pharma.com), in the Products/ $\gamma\delta$ /IPH 1101 section).

### About Innate Pharma:

Founded in 1999 and funded by reference venture capitalists up to its IPO on Euronext in Paris in 2006, Innate Pharma S.A. (Euronext Paris: FR0010331421 - IPH) is a biopharmaceutical company developing first-in-class\* drugs targeting innate immunity.

The pioneering work of Innate Pharma's scientific founders and research groups has led to the development of three product platforms (gamma delta T cells, NK cells and TLR), each directly or indirectly validated in clinical oncology settings.

Besides cancer, Innate Pharma's drug candidates have development potential in the treatment of infectious disease and chronic inflammation. The company's most advanced molecule is in Phase II clinical trials in cancer and infections.

With its strong scientific position in innate immunity pharmacology, its robust intellectual property portfolio and its R&D expertise, Innate Pharma intends to become a leading player in the booming immunotherapeutics market.

Based in Marseilles, France, Innate Pharma had 91 employees as of March 31, 2008.

Learn more about Innate-Pharma at [www.innate-pharma.com](http://www.innate-pharma.com)

### Practical Information:

<b>ISIN code</b>	FR0010331421
<b>Ticker code</b>	IPH

### Disclaimer:

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

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\* with new mechanisms of action.