PRESS RELEASE

innate pharma

FIRST PATIENT DOSED IN PHASE I TRIAL OF IPH4102

- ***Proprietary, new cytotoxic anti-KIR3DL2 monoclonal antibody in development for the treatment of cutaneous T-cell lymphoma (CTCL);***
- ***Orphan drug designation in the European Union;***
- ***Innate's third first-in-class antibody tested in clinics.***

Marseille, France, December 3, 2015

Innate Pharma SA (the "Company" - Euronext Paris: FR0010331421 – IPH) announces that a first patient has been dosed in the Phase I clinical trial of IPH4102 in patients with relapsed/refractory cutaneous T-cell lymphomas. IPH4102 is a first-in-class cytotoxic antibody against KIR3DL2, a tumor marker specifically expressed in most subtypes of CTCL. It has an orphan drug designation in the European Union for the treatment of CTCL.

Pierre Dodion, Chief Medical Officer of Innate Pharma, said: "*We are proud of and enthused by this major milestone for IPH4102, a program that was fully developed in house. The program has benefited from constant collaboration with Saint-Louis Hospital (Paris, France), and especially with Pr. Martine Bagot, Head of the Dermatology Department and co-discoverer with Pr. Armand Bensussan of the target KIR3DL2. Now, with the involvement of additional international expert centers in Europe and the USA, we believe that we are in optimal conditions to bring this exciting drug to patients with a high unmet medical need".*

Hervé Brailly, CEO and co-founder of Innate Pharma, added: "*From a strategic point of view, IPH4102 is an important addition to and diversification of our pipeline: it is our first cytotoxic antibody, aiming at depleting KIR3DL2 expressing cells. Developing it in a targeted patient population with an associated biomarker points to a very straightforward path to potentially reach regulatory approval. This prompts our interest in keeping the full rights to develop this drug and eventually market it on our own".*

This Phase I trial comprises a dose escalation and a cohort expansion, which are expected to deliver data at the end of 2017 and 2018 respectively. The program was presented in New York during a Key Opinion Leader event chaired by Pr. Youn H. Kim, MD, Professor of Dermatology, Director of the Multidisciplinary Cutaneous Lymphoma Program and Medical Director of the Photopheresis Service at the Stanford Medical Center, as well as in Paris during a Key Opinion Leader event chaired by Pr. Martine Bagot. The presentations are available on Innate Pharma's website.

About IPH4102 Phase I trial:

The Phase I trial is an open label, multicenter study of IPH4102 in patients with relapsed/refractory cutaneous T-cell lymphomas which is performed in Europe (France, Netherlands, United Kingdom) and in the US. Participating institutions include several hospitals with internationally recognized expertise: the Saint-Louis Hospital (Paris, France), the MD Anderson Cancer Center (Houston, Texas), the Stanford University Medical Center (Stanford, CA), the Ohio State University (Columbus, OH), the Leiden University Medical Center (Netherlands), and the Guy's and St Thomas' Hospital (United Kingdom). Approximately 60 patients with KIR3DL2-positive CTCL having received at least two prior lines of systemic therapy are expected to be enrolled in two sequential study parts:

- A dose-escalation part including approximately 40 CTCL patients in 10 dose cohorts. Its objective is to identify the Maximum Tolerated Dose and/or the Recommended Phase 2 Dose (RP2D);
- A cohort expansion part with 2 cohorts of 10 patients each in 2 CTCL subtypes (transformed mycosis fungoides and Sézary syndrome) receiving IPH4102 at the RP2D until progression. The CTCL subtypes may be adjusted based on the findings in the dose escalation part of the study.

The primary objective of this trial is to evaluate the safety and tolerability of IPH4102 in this patient population. The secondary objectives include assessment of the drug's antitumor activity and identification of biomarkers of this activity. Clinical endpoints include overall objective response rate, response duration and progression-free survival.

About IPH4102:

IPH4102 is a first-in-class anti-KIR3DL2 humanized cytotoxic antibody, designed to selectively destroy cutaneous T-cell lymphomas ("CTCL") cancer cells, an orphan disease. This group of rare cutaneous lymphomas of T lymphocytes has a poor prognosis with few therapeutic options at advanced stages.

KIR3DL2 is an inhibitory receptor of the KIR family, normally expressed on a subset of normal NK cells and specifically expressed on most subtypes of CTCL. Potent antitumor properties of IPH4102 were shown against human CTCL cells *in vitro* and *in vivo* in a mouse model of KIR3DL2+ tumors, in which IPH4102 reduced tumor growth and improved survival. The efficacy of IPH4102 was further evaluated in laboratory assays using the patients' own natural killer (NK) cells against their primary tumor samples in the presence of IPH4102. These studies were performed in patients with Sézary Syndrome; Sézary Syndrome is the leukemic form of CTCL and is known to have a very poor prognosis. In these experiments, IPH4102 selectively and efficiently induced killing of the patients' CTCL cells. These results were published in Cancer Research in 2014 (http://www.ncbi.nlm.nih.gov/pubmed/25361998)

IPH4102 was granted orphan drug status in the European Union for the treatment of CTCL. Biomarker tools are being developed in parallel to monitor KIR3DL2 expression in patients.

About Innate Pharma:

Innate Pharma S.A. is a biopharmaceutical company discovering and developing first-in-class therapeutic antibodies for the treatment of cancer and inflammatory diseases.

The Company has three clinical-stage programs, including two checkpoint inhibitors in immuno-oncology, a new therapeutic field that is changing cancer treatment by enhancing the capability of the body's own immune cells to recognize and kill cancer cells.

Its innovative approach has translated into major alliances with leaders in the biopharmaceutical industry such as Novo Nordisk A/S, Bristol-Myers Squibb and AstraZeneca.

Listed on Euronext-Paris, Innate Pharma is based in Marseille, France, and had 112 employees at September 30, 2015.

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

PRESS RELEASE

innate pharma

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 or on Innate Pharma’s website.

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.

For additional information, please contact:

Innate Pharma

Laure-Hélène Mercier
Director, Investor Relations

Tel.: +33 (0)4 30 30 30 87
investors@innate-pharma.com

ATCG Press
Marie Puvieux (France)
Mob: +33 (0)6 10 54 36 72
Jean-Medhi Grangeon (ROW)
Mob: +33 (0)6 62 22 00 24
presse@atcg-partners.com