



PRESS RELEASE

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INNATE PHARMA ACQUIRES EURO 2M LOAN

French innovation agency, ANVAR, grants loan to support product development

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Innate Pharma, a French biopharmaceutical company developing novel anti-tumoral therapies, announces today that France's innovation agency, ANVAR, has granted the company a loan of Euro 2 million to support the development of two of Innate Pharma's lead products in selected cancer indications.

This substantial loan is one of the biggest granted by ANVAR to a biotech company and comes at a time when the French government is significantly increasing its aid to companies in this sector. A regional body, the Conseil Général des Bouches-du-Rhône, has topped up the loan with a further Euro 150,000. ANVAR had previously supported the company during feasibility studies.

The two lead products INNACELL- $\gamma\delta$, a cellular therapy process and PHOSPHOSTIM a drug for systemic usage. They have applications in cancer treatment: renal carcinoma and multiple myeloma respectively. Clinical trials are expected to start later this year.

"This substantial financing provides welcome support for Innate Pharma's projected activities," said Hervé Brailly, CEO of Innate Pharma. "The very nature of the loan means it is a strong validation of the scientific and clinical relevance of the company's original concept in cancer immunotherapy, which targets the stimulation of non-conventional lymphocyte subsets with small molecules. The loan is granted as an 'Aide à l'Innovation' and is only reimbursed to ANVAR in case of commercial success. The fact that ANVAR is ready to share this risk demonstrates the credibility of Innate Pharma's technology and business strategy."

"ANVAR is delighted to provide material assistance to companies such as Innate Pharma that have strong growth potential and every likelihood of paying back the loan," said Gilbert Santini, regional representative of ANVAR.

About ANVAR

ANVAR, the French innovation agency, is a publicly owned organization sponsored by the French ministries overseeing industry, small and medium enterprises and research. It has an annual budget of Euro 210 million to provide financial aid and consulting services to small and medium enterprises, research laboratories and entrepreneurs who are ready to take up the technical, commercial, financial and human challenges involved in innovation. Its business is the financing and support of innovative projects. Among the risk-sharing benefits ANVAR can bring are the 0 per cent interest innovation loan reimbursable only in case of success. Its 24 regional offices mean that help and advice are only a short distance away and it can deploy a vast national and international network of key players in business, technology and finance to offer international quality advice and counsel. Since 1979, ANVAR has given Euro 3.4 billion in aid to some 61,000 innovative projects.