Innate Pharma S.A.

2007 Financial Results

March 14, 2008

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THE COMPANY

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The **innate** immunity **company**

first contact

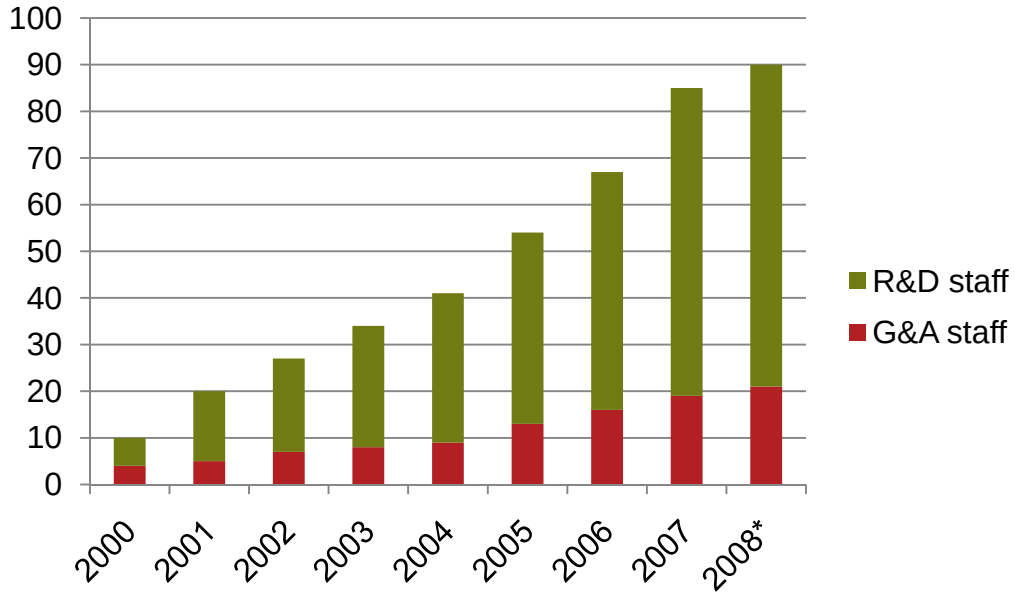
- French biopharmaceutical company listed on Euronext Paris (FR0010331421 – IPH)
- Based on a **scientific breakthrough** in **innate immunology**
- Founded in 1999 / **85 people**
- Primary focus on **cancer**, other ongoing programs in **inflammation** and **infectious diseases**
- **3 product platforms**, each indirectly **validated in clinical setting**
- Most advanced compound in **Phase II trials**
- 9 years from inception: **7 drug candidates**, 2 of which in clinical trials

Key **achievements** in 2007

The **structure** has matured to be **adapted to its mission**

- Clinical and regulatory team now well-sized with 13 persons (including 5 doctors in medicine and pharmacy)
- Corporate size now fitted to current business plan

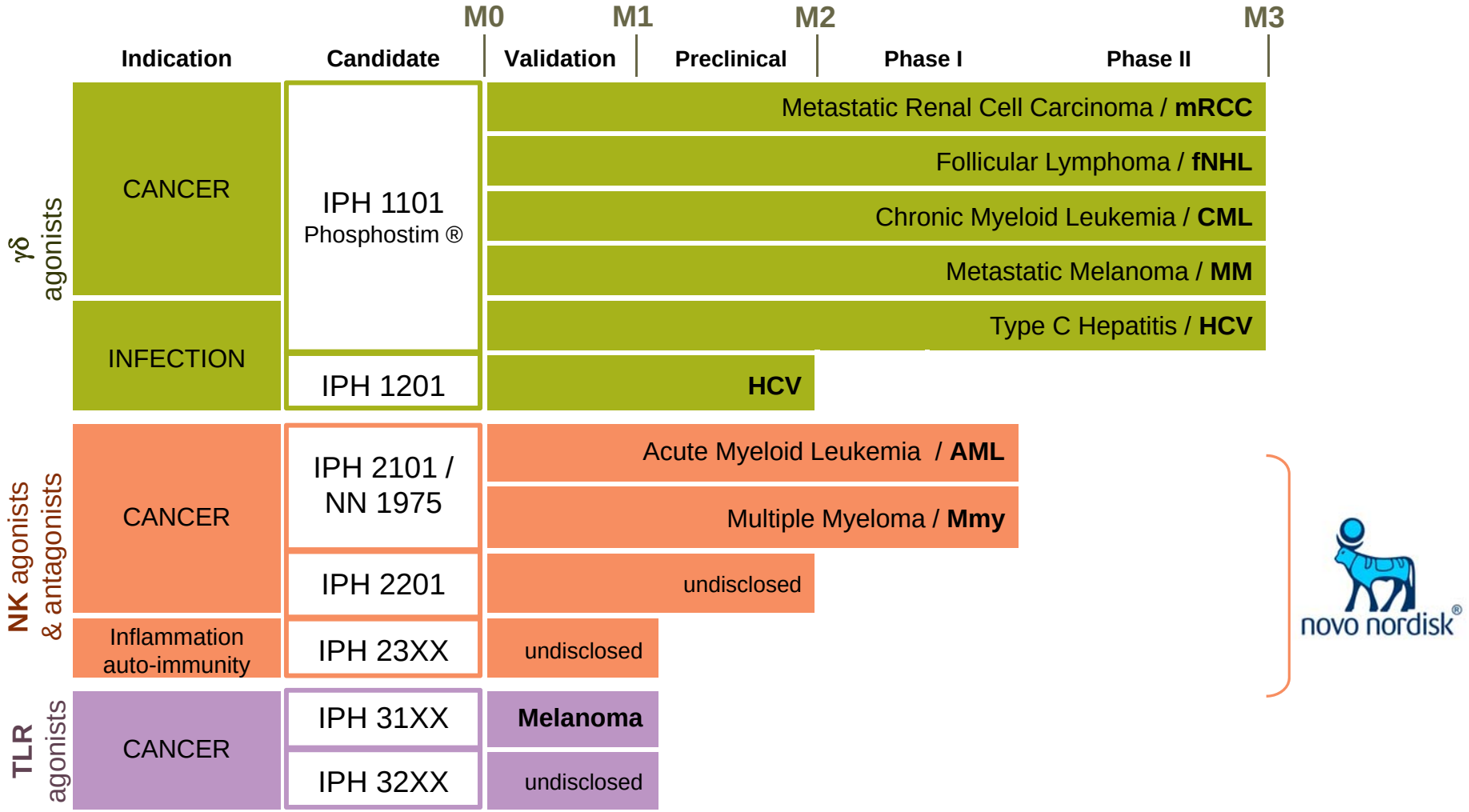
Innate's team evolution



- Future new headquarter in Marseilles and creation of Innate Pharma Inc. (NY)

Portfolio of core drug candidates

First quarter **2008**



Update on R&D achievements and outlook for 2008/2009

T γδ Platform

IPH 1101

- Four additional Phase I/II or IIa trials with IPH 1101
- New Phase IIa ("IPH 1101-205") authorized during Q1 08, in melanoma patients (first line, combination with chemotherapy)
- The Phase II exploratory program is now completely implemented
- Recruitment for the Phase IIa trial in metastatic renal cell carcinoma was completed in December 2007. Results will be published in Q2 08
- Depending on the patient recruitment rate, initial results are expected for the Phase II HCV trial in Q4 2008
- First safety results are expected for the Phase II NHL trial in H2 2008

IPH 1201

- Entry in clinical trials is expected in late 2008 – early 2009, depending on the Phase II results obtained with IPH 1101 in HCV

IPH 1101: ongoing **exploratory clinical program**

5 trials: 4 Phases IIa and 1 Phase I/II

	Trial	Initiation	Population	Design	Endpoint	Location
mRCC	Phase IIa IPH 1101-201	2Q 2006	Progressive disease after a first line of treatment	68 patients two arms 2 dosages of IL-2	Absence of disease progression at 12 weeks	Russia, Ukraine and France
fNHL	Phase I/II IPH 1101-202	2Q 2007	Patients relapsing after treatment by Rituxan®	50 patients single-arm, combination with Rituxan®	Improved response to Rituxan® (40%)	France, Belgium & Germany
HCV	Phase IIa IPH 1101-203	2Q 2007	Chronically infected patients, naïve of any HCV treatment	30 patients two arms (± IL-2)	Decrease in viral load	France
CML	Phase IIa IPH 1101-204	4Q 2007	Patients showing an incomplete response to Glivec®	45 patients single arm, combination with Glivec®	Improvement of molecular response	France
MM	Phase IIa IPH 1101-205	1Q 2008	Stage IIIC and IV melanoma patients	40 Patients two arms, combination with dacarbazine & IL2	Tumor response rate	France, Switzerland & Belgium

Update on R&D achievements and outlook for 2008/2009

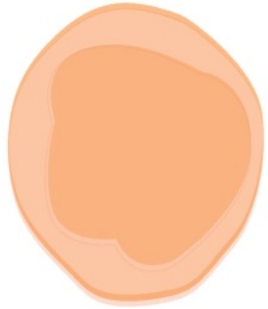
NK Platform

IPH 2101 (NN1975)

- Initiation of two Phase I trials by Novo Nordisk A/S in acute myeloid leukemia and multiple myeloma in 2007
- First results are expected by mid-2009, depending on the patient recruitment rate

IPH 2201 (NN8765)

- Developed in cancer
- Entered regulatory preclinical development in 2007



IPH 23XX

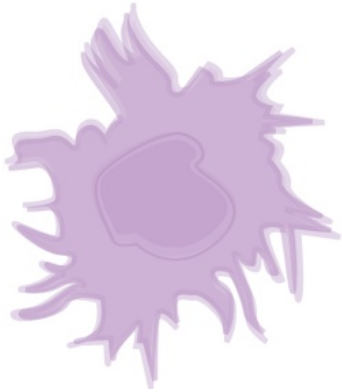
- Developed in inflammation
- Entry in regulatory preclinical development is expected in 2008

Update on R&D achievements and outlook for 2008/2009

TLR Platform

IPH 31XX

- New indication: melanoma
  - Melanoma tumor cells express TLR3 after having been exposed to interferon alpha
  - No patient selection in a disease with a significant, unmet medical need
  - Pre-clinical studies in breast cancer and development of a diagnostic antibody are ongoing in parallel
- Entry in regulatory preclinical development is expected mid-2008

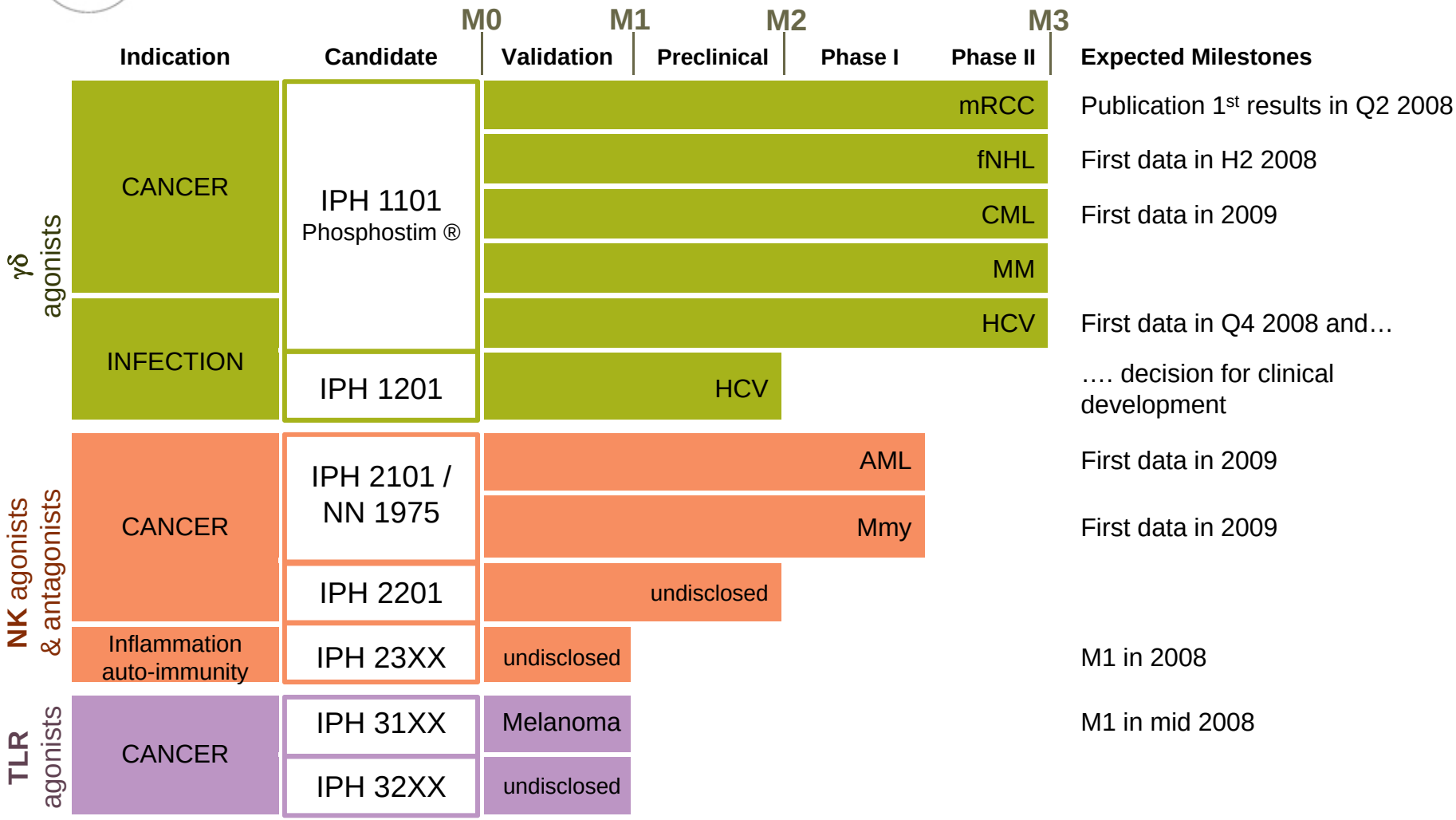


IPH 32XX

- TLR7/8 agonists
- Rights acquired in June from Cancer Research Technology
- In preclinical validation stage

Portfolio of core drug candidates

Expected **milestones**



FINANCIAL YEAR 2007

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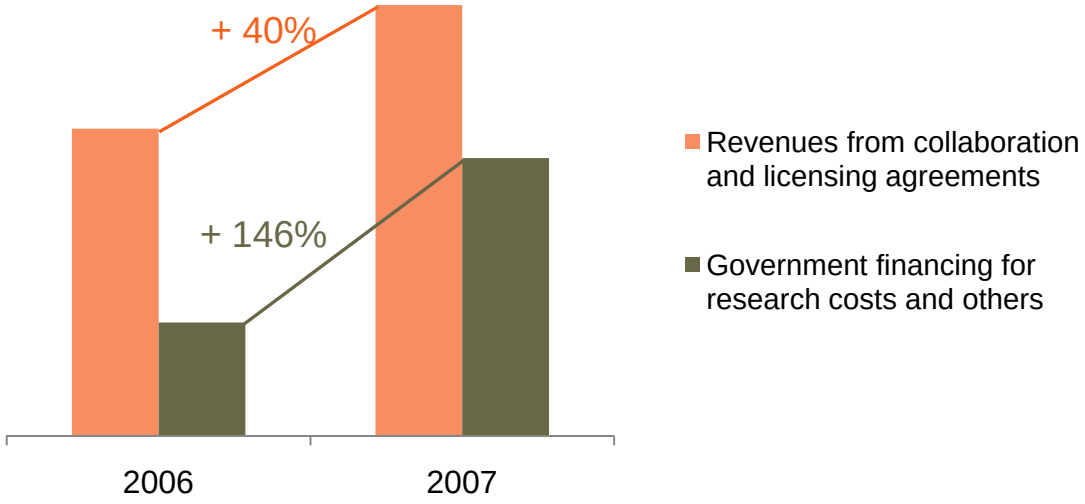
Key **figures**

Revenue for 2007, IFRS

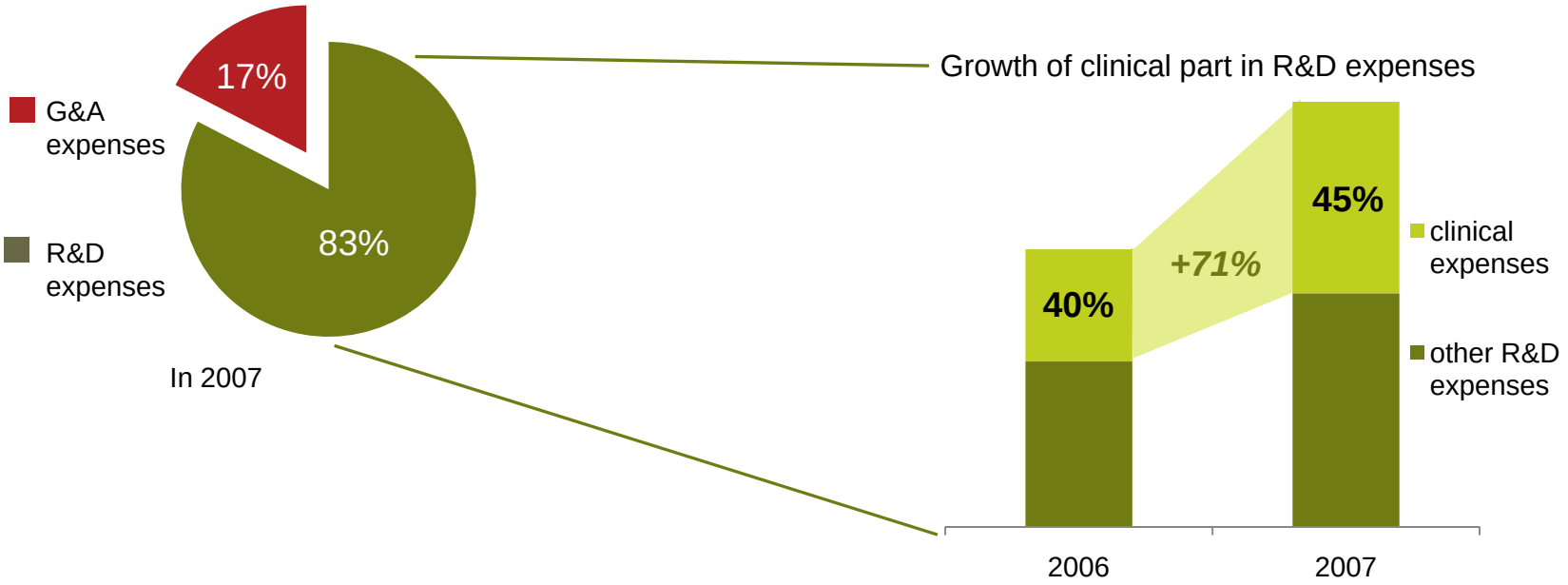
In thousands of euros	12-month period ending December 31 2006	2007	% growth
Revenues from collaboration and licensing agreements	6,195	8,688	*+40%*
Government financing for research costs and others	2,282	5,602	*+146%*
Operating revenue	**8,477**	**14,290**	*+69%*



Key **figures**

Operating expenses for 2007, IFRS

In thousands of euros	12-month period ending December 31 2006	2007	% growth
Research and development expenses	(12,648)	(19,313)	*+53%*
General and administrative expenses	(3,069)	(4,068)	*+33%*
Net operating expenses	**(15,716)**	**(23,381)**	*+49%*



Key **figures**

Financial statements, IFRS

In thousands of euros, except for data per share	12-month period ending December 31 2006	2007
Operating revenue	**8,477**	**14,290**
Net operating expenses	**(15,716)**	**(23,381)**
Operating income (loss)	**(7,239)**	**(9,091)**
Interest income/(expenses), net	**1,198**	**173**
Net loss	**(6,042)**	**(8,918)**
Average number of shares outstanding (in thousands)	17,769	25,082
Net loss per share	(0.34)	(0.36)

Key figures

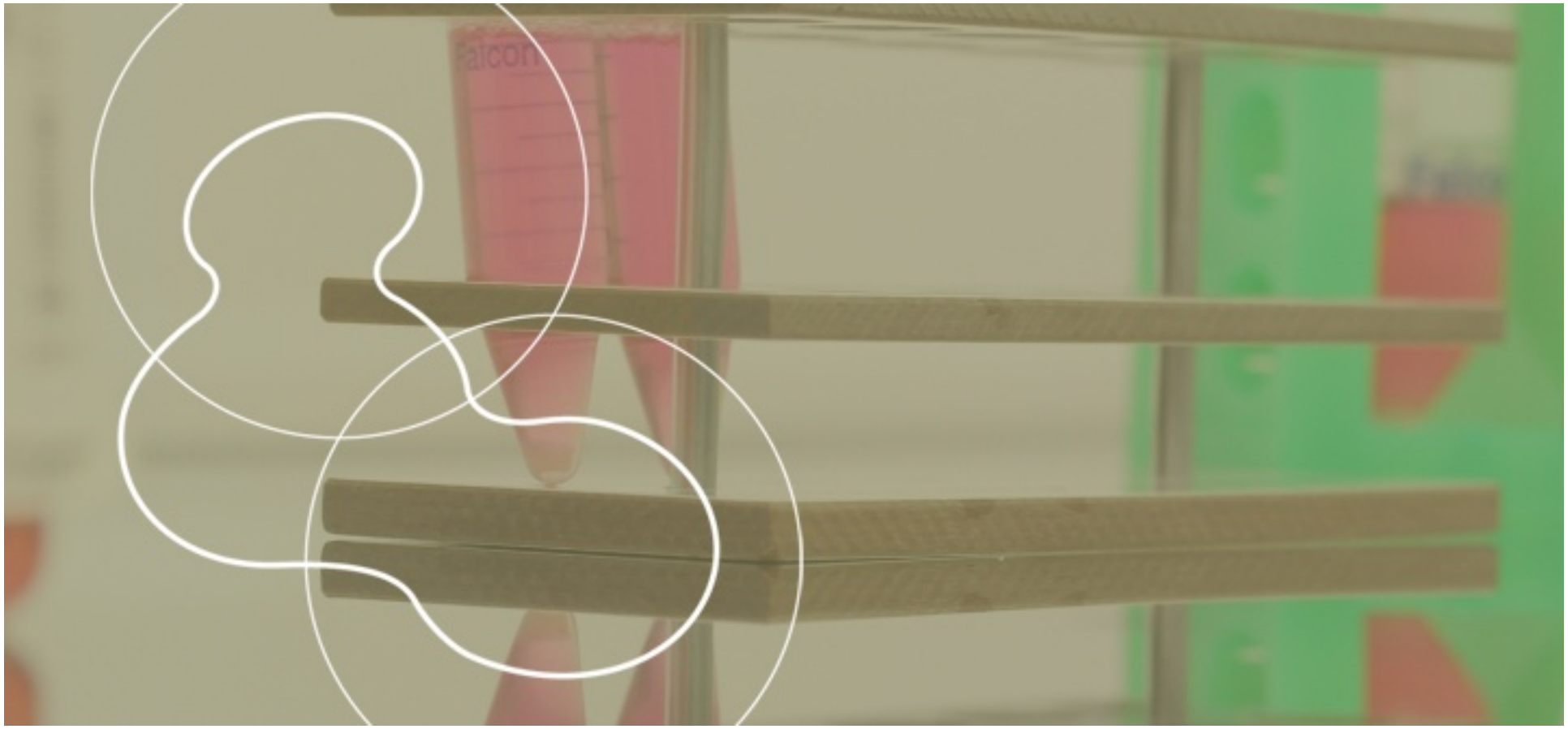
Balance sheet, IFRS

In thousands of euros, except data per share	Dec. 31, 2006	Dec. 31, 2007
Cash, cash equivalents and financial instruments	59,823	50,783
Total assets	69,255	63,153
Net book value	56,369	49,606
Total financial debt	(3,308)	(3,647)

- Financial as at end of December 2007:
  - €50.8m of cash on hand
  - Sufficient cash for at least 2 years of operations based on current business plan
- ~€7m revenue from Novo Nordisk A/S expected in 2008 (incl. IPH 23XX M1 milestone)

Financial **calendar** in and for 2008

February 6, 2008:	Publication of revenue for 4Q2007 and for fiscal year 2007, with management comments
March 14, 2008:	Publication of the 2007 financial statements, with management comments
March 20, 2008:	Publication of the Annual Report (Reference Document 2007 and Financial Report)
May 5, 2008:	**Publication of revenue for 1Q2008, with management comments**
June 27, 2008:	**Annual shareholders meeting and analysts meeting, in Marseilles**
August 29, 2008:	**Publication of mid-year financial statements as of June 30, 2008, with management comments**
November 6, 2008:	**Publication of revenue for 3Q2008, with management comments**
February 6, 2009:	**Publication of revenue for 4Q2008 and for fiscal year 2008, with management comments**



PERSPECTIVES

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Key development **deliverables**
2006-2009

2006

- Publication of IPH 1101 solid tumours Phase I results
- New drug candidate IPH 1201 in development
- Initiation of the first IPH 2101 Phase I with Novo Nordisk A/S in acute myeloid leukaemia

2007

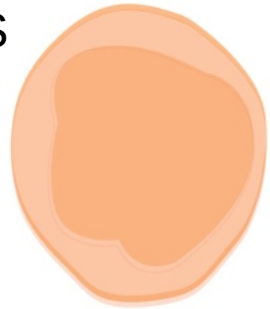
- Authorization of new Phase II with IPH 1101: follicular lymphoma, Hepatitis C and chronic myeloid leukaemia
- Initiation of a new IPH 2101 Phase I with Novo Nordisk A/S in multiple myeloma

2008 / 2009

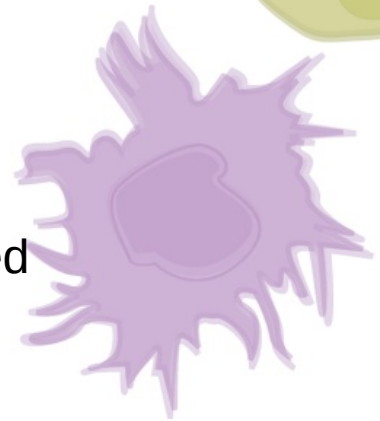
- New IPH 1101 Phase II trial in metastatic melanoma
- **New drug candidate IPH 2301 in development (collaboration with Novo Nordisk A/S)**
- **New drug candidate IPH 3101 in development**
- **Publication of IPH 1101 mRCC Phase II first results**
- **First data from HCV Phase II with IPH 1101 and decision for clinical development of IPH 1201**
- **First data from fNHL Phase I/II with IPH 1101**
- **First data from Phase I with IPH 2101 (collaboration with Novo Nordisk A/S)**
- **First data from CML Phase II with IPH 1101**

An appropriate **partnering strategy** for **each platform**

- An ongoing **refocus in our partnership with Novo Nordisk** A/S
  - Inflammation will be the major therapeutic area in this partnership
  - Rights and future developments for NK candidates in oncology are under discussion



- Optimal partnering window for γδ **platform in mid term**
- Early partnering window for **TLR platform in short term**
- Major opportunities outside oncology
- Retain commercial rights (indication / territory) in future agreements
- Consolidate our position in innate immunity through targeted acquisitions of products and/or companies



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