

## PRESS RELEASE

innate pharma

---

### **INNATE PHARMA ANNOUNCES IMPORTANT RESEARCH MILESTONE FOR ITS PRODUCT CANDIDATE IPH 1201, ITS SECOND GENERATION GAMMA-DELTA AGONIST**

**Marseilles, France, October 3, 2006**

---

Innate Pharma S.A. ([www.innate-pharma.com](http://www.innate-pharma.com)), a biopharmaceutical company specialized in immunology and developing new drug classes targeting innate immunity, announces today that it has selected a new immuno-modulatory compound for its T  $\gamma\delta$  platform, IPH 1201 (previously named IPH 12XX). This drug-candidate is entering its pre-clinical and pharmaceutical development which corresponds to its moving into the M1 milestone in the Company internal R&D system (more details about the Company's R&D organization are available on [www.innate-pharma.com](http://www.innate-pharma.com)).

IPH 1201 is intended to be developed as an immune modulator for chronic viral infections, which is the first exploratory therapeutic field outside of oncology for the Company.

#### **About IPH 1201:**

IPH 1201 belongs to the proprietary family of gamma9-delta2 agonist. Its pharmacological properties are similar to the drug candidate IPH 1101, currently tested by Innate Pharma in Phase II in a cancer indication (metastatic renal cell carcinoma, or mRCC), but it has pharmacokinetics and ADME\* properties different from these of IPH 1101, making this candidate more suitable for development outside oncology.

Innate Pharma's EVP and CSO, Dr. François Romagné said: "*Immune modulators targeting innate immunity may open new perspectives in the treatment of chronic viral infections resistant to conventional therapy, and may eventually be positioned as alternatives to injected drugs such as interferons. In 2007, we intend to start a first clinical trial in HCV with IPH 1101 in intravenous administration, to demonstrate the relevance of this approach, which could provide the green-light for the clinical development of IPH 1201 from 2008 in this indication and, possibly, in other viral infections*".

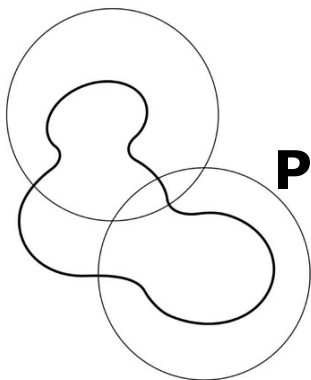
Innate Pharma's CEO, Dr. Hervé Brailly said: "*We are pleased to achieve this important R&D milestone in accordance with the timeline of our business plan. IPH 1201 is a promising drug candidate that strengthens our unique competitive position in innate immunity pharmacology. Innate Pharma maintains its primary clinical focus in cancer immunotherapy, but the exploration of new therapeutic fields, including chronic viral infections, is part of our strategy to maximize the value of each of our product platforms. It is also an important consideration to generate partnering opportunities outside the oncology field*".

#### **About ongoing or planned trials with IPH 1101, the lead gamma-delta agonist:**

A multi-centric randomised Phase II clinical trial has started in metastatic Renal Cell Carcinoma in France, Russia and Ukraine (trial D004-201). Today, patient recruitment involves 15 clinical centers, with 68 patients expected to be treated in this trial. Clinical activity data should be

---

\* Absorption, Distribution, Metabolism and Excretion



## PRESS RELEASE

innate pharma

---

available for the end of 2007. This trial followed a positive Phase I in solid tumours (D004-101) whose final results were released in early September 2006 (key data are available on the Company's website). A multi-centric Phase I study is ongoing in Non-Hodgkin's Lymphoma (trial D004-102). Innate Pharma plans to have a total of four Phase II trials ongoing in cancer in 2007. The product has also been used as an adoptive, autologous immunotherapy procedure designed to produce large numbers of highly-enriched T  $\gamma\delta$  cells from a patient's blood sample, and where peripheral lymphocytes are harvested by leukapheresis and cultured in the presence of IPH 1101 and IL-2, prior to re-infusion into the bloodstream (trial D001-101). Positive data on this approach, from a Phase I clinical trial in mRCC patients, were presented at the 2006 ASCO Annual Meeting and are available on the Company's website.

### About Innate Pharma:

Founded in 1999, Innate Pharma S.A. is a biopharmaceutical company in clinical stage, developing *first in class*<sup>†</sup> drug candidates targeting the innate immune system.

The pioneering work of Innate Pharma's scientific founders and its team led to three product platforms – each directly or indirectly validated in clinical settings in oncology. Taking into account their mechanisms of action, Innate Pharma's drug candidates also present a potential development outside oncology, particularly in the control of viral infections and chronic inflammation related to auto-immune pathologies. As a result of its scientific position in innate immunity pharmacology, its intellectual property portfolio and its know-how in R&D, Innate Pharma aims to become a leader in the rapidly growing market of immunotherapy.

Innate Pharma has raised approximately 50 million euros in three VC rounds of financing (2000, 2002, and 2004) and through a reserved capital increase for its partner, Novo Nordisk A/S, in a deal closed on March 29, 2006. In addition to Novo Nordisk A/S, investors in Innate Pharma are reference biotechnology investors, including: Sofinnova Partners (France), Alta Partners (USA), GIMV (Belgium), Auriga Partners (France), INSERM Transfert (France), Gilde Healthcare (the Netherlands), Pechel Industries (France), Innoveris (France), NIF (Japan), and Quilvest (France).

Based in Marseilles, France, Innate Pharma's R&D activities are ISO 9001:2000 certified (since 2005). As of August 31, 2006, Innate Pharma had 66 employees, including 16 Doctors in Science, Medicine and Pharmacy. More than 70% of Innate Pharma's staff is involved in R&D activities.

### Press and Analyst Contacts:

#### Innate Pharma

Stéphane Boissel, CFO  
Tel: (+33) 4 96 19 05 58  
stephane.boissel@innate-pharma.fr

#### Alize PR

Caroline Carmagnol  
Tel: (+33) 6 64 18 99 59  
caroline.carmagnol@wanadoo.fr

---

<sup>†</sup> Drugs with new mechanisms of action.