

PRESS RELEASE

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INNATE PHARMA EXCEEDS OBJECTIVES IN RAISING EURO 20 MILLION IN ITS SECOND ROUND OF FINANCING

This fundraising from major international investors will support the company's clinical development program

Marseille, July 8th, 2002

Innate Pharma, developer of novel anti-tumoral therapies, today announced it has raised a further Euro 20 million in a second round of financing, significantly more than the expected Euro 15 million. The company sees the success as a clear vote of confidence in its innovative technology based on the stimulation of innate immunity.

Co-leaders of the financing are Alta Partners, a Californian venture capital firm, and Axa Private Equity, an investment management company in the AXA Group with funds in approximately 50 countries. New investors also include Gilde Biotech & Nutrition (Utrecht, Netherlands), Pechel Industries (Paris), and Innoveris (Marseille). The original investors (including first-round financing leader Sofinnova Partners, as well as GIMV and Auriga) have also significantly increased their investments, contributing 30 per cent to the second round of financing.

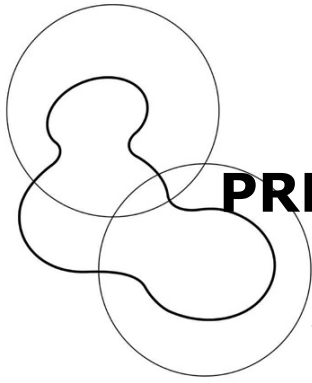
The scale of the funding gives Innate Pharma the best possible conditions in which to begin its clinical trials program and to pave the way for a second-generation product research program. The company aims to become a leader in the anti-cancer immunotherapy field and believes this can be achieved through its unique technological platform. Innate Pharma products to undergo clinical trial initially include:

INNACELL- $\gamma\delta$, is a cellular therapy based on the use of a novel chemical entity to activate a population of anti-tumoral cells (T $\gamma\delta$ 2 cells) ex-vivo. INNACELL- $\gamma\delta$ is to be initially aimed at fighting certain types of renal carcinoma.

PHOPHOSTIM is an immunostimulatory medicine intended for systematic administration that also relies on the activation of T $\gamma\delta$ 2 cells. Phophostim will be initially developed in two cancer indications, multiple myeloma and renal carcinoma.

KIROMAB is a cytotoxic monoclonal antibody that will enable the body to fight against certain cutaneous lymphomas (orphan indication), for which no satisfactory treatments currently exist. "We are extremely encouraged by the fact we have exceeded our objectives for initial funding with the support of first-class international investors, particularly in the current economic climate," said Hervé Brailly, Chairman and Chief Executive Officer of Innate Pharma. "It allows us to build our clinical trial program on solid foundations and shows how well our technology is perceived."

"The current climate means we pay a great deal of attention to our investment criteria," added Jean Delege, a General Partner of Alta Partners. "The project presented to us by Hervé Brailly really attracted our interest and we decided to give it our full backing. We have already invested in a number of French biotechnology companies, two of which are listed companies." Dominique Senequier, President of the Board of Directors of Axa Private Equity said: "Three elements in particular caught our attention as we looked at Innate Pharma's project proposal: the technology, business plan and market potential. The combination as presented by Innate Pharma matched our criteria for investment and we did not hesitate to lend our full support to this project."



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Denis Lucquin, General Partner of Sofinnova Partners, said: "It took Innate Pharma less than six months to raise its second round of financing in a somehow depressed financial environment. This is a significant achievement, which confirms the excellence of the management team, a key criteria in our decision to invest in the company two years ago."

About Alta Partners

Alta Partners is a leading venture capital firm investing in biotechnology, life sciences and information technology companies. The Firm's partners have a combined experience of more than 120 years in financing and building high-growth companies. Alta Partners, formed in 1996, has approximately \$1 billion under management. For further information on Alta Partners, please visit our web site at <http://www.altapartners.com>.

About AXA Private Equity

AXA Private Equity, a management company specializes in private equity investments, covers all aspects of capital investment (LBO, Venture Capital, Growth Expansion, Recovery, and Fund of Funds). The company manages or advises funds totaling over EUR4 billion for some of the world's major international investors. It carries out its Venture Capital activities since 1998 through 3 FCPI.