

PRESS RELEASE

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INNATE PHARMA RAISES €20.3 MILLION IN A PRIVATE PLACEMENT SUBSCRIBED ENTIRELY BY US-BASED SPECIALIST INVESTORS

Marseille, November 20, 2013

Innate Pharma SA (the "Company" - Euronext Paris: FR0010331421 - IPH), the innate immunity company developing first-in-class drug candidates for cancer and inflammatory diseases, announces today the completion of a private placement directed to US-based specialist institutional investors.

The gross amount raised is €20.3 million corresponding to 7.6 million new ordinary shares which will be issued. The subscription price of each new share is €2.67, which was the volume-weighted- average-price of the previous three trading sessions preceding the closing of the private placement on November 19, 2013 and a 4% discount on the closing price on November 15, 2013, the trading day before the announcement of the launching of the offering.

The capital increase was placed entirely with US-based institutional investors specializing in the sector including funds managed by QVT Financial LP and Redmile Group. Through this offering, OrbiMed acquired more than 5% of the share capital of Innate Pharma.

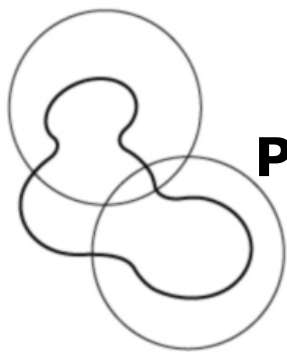
Hervé Brailly, CEO, said: « *This fundraising is a resounding success: we have built a strong shareholder base in the United States, the most important capital market for biotech companies. We now have more than 25% of Innate Pharma's share capital held by US institutional investors and this is a strong signal of the growing valuation of the Company.* »

About the capital increase

The capital increase was carried out with the suspension of shareholders' preferential subscription rights according to Article L. 225-136 of the French Commercial Code and Resolution 20 of the Mixed Shareholders Meeting of June 28, 2013. This private placement was restricted to investors as defined by article L. 411-2 II of the French Monetary and Financial Code (qualified investors and/or small group of investors acting for their own account).

The capital increase amounts to 20% of the share capital of Innate Pharma as of today and represents a dilution of 16.66% for the existing shareholders.

Settlement is expected to occur on November 25, 2013. Application will be made to list the new shares on NYSE Euronext Paris. Listing documents including an offering note and an update of the Company's 2012 Annual Report will be submitted to the Autorite des Marches Financiers (AMF) for approval.



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About Innate Pharma:

Innate Pharma S.A. is a biopharmaceutical company developing first-in-class immunotherapy drug candidates for cancer and inflammatory diseases.

The Company specializes in the development of novel monoclonal antibodies targeting receptors and pathways controlling the activation of innate immunity cells. Its innovative approaches have led to licensing agreements with Novo Nordisk A/S and Bristol-Myers Squibb.

Incorporated in 1999 and listed on NYSE-Euronext in Paris in 2006, Innate Pharma is based in Marseilles, France, and had 84 employees as at September 30, 2013.

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

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 in such forward-looking statements. For a discussion of risks and uncertainties which could cause the company's actual results, financial condition, performance or achievements to differ from forward-looking statements, please refer to the Risk Factors section of the Company's Document de Reference filed with the AMF, which is available on the AMF website (<http://www.amf-france.org>) or on Innate Pharma's website.

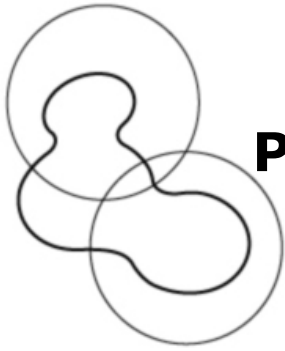
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