PRESS RELEASE

innate pharma

INITIATION OF A PHASE I CLINICAL TRIAL OF LIRILUMAB IN COMBINATION WITH ELOTUZUMAB

- *This Phase I trial will test the safety and tolerability of lirilumab (BMS-986015) in combination with elotuzumab (BMS-901608) in patients with multiple myeloma*
- *This new Phase I initiated by Bristol-Myers Squibb is the first combination trial of lirilumab in a hematological tumor type*

Marseille, France, October 1, 2014

Innate Pharma SA (the "Company" - Euronext Paris: FR0010331421 – IPH), the innate immunity company developing first-in-class therapeutic antibodies for cancer and inflammatory diseases, today announced that a new Phase I combination trial with lirilumab, a first-in-class NK cell checkpoint inhibitor, was published on ClinicalTrials.gov: *"A Phase I Open Label Dose Escalation and Randomized Cohort Expansion Study of the Safety and Tolerability of Elotuzumab (BMS-901608) Administered in Combination With Either Lirilumab (BMS-986015) or Urelumab (BMS-663513) in Subjects With Multiple Myeloma"* (study identifier: NCT02252263).

Lirilumab is licensed to Bristol-Myers Squibb Company (NYSE: BMY) and this Phase I trial is being conducted by Bristol-Myers Squibb.

Nicolai Wagtmann, Chief Scientific Officer of Innate Pharma, said: *"Therapeutic antibodies that act by inducing antibody-mediated cellular cytotoxicity (ADCC), such as elotuzumab, are being investigated as potential therapies for cancer treatment. We are excited to learn more about how elotuzumab and lirilumab work together in patients with multiple myeloma, an area where there is a high unmet need for new treatment options."*

About the Phase I trial with lirilumab in combination with elotuzumab in multiple myeloma:

The purpose of this Phase I open label study is to investigate elotuzumab in combination with lirilumab in order to determine whether this combined treatment approach is safe and to provide preliminary information on the clinical activity of the combination. A second arm will test the combination of elotuzumab and the anti-CD137 antibody urelumab.

The primary outcome will be safety. Secondary outcomes will include a preliminary assessment of efficacy. The study will be conducted in two parts - dose escalation and randomized cohort expansion - and is expected to enroll up to approximately 68 patients per arm. Patients should have multiple myeloma with measurable disease (according to the IMWG criteria).

The potential of ADCC-enhancement with an anti-KIR antibody has been demonstrated in preclinical models (Kohrt, *Blood,* 2013).

About lirilumab (IPH2102/BMS-986015):

Lirilumab is a fully human monoclonal antibody (mAb) that blocks the interaction between Killer-cell immunoglobulin-like receptors (KIR) on NK cells and their ligands. Blocking these receptors facilitates activation of NK cells and, potentially, destruction of tumor cells.

Lirilumab is licensed to Bristol-Myers Squibb Company. As part of the agreement between Innate Pharma and Bristol-Myers Squibb, Bristol-Myers Squibb holds exclusive worldwide rights to develop, manufacture and commercialize lirilumab and related compounds blocking KIR receptors, for all indications. Under the agreement, Innate Pharma conducts the development of lirilumab through Phase II in AML.

In addition to the EffiKIR trial, where lirilumab is currently being tested in a randomized, double-blind, placebo-controlled Phase II trial in elderly patients as a single-agent in AML, lirilumab is also being evaluated by Bristol-Myers Squibb in clinical trials in combination with other immuno-oncology agents in a variety of tumor types.

About Innate Pharma:

Innate Pharma S.A. is a biopharmaceutical company discovering and developing first-in-class therapeutic antibodies for the treatment of cancer and inflammatory diseases.

Its innovative approach has translated into major alliances with leaders in the biopharmaceutical industry such as Bristol-Myers Squibb and Novo Nordisk A/S.

The Company has two clinical-stage programs in immuno-oncology, a new therapeutic field that is changing cancer treatment by enhancing the capability of the body's own immune cells to recognize and kill cancer cells. Innate Pharma science also has potential in chronic inflammatory diseases.

Listed on Euronext-Paris, Innate Pharma is based in Marseille, France, and had 90 employees as at June 30, 2014.

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

This press release and the information contained herein do not constitute an offer to sell or a solicitation of an offer to buy or subscribe to shares in Innate Pharma in any country.

For additional information, please contact:

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Innate Pharma
Laure-Hélène Mercier
Director, Investor Relations
Tel.: +33 (0)4 30 30 30 87
investors@innate-pharma.com

ATCG Press
Judith Aziza, Mob.:+33 (0)6 70 07 77 51
Marielle Bricman, Mob.:+33 (0)6 26 94 18 53

presse@atcg-partners.com