PRESS RELEASE

innate pharma

START OF PHASE I CLINICAL TRIAL OF MONALIZUMAB IN COMBINATION WITH DURVALUMAB

- Multicenter, open-label, dose-escalation and cohort-expansion Phase I study of durvalumab in combination with monalizumab in patients with solid tumors;
- Trial performed by AstraZeneca/MedImmune in the United States and in Europe;
- This fifth trial with monalizumab completes the roll-out of the initial clinical plan, due to start reading out in 2017.

Marseille, France, February 8, 2016

Innate Pharma SA (the "Company" - Euronext Paris: FR0010331421 – IPH) today announces the start of a Phase I combination trial of the two checkpoint inhibitors monalizumab (anti-NKG2A antibody) and durvalumab (anti-PD-L1 antibody).

This trial is a multicenter, open-label, dose-escalation and cohort-expansion study to evaluate the safety, tolerability and antitumor activity of the combination in patients with selected advanced solid tumors. It will include up to 208 patients, and will be performed in the United States and in Europe.

Pierre Dodion, Chief Medical Officer of Innate Pharma, said: *"There is a strong rationale for combining immune checkpoints inhibitors. Combinations with PD-1/PD-L1 inhibitors are of particular interest given the antitumor activity already reported for these agents and we are therefore excited to simultaneously target PD-L1 and NKG2A checkpoints in this trial".* He added: *"All the trials of the initial monalizumab development plan are now open and we expect to see first data in 2017. Concurrently, we are working on expanding the program to further explore the potential of monalizumab".*

The rationale of the combination of durvalumab and monalizumab will be presented at a scientific meeting during 2016.

This trial is part of a global co-development and commercialization agreement with AstraZeneca for monalizumab signed in April 2015. Five Phase I/II trials are now ongoing, testing monalizumab in a variety of solid and hematologic tumors, as a single-agent and in various combinations, exploring the clinical impact of monalizumab's ability to stimulate direct tumor killing by cytotoxic NK and T cells, and different mechanisms of synergy with other immunomodulators, including T cell activators and ADCC-inducing antibodies.

About study D419NC00001:

This trial is a Phase I, multicenter, open-label, single-arm dose-escalation and cohort-expansion study of durvalumab in combination with monalizumab in adult subjects with advanced solid tumor malignancies. It will include up to 208 patients, and will be performed in the United States and in Europe.

The rationale for this trial is based on the potential synergy in blocking several checkpoints expressed on tumor infiltrating immune cells. Durvalumab is an investigational anti-PD-L1 monoclonal antibody. By binding to PD-L1, durvalumab blocks the interaction of PD-L1 with the inhibitory receptors PD-1 and CD80 (B7.1) on the surface of T cells and may re-establish an

anti-tumor response mediated by T cells. The checkpoints targeted by durvalumab and monalizumab are both upregulated in many cancers, suggesting they both contribute to tumor immune escape, and that simultaneous blockade of both inhibitory pathways may be necessary for fully unleashing effective anti-tumor immune responses. The primary endpoint of the study is safety, with antitumor efficacy being a key secondary endpoint. Other secondary endpoints include response duration, progression free survival, overall survival, pharmacokinetics, pharmacodynamics, and immunogenicity of durvalumab and monalizumab given in combination.

About monalizumab (IPH2201):

Monalizumab is a first-in-class immune checkpoint inhibitor targeting NKG2A receptors expressed on tumor infiltrating cytotoxic CD8 T lymphocytes and NK cells.

NKG2A is an inhibitory receptor binding HLA-E. By expressing HLA-E, cancer cells can protect themselves from killing by NKG2A$^+$ immune cells. HLA-E is frequently up-regulated on cancer cells of many solid tumors or hematological malignancies. Monalizumab, a humanized IgG4, blocks the binding of NKG2A to HLA-E allowing activation of NK and cytotoxic T cell responses. Hence, monalizumab may re-establish a broad anti-tumor response mediated by NK and T cells. Monalizumab may also enhance the cytotoxic potential of other therapeutic antibodies.

Monalizumab is partnered with AstraZeneca and MedImmune, AstraZeneca's global biologics research and development arm, through a co-development and commercialization agreement. The initial development plan includes: a combination trial with durvalumab (MEDI4736) in solid tumors; multiple Phase II trials conducted by Innate Pharma to study monalizumab both as monotherapy and in combination with currently approved treatments across a range of cancers; and the development of associated biomarkers. As previously announced, under the terms of this agreement, Innate Pharma is eligible to cash payments of up to $1.275 billion as well as double digit royalties on sales. In addition to the initial payment of $250 million AstraZeneca will pay Innate Pharma a further $100 million at the decision to go into Phase III development, as well as additional regulatory and sales-related milestones of up to $925 million. AstraZeneca will book all sales and will pay Innate Pharma double-digit royalties on net sales. The arrangement includes the right for Innate Pharma to co-promote in Europe for a 50% profit share in the territory.

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.

The Company has three clinical-stage programs, including two checkpoint inhibitors 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.

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

Listed on Euronext-Paris, Innate Pharma is based in Marseille, France, and had 118 employees as at December 31, 2015.

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

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Practical Information about Innate Pharma shares:

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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 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.

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