

For immediate release

**INSERM TRANSFERT AND INNATE PHARMA ENTER INTO AN
INNOVATIVE PARTNERSHIP FOR THE DEVELOPMENT OF NEW
ANTIBODIES FOR THE TREATMENT OF CANCER AND
INFLAMMATORY OR AUTOIMMUNE DISEASES**

Over a three-year period, Inserm Transfert will make available to Innate Pharma information on early-stage antibody targets discovered within Inserm's academic research laboratories, for the purpose of jointly advancing them and concluding commercial licenses.

Paris & Marseille, France, September 11, 2009 – Inserm Transfert and Innate Pharma (Euronext: IPH) announce today the execution of an agreement facilitating the development of antibodies in cancer, inflammation and auto-immunity.

This partnership of a new kind will enable Innate Pharma to be informed of the discovery of promising antibody targets at an early stage, and in turn to collaborate with academic scientists to develop drug candidates directed to such targets. On Inserm's side, it will accelerate the identification and validation of targets with market potential.

This agreement includes three main stages:

- Inserm Transfert will make available to Innate Pharma, for preliminary evaluation, information on early-stage antibody targets (within the scope of the agreement) discovered by Inserm academic laboratories;
- For targets selected by Innate Pharma following this preliminary evaluation, Inserm and Innate Pharma will implement a collaborative research program to advance and mature the project towards the development of a drug candidate. The partners will enter into an option agreement for a potential license of the target by Innate Pharma;
- At the end of the collaborative research program, Innate Pharma may exercise its option and enter into a licensing agreement.

Data generated during the collaboration for targets not retained by Innate Pharma will be the property of Inserm.

This partnership will benefit on the one hand from Inserm's excellence in fundamental research and on the other hand from Innate Pharma's leading expertise in translational research and antibody development. A distinctive feature of this partnership lies in the continuous interaction between the two partners that should enable more relevant (i) definition of collaborative research programs and (ii) selection of targets of interest for drug

development. The partnership will also benefit from additional efforts by Inserm Transfert to identify projects of high potential in most renowned academic laboratories.

“We are very pleased to be the first company to benefit from this new type of privileged relationship with Inserm Transfert”, said Hervé Brailly, CEO of Innate Pharma. He added: “Innate Pharma has significant expertise in translational research and several of our targets arise from French public research. In addition, antibodies now represent a significant part of our drug-candidate portfolio, budget allocation and development strategy. This agreement therefore fits well with our ambitions.”

“Facilitating collaboration between Inserm’s academic laboratories and industry is at the core of Inserm Transfert’s mission. This partnership demonstrates our ability to support companies in their translational research effort, while fulfilling our primary objective: assisting Inserm in its mission of advancing innovation and public health”, said Dr. Cécile Tharaud, CEO of Inserm Transfert. She added: “In this kind of partnership, our partners benefit from our high value-added services within a streamlined contractual relationship.”

About Inserm Transfert

Founded in 2001, Inserm Transfert SA is the private subsidiary of the French National Institute of the Health and Medical Research (Inserm), dedicated to technology transfer (from invention disclosure to industrial partnership). Inserm Transfert also manages European and International research projects, supports preclinical, clinical and post-marketing studies. Inserm Transfert is committed to seed financing in the biotech sector, through its dedicated fund Inserm Transfert Initiative.

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About Innate Pharma:

Innate Pharma S.A. ("the company") is a clinical-stage biopharmaceutical company developing first-in-class immunotherapy drugs for cancer and other severe diseases. The company was incorporated in 1999 and listed on NYSE-Euronext in Paris in 2006.

The company has significant expertise in identifying new targets and bringing novel drug candidates through to clinical proof-of-concept trials. It currently has seven proprietary drug candidates in development (two of which are in Phase II clinical trials) and two programs out-licensed to Novo Nordisk A/S.

Innate Pharma is based in Marseilles, France, and had 86 employees as at June 30, 2009.

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

Practical Information about Innate Pharma shares:

ISIN code FR0010331421

Ticker code IPH

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