

PRESS RELEASE

innate pharma

INNATE PHARMA ANNOUNCES ITS TURNOVER FOR THE THIRD QUARTER OF 2009 AND UPDATES ON ITS CASH SITUATION

- *Turnover for the first nine months of 2009 amounted to 2.8 million euros*
- *As at September 30, 2009, cash, cash equivalents and current financial instruments amounted 30.5 million euros*

Marseilles, France, November 6, 2009

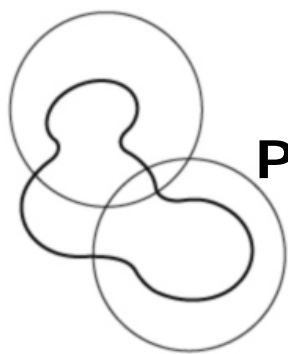
Innate Pharma SA (Euronext Paris: FR0010331421 – IPH) announces a turnover of 2.8 million euros for the first nine months of 2009, compared with 5.9 million euros for the same period in 2008. The following table shows the turnover for the first nine months of 2008 and 2009, as well as the turnover for the third quarters of the same years:

In thousand of euros	Nine months ending September 30		Three months ending September 30	
	2008	2009	2008	2009
Revenue from collaboration and licensing agreements	5,875	2,721	1,458	131
Other revenue	16	55	-	-
Turnover	5,891	2,776	1,458	131

Turnover is constituted by revenue from collaboration and licensing agreements as well as from other revenue. Government funding for research expenditures, which comprises research tax credit, is not included in the turnover but is part of the Company's operating revenue, released with first semester and full year results.

Innate Pharma's turnover for the third quarter of 2009 comes from research and development funding from Novo Nordisk A/S for collaborative work performed after March 2009 on selected products that are licensed to Novo Nordisk A/S. The decrease in turnover in 2009 was anticipated as a consequence of the contractual term of the three-year strategic R&D collaboration with Novo Nordisk A/S in March 2009. The Company is still bound to Novo Nordisk A/S by license agreements as well as by collaboration agreements on selected projects.

Turnover of the Company today comes from collaboration and licensing agreements, and notably from payments received for the achievement of pre-specified steps in the development of drug-candidates. Therefore, turnover is not recurring and may show substantial variations from one period to another.



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Cash, cash equivalents and current financial instruments and financial liabilities:

Cash, cash equivalents and current financial instruments amounted to 30.5 million euros as at September 30, 2009.

The financial liabilities of the Company amounted 7.2 million euros as at September 30, 2009, including 4.8 million euros related to the twelve-year lease-financing agreement on the Company's premises and 2.4 million euros related to (i) Oséo (the French innovation agency) grants and (ii) other lease-financing agreements repayable in between 2010 and 2013.

In October 2009, the Company has received 1.2 million euros from Oséo in relation to the 2.9 million euros grant for the financing of the first Phase II trial with IPH 2101 in multiple myeloma.

On the basis of its current cash position, the Company can finance its operations into 2011.

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.

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 84 employees as at September 30, 2009.

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.

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