PRESS RELEASE

innate pharma

FINAL DATA ON RESPONSE RATE FOR THE PHASE II TRIAL WITH IPH 1101 IN FOLLICULAR NON-HODGKIN'S LYMPHOMA REPORTED AT THE EHA MEETING

- ***Favorable complete response rate with IPH 1101 associated with low-dose IL-2 in combination with rituximab***
- ***Last trial of the clinical program for IPH 1101 completed in a context where new cancer immunotherapies are emerging***
- ***In total, the drug candidate was administered to about 200 patients in six clinical trials with good safety and early signs of activity in HCV and NHL***

Marseilles, France, June 13, 2010

Innate Pharma (Euronext Paris: FR0010331421 – IPH) reports today final data on response rate from the Phase I/II clinical trial evaluating IPH 1101 associated low-dose IL-2 in combination with standard of care rituximab[1], in patients with relapsing follicular Non-Hodgkin's Lymphoma ("fNHL"; study "IPH 1101-202").

Forty-five patients were treated during this trial and evaluable for safety. Thirty-eight patients were evaluable for efficacy.

As assessed by independent central review at three and six months, 17 patients showed a response (i.e. 45% Overall Response Rate or "ORR"), of which 10 patients showed a complete response (i.e. 26% Complete Response Rate or "CRR").

The ORR and CRR observed with rituximab alone in similar settings is around 40% and 10% respectively[2]. Most patients in the IPH 1101-202 study were "F-carriers" (FcRgamma3a polymorphism - a genotype associated with a poorer response to rituximab-alone therapy). Analysis of the duration of response is ongoing.

The treatment was well tolerated in a majority of patients with the most frequent adverse events being cytokine release related, manageable and reversible.

These results were presented orally today by the co-lead investigator of the study, Pr Jean-François Rossi (Head of Hemato-Oncology Department and Center of Clinical Investigation BT 509, University Hospital, Montpellier, France), at the Annual European Hematology Association ("EHA") Meeting, in Barcelona, Spain.

Pr. Rossi commented: "*These results suggest a benefit of the combination versus rituximab alone. Interestingly, it might be efficient whatever the FcRgamma3a polymorphism. Definite conclusions regarding the contribution of IPH 1101 in the combination would however require a randomized trial*". He added: "*It would be of particular relevance to test this combination in first line follicular lymphoma patients with low or intermediate tumor burden, for which today no satisfying treatment option exists.*"

[1] *Rituximab is a monoclonal anti-CD20 antibody, marketed for oncology and inflammatory indications under the brand Rituxan/MabThera by Roche/Genentech and Biogen-Idec.*
[2] *Davis et al., Journal of Clinical Oncology, 2000*

"We have a signal of activity with our first drug candidate, IPH 1101, in cancer and in infectious disease (HCV)." said Hervé Brailly, CEO of Innate Pharma. He added: *"We will now search for a partner for further development of this program, while we focus our clinical organization on the Phase II program of IPH 2101 which has just begun. We are moving forward, in a favorable context characterized by major achievements in cancer immunotherapy".*

Conference call: **Innate Pharma management will be hosting a conference call to discuss these results, Monday, June 14, 2010 at 4:15 pm (Paris time).**

Investors, journalists and financial analysts are invited to participate in the conference call by dialing +33 (0)1 72 00 13 65.

A slideshow will be available on Innate Pharma's website (www.innate-pharma.com).

About the Phase I/II trial with IPH 1101 in follicular Non-Hodgkin's Lymphoma (the "IPH 1101-202" trial):

The Phase I/II fNHL study (IPH 1101-202) was an international multicenter trial. The trial aimed at evaluating the efficacy of IPH 1101 associated with low-dose IL-2 in combination with rituximab, as well as the biological activity and safety of this combination in fNHL patients with low tumoral mass, relapsing after one to four lines of prior therapy, with at least one rituximab-containing line and who were due to undergo an additional course of rituximab therapy.

The study rationale was based on two data sets:

- the strong, well-established cytotoxicity of γδ T cells vis-à-vis lymphoma cells in cell culture models, and
- pre-clinical results showing synergy between rituximab and IPH 1101 activated γδ T cells in depleting B lymphoma cells through ADCC enhancement.

IPH 1101 therapy was started one week after the first administration of rituximab, and repeated at 3 week intervals for a total of 3 treatment courses. Efficacy was assessed by an independent central review, based on standard response criteria: best overall response (complete and partial responses) within 6 months after treatment.

In France, the trial has been performed with the assistance of the GELA and GOELAMS lymphoma collaborative study groups.

About IPH 1101:

IPH 1101 is a chemical agonist of the non conventional γ9δ2 T lymphocytes ("γδ T cells"). It potentiates the direct cytotoxic activity of γδ T cells against a large number of tumor cell lines and triggers the synthesis of pro-inflammatory cytokines - inducing the recruitment of other cell effectors and facilitating implementation of an adaptive response. It has been developed for intravenous delivery in association with subcutaneous, low-dose IL-2. While IPH 1101 activates γδ T cells, IL-2 enables the expansion of the γδ T cells population.

IPH 1101 pharmacological activity involves the γδ TcR receptor. This is, as far as we know, the first example of a drug candidate activating a lymphocyte subpopulation by means of a receptor for the T cell antigen.

IPH 1101 has been tested in a clinical program comprising two Phase I trials and four Phase IIa and Phase I/II trials in different indications and settings, notably Type C viral Hepatitis ("HCV") and follicular Non-Hodgkin's Lymphoma ("fNHL"). In this program, IPH 1101 has shown good safety and pharmacodynamics. Early signs of clinical activity were evidenced in HCV and fNHL in combination with rituximab (more information on www.innate-pharma.com, in the Products/IPH 1101 section).

About Non-Hodgkin's Lymphoma:

Non-Hodgkin's lymphoma ("NHL") includes a heterogeneous group of more than 20 different malignant lymphoproliferative diseases that originate from lymphocytes.

NHL is the sixth most common cause of cancer related death in the United States and the incidence of the disease has increased up to 4% of all new cancer cases in 2009.

The second most frequent clinical entity that is recognised in the new lymphoma classification, after diffuse large B-cell lymphoma, is the follicular lymphoma (22% of all Non-Hodgkin's Lymphoma). There were 66,120 new cases of follicular lymphoma in the United States in 2009 (Source: American Cancer Society, 2010).

About Innate Pharma:

Innate Pharma S.A. is a clinical-stage biopharmaceutical company developing first-in-class immunotherapy drugs for cancer and other severe diseases. The Company has two drug candidates currently in Phase II clinical trials. Two of its preclinical programs are out-licensed to Novo Nordisk A/S.

Incorporated in 1999 and listed on NYSE-Euronext in Paris in 2006, Innate Pharma is based in Marseilles, France, and had 79 employees as at March 30, 2010.

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

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, 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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