

PRESS RELEASE

innate pharma

INNATE PHARMA ANNOUNCES ITS TURNOVER FOR THE FIRST QUARTER OF 2011 AND UPDATES ON ITS CASH POSITION

Marseilles, France, May 5, 2011

Innate Pharma (the "Company" - Euronext Paris: FR0010331421 – IPH) announces a turnover of 1.0 million euros for the first quarter of 2011, compared with 0.1 million euros (105 thousand euros) for the same period in 2010.

Currently, turnover of the Company is composed of revenue from collaboration and licensing agreements, and notably from payments received for the achievement of pre-specified milestones in the development of drug-candidates. Therefore, turnover is not recurring and may show substantial variance from one period to the other.

Innate Pharma's turnover for the first quarter of 2011 results from a payment by Novo Nordisk A/S for IPH 2201 reaching a clinical milestone in February 2011. IPH 2201 is a monoclonal antibody licensed by Innate Pharma to Novo Nordisk A/S.

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 half and full year results.

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

Cash, cash equivalents and current financial instruments of the Company amounted to 30.4 million euros as at March 31, 2011.

As at the same date, the financial liabilities of the Company amounted to 7.2 million euros, including 4.3 million euros related to the twelve-year lease-financing agreement on the Company's new premises, 2.5 million euros related to Oséo* grants and 0.4 millions euros for other lease-financing agreements.

In April 2011, the Company had filed for research tax credit receivable for 2010 in the amount of 3.6 million euros.

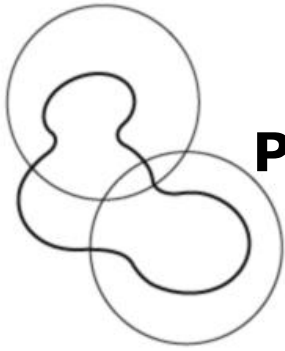
Annual report and Reference Document:

The French version of the 2010 Reference Document, including the Annual Financial Report, as well as the 2010 Annual Report of the Company (in French and English), are available on its website (www.innate-pharma.com). The Reference Document of the Company (in French) is also available on the website of the AMF, the French stock-market authorities (www.amf-france.org).

The English version of the 2010 Reference Document will be made available on Innate Pharma's website in May 2011.

Hard copies of these documents are available upon request to the investor relations department of the Company.

* The French Innovation Agency



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About Innate Pharma:

Innate Pharma S.A. is a biopharmaceutical company developing first-in-class immunotherapy drugs for cancer and inflammatory diseases.

The Company specializes in the development of new monoclonal antibodies targeting receptors and pathways controlling the activation of innate immunity cells. Its most advanced drug-candidate is IPH 2101, an anti-KIR monoclonal antibody potentiating NK cells activation currently in Phase II clinical trials in hematologic cancers. Two of its antibody programs in chronic inflammation are out-licensed to Novo Nordisk A/S.

Innate Pharma's key expertise is in immunopharmacology and antibody technology. The Company has implemented in-house a large panel of molecular and cellular assays and *in vivo* models for assessing the pharmacodynamics and pharmacotoxicology of drug candidates. In addition, Innate Pharma has access to a very large set of unique research tools in cellular immunology through its worldwide network of scientific collaborations.

Incorporated in 1999 and listed on NYSE-Euronext in Paris in 2006, Innate Pharma is based in Marseilles, France, and had 85 employees as at March 31, 2011.

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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