

PRESS RELEASE

innate pharma

2011: A YEAR OF MOMENTUM FOR INNATE PHARMA

- ***Collaboration and licence agreement signed with Bristol-Myers Squibb for lead program***
- ***Strengthened position in the innate immunity field***
- ***Total cash increased to €46.6 million from €34.6 million at the end of 2010***

Marseilles, France, March 6, 2012

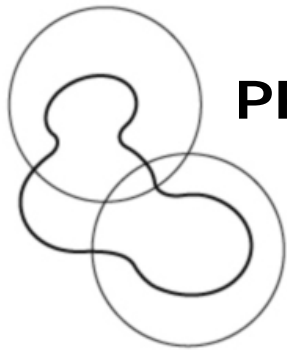
Innate Pharma SA (the "Company" - Euronext Paris: FR0010331421 – IPH), the innate immunity company developing first-in-class drugs for cancer and inflammatory diseases, reports today its consolidated financial results for the year ended December 31, 2011. The consolidated financial statements are attached to this press release.

Hervé Brailly, Chief Executive Officer of Innate Pharma, commented: *"2011 was a year of major advances in the field of innate immunity and a most fruitful year for Innate Pharma. Our new collaboration with Bristol-Myers Squibb and progress in our long-standing collaboration with Novo-Nordisk A/S are further evidence of our capabilities in the immunomodulating space. In addition, our R&D efforts and our strong links with leading academic centres have led to exciting discoveries such as the one published last January for NKp46 and will provide us with a preeminent position in the field of innate immunity.*

We are confident that our leading position in immunomodulating antibodies for cancer and inflammation, combined with our strong cash position, will enable us to continue to build upon the exciting momentum created in 2011."

The key elements of these results are as follows:

- Revenue and other income of 11.7 million euros (vs. 4.3 million euros in 2010), primarily from collaboration agreements and research tax credit;
- Operating expenses of 19.3 million euros (vs. 18.0 million euros in 2010), of which approximately 80% is in research and development;
- Net loss amounting to 7.0 million euros (vs. 13.7 million euros in 2010); and
- Cash, cash equivalents and current financial instruments of 46.6 million euros at December 31, 2011, with 6.8 million euros in debt. Based on its current programs, the Company estimates that it has sufficient cash to fund operation into mid-2015.



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Review of 2011 achievements and outlook for 2012/2013:

IPH2102 (anti-KIR antibody), partnered with Bristol-Myers Squibb:

In July 2011, Innate Pharma signed a breakthrough global agreement with **Bristol-Myers Squibb** (BMS) for the development and commercialization of the anti-KIR monoclonal antibody IPH2102. This licensing agreement was the largest ever signed by a French biotechnology company.

The agreement included an upfront payment of \$35 million (€24.9 million) and potential milestone payments of up to another \$430 million, as well as double-digit royalty payments on worldwide net sales. Bristol-Myers Squibb will fund the development of IPH2102.

A Phase I clinical trial is ongoing and dose escalations are pursued as planned. Innate Pharma intends to subsequently initiate a Phase II randomised trial in Acute Myeloid Leukemia.

IPH2201 (NN8765, anti-NKG2A antibody), partnered with Novo Nordisk A/S:

A Phase I clinical trial for IPH2201 in rheumatoid arthritis was initiated in 2011. IPH2201 is a first-in-class monoclonal antibody generated by the research collaboration between Innate Pharma and Novo Nordisk A/S. The European trial application, filed by **Novo Nordisk A/S**, resulted in a milestone payment to Innate Pharma in February 2011. Innate Pharma is eligible for additional milestone payments as development moves forward as well as royalties on future sales.

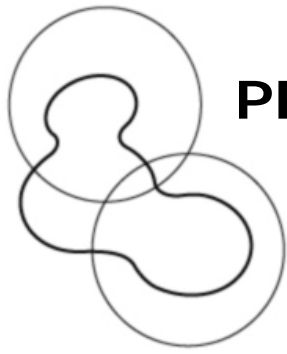
Proprietary pre-clinical programs:

Research on proprietary programs is ongoing. IPH33, an anti-TLR3 monoclonal antibody program developed in inflammation, substantially progressed in 2011 and Innate Pharma's objective in 2012 is to identify a lead candidate. For the anti-KIR3DL2 monoclonal antibody program IPH41 in cancer, the next milestone will be to qualify a development candidate. Innate Pharma will continue to work on other targets with innovative mechanisms of action.

Innate Pharma is also working on the implementation of in-house antibody capabilities with a high-throughput discovery platform as well as a proprietary set of ADC (antibody drug conjugates) technologies.

Platine Pharma Services:

In 2011, Innate Pharma and Transgene became co-owners (50-50) of Platine Pharma Services. Platine Pharma Services is a company specializing in immunomonitoring services. This company will provide fee-based services to the healthcare industry for the preclinical and clinical development of prophylactic and therapeutic drug candidates.



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Recent highlights:

In January 2012, Innate Pharma's key academic partner, the Centre of Immunology of Marseille-Luminy (CIML), published an exciting discovery in the field of innate immunity in *Science**. Professor Eric Vivier, Innate Pharma's scientific co-founder led the research which revealed a yet undescribed mechanism of regulation for the immune response that might open new avenues for immune therapeutic intervention targeting NKp46. Innate Pharma and INSERM, the French National Institute of Health and Medical Research, co-own the intellectual property rights relating to the discovery and have filed patent applications. Innate Pharma and the CIML will continue to evaluate the next steps for NKp46 as a novel target for the development of immune-modulating agents.

Update on 2011 key financial items:

The consolidated annual IFRS financial statements as at December 31, 2011 as well as the management discussion on these results are in appendix at the end of this document.

The table below summarizes the consolidated income statement for the 12-month period ended December 31, 2011, compared to the same period in 2010:

In thousands of euros	Year ended December 31	
	2010	2011
Revenue from collaboration and licensing agreements	211	7,454
Government financing for research expenditures	4,109	4,286
Revenue and other income	4,320	11,740
Research and development expenses	(14,041)	(14,843)
General and administrative expenses	(3,969)	(4,467)
Net operating expenses	(18,010)	(19,310)
Operating income / (loss)	(13,690)	(7,570)
Financial income / (expense), net	32	590
Net income / (loss)	(13,658)	(6,980)

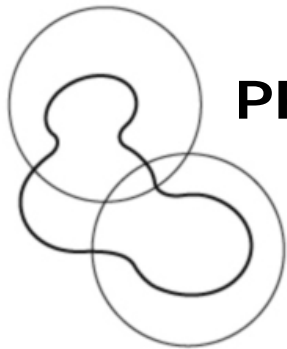
A conference call for fund managers, financial analysts and journalists will be held today at 3:00pm (CET). Dial in numbers:

France: +33 (0)805 111 346, **UK:** +44 (0)808 238 0673, **US:** +1 866 655 1591
Conference ID: 55900510#

A replay will be available until Monday, March 12, 2012. Dial in numbers:

France: +33 (0)805 111 337, **International:** +44 (0)1452 55 00 00,
UK: +44 (0)800 953 1533, **US:** +1 866 655 1591
Access number: 55900510#

* *Tuning of Natural Killer Cell Reactivity by NKp46 and Helios Calibrates T Cell Responses - Science 20 January 2012: 344-348.*



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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 innovative approach has been validated by license agreements with two major pharmaceutical companies, Novo Nordisk A/S and Bristol-Myers Squibb.

Incorporated in 1999 and listed on NYSE-Euronext in Paris in 2006, Innate Pharma is based in Marseilles, France, and had 80 employees as at December 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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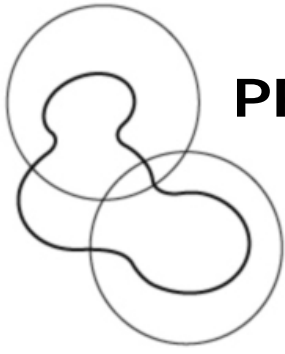
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APPENDIX

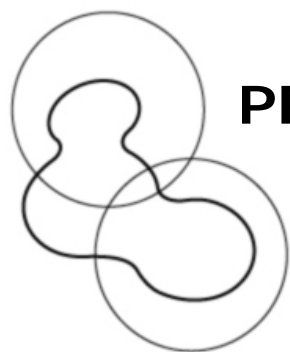
Innate Pharma SA

Consolidated financial statements as at December 31, 2011.

The following consolidated balance sheet, income statement and statement of cash flows are prepared in accordance with International Financial Reporting Standards.

The audit procedures on the consolidated financial statements have been performed. The auditors' report will be issued after the finalization of the required procedures relating to the filing of the annual report ('Document de Référence'). The consolidated financial statements have been approved by the Company's Executive Board on March 5, 2012. These statements were reviewed by the Company's Supervisory Board on March 5, 2012 and will be submitted for approval to the Shareholders' General Meeting on June 28, 2012.

Innate Pharma's financial annual report, included in the reference document, will be available in the second quarter of 2012.

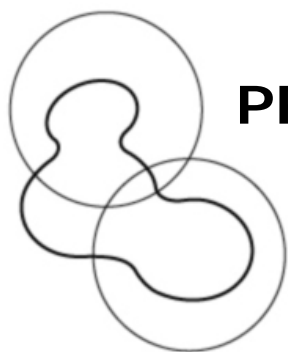


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Balance Sheet (in thousands of euros)

	At December 31	
	2010	2011
Assets		
Current Assets		
Cash and cash equivalents	31,818	46,606
Financial instruments	2,763	—
Current receivables	6,083	6,369
Total current assets	40,664	52,975
Non-current assets		
Intangible and tangible assets	7,335	6,442
Associates and joint ventures	—	692
Other non-current assets	11	—
Total non-current assets	7,346	7,134
Total assets	48,010	60,109
Liabilities		
Current liabilities		
Trade payables	6,660	13,221
Financial liabilities	701	2,273
Provisions	13	—
Total current liabilities	7,374	15,494
Non-current liabilities		
Financial liabilities	6,786	4,497
Defined benefit obligations	334	381
Other non-current liabilities	—	13,112
Total non-current liabilities	7,120	17,990
Shareholders' equity		
Capital and reserves attributable to equity holders of the Company		
Share capital	1,884	1,884
Share premium	108,173	108,453
Retained earnings	(63,225)	(76,710)
Net income (loss)	(13,658)	(6,980)
Other reserves	341	(22)
Total capital and reserves attributable to equity holders of the Company	33,516	26,625
Total liabilities and equity	48,010	60,109

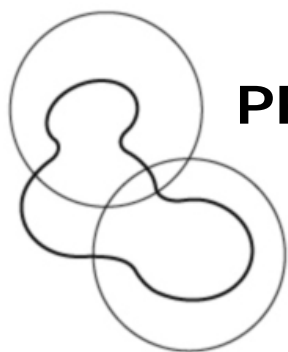


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Income Statement (in thousands of euros)

	Year ended December 31	
	2010	2011
Revenue from collaboration and licensing agreements	211	7,454
Government financing for research expenditures	4,109	4,286
Revenue and other income	4,320	11,740
Cost of supplies and consumable materials	(2,730)	(1,103)
Intellectual property expenses	(697)	(535)
Other purchases and external expenses	(7,056)	(9,788)
Employee benefits other than share-based compensation	(6,235)	(6,511)
Share-based compensation	(35)	(219)
Depreciation and amortization	(1,056)	(920)
Other expenses	(201)	(234)
Net operating expenses	(18,010)	(19,310)
Operating income (loss)	(13,690)	(7,570)
Financial income	541	945
Financial expenses	(509)	(520)
Net gain on disposal	—	390
Share of profit (loss) of associates and joint ventures	—	(225)
Net income (loss) before tax	(13,658)	(6,980)
Income tax expense	—	—
Net income (loss)	(13,658)	(6,980)
Net income (loss) per share attributable to equity holders of the Company:		
Weighted average number of shares (in thousands):	37,435	37,687
(in € per share)		
- basic	(0.36)	(0.19)
- diluted	(0.36)	(0.19)

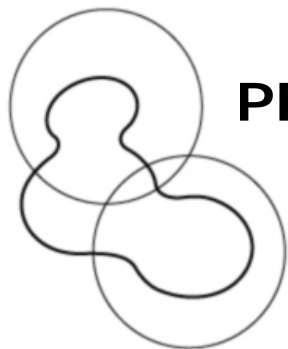


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Statement of cash flows (in thousands of euros)

	Year ended December 31	
	2010	2011
Cash flows from operating activities		
Net income (loss)	(13,658)	(6,980)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation and amortization	1,100	901
Provisions for charges and defined benefit obligations	(160)	61
Share-based compensation	35	219
Unrealized gains / (loss) on assets available for sale	—	(173)
Share of profit (loss) of associates and joint ventures	—	225
(Gains) / losses on the Platine Pharma Services operation	—	(390)
(Gains) / losses on disposals of fixed assets	(99)	3
Changes in working capital:		
Current receivables and prepayments	987	(700)
Deferred revenue	—	20,480
Trade payables	(1,653)	(660)
Net cash generated from / (used in) operating activities	(13,449)	12,986
Cash flows from investing activities		
Acquisition of property and equipment	(408)	(322)
Changes in other non-current assets	120	—
Purchase of current financial instruments	—	—
Disposal of current financial instruments	—	2,767
Cash collateral in relation to a lease-financing	—	—
Net cash generated from / (used in) investing activities	(289)	2,445
Cash flows from financing activities		
Net proceeds from issuance of share capital	8	36
Increase in financial liabilities	—	—
Repayment of financial liabilities	(789)	(719)
Transactions on treasury shares	(112)	24
Net cash generated from financing activities	(893)	(659)
Effect of the exchange rate changes	—	17
Net increase / (decrease) in cash and cash equivalents	(14,631)	14,789
Cash and cash equivalents at the beginning of the year	46,448	31,818
Cash and cash equivalents at the end of the year	31,818	46,606



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Management discussion on annual results for 2011:

Revenue and other income

Revenue and other income result from payments from collaboration and licensing agreements as well as government financing for research expenditures. The Company's revenue and other income was 4.3 million euros and 11.7 million euros for the fiscal years ended on December 31, 2010 and 2011, respectively, from the following sources:

In thousands of euros	Year ended December 31	
	2010	2011
Revenue from collaboration and licensing agreements	211	7,454
Government financing for research expenditures	4,109	4,286
Revenue and other income	4,320	11,740

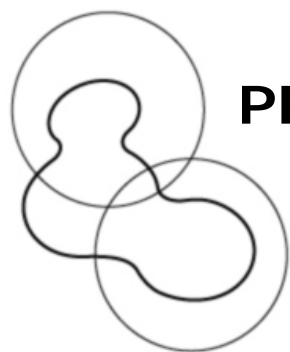
Revenue from collaboration and licensing agreements

Revenue from collaboration and licensing agreements for the fiscal year ended on December 31, 2011 results from the agreements signed with Novo Nordisk A/S and Bristol-Myers Squibb.

Following the licencing agreement signed with Bristol-Myers Squibb in July 2011, the Company received an upfront payment of 24.9 million euros (35.3 million US dollars). This upfront payment is non-refundable and non-creditable, except for 3.5 million euros (5 million US dollars) which could be creditable against future milestone payments. The non-refundable and non-creditable amount of the upfront is recognized on a straight-line basis in revenue during the expected duration of the clinical program in course at the date of the contract. The amount that is not yet recognized as revenue is booked as deferred revenue on the balance sheet.

In addition to this upfront payment, the Company invoiced Bristol-Myers Squibb reimbursement for an amount corresponding to its external costs for the licensed programs incurred between the contractual starting date and December 31, 2011.

Revenues from collaboration and licencing agreements also include a payment by Novo Nordisk A/S associated with IPH2201 (NN8765) reaching a clinical milestone in February 2011.



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Government financing for research expenditures

The table below details government financing for research expenditure for the fiscal years ended on December 31, 2010 and 2011:

In thousands of euros	Year ended December 31	
	2010	2011
Research tax credit	3,807	3,751
French and foreign grants	302	535
Government financing for research expenditures	4,109	4,286

Since the fiscal year ended on December 31, 2008, the calculation of the research tax credit is based on 30% of the amount of eligible expenses for the fiscal year. The table below shows the amount of R&D expenses (net of grants) eligible for the fiscal years ended on December 31, 2010 and 2011:

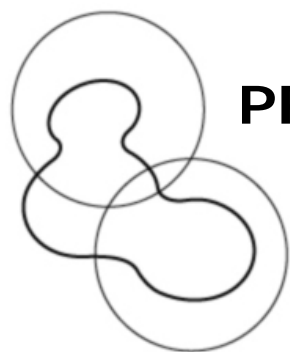
In thousands of euros	Year ended December 31	
	2010	2011
R&D expenses eligible for the research tax credit	12,071	12,793
Grants and other subsidies received, net	(91)	(569)
Net expenses eligible for the research tax credit	11,980	12,224

The research tax credit is usually reimbursed by the French government during the fourth fiscal year following the one for which it was booked in the income statement, provided that it is not deducted from taxes due by the Company. However, beginning in fiscal year 2010, companies qualified as small and medium sized ("SMEs") according to the European Union are eligible to an anticipated reimbursement of their debt related to research tax credit. The Company meets the SME criteria according to the European Union. It therefore benefits from the anticipated reimbursement and received the cash relating to the 2010 tax credit in July 2011.

Since 2008, repayable advances received are deducted from the expenses eligible for the research tax credit. These repayable advances amounted, respectively, to approximately 0.1 and 0.6 million euros in 2010 and 2011. In parallel, the Company conducted more research work outside of the European Union, notably in the USA, and these research expenses are not eligible for the research tax credit.

For the fiscal year 2010, the Company mainly booked a grant amounting to 0.3 million euros in connection with the "Lyon Biopôle".

In 2011, the item is mainly composed of the cluster grant mentioned above for 0.3 million euros and a grant from Oséo for 0.1 million euros.



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These grants directly impact the Company's income statement as they are recorded as other revenue, as opposed to repayable advances which are recorded as debt and thus only impact our balance sheet.

Operating expenses by business function

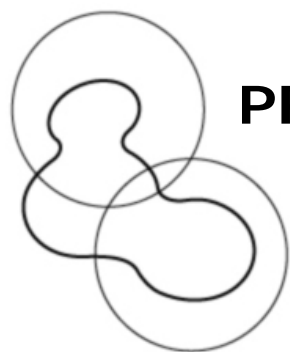
The table below gives a breakdown of net operating expenses by business function:

In thousands of euros	Year ended December 31	
	2010	2011
Research and development expenses	(14,041)	(14,843)
General and administrative expenses	(3,969)	(4,467)
Net operating expenses	(18,010)	(19,310)

Research and development expenses include the cost of employees assigned to research and development operations (including employees assigned to work under the collaboration and licensing agreements), product manufacturing costs, subcontracting costs as well as costs of materials (reagents and other consumables) and pharmaceutical products.

Research and development expenses amounted to 14.0 million euros and 14.8 million euros for the fiscal years ended on December 31, 2010 and 2011, respectively. These expenses represented 78% of net operating expenses for the fiscal year ended on December 31, 2010 and 77% for the fiscal year ended on December 31, 2011. The increase in research and development expenses between 2010 and 2011 is mostly explained by an increase in subcontracting costs in relation to the clinical program IPH21, the payment of an exceptional bonus following the signing of the agreement with Bristol-Myers Squibb and the expenses linked to the warrants issued during the year.

General and administrative expenses include expenses for employees not directly working on research and development, as well as the expenses necessary for the management of the business and its development. General and administrative expenses were 4.0 million euros and 4.5 million euros for the fiscal years ended on December 31, 2010 and 2011, respectively. This expense represents a total of 22% of the net operating expenses for the fiscal year ended on December 31, 2010 and 23% for the fiscal year ended on December 31, 2011. The increase in general and administrative expenses is mostly related to the consultancy costs associated with the agreement with Bristol-Myers Squibb, the payment of an exceptional bonus following the signing of this agreement and the expenses relating to the warrants issued during the year.



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Operating expenses by nature

The table below gives a breakdown of net operating expenses by nature of expenses:

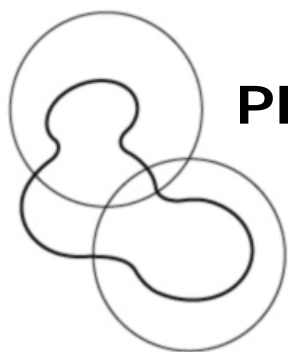
In thousands of euros	Year ended December 31	
	2010	2011
Cost of supplies and consumable materials	(2,730)	(1,103)
Intellectual property expenses	(697)	(535)
Other purchases and external expenses	(7,056)	(9,788)
Employee benefit other than share-based compensation	(6,235)	(6,511)
Share-based compensation	(35)	(219)
Depreciation and amortization	(1,056)	(920)
Other income and (expenses), net	(201)	(235)
Net operating expenses	(18,010)	(19,310)

Cost of supplies and consumable materials

The cost of supplies and consumable materials totaled 2.7 million euros and 1.1 million euros for the fiscal years ended on December 31, 2010 and 2011, respectively. The year over year reduction in this item of this item results from the absence of cost of manufacturing products in 2011.

In thousands of euros	Year ended December 31	
	2010	2011
Cost of manufacturing products	1,530	-
Other consumable purchases	1,200	1,103
Cost of supplies and consumable materials	2,730	1,103

Other consumable purchases include the cost of products used in Innate Pharma's laboratories and by third parties with whom the Company collaborated, notably during clinical trials. The decrease of these costs in 2011 compared to 2010 was mainly due to the fact that Innate Pharma Services SAS has not been fully consolidated since March 30, 2011 (Platine operation).



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Intellectual property expenses

Intellectual property expenses were 0.7 million euros and 0.5 million euros for the fiscal years ended December 31, 2010 and 2011, respectively.

These expenses include the cost of filing and protecting patents (including patents that were acquired from third parties and where the agreements specified that Innate Pharma is responsible for the relevant costs) as well as the costs for obtaining an option or license for intellectual property. In accordance with IAS 38, considering the degree of maturity of the Company and the uncertainty that exists as to the outcome of its research and development projects, intellectual property expenses are recorded in expenses.

Other purchases and external expenses

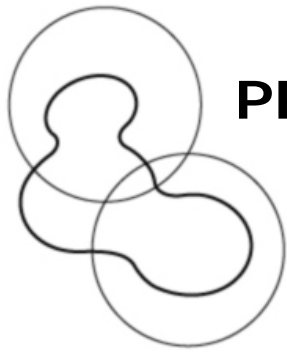
Other purchases and external expenses came to 7.1 million euros and 9.8 million euros during the fiscal years ended on December 31, 2010 and 2011, respectively, broken down as follows:

In thousands of euros	Year ended December 31	
	2010	2011
Sub-contracting	3,813	6,370
Scientific consultancy and services	553	437
Leases, maintenance and utility	900	688
Travel and conference costs	629	682
Non-scientific consultancy	509	975
Marketing, communication and public relations	358	233
Attendance fees	119	158
Others	175	245
Other purchases and external expenses	7,056	9,788

Sub-contracting expenses include discovery research costs (financing research conducted externally, particularly academic research, antibody humanization technologies, manufacturing process development, etc.), pre-clinical development (pilot manufacturing, tolerance and pharmacology studies, etc.) and clinical costs (clinical trial management, etc.) outsourced to third parties.

The increase in 2011 compared to 2010 is mainly explained by the significant progress of the clinical program for IPH21, only partly offset by the decrease of the sub-contracting costs related to the other programs.

Scientific consultancy and services consist of costs related to outside consultants assisting in the research and development of product candidates. It also covers fees paid to members of the Company's Scientific committee. The decrease in this line item in between 2010 and 2011 is mostly explained by the termination of some collaboration contracts in 2011.



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The decrease in leases, maintenance and utility costs between 2010 and 2011 is mainly explained by residual costs in 2010 in relation to the previous premises of the Company and by the fact that Innate Pharma Services SAS has not been fully consolidated since March 30, 2011.

Travel and conference costs include expenses for employee travel and attendance of conferences, particularly scientific, medical, business development and financial conferences. The participation in these meetings aims at maintaining the visibility, the expertise, and the credibility of the Company within these different communities.

Non-scientific consultancy are mostly fees paid to audit firms, to the Company's certified public accountant for his assistance in accounting, tax and employee matters, to our lawyers for their assistance in negotiating collaboration and licensing agreements and general counselling assistance, to business strategy or development consultants as well as recruitment fees. The increase in these expenses between 2010 and 2011 results from the payment of advisory fees related to the contract signed with Bristol-Myers Squibb and from the fees invoiced by the Company's Senior Advisor Finance.

Employee benefit other than share-based compensation

Employee benefit other than share-based compensation came to 6.2 million euros and 6.5 million euros for the fiscal years ended on December 31, 2010 and 2011, respectively. This includes salaries and social benefit costs.

On average, Innate Pharma had 83.0 employees during the fiscal years ended on December 31, 2010 and 2011. 67% of these employees worked in research and development during these periods.

Share-based compensation

Share-based compensation came to 0.03 million euros and 0.2 million euros for the fiscal years ended on December 31, 2010 and 2011, respectively. These are costs associated with the compensation granted to directors, managers, employees and consultants through stock-options, warrants or free shares which could give them ownership of share capital in the future. This non-cash compensation is recorded as an expense in accordance with IFRS 2.

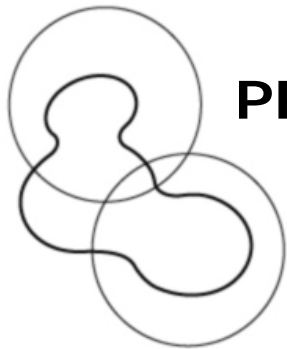
The increase in share-based compensation between 2010 and 2011 is explained by the issue in 2011 of warrants without presence condition. Consequently, the total fair value of these instruments was fully recognized in the profit and loss statement in 2011.

Depreciation and amortization

These costs came to 1.1 million euros and 0.9 million euros for the fiscal years ended on December 31, 2010 and 2011 respectively.

Other income and expenses, net

There was a net expense of 0.2 million euros for the fiscal years ended on December 31, 2010 and 2011. Other income and expenses mainly include certain indirect taxes, as well as exceptional income and expenses.



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Net financial income

No net financial income was recorded in the fiscal year ended on December 31, 2010, and 0.6 million euros was recorded for the fiscal year ended on December 31, 2011. This increase was due to several reasons: a net gain on disposal in the context of the Platine operation, the increase of financial income following the investment of the 24.9 million euros cashed-in following the signing of the agreement with Bristol-Myers Squibb and the share of loss of Platine Pharma Services SAS.

Thus far, the Company has not relied much on bank loans or lease-financing and has had a positive cash balance. The Company's cash investment policy favours the absence of risk on principal and, wherever possible, guaranteed minimum performance. The balance of current cash investments and current financial instruments was 34.6 million euros and 46.6 million euros for the fiscal years ended on December 31, 2010 and 2011, respectively.

Net gain on disposal

This gain amounting to 0.4 million euros relates to the loss of control over the previous 100% interest held in Platine and a simultaneous acquisition of the 50% retained as at March 30, 2011.

Share of profit (loss) in associate and joint-venture

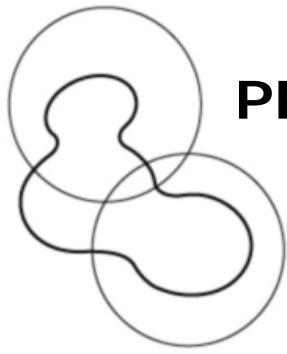
This amount relates to the share of loss in Platine Pharma Services.

Corporate tax

Because of the existing tax losses reported this year and over the past fiscal years, there is no income tax expense. No deferred tax asset has been recorded as there is minimal likelihood of recovery. In accordance with IFRS, the research tax credit is classified as an 'other revenue' and not in the line 'income tax expense'.

Net income/(loss) per share

The net loss per authorized and issued share came to 0.36 euros and 0.19 euros for the fiscal years ended on December 31, 2010 and 2011, respectively.



PRESS RELEASE

innate pharma

Balance sheet items:

Since its incorporation in 1999, the Company has been primarily financed by issuing new securities and from revenue from its licensing activities (mostly in relation to the agreements with Novo Nordisk A/S and Bristol-Myers Squibb), government financing for research expenditure and repayable advances (Oséo-Anvar). Financial debt amounted to 6.8 million euros as of December 31, 2011.

Cash, cash equivalent and current financial instruments amounted to 46.6 million euros as of December 31, 2011, compared with 34.6 million euros as of December 31, 2010.

At December 31, 2011, trade payables include the part of the upfront payment received from Bristol-Myers Squibb which will be recognized in revenue in 2012. Other non-current liabilities include the part of this upfront payment which will be recognized later on.

Post balance sheet event:

On December 27, 2011, Innate Pharma SA was notified that a tax audit would take place. The audit process began in January 2012. As of today, management is not aware of any material risk regarding a potential tax reassessment.

Risk factors:

Risk factors affecting the Company are presented in paragraph 4 of the latest "Document de Référence" submitted to the French stock-market regulator, the "Autorité des Marchés Financiers" on April 29, 2011.

Annual financial report for 2011 and "Reference Document":

The Company intends to file its 2011 annual financial report as well as its "Reference Document" for the year so that these documents are made public in the second quarter of 2012.