PRESS RELEASE

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INNATE PHARMA FIRST QUARTER 2019 REPORT

- ***Cash, cash equivalents and financial assets of the Company amounted to €237.1 million****
- ***Initiation of cohort expansion study of monalizumab and cetuximab to evaluate triple combination with an anti-PD(L)1 in patients with IO naïve head and neck cancer***
- ***AstraZeneca selects four preclinical molecules per the Option agreement signed in October 2018***
- ***Initiation of IPH4102 TELLOMAK Phase II study; trial design and preclinical data supporting exploration of IPH4102 in PTCL to be presented at upcoming scientific conference***
- ***IPH5401 dose-escalation study is on track; safety update and cohort expansion expected in 2H2019***
- ***New preclinical data highlighting IPH5201 (anti-CD39), IPH5301 (anti-CD73) antibodies and multi-specific NK-cell engager (NKCE) technology presented at 2019 AACR***

Marseille, France, May 15, 2019, 7:00 AM CEST

Innate Pharma SA (the "Company" - Euronext Paris: FR0010331421 – IPH) today announced its revenues and cash position for the first three-months of 2019.

"*During the first quarter, we successfully launched two key clinical studies and presented new data that paves the way for the advancement of new molecular entities towards the clinic,"* **commented Mondher Mahjoubi, Chief Executive Officer of Innate Pharma.** *"In particular, the launch of the IPH4102 TELLOMAK study, which may support a potential BLA submission in Sézary syndrome, will allow us to evaluate IPH4102's potential benefit in larger subsets of T-cell lymphoma. Additionally, together with our partner, AstraZeneca, we will explore triple combination of monalizumab, cetuximab and an anti-PD(L)1 in IO-naïve head and neck patients. This is an important achievement to further assess the potential of monalizumab in the management of advanced head and neck cancer patients. We are committed to execute on our clinical plans and will provide data updates on many of our programs throughout the rest of the year and into 2020."*

* Including short term investments (€15.7 million) and non-current financial instruments (€34.7million).

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First quarter 2019 and recent pipeline highlights:

Monalizumab (anti-NKG2A antibody), partnered with AstraZeneca:

- First patient dosed in a new expansion cohort of the ongoing Phase Ib/II study (IPH2201-203). The expansion cohort will evaluate the safety and efficacy of monalizumab, a first-in-class immune checkpoint inhibitor with a dual effect on both Natural Killer (NK) cells and T lymphocytes, in combination with a PD-(L)1 inhibitor and cetuximab in patients with recurrent and/or metastatic squamous cell carcinoma of the head and neck (R/M SCCHN) who have not received prior systemic regimens in the R/M setting and who have not received prior treatment with a PD-(L)1 inhibitor ("IO-naïve").

Various Preclinical Programs:

- AstraZeneca selected four molecules from Innate's preclinical portfolio per the October 23, 2018 transaction terms. Selected molecules include the anti-MICA/B antibody drug conjugate[†] (IPH43) and the anti-Siglec 9 antibody program. Two other programs are undisclosed and include a multi-specific NKp46 NK cell engager.

IPH4102 (anti-KIR3DL2 antibody):

- Initiation of IPH4102 TELLOMAK, an international, open-label, multi-cohort Phase II study evaluating the efficacy and safety of IPH4102 in larger patient populations expressing KIR3DL2, including peripheral T cell lymphoma (PTCL). TELLOMAK is planned to recruit up to 250 patients, with IPH4102 evaluated as a single agent in patients with Sézary syndrome (SS; 60 patients planned) and mycosis fungoides (MF; 90 patients planned) and in combination with standard chemotherapy (gemcitabine and oxaliplatin) in patients with PTCL (approximately 100 patients). In patients with MF and PTCL, the two-stage study is designed to evaluate the benefit of IPH4102 according to KIR3DL2 expression. Under certain conditions, the SS arm of the study could enable the registration of IPH4102 in this indication.
    - In January 2019, the US Food and Drug Administration (FDA) granted Innate Fast Track designation for IPH4102 for the treatment of adult patients with relapsed or refractory SS who have received at least two prior systemic therapies.
    - The TELLOMAK trial design and preclinical data supporting the potential of IPH4102 in PTCL will be presented at an upcoming scientific conference.
    - Update on the first stage of MF and PTCL Phase II cohorts are expected the second half of 2020 and preliminary efficacy data in 2021.

[†] In 4Q 2018, the Company elected to advance the anti-MICA/B program as an ADC-antibody and terminated the naked antibody (ADCC) program IPH4301.

IPH5401 (anti-C5aR antibody):

- Dose-escalation part of the Phase I study (STELLAR-001) with IPH5401, in combination with durvalumab (Imfinzi®) for the treatment of patients with solid tumors, including non-small-cell lung cancer (NSCLC) with secondary resistance to prior immuno-oncology (IO) treatment and IO-naïve hepatocarcinoma (HCC) is on track; safety update and start of cohort expansion are expected in 2H2019.

Various Preclinical:

- New preclinical data from the Company's immunotherapy pipeline was showcased in a presentation by Eric Vivier, CSO, at the 2019 American Association for Cancer Research (AACR) Meeting:
    - Innate's new proprietary, potentially first-in-class multi-specific NKp46 NK-cell engager ("NKp46 NKCEs") are designed to stimulate NK cells instead of T-cells in order to improve the benefit-risk profile for the treatment of solid tumors. The NKp46 NKCE technology targets two activating receptors, NKp46 and CD16, on NK cells and a tumor antigen on cancer cells. New preclinical data show that these NKp46 NKCEs are more potent *in vitro* and *in vivo* than clinical therapeutic monoclonal antibodies targeting the same tumor antigen and have not displayed off-target effects. Additionally, we observed that co-engagement of NKp46 synergized with CD16 to potentiate both tumor cell lysis and NK cell activation.
    - IPH5201 (anti-CD39) - new data show that a combination of Innate's anti-CD39 monoclonal antibody, IPH5201, and ATP-inducing oxaliplatin had a synergistic effect that improved the control of tumor growth in a preclinical mouse model.
    - IPH5301 (anti-CD73) - new data from a crystal structure of the CD73/IPH5301 complex support a model for the differentiated mode of action of IPH5301 and enhanced efficacy compared to competitors.
    - Innate expects INDs to be filed for IPH5201 in the second half of 2019 and for IPH5301 in the first half of 2020.

Financial results:

Cash, cash equivalents and financial assets of the Company amounted to €237.1 million as of March 31, 2019. At the same date, financial liabilities amounted to €5.3 million, of which €0.9 million resulting from the application of IFRS 16‡ (€4.5 million as of December 31, 2018).

During the first quarter, the remainder of the upfront cash payments associated with the October 23, 2018 AstraZeneca transaction were received or paid to the appropriate party.

- The Company received in January 2019 $100 million (€87.6 million) as a result of AstraZeneca exercising its option to obtain the full rights of monalizumab in oncology.

‡ IFRS 16 « Leases » supersedes IAS 17 from January 1, 2019. Under IFRS 16, a lease liability is recognized for all the leases (operating and finance leases) whilst it was only applied to finance leases under IAS 17.

- The Company received in January 2019 the second tranche of $24 million (€21.1 million) of a non-refundable payment of $50 million from AstraZeneca for the upfront payment with respect to IPH5201. The first tranche of $26 million was received in October 2018.

- The Company paid AstraZeneca $50 million (€43.8 million) for the US and EU rights to commercialize Lumoxiti in January 2019.

- The Company paid in February 2019 $15 million (€13.1 million) to Novo Nordisk A/S per the February 2014 agreement in relation to monalizumab, following the exercise of the option by AstraZeneca.

Revenues for the first three-months of 2019 amounted to €13.9 million (€8.7 million for the same period in 2018). For the three-month period ended March 31, 2019, revenue from collaboration and licensing agreements mainly results from the spreading of the initial payments received under our agreements with AstraZeneca.

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About Innate Pharma:

Innate Pharma S.A. is a commercial stage oncology-focused biotech company dedicated to improving treatment and clinical outcomes for patients through therapeutic antibodies that harness the immune system to fight cancer.

Innate Pharma's commercial-stage product, Lumoxiti, in-licensed from AstraZeneca, was approved by the FDA in September 2018. Lumoxiti is a first-in class specialty oncology product for hairy cell leukemia (HCL). Innate Pharma's broad pipeline of antibodies includes several potentially first-in-class clinical and preclinical candidates in cancers with high unmet medical need.

Pioneer in the biology of NK cell, Innate Pharma has expanded its expertise in the tumor microenvironment and tumor-antigens, as well as antibody engineering. This innovative approach has resulted in a diversified proprietary portfolio and major alliances with leaders in the biopharmaceutical industry including Bristol-Myers Squibb Novo Nordisk A/S, Sanofi, and a multi-products collaboration with AstraZeneca.

Based in Marseille, France, Innate Pharma is listed on Euronext Paris.

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

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 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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