

PRESS RELEASE

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ORPHAN DRUG DESIGNATION IN THE EUROPEAN UNION FOR IPH4102 FOR THE TREATMENT OF CUTANEOUS T-CELL LYMPHOMA

- ***IPH4102 is a first-in-class anti-KIR3DL2 antibody***
- ***Phase I is expected to start in 2015***

Marseille, France, August 27, 2014

Innate Pharma SA (the "Company" - Euronext Paris: FR0010331421 – IPH), the innate immunity company developing first-in-class drug candidates for cancer and inflammatory diseases, today announced that the European Commission has granted orphan drug designation to IPH4102 for the treatment of cutaneous T-cell lymphoma (CTCL).

CTCL is a group of rare cutaneous lymphomas of T lymphocytes with poor prognosis and few therapeutic options at advanced stages. IPH4102 is a first-in-class cytotoxic anti-KIR3DL2 antibody, aiming at destroying CTCL cancer cells.

Hervé Brailly, Chief Executive Officer and co-founder of Innate Pharma, said: "*This decision by the European Commission validates the IPH4102 approach in a disease with significant medical need and supports our strategy for a rapid clinical development*".

Phase I trial with IPH4102 is expected to begin in 2015.

About IPH4102:

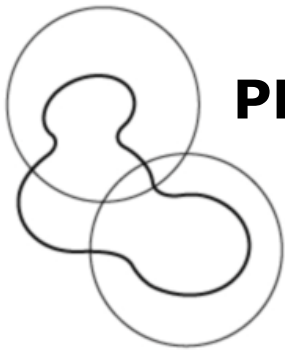
KIR3DL2 is an inhibitory receptor of the KIR family, normally expressed on a fraction of normal NK cells but specifically expressed in most subtypes of the orphan indication of cutaneous T-cell lymphomas.

IPH4102 is a humanized cytotoxic antibody (IgG1) which targets and destroys cells expressing KIR3DL2. It selectively binds KIR3DL2 and has demonstrated a high level of efficacy in various pre-clinical models. Biomarker tools are developed in parallel to allow the monitoring of KIR3DL2 expression in patients.

About Cutaneous T-Cell Lymphoma ("CTCL"):

Cutaneous T-Cell Lymphomas (CTCL) are a heterogeneous group of non-Hodgkin's lymphomas characterized by infiltration of the skin by malignant T-cells. According to the Leukemia & Lymphoma Society, CTCL account for ca. 4% of all NHL. The number of new cases of CTCL in US and EU (combined) annually is estimated to be 5,000 to 6,000.

CTCL is a life-threatening condition in its advanced stages with median survival of less than five years. Its treatment depends on the specific type of tumor, its stage and the extent of lesions. Patients with limited stage disease are effectively treated with topical therapies. If these are ineffective or if the patient develops advanced stage disease then systemic therapies are introduced. In advanced stage disease, responses are often partial and seldom durable and there is no treatment for which improved survival has been demonstrated.



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About Orphan drug status:

EMA's Orphan Medicinal Product Designation is designed to promote the development of drugs that may provide significant benefit to patients suffering from rare, life-threatening diseases. In addition to 10 years of market exclusivity in case of approval, the designation also provides special incentives for sponsors including eligibility for protocol assistance and possible exemptions or reductions in certain regulatory fees during development or at the time of application for marketing approval.

About Innate Pharma:

Innate Pharma S.A. is a biopharmaceutical company conducting research and development of innovative immunotherapy drug candidates for cancer and inflammatory diseases.

The company specializes in the development of first-in-class therapeutic antibodies targeting receptors and pathways controlling the activation of the innate immune system. Three product-candidates resulting from the company's research platform are currently being tested in clinical trials, two of which by partners Bristol-Myers Squibb and Novo Nordisk A/S.

Listed on Euronext-Paris, Innate Pharma is based in Marseilles, France, and had 85 employees as at March 31, 2014.

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 (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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