

PRESS RELEASE

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INNATE PHARMA AND ASTRAZENECA ANNOUNCE GLOBAL CO-DEVELOPMENT AND COMMERCIALISATION AGREEMENT FOR IPH2201 IN IMMUNO-ONCOLOGY

Marseille, France, April 24, 2015

Innate Pharma SA (Euronext Paris: FR0010331421 – IPH) today announced that it has signed a co-development and commercialization agreement with AstraZeneca, along with MedImmune, its global biologics research and development arm, to accelerate and broaden the development of Innate Pharma's proprietary anti-NKG2A antibody, IPH2201, including in combination with MEDI4736, an anti-PD-L1 immune checkpoint inhibitor developed by MedImmune. Currently in Phase II development, IPH2201 is a potential first-in-class humanized IgG4 antibody. NKG2A is a checkpoint receptor that inhibits the anti-cancer functions of Natural Killer (NK) and cytotoxic T-cells.

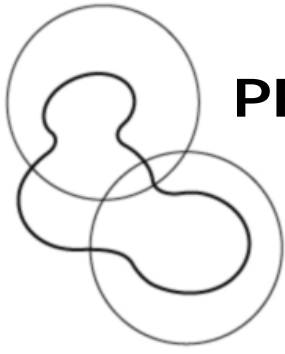
The financial terms of the signed agreement include cash payments of up to \$1.275 billion to Innate Pharma as well as double digit royalties on sales. The initial payment is \$250 million, which includes a consideration for the exclusive global rights to AstraZeneca to co-develop and commercialize IPH2201 in combination with MEDI4736 and access to IPH2201 in monotherapy and other combinations in certain areas. AstraZeneca will pay to Innate a further \$100 million prior to initiation of Phase III development, as well as additional regulatory and sales-related milestones of up to \$925 million. AstraZeneca will book all sales and will pay Innate double-digit royalties on net sales. The arrangement includes the right for Innate to co-promote in Europe for a 50% profit share in the territory.

The initial development plan includes: Phase II combination clinical trials with MEDI4736 in solid tumors; multiple Phase II trials planned by Innate to study IPH2201 both as monotherapy and in combination with currently approved treatments across a range of cancers; and the development of associated biomarkers.

The combination of IPH2201 with MEDI4736 adds to the broad programme of immuno-oncology combination trials that AstraZeneca and MedImmune have planned and underway. The studies aim to address multiple immune pathways, harnessing AstraZeneca's own extensive pipeline and working in partnership to explore the significant potential of immunotherapies in transforming the way cancer patients are treated.

Hervé Brailly, CEO and co-founder of Innate Pharma, said: *"This agreement allows Innate Pharma to broaden and accelerate the development of IPH2201 while preserving our innovative development plan. It provides Innate Pharma with the capabilities and resources to transform the company towards late stage development and potential commercial stage with co-promotion rights. We look forward to partnering with AstraZeneca and MedImmune, leaders in immuno-oncology, in this transforming transaction for Innate Pharma."*

Pascal Soriot, Chief Executive Officer of AstraZeneca, said: *"We are pleased to collaborate with Innate Pharma to bring this prospective first-in-class treatment to cancer patients, further strengthening our broad immuno-oncology pipeline. We believe that combination therapy in immuno-oncology has the potential to be one of the most effective ways of treating cancer and that by targeting both innate and acquired immunity we have the opportunity to deliver important clinical benefit to patients across a range of cancers."*



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The transaction is subject to customary terms and conditions, including the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act, and is expected to become effective in the second quarter of 2015.

**A conference call for fund managers, financial analysts and journalists
will be held today at 11:15AM (CET)**

- Dial in numbers: +33 1 70 77 09 34 (France) / USA (Free): +1 855 402 77 61 -

A replay will be available on Innate Pharma's website in the ["Innate Live" section](#).

About Innate Pharma's anti-NKG2A

IPH2201 is a first-in-class immune checkpoint inhibitor targeting NKG2A receptors expressed on tumor infiltrating cytotoxic NK and CD8 T lymphocytes.

NKG2A is an inhibitory receptor binding HLA-E. By expressing HLA-E, cancer cells can protect themselves from killing by NKG2A+ immune cells. HLA-E is frequently up-regulated on cancer cells of many solid tumors or hematological malignancies. IPH2201, a humanized IgG4, blocks the binding of NKG2A to HLA-E allowing activation of NK and cytotoxic T cell responses. Hence, IPH2201 may re-establish a broad anti-tumor response mediated by NK and T cells. IPH2201 may also enhance the cytotoxic potential of other therapeutic antibodies.

About MEDI4736

MEDI4736 is a human monoclonal antibody directed against programmed cell death ligand 1 (PD-L1). Signals from PD-L1 help tumours avoid detection by the immune system. MEDI4736 blocks these signals, countering the tumour's immune-evading tactics. MEDI4736 is being developed, alongside other immunotherapies (IMTs), to empower the patient's immune system and attack the cancer.

The PACIFIC clinical trial is a global study to assess the effects of MEDI4736 following concurrent chemoradiation in patients with stage III unresectable non-small cell lung cancer. ClinicalTrials.gov identifier: NCT02125461.

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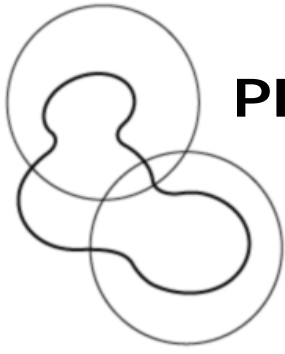
Innate Pharma S.A. is a biopharmaceutical company discovering and developing first-in-class therapeutic antibodies for the treatment of cancer and inflammatory diseases.

Its innovative approach has translated into major alliances with leaders in the biopharmaceutical industry such as Bristol-Myers Squibb and Novo Nordisk A/S.

The Company has two clinical-stage programs in immuno-oncology, a new therapeutic field that is changing cancer treatment by enhancing the capability of the body's own immune cells to recognize and kill cancer cells. Innate Pharma's science also has potential in chronic inflammatory diseases.

Listed on Euronext-Paris, Innate Pharma is based in Marseille, France, and had 99 employees as at December 31, 2014.

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



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About AstraZeneca

AstraZeneca is a global, innovation-driven biopharmaceutical business that focuses on the discovery, development and commercialisation of prescription medicines, primarily for the treatment of cardiovascular, metabolic, respiratory, inflammation, autoimmune, oncology, infection and neuroscience diseases. AstraZeneca operates in over 100 countries and its innovative medicines are used by millions of patients worldwide. For more information please visit: www.astrazeneca.com

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 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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