

PRESS RELEASE

innate pharma

INNATE PHARMA RECEIVES A MILESTONE PAYMENT FOR IPH 2201, A MONOCLONAL ANTIBODY LICENSED TO NOVO NORDISK A/S

IPH 2201 is the third monoclonal antibody developed in collaboration with Novo Nordisk A/S expected to enter clinical trials

Marseilles, France, February 28, 2011

Innate Pharma (the "Company" - Euronext Paris: FR0010331421 - IPH) announces that a European trial application has been filed by Novo Nordisk A/S for IPH 2201 (NN8765). This triggered the payment to Innate Pharma of a significant undisclosed milestone. IPH2201 is a humanized antibody generated in the collaboration between Innate Pharma and Novo Nordisk A/S and developed to treat patients with chronic inflammatory and auto-immune diseases.

"IPH 2201 is the third monoclonal antibody resulting from our collaboration with Novo Nordisk A/S expected to enter human clinical trials soon, after IPH 2101 and NN8555", said Hervé Brailly, CEO of Innate Pharma. He added: "They are all first-in-class antibodies targeting innate immunity receptors, showing the potential of this field to yield new therapeutic drug candidates in cancer and inflammation".

About IPH 2201:

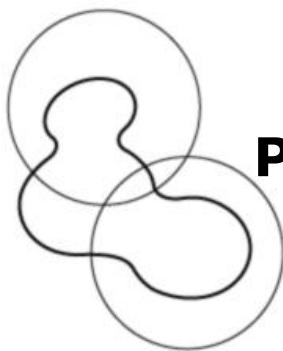
IPH 2201 is a humanized monoclonal antibody developed to treat patients with inflammatory conditions and autoimmune diseases by Novo Nordisk A/S. It targets an inhibitory receptor present on subpopulations of NK cells, as well as on NKT and certain T cells, thereby potentiating their activity to regulate over-activated cells.

IPH 2201 is expected to enter Phase I clinical trial in 2011. Innate Pharma is eligible to milestone payments for the development of IPH 2201 and to royalties on future sales.

About the other projects developed in collaboration between Innate Pharma and Novo Nordisk A/S:

Four antibody projects have been developed in collaboration between Innate Pharma and Novo Nordisk A/S:

- Innate Pharma holds the development and commercialization rights to IPH 21 (IPH 2101/IPH 2102), an anti-KIR monoclonal antibody project currently ongoing Phase II trials in oncology indications. Novo Nordisk A/S is eligible to regulatory (market approval) and commercial milestone payments for the development of IPH 2101/IPH 2102, as well as to royalties on product sales;
- Novo Nordisk A/S holds the development and commercialization rights to IPH 2201 and IPH 24, both developed for inflammatory and auto-immune disorders. Innate Pharma is eligible to milestone payments for the development of IPH 2201 and to royalties on product sales of IPH 2201 and IPH 24. IPH 24 is currently in pre-clinical validation;
- Novo Nordisk A/S holds the rights to NN8555 (previously IPH 2301), an anti-NKG2D monoclonal antibody now in Phase II clinical trial for the treatment of patients with rheumatoid arthritis. Following the asset transfer agreement with Novo Nordisk A/S, announced in October 2008, Innate Pharma no longer holds rights on this drug candidate.



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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. It has two proprietary clinical-stage drug candidates: IPH 1101, a small molecule agonist of gamma delta T cells, has achieved proof-of-concept in two Phase IIa trials, in type C viral hepatitis and follicular lymphoma. IPH 2101, an anti-KIR monoclonal antibody potentiating NK cells activation, is currently in Phase II clinical trials in hematologic cancers. Innate Pharma is also developing a preclinical portfolio of immunomodulatory or cytotoxic monoclonal antibodies. Two of its antibody programs in chronic inflammation have been 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 86 employees as at December 31, 2010.

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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