

PRESS RELEASE

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FIRST QUARTER 2016 REPORT

- ***Cash, cash equivalents and financial instruments of the Company amounted to €255.8 million*;***
- ***Broad innovative pipeline including three clinical-stage programs; expect first clinical data in 2016;***
- ***Two new proprietary preclinical programs anti-CD39 and anti-CD73 presented at AACR meeting.***

Marseille, France, May 4, 2016

Innate Pharma SA (the "Company" - Euronext Paris: FR0010331421 – IPH) today announced its revenues and cash position for the first three months of 2016.

Cash, cash equivalents and financial instruments of the Company amounted to €255.8 million as of March 31, 2016, including short term investments (€51.2m) and non-current financial instruments (€37.5m). At the same date, financial liabilities amounted to €3.6 million.

Revenues for the first three months of 2016 amounted to €5.7 million (€0.4 million for the same period in 2015). This revenue results from Innate Pharma's collaboration and licensing agreement with Bristol-Myers Squibb and co-development and commercialization agreement with AstraZeneca:

- €5.5 million resulting from the agreement with AstraZeneca, corresponding to the recognition over the period of the initial payment received in June 2015;
- €0.2 million relating to the agreement with Bristol-Myers Squibb resulting from the recognition over the period of the upfront payment received in July 2011.

In 2015, revenue for the first three months resulted mainly from the recognition of the upfront payment from the agreement with Bristol-Myers Squibb.

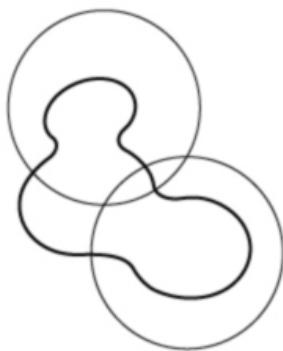
Hervé Brailly, Chief Executive Officer and co-founder of Innate Pharma, commented: *"During the first quarter of 2016, our pipeline of innovative immuno-oncology candidates continued to progress and expand. At the AACR[†] 2016 Annual Meeting, we presented data supporting the development of our clinical and preclinical programs, including two new programs targeting the tumor microenvironment. We are proud of these programs which further demonstrate our unique positioning in immuno-oncology.*

At the same time, our most advanced programs moved forward in their clinical development. A Phase I clinical trial was started by AstraZeneca that is testing our first-in-class NKG2A checkpoint inhibitor, monalizumab, in combination with durvalumab (AstraZeneca/MedImmune's PD-L1 inhibitor). This fifth trial completes the roll-out of the initial clinical plan, due to start reading out in 2017. With regards to lirilumab, our first-in-class anti-KIR checkpoint inhibitor, the DSMB[‡] completed its sixth assessment of the Phase II EffiKIR study in

^{*} Including short term investments (€51.2m) and non-current financial instruments (€37.5m).

[†] American Association for Cancer Research

[‡] Data and Safety Monitoring Board



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March and recommended continuation of the trial without modification. Data on the primary endpoint are expected in the second half of 2016."

Reminder:

Investor & Analyst Update on May 16th, 2016,
in New York, USA, from 12:00 to 3:00 pm ET.

Innate Pharma's management team will give an overview of the Company's pipeline of first-in-class monoclonal antibodies in Immuno-Oncology and provide an update on the Company's strategy.

The event is intended for institutional investors and sell-side analysts only. Please RSVP in advance if you plan to attend, as space is limited. To reserve a spot, please contact LifeSci Advisors, LLC at mac@lifesciadvisors.com.

About Innate Pharma:

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

Innate Pharma specializes 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.

The Company has pioneered the development of antibodies that block inhibitory checkpoint receptors on NK cells. Today, Innate Pharma has three first-in-class antibodies in clinical development in immuno-oncology and a pipeline of preclinical candidates to novel targets and mechanisms.

Its innovative approach has translated into alliances with leaders in the biopharmaceutical industry such as AstraZeneca, Bristol-Myers Squibb, Novo Nordisk A/S and Sanofi. Based in Marseille, France, Innate Pharma had 122 employees as at March 31, 2016. The company is listed on Euronext Paris.

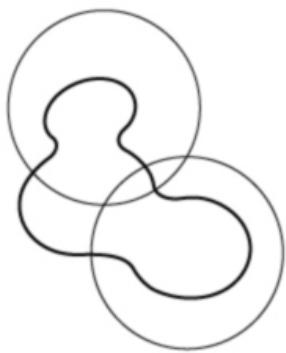
Learn more about Innate Pharma at www.innate-pharma.com.

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



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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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