PRESS RELEASE

innate pharma

EXPANSION OF PHASE I/II TRIAL EVALUATING LIRILUMAB IN COMBINATION WITH OPDIVO (NIVOLUMAB) IN PATIENTS WITH ADVANCED SOLID TUMORS

- ***Increased scope to explore additional cohorts of Opdivo (nivolumab) plus lirilumab in solid tumors, including a cohort exploring Opdivo with or without lirilumab in squamous cell carcinoma of the head and neck***
- ***Initial testing of the triplet combination of Opdivo, Yervoy (ipilimumab) and lirilumab***

Marseille, March 13, 2017

Innate Pharma SA (the "Company" - Euronext Paris: FR0010331421 – IPH) today announces that its partner Bristol-Myers Squibb has amended the clinical trial protocol for its ongoing Phase I/II trial evaluating the safety and tolerability of lirilumab in combination with Opdivo in patients with advanced refractory solid tumors. Under the amended protocol, updated on clinicaltrials.gov, the study will expand in scope to include additional cohorts of Opdivo plus lirilumab in solid tumors, including a randomized cohort exploring Opdivo with or without lirilumab in platinum refractory recurrent or metastatic squamous cell carcinoma of the head and neck (SCCHN), and initial testing of the triplet combination of Opdivo, Yervoy and lirilumab in solid tumors.

The protocol amendment follows the presentation at the Society for Immunotherapy of Cancer annual meeting (SITC, November 2016) of an interim efficacy analysis, which showed encouraging preliminary clinical benefit in the cohort of patients with advanced platinum refractory SCCHN in this Phase I/II trial.

Pierre Dodion, MD, Chief Medical Officer at Innate Pharma, said: *"This trial expansion builds on the promising preliminary signs of efficacy which we have seen in lirilumab in the initial cohort of patients in the Phase I/II study, announced at the SITC annual meeting last year. We are very encouraged by these signs and are delighted that our partner Bristol-Myers Squibb is exploring lirilumab's potential further through this large scale and broad-ranging trial."*

Lirilumab is directed against the inhibitory killer-cell immunoglobulin-like receptors (KIRs) expressed predominantly on natural killer (NK) cells, which belong to the innate immune system. It is licensed to Bristol-Myers Squibb and is being studied for its potential in combination with Opdivo and/or Yervoy, which are immune checkpoint inhibitors that respectively block the PD-1 and CTLA-4 receptors on T cells.

Lirilumab is being investigated in a broad exploratory program sponsored by Bristol-Myers Squibb, in various combinations with other agents across a range of solid and hematological cancer indications (see on clinicaltrials.gov).

About the Study

CA223-001 is a Phase I/II trial designed to assess the safety, tolerability and preliminary anti-tumor activity of the combination of lirilumab (anti-KIR) and Opdivo (anti-PD-1) or lirilumab and Opdivo with Yervoy (anti-CTLA-4) in advanced refractory solid tumors. The study cohorts

include dose escalation and initial signal detection in multiple solid tumors; safety and preliminary efficacy data were presented at the 2016 ESMO* and SITC meetings.

Key study endpoints include safety and tolerability, best overall response (BOR), objective response rate (ORR), duration of response (DOR) and biomarker assessments.

About Lirilumab

Lirilumab is a fully human monoclonal antibody that is designed to block the interaction between KIR2DL-1,-2,-3 inhibitory receptors and their ligands. Blocking these receptors facilitates activation of NK cells and potentially some subsets of T cells, ultimately leading to destruction of tumor cells.

Lirilumab is licensed to Bristol-Myers Squibb Company. As part of the agreement with Innate Pharma, Bristol-Myers Squibb holds exclusive worldwide rights to develop, manufacture and commercialize lirilumab and related compounds blocking KIR receptors, for all indications. Lirilumab is being evaluated by Bristol-Myers Squibb in clinical trials in combination with other agents in a variety of tumor types.

About Opdivo

Opdivo is a programmed death-1 (PD-1) immune checkpoint inhibitor that is designed to uniquely harness the body's own immune system to help restore anti-tumor immune response. By harnessing the body's own immune system to fight cancer, Opdivo has become an important treatment option across multiple cancers.

Opdivo's leading global development program is based on Bristol-Myers Squibb's scientific expertise in the field of Immuno-Oncology and includes a broad range of clinical trials across all phases, including Phase 3, in a variety of tumor types. To date, the Opdivo clinical development program has enrolled more than 25,000 patients. The Opdivo trials have contributed to gaining a deeper understanding of the potential role of biomarkers in patient care, particularly regarding how patients may benefit from Opdivo across the continuum of PD-L1 expression.

In July 2014, Opdivo was the first PD-1 immune checkpoint inhibitor to receive regulatory approval anywhere in the world. Opdivo is currently approved in more than 60 countries, including the United States, the European Union and Japan. In October 2015, the company's Opdivo and Yervoy combination regimen was the first Immuno-Oncology combination to receive regulatory approval for the treatment of metastatic melanoma and is currently approved in more than 50 countries, including the United States and the European Union.

About Yervoy

Yervoy is a recombinant, human monoclonal antibody that binds to the cytotoxic T-lymphocyte-associated antigen-4 (CTLA-4). CTLA-4 is a negative regulator of T-cell activity. Yervoy binds to CTLA-4 and blocks the interaction of CTLA-4 with its ligands, CD80/CD86. Blockade of CTLA-4 has been shown to augment T-cell activation and proliferation, including the activation and proliferation of tumor infiltrating T-effector cells. Inhibition of CTLA-4 signaling can also reduce T-regulatory cell function, which may contribute to a general increase

* European Society for Medical Oncology

in T-cell responsiveness, including the anti-tumor immune response. On March 25, 2011, the U.S. Food and Drug Administration (FDA) approved Yervoy 3 mg/kg monotherapy for patients with unresectable or metastatic melanoma. Yervoy is approved for unresectable or metastatic melanoma in more than 50 countries. There is a broad, ongoing development program in place for Yervoy spanning multiple tumor types.

About Innate Pharma:

Innate Pharma S.A. is a clinical-stage biotechnology company with a focus on discovering and developing first-in-class therapeutic antibodies that harness the innate immune system to improve cancer treatment and clinical outcomes for patients.

Innate Pharma specializes in immuno-oncology, a new therapeutic field that is changing cancer treatment by mobilizing the power of the body's immune system to recognize and kill cancer cells.

The Company's aim is to become a fully-integrated biopharmaceutical company in the area of immunotherapy and focused on serious unmet medical needs in cancer. Innate Pharma has pioneered the discovery and development of checkpoint inhibitors to activate the innate immune system. Innate Pharma's innovative approach has resulted in three first-in-class, clinical-stage antibodies targeting natural killer cell receptors that may address a broad range of solid and hematological cancer indications as well as additional preclinical product candidates and technologies. Targeting receptors involved in innate immunity also creates opportunities for the Company to develop therapies for inflammatory diseases.

The Company's expertise and understanding of natural killer cell biology have enabled it to enter into major alliances with leaders in the biopharmaceutical industry including AstraZeneca, Bristol-Myers Squibb and Sanofi.

Based in Marseille, France, Innate Pharma has more than 160 employees and is listed on Euronext Paris.

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

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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