PRESS RELEASE

innate pharma

INNATE PHARMA HAS LAUNCHED A PRIVATE PLACEMENT TO RAISE ABOUT 18 MILLIONS EUROS

- The private placement will be directed to specialized institutional investors, located mainly in the United-States
- It was launched after market close on November 15

Marseille, November 18, 2013

Innate Pharma SA (the "Company" - Euronext Paris: FR0010331421 – IPH), the innate immunity company developing first-in-class drug candidates for cancer and inflammatory diseases, announces today the launch of a private placement to specialized institutional investors, mainly located in the United-States, with the objective of raising about 18 million euros. The private placement was launched after market close on November 15.

Hervé Brailly, CEO, said: "*This fundraising responds to the interest expressed by specialist investors with whom we met during the last two years of sustained investor relations effort, notably in the United-States. Innate Pharma has great potential as a pioneer in the very promising field of immuno-oncology and more specifically checkpoint inhibitors. Our programs and partnerships have raised the interest of a highly specialized community of investors and analysts".*

This capital increase will give the Company the means to finance its portfolio of proprietary candidates to 2017.

The capital increase will be carried out without shareholders' preferential subscription rights. As per Article L. 225-136 of the French « Code de commerce » and Resolution 20 of the Mixed Shareholders Meeting of June 28, 2013, it will only be open to "qualified investors and/or small groups of investors acting for their own account", as defined by article L. 411-2 II of the French Monetary and Financial Code.

As per Resolution 20 of the Mixed Shareholders Meeting of June 28, 2013, the maximum size of the capital increase will be 7.6 million new shares, representing almost 20% of the current share capital of the Company.

The issue price of the new shares will be set in accordance with the provisions of Article R. 225-119 of the French « Code de commerce » and will be at least equal to the volume weighted average price of Innate Pharma shares over the three trading days prior to the pricing date, with a potential discount to that price not to exceed 5%

The final terms of the Private Placement will be announced as soon as possible after the bookbuilding terminates.

Application will be made to list the new shares on NYSE Euronext Paris. A listing prospectus, including an offering note and an update of the Company's 2012 Annual Report, will be submitted to the Autorité des Marchés Financiers (AMF) for approval.

About Innate Pharma:

Innate Pharma S.A. is a biopharmaceutical company developing first-in-class immunotherapy drug candidates for cancer and inflammatory diseases.

The Company specializes in the development of novel monoclonal antibodies targeting receptors and pathways controlling the activation of innate immunity cells. Its innovative approaches have led to licensing agreements with Novo Nordisk A/S and Bristol-Myers Squibb.

Incorporated in 1999 and listed on NYSE-Euronext in Paris in 2006, Innate Pharma is based in Marseilles, France, and had 84 employees as at September 30, 2013.

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 in such forward-looking statements. For a discussion of risks and uncertainties which could cause the company's actual results, financial condition, performance or achievements to differ from forward-looking statements, please refer to the Risk Factors section of the Company's Document de Reference filed with the AMF, which is available on the AMF website (www.amf-france.org) or on Innate Pharma's website (www.innate-pharma.com).

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.

This press release does not constitute or form part of an offer or solicitation of an offer to buy or subscribe for securities in France. The securities referred to herein may not be and will not be offered or sold to the public in France.

With respect to the member states of the European Economic Area which have implemented the Directive 2003/71/EC of the European Parliament and the Council of November 4, 2003 (the "Prospectus Directive"), no action has been undertaken or will be undertaken to make an offer to the public of the securities referred to herein requiring the publication of a prospectus in any relevant member state. As a result, the securities may not and will not be offered in any relevant member state except in accordance with the exemptions set forth in Article 3(2) of the Prospectus Directive, if they have been implemented in that relevant member state, or under any other circumstances which do not require the publication by Innate Pharma of a prospectus pursuant to Article 3 of the Prospectus Directive and/or to applicable regulations of that relevant member state.

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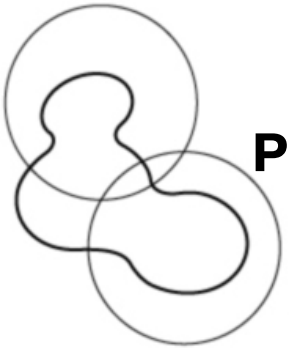

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