PRESS RELEASE

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INNATE PHARMA PRESENTS TWO POSTERS ON PROPRIETARY BTG-ADC TECHNOLOGY AT THE WORLD ADC SUMMIT:

- ***"Site-specific conjugation by BTG improves the therapeutic index of ADC in vivo"***
- ***"Versatility of Site-Specific Conjugation based on Bacterial Transglutaminase"***

Marseille, France, October 28, 2014

Innate Pharma SA (the "Company" - Euronext Paris: FR0010331421 – IPH), the innate immunity company developing first-in-class therapeutic antibodies for cancer and inflammatory diseases, today announced that two posters showing new sets of preclinical data on its new, site-specific conjugation technology ("BTG-ADC") have been presented at the World ADC Summit, San Diego, CA.

The key conclusion of these posters is that ADCs generated by BTG-ADC show an improved therapeutic index in *in vivo* models compared to ADCETRIS®, one of the two reference ADCs approved by FDA, with a significantly higher maximum tolerated dose (>60mg/kg vs 18 mg/kg) and a higher specific tumoral uptake. Furthermore, Innate Pharma's BTG-ADC technology is a rapid and versatile process appropriate for generating and testing various linkers and toxins such as PBDs*, in high-throughput screening.

Nicolaï Wagtmann, CSO of Innate Pharma, said: *"Innate Pharma has developed a technology that allows obtaining rapidly homogenous ADCs based on a minimal change of the manufacturing process. This proprietary technology is highly versatile and can accommodate both existing and future high potency toxins. Furthermore, we have demonstrated that BTG-ADCs are stable* in vivo *with a lower clearance compared to other available coupling technologies and have a more favorable biodistribution profile leading to an improved therapeutic index".*

Posters are available on Innate Pharma's website in the science & technology/ proprietary ADC technology section.

A presentation of this technology will be held at the upcoming European Antibody congress 2014, in Geneva, November 11, 2014 by Prof. Schibli, ETH-Hönggerberg, scientific collaborator of Innate Pharma, and will be available on Innate Pharma's website.

A publication is in preparation.

* Pyrrolobenzodiazepine dimers, a class of highly potent toxins

About Innate Pharma's ADC technology ("BTG-ADC"):

Innate Pharma's innovative coupling technology uses bacterial transglutaminase (BTG) enzyme. It aims to address the heterogeneity of the coupling between the antibody and the drug of interest, heterogeneity that affects the therapeutic efficacy of antibody conjugates. With this technology, a single point mutation in the antibody's heavy chain generates either two or four enzyme-recognition sites, and linkers have been optimized to couple quantitatively at these positions.

The process results in homogeneous ADCs with a drug-to-antibody ratio of exactly 2:1 or 4:1 in a robust and time-efficient manner. The coupling is site-specific with minimal antibody scaffold modification, therefore only adding two steps in an already well-established manufacturing procedure widely accepted by regulators.

Moreover, Innate Pharma's new BTG-based process requires a minimal amount of toxin, which can be a crucial argument with regard to large-scale production of ADCs. This chemo-enzymatic approach not only allows conversion of virtually any IgG1 into a functional ADC, but also enables comparison of various antibodies, linker systems or toxin.

BTG-ADCs are stable *in vivo*, without DAR variation over 2 weeks, with a lower clearance compared to ADCETRIS®. In addition, quantitative time-dependent *in vivo* biodistribution studies show higher tumor uptake than ADCETRIS® and exhibit lower non-specific liver and spleen uptakes, resulting in higher (>3 fold) maximum tolerated dose and therefore an improved therapeutic index.

Innate Pharma's technology could be used internally to expand its portfolio of developmental candidates or form strategic partnerships.

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.

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

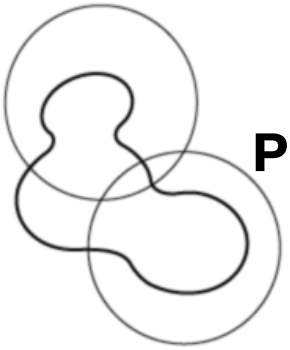
The Company has two clinical-stage programs in immuno-oncology, a new therapeutic field that is changing cancer treatment by enhancing the capability of the body's own immune cells to recognize and kill cancer cells. Innate Pharma science also has potential in chronic inflammatory diseases.

Listed on Euronext-Paris, Innate Pharma is based in Marseille, France, and had 90 employees as at June 30, 2014.

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

Practical Information about Innate Pharma shares:

ISIN code	FR0010331421
Ticker code	IPH



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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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