

16th March 2016

Healthcare

Innate Pharma

Price EUR11.88

Sixth DSMB meeting for EffiKIR... So far so good

Fair Value EUR19 (+60%)

BUY

Bloomberg	IPH.FP
Reuters	IPH.PA
12-month High / Low (EUR)	16.4 / 8.0
Market Cap (EURm)	640
Avg. 6m daily volume (000)	382.8

	1 M	3 M	6 M	31/12/15
Absolute perf.	15.5%	-9.3%	-9.5%	-12.3%
Healthcare	2.4%	-8.1%	-8.8%	-10.7%
DJ Stoxx 600	5.9%	-5.2%	-4.4%	-6.8%

	2014	2015e	2016e	2017e
P/E	NS	69.6x	7.2x	4.7x
Div yield (%)	NM	NM	NM	NM

ANALYSIS

- **Innate Pharma has announced that the DSMB (Data Safety Monitoring Board) has completed its sixth assessment of EffiKIR and recommended its continuation without modification.** As a reminder, EffiKIR is a Phase II study evaluating lirilumab as a monotherapy for the maintenance treatment of elderly patients with acute myeloid leukaemia who cannot benefit from a transplant after a first remission (primary endpoint: LFS or Leukaemia-Free Survival). So far so good...
- **More importantly, top-line results are expected in H2 2016,** and we reiterate our confidence in the conclusion of this trial. In addition to the data published by Loredana Ruggeri (Science, 2002), we'd like to remind that a small dose-escalating Phase I showed very encouraging efficacy/safety results with a previous version of "liri" (median PFS: 9.5 months within the high-dose group vs 2.3 months for the low-dose, H: 0.515). Last but not least, it is possible that the delay in publication (which was primarily expected during Q4 2015) is linked to a higher-than-anticipated level of efficacy within the active arm (and we assume the remaining one involves a 1.0mg/kg dose)...

VALUATION

- **BUY reiterated with a FV of EUR19.**

NEXT CATALYSTS

- H2 2016: Phase II results of lirilumab as a monotherapy for the treatment of elderly patients with AML.
- H2 2016: Phase I/II results of lirilumab in combination with BMS' nivolumab (anti-PD-1) in solid tumours and haematological malignancies.

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Distribution of stock ratings

BUY ratings 72%

NEUTRAL ratings 0%

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