

News Release

Nektar Therapeutics 201 Industrial Road San Carlos, CA 94070 650-631-3100 Phone 650-631-3150 Fax www.nektar.com

Additive Anti-Tumor Activity of NKTR-102 in Combination With Bevacizumab Highlighted in Positive Preclinical Data Presented at AACR Meeting

San Francisco, Calif., April 14, 2008 – Positive preclinical data was presented by Nektar Therapeutics (Nasdaq: NKTR) this week for its lead oncolytic candidate, NKTR-102 (PEG-irinotecan), which demonstrated enhanced anti-tumor activity in a mouse xenograft model of colorectal cancer when co-administered with bevacizumab. Presented at the American Association for Cancer Research (AACR) Annual Meeting 2008 in San Diego, California, the data also featured the enhanced pharmacokinetic profile and tolerability of NKTR-102, as compared to irinotecan in animal models.

NKTR-102 is a PEGylated form of irinotecan developed using Nektar's innovative small molecule PEGylation technology platform. NKTR-102 is currently in a Phase 2 development program to evaluate its safety and efficacy as a second-line colorectal cancer therapy in combination with cetuximab. Nektar had previously announced its intention to expand the NKTR-102 Phase 2 clinical development program later this year with additional indications.

"NKTR-102 is demonstrating important promise as a solid tumor treatment that could be used in a number of critical cancer care regimens," said Tim Riley, Ph.D., Vice President of PEGylation Research at Nektar. "These data reinforce our confidence in the potential of our small molecule PEGylation technology platform to improve the therapeutic potential of oncolytics that are widely used to treat cancer. We look forward to presenting new data from our clinical trials at additional major oncology conferences this year."

In the preclinical studies presented at AACR, NKTR-102 was co-administered with bevacizumab to evaluate the effects of combination therapy. The combination therapy had an additive effect, inhibiting tumor growth by up to 97% in an irinotecan-resistant mouse xenograft model of colorectal cancer (HT29), which was greater than monotherapy with either NKTR-102 or bevacizumab. NKTR-102 at 46 mg/kg, co-administered with bevacizumab, also resulted in eight partial tumor regressions and one complete tumor regression. This compares to no tumor regressions observed with bevacizumab monotherapy, and two partial and one complete regression with NKTR-102 monotherapy. NKTR-102 alone, and in combination with bevacizumab, was well-tolerated, with minimal weight loss.

NKTR-102 also exhibited superior pharmacokinetics in a repeated dose study in dogs, with a 6-fold increase in exposure (AUC) and a 4-fold lower peak plasma concentration (C_{max}) of SN38, the active metabolite of irinotecan, as compared to the equivalent dosing of irinotecan. The lower peak plasma concentration of NKTR-102 was associated with a

superior tolerability profile, with less gastrointestinal and hematopoietic toxicity than comparable doses of irinotecan.

In animal models, NKTR-102 had a markedly improved safety and tolerability profile when compared to irinotecan in animal models. Both the incidence and severity of diarrhea and neutropenia were lower in dogs treated with NKTR-102 as compared to irinotecan. Diarrhea and neutropenia are the most common side effects associated with irinotecan treatment, and can limit treatment with the therapy.

Data Presentations

The three poster presentations made this week at the AACR Annual Meeting can be found on Nektar's website at <http://www.nektar.com/wt/page/nktr102media>

#766: "Enhanced anti-tumor activity of NKTR-102, a novel PEGylated-irinotecan, when administered in combination with bevacizumab in a mouse model of human colorectal tumors"

#5741: "NKTR-102, a novel PEGylated-irinotecan, has an enhanced pharmacokinetic profile with reduced gastrointestinal and hematopoietic toxicity compared to irinotecan with repeat dosing in dogs"

#5742: "NKTR-102, a novel PEGylated-irinotecan, has a superior acute safety, tolerability, and pharmacokinetic profile compared to irinotecan in rats and dogs"

Prior data presentations on the anti-tumor activity and pharmacokinetics of NKTR-102 in mouse xenograft models of colorectal, breast and lung cancer can be found at <http://www.nektar.com/wt/page/nktr102media>.

About NKTR-102

Nektar is developing NKTR-102, a PEGylated form of irinotecan, which was invented by Nektar using its world-leading small molecule PEGylation technology platform. The product is currently in Phase 2 clinical development. Irinotecan is an important chemotherapeutic agent used for the treatment of solid tumors, including colorectal and lung cancers. By applying Nektar's small molecule PEGylation technology to irinotecan, NKTR-102 may prove to be a more powerful and tolerable anti-tumor agent. Preclinical studies show that treatment with NKTR-102 results in significant suppression of tumor growth in an irinotecan-resistant mouse colorectal tumor model and in similar models of breast and lung cancer. Administration of NKTR-102 in an animal model also results in a markedly improved time-concentration profile for SN38, the active metabolite of irinotecan, as compared to treatment with irinotecan.

Nektar PEGylation Platform

Nektar PEGylation technology can enhance the properties of therapeutic agents by increasing drug circulation time in the bloodstream, decreasing immunogenicity and dosing frequency, increasing bioavailability and improving drug solubility and stability. It can also be used to modify pharmaceutical agents to preferentially target certain systems within the body. It is a technique in which non-toxic polyethylene glycol (PEG) polymers are attached to therapeutic agents, and it is applicable to most major drug

classes, including proteins, peptides, antibody fragments, small molecules, and other drugs.

Nektar PEGylation technology is also used in eight additional approved partnered products in the U.S. or Europe today, including Roche's PEGASYS® for hepatitis C and Amgen's Neulasta® for neutropenia.

About Nektar

Nektar Therapeutics is a biopharmaceutical company that develops and enables differentiated therapeutics with its industry-leading PEGylation and pulmonary drug development technology platforms. Nektar PEGylation and pulmonary technology, expertise, manufacturing capabilities have enabled eight approved products for partners, which include the world's leading pharmaceutical and biotechnology companies. Nektar also develops its own products by applying its PEGylation and pulmonary technology platforms to existing medicines with the objective to enhance performance, such as improving efficacy, safety and compliance.

This press release contains forward-looking statements regarding the potential of NKTR-102 and the company's PEGylation technology platform. These forward-looking statements involve important risks and uncertainties, including but not limited to: (i) preclinical testing and clinical trials for NKTR-102 are long, expensive and uncertain processes, (ii) because the NKTR-102 product development programs are in the early phases of clinical development, the risk of failure is high and can occur at any stage of development, (iii) the company may fail to obtain regulatory approval of NKTR-102, (iv) the timing or success of the commencement or conclusion of NKTR-102 clinical trials is subject to a number of uncertainties including but not limited to clinical design, patient enrollment, regulatory requirements and clinical outcomes (v) potential competition from existing approved products (branded or generic) or product candidates under development by other companies could negatively impact the commercial potential of NKTR-102 due to such common industry competitive factors as efficacy and safety profiles, pricing, and reimbursement by third party payers, and (vi) the company's patent applications for NKTR-102 may fail to issue; patents that have issued may not be enforceable; or unanticipated intellectual property licenses from third parties may be required in the future. Other important risks and uncertainties are detailed in the company's reports and other filings with the SEC including its most recent Annual Report on Form 10-K. Actual results could differ materially from the forward-looking statements contained in this press release. The company undertakes no obligation to update forward-looking statements, whether as a result of new information, future events, or otherwise. No information regarding or presented at the scientific meetings referred to above (or contained at the Internet links provided) is intended to be incorporated by reference in this press release.

Contacts:

Tim Warner (650) 283-4915 or twarner@nektar.com

Stephan Herrera (415) 488-7699 or sherrera@nektar.com

Jennifer Ruddock (650) 631-4954 or jruddock@nektar.com

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