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Nektar Reports Pfizer to Acquire the Sanofi-Aventis Worldwide Rights to Exubera® (Inhaled Human Insulin)

Almost 200 Million People Worldwide Suffer from Diabetes with Terrible Complications Including Heart Disease, Amputation, Blindness and Kidney Failure

SAN CARLOS, Calif., Jan 12, 2006 (BUSINESS WIRE) -- Nektar Therapeutics (Nasdaq:NKTR) today reported that Pfizer said that it has reached an agreement to acquire the sanofi-aventis worldwide rights to inhaled human insulin, which Pfizer intends to market under the trade name Exubera®. The two companies were previously in a world-wide alliance to co-develop, co-promote, and co-manufacture Exubera.

There will be no change to the Exubera contractual terms between Nektar and Pfizer. Nektar developed the inhalers and the powdered insulin formulation for the Exubera product, in partnership with Pfizer.

"We are pleased with this resolution over who will commercialize Exubera and believe that it further confirms Pfizer's commitment to this innovative product. We appreciate Pfizer's commitment to and confidence in Exubera, and look forward to a continued partnership with Pfizer as they work to make this first inhaleable, non-injectable insulin medicine available to millions of people with diabetes," said Ajit S. Gill, president and CEO, Nektar Therapeutics.

According to the World Health Organization, diabetes is reaching epidemic proportions. Approximately 194 million people worldwide have the disease, and it is estimated that the number of people with diabetes will more than double by 2030. The direct healthcare costs may be as much as $286 billion worldwide.

There are two major types of diabetes -- type 1 and type 2. In type 1, there is a complete deficiency of insulin. In type 2, the most common and progressive form of the disease, the body does not produce enough insulin or effectively use insulin. If people with diabetes do not control their diabetes, serious complications including heart disease, kidney failure, blindness, and nerve damage will often develop.

Exubera is a fast-acting dry powder formulation of human insulin. It is inhaled into the lungs via the mouth pre-meal through a simple-to-use, hand-held inhalation device which does not require batteries or electricity.

Exubera is under regulatory review in the U.S. and Europe for the treatment of both type 1 and type 2 diabetes in adults. Pfizer plans to make Exubera available to patients following successful completion of regulatory approvals.

The product of a developmental collaboration between Pfizer Inc, sanofi-aventis and Nektar, Exubera represents an innovation in insulin delivery, and would be the first non-injectable option introduced since the discovery of insulin in the 1920s.

About Nektar

Nektar Therapeutics enables high-value, differentiated therapeutics with its industry-leading drug delivery technologies, expertise and manufacturing capabilities. The world's top biotechnology and pharmaceutical companies are developing new and better therapeutics using Nektar's advanced technologies and know-how. Nektar also develops its own products by applying its drug delivery technologies and its expertise to existing medicines to enhance performance, such as improving efficacy, safety and compliance.

This release contains forward-looking statements that reflect management's current views as to the impact of the Pfizer and sanofi-aventis agreement and the regulatory process for Exubera that is currently under review by the United States Food and Drug Administration and the European Medicines Evaluation Agency. These forward-looking statements involve substantial risks and uncertainties including, among other things, the successful completion of the conditions to closing in the Pfizer and sanofi-aventis agreement, whether and when the regulatory authorities will approve Exubera, and regulatory decisions regarding labeling and other matters that could affect Exubera's commercial potential as well as competitive developments. A further description of other important risks and uncertainties related to these forward-looking statements are detailed in Nektar's reports and other filings with the SEC, including its Annual Report on Form 10-K, as amended, for the year ended December 31, 2004 and its Quarterly Report on 10-Q for the quarter ended September 30, 2005. Actual results could differ

materially from these forward-looking statements. Nektar assumes no obligation to update any forward-looking statements contained in this release as the result of new information or future events or developments that may occur after the date of this release.

SOURCE: Nektar Therapeutics

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