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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 2, 2004

NEKTAR THERAPEUTICS  
(Exact name of Registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	0-23556 (Commission File Number)	94-3134940 (IRS Employer Identification No.)
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150 Industrial Road  
San Carlos, California 94070  
(Address of principal executive offices and Zip Code)

Registrant's telephone number, including area code: (650) 631-3100

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Item 12. Results of Operations and Financial Condition

On August 2, 2004, Nektar Therapeutics issued a press release announcing results for the quarter ended June 30, 2004. A copy of the press release is attached as Exhibit 99.1 to this Current Report and is incorporated herein by reference.

The information in this report, including the exhibit hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. The information contained herein and in the accompanying exhibit shall not be incorporated by reference into any filing with the Securities and Exchange Commission made by Nektar Therapeutics, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

SIGNATURES

Pursuant to the requirement of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

By: /s/ AJIT S. GILL  
Ajit S. Gill  
-----  
Chief Executive Officer,  
President and Director

Date: August 2, 2004

By: /s/ AJAY BANSAL  
Ajay Bansal  
-----  
Chief Financial Officer and Vice  
President, Finance and  
Administration

Date: August 2, 2004

EXHIBIT INDEX

Exhibit No. Description  
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99.1 Earnings Press Release of Nektar Therapeutics dated August 2, 2004.

## Nektar Announces Second Quarter 2004 Results

SAN CARLOS, Calif.--(BUSINESS WIRE)--Aug. 2, 2004--Nektar Therapeutics (Nasdaq:NKTR) announced today its financial results for the second quarter ended June 30, 2004.

The company reported total revenue of \$28.5 million for the three months ended June 30, 2004, compared to \$27.7 million for the three months ended June 30, 2003. In the second quarter of 2004, product revenue was \$6.4 million compared to \$6.5 million in the second quarter of 2003, and contract research revenue totaled \$22.1 million compared to \$21.2 million in the second quarter of 2003.

The company reported a net loss of \$22.2 million or \$(0.27) per share for the three months ended June 30, 2004 compared to a net loss of \$13.0 million or \$(0.23) per share for the three months ended June 30, 2003.

For the six months ended June 30, 2004, Nektar reported total revenue of \$54.4 million compared to \$53.3 million for the six months ended June 30, 2003. For the six months ended June 30, 2004, product revenue was \$10.7 million compared to \$13.7 million for the six months ended June 30, 2003, and contract research revenue totaled \$43.6 million compared to \$39.6 million for the six months ended June 30, 2003.

For the six months ended June 30, 2004, Nektar reported a net loss of \$62.2 million or \$(0.85) per share compared to a net loss for the six months ended June 30, 2003 of \$33.0 million or \$(0.59) per share.

As of June 30, 2004, the company reported cash, cash equivalents and short-term investments totaling approximately \$425.3 million compared to \$467.4 million as of March 31, 2004.

"In the second quarter we continued to see excellent progress and growth in our product pipeline," said Ajit S. Gill, Nektar president and chief executive officer (CEO). "First, at the annual conference of the American Diabetes Association in June, Pfizer and Aventis presented data from Exubera(R) (inhaled human insulin powder) clinical trials that increase our confidence in the likelihood of Exubera realizing its potential as a major contributor to diabetes care. Second, Eyetech and Pfizer filed for approval of Macugen(TM) (pegaptanib sodium injection) for age-related macular degeneration, the leading cause of blindness for the elderly in developed countries. Further, we expanded our pipeline by adding a new collaboration with Pfizer to PEGylate a Pfizer product. The PEGylated version of the undisclosed Pfizer product is already in clinical testing."

## Summary of 2nd Quarter 2004 Progress

## Exubera

In June, Nektar reported that Pfizer and Aventis announced results of long-term studies showing sustained glyceic control and pulmonary function in patients with type 2 diabetes taking Exubera. The data were presented at the 64th Annual Scientific Sessions of the American Diabetes conference. They included a pooled analysis of two one-year open-label studies involving 627 patients with type 2 diabetes showing that patients who added Exubera to their treatment regimen experienced no clinically important effect on pulmonary function compared with patients treated with oral agents alone. Glyceic control was maintained in both arms. An additional analysis of 209 patients, 159 of whom were treated with Exubera for up to four years, further supported these findings in type 1 and type 2 patients treated with Exubera.

As reported in March 2004, the European Medicines Evaluation Agency (EMA) has accepted the filing of a marketing authorization application for Exubera.

## Partner Pipeline

On June 17, 2004, Eyetech Pharmaceuticals and Pfizer announced that they have completed the filing of a New Drug Application (NDA) with the U.S. Food and Drug Administration (FDA) for Macugen as a treatment for wet age-related macular degeneration, the leading cause of severe vision loss in patients older than 50 years of age in the developed world. Macugen, which uses Nektar Advanced PEGylation Technology, has been fast-tracked by the FDA given the significant unmet medical need. Eyetech is also developing Macugen for diabetic macular edema which is in Phase II clinical trials.

In a separate press release, Nektar today announced an agreement with Pfizer under which Pfizer will use Nektar Advanced PEGylation Technology for one of its products. The PEGylated version of this undisclosed product is in clinical testing.

## Proprietary Products Group

Nektar's Proprietary Products Group applies Nektar technologies to create highly differentiated versions of already-approved drug molecules. Since January 2003, the Proprietary Products Group has advanced two products into the clinic.

### Conference Call Information

Ajit S. Gill, Nektar president and CEO, will host a conference call today for analysts and investors beginning at 2:00 p.m. Pacific Time, to discuss further the company's performance.

Investors can access a live audio-only Webcast through a link that will be posted on the Investor Relations section at Nektar's Web site at <http://www.nektar.com>. The Web broadcast of the conference call will be available for replay through August 16, 2004.

Analysts and investors can also access the conference call live via telephone by dialing (888) 862-6557 (US); (630) 691-2748 (international). The passcode is Nektar and the leader is Mr. Ajit Gill. An audio replay will be available shortly following the call through August 16, 2004, and can be accessed by dialing (877) 213-9653 (U.S.); or (630) 652-3041 (international) with a passcode of 9483662. In the event that any non-GAAP financial measure is discussed on the conference call that is not described in this earnings release, related information will be made available on the Investor Relations page at our Web site as soon as practicable after the conclusion of this conference call.

### About Nektar

Nektar Therapeutics provides industry-leading drug delivery technologies, expertise and manufacturing to enable the development of high-value, differentiated therapeutics. Nektar's advanced drug delivery capabilities are designed to enable the company's biotechnology and pharmaceutical partners to solve drug development challenges and realize the full potential of their therapeutics, from developing new molecular entities to managing the life cycles of established products.

This release contains forward-looking statements that reflect management's current views as to Nektar's business strategy, product and technology development plans and funding, collaborative arrangements, clinical trials, and other future events and operations. These forward-looking statements involve uncertainties and other risks that are detailed in Nektar's reports and other filings with the SEC, including its Annual Report on Form 10-K for the fiscal year ended December 2003, as amended, and its Quarterly Report on Form 10-Q for the quarter ended March 31, 2004. Actual results could differ materially from these forward-looking statements.

### NEKTAR THERAPEUTICS CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (In thousands, except per share information)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2004	2003	2004	2003
	(unaudited)		(unaudited)	
Revenue:				
Contract research revenue	22,102	\$ 21,210	\$ 43,611	\$ 39,603
Product sales	6,425	6,538	10,747	13,673
Total revenue	28,527	27,748	54,358	53,276
Operating costs and expenses:				
Cost of goods sold	6,733	3,708	9,269	8,330
Research and development	36,451	32,380	70,471	64,521
General and administrative	5,479	5,136	9,901	10,314
Amortization of other intangible assets	981	1,127	1,962	2,254
Total operating costs and expenses	49,644	42,351	91,603	85,419

Loss from operations	(21,117)	(14,603)	(37,245)	(32,143)
Gain/(loss) on extinguishment of debt	--	4,320	(9,258)	4,320
Other income/(expense), net	124	132	431	251
Interest income	1,608	1,262	2,854	2,886
Interest expense	(2,779)	(4,150)	(18,814)	(8,302)
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Net loss before provision for income taxes	(22,164)	(13,039)	(62,032)	(32,988)
Provision for income taxes	--	--	132	--
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Net loss	<u>\$(22,164)</u>	<u>\$(13,039)</u>	<u>\$(62,164)</u>	<u>\$(32,988)</u>
Basic and diluted net loss per common share	<u>\$ (0.27)</u>	<u>\$ (0.23)</u>	<u>\$ (0.85)</u>	<u>\$ (0.59)</u>
Shares used in computing basic and diluted net loss per common share	<u>83,501</u>	<u>55,718</u>	<u>72,858</u>	<u>55,660</u>

NEKTAR THERAPEUTICS  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(In thousands)

	June 30, 2004 (unaudited)	December 31, 2003 (1)
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<b>ASSETS</b>		
Current assets:		
Cash, cash equivalents and short-term investments	\$425,271	\$285,967
Other current assets	36,020	20,531
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Total current assets	461,291	306,498
Restricted investments	--	12,442
Property and equipment, net	157,615	149,388
Goodwill	130,120	130,120
Other intangible assets	8,709	10,963
Deposits and other assets	3,184	7,377
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	<u>\$760,919</u>	<u>\$616,788</u>
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<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$22,094	\$26,797
Capital lease obligations - current	1,469	1,341
Deferred revenue	21,679	18,719
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Total current liabilities	45,242	46,857
Convertible subordinated debentures	173,949	359,988
Accrued rent	2,148	2,110
Capital lease obligations - noncurrent	30,472	31,686
Other long-term liabilities	11,747	11,956
Stockholders' equity:		
Preferred stock at par	--	--
Common stock at par	8	6
Capital in excess of par	1,179,131	778,500
Deferred compensation	(3,362)	(38)
Accumulated other comprehensive		

gain/(loss)	(1,017)	958
Accumulated deficit	(677,399)	(615,235)
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Total stockholders' equity	497,361	164,191
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	\$760,919	\$616,788
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(1) The balance sheet at December 31, 2003 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements.

CONTACT: Nektar Therapeutics  
Joyce Strand, 650-631-3138