Synta Pharmaceuticals Reports 2006 Fourth Quarter and Year-end Financial Results

March 28, 2007

LEXINGTON, Mass.--(BUSINESS WIRE)--March 28, 2007--Synta Pharmaceuticals Corp. (NASDAQ: SNTA), a biopharmaceutical company focused on discovering, developing, and commercializing small molecule drugs to treat severe medical conditions, today reported financial results for the quarter and year ended December 31, 2006.

"In 2006, we reported positive Phase 2b results for our lead drug candidate, STA-4783, in metastatic melanoma," said Safi Bahcall, President and Chief Executive Officer of Synta. "This was tremendously exciting not only for the potential benefit STA-4783 may offer to patients with this terrible disease, but also as proof-of-concept for a novel anti-cancer mechanism category that we believe may have broad application across multiple cancer types. In addition, in 2006 we advanced our four pipeline programs, including entering STA-9090, our Hsp90 inhibitor, into preclinical development. Our focus in 2007 is on launching our pivotal clinical trial in melanoma for STA-4783; launching exploratory studies in other cancer indications for STA-4783 and STA-9090; and completing one or more pharmaceutical partnerships."

2006 Accomplishments

- Reported positive Phase 2b results for STA-4783 in combination with paclitaxel in a double-blind, randomized, controlled, multi-center clinical trial in patients with metastatic melanoma. This is believed to be the first blinded clinical trial of a drug candidate for the treatment of metastatic melanoma in 30 years to meet its primary endpoint of progression-free survival with statistical significance.

- Received Fast Track designation from the FDA for the development of STA-4783 for the treatment of metastatic melanoma. Fast Track designation can facilitate the development and expedite the review of a drug candidate by allowing for more frequent and timely meetings with the FDA and submission of a new drug application (NDA) on a rolling basis.

- Initiated Phase 2 clinical trials in rheumatoid arthritis and common variable immunodeficiency (CVID) with apilimod (STA-5326), a potent, selective oral inhibitor of IL-12/23.

- Advanced STA-9090, a novel Hsp90 inhibitor for the treatment of cancer, into preclinical development.

-- Completed a $40 million convertible preferred share equity financing with participation from a combination of existing and new institutional investors.

2007 Objectives

-- STA-4783, oxidative stress inducer for cancer

  -- Initiate a Phase 3 pivotal trial in metastatic melanoma

  -- Initiate Phase 2 trials in one or more additional cancers

  -- Present overall survival data from our Phase 2b melanoma trial

  -- Provide further description of mechanism of action and results for combination therapy

-- STA-5326, oral IL-12/23 inhibitor for autoimmune diseases

  -- Complete Phase 2a clinical trials for apilimod (STA-5326) in rheumatoid arthritis and CVID

-- STA-9090, Hsp90 inhibitor for cancer

  -- Initiate one or more Phase 1 trials

-- STA-9584, vascular disrupting agent for cancer

  -- Advance preclinical development to enable IND in 2008

-- CRAC ion channel program, for autoimmune diseases, transplant,

allergy, asthma

  -- Advance from lead optimization to preclinical development

-- Business development

  -- Enter into a development collaboration for at least one of our clinical or preclinical stage programs

Full Year Results

The Company reported a net loss of $57.3 million for the full year ended December 31, 2006, compared to a net loss of $68.9 million for the full year ended December 31, 2005. For the fourth quarter of 2006, the Company reported a net loss of $12.5 million, compared to a net loss of $15.5 million for the same period in 2005. Cash, cash equivalents and marketable securities at December 31, 2006 were $46.8 million. In addition, the Company received $44.7 million in net proceeds in its initial public offering in February 2007.

The Company reported a net loss attributable to common stockholders of $59.1 million, which includes approximately $1.9 million of convertible preferred stock dividends, or $2.66 per share for the full year ended December 31, 2006, compared to $68.9 million or $3.09 per share for the full year ended December 31, 2005.

Research and development expenses totaled $50.5 million for 2006 compared to $59.9 million in 2005. This decrease primarily reflects external costs related to the conduct of several clinical trials that were completed in 2005 and in the first half of 2006. General and administrative expenses were $8.6 million for 2006 compared to $11.3 million in 2005.

All outstanding shares of the Company's Series A convertible preferred stock and $1.9 million in accumulated dividends converted into 6,278,765 shares of common stock upon the effectiveness of the IPO. In accordance with EITF Nos. 98-5 and 00-27, the Company will record a non-cash beneficial conversion charge of approximately $58.6 million in Q1 2007 in connection with the conversion of the Series A convertible preferred stock that will impact earnings per share attributable to common stockholders.

Fourth Quarter Results

For the fourth quarter of 2006, the Company reported a net loss attributable to common stockholders of $13.3 million or $0.60 per share, compared to a net loss attributable to common stockholders of $15.5 million or $0.70 per share in the fourth quarter of 2005.

More detailed financial information and analysis may be found in the Company's Annual Report on Form 10-K, which was filed with the Securities and Exchange Commission on March 28, 2007.

About Synta Pharmaceuticals

Synta Pharmaceuticals Corp. is a biopharmaceutical company focused on discovering, developing, and commercializing small molecule drugs to extend and enhance the lives of patients with severe medical conditions, including cancer and chronic inflammatory diseases. Synta has a unique chemical compound library, an integrated discovery engine, and a diverse pipeline of clinical- and preclinical-stage drug candidates with distinct mechanisms of action and novel chemical structures. The company's lead drug, STA-4783, is an oxidative stress inducer which recently completed a double-blind, multi-center randomized Phase 2b clinical trial in metastatic melanoma and will be entering Phase 3 development in 2007. All Synta drug candidates were discovered and developed internally. For more information, please see www.syntapharma.com.

Safe Harbor Statement

This media release may contain forward-looking statements about Synta Pharmaceuticals Corp. including, but not limited to, statements about the anticipated progress and timing of our research, development, and clinical programs, including any potential benefits related to Fast Track designation for STA-4783; the anticipated safety and efficacy of our drug candidates; and estimates of our future financial condition or performance. Such forward-looking statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including those described in Item 1A "Risk Factors" of our Annual Report on Form 10-K as filed with the Securities and Exchange Commission. Synta undertakes no

obligation to publicly update forward-looking statements, whether because of new information, future events or otherwise, except as required by law.

Synta Pharmaceuticals Corp.
Consolidated Statements of Operations
(in thousands, except per share amounts)

	Years Ended December 31,	
	2006	2005
Total revenues	$ -	$ -
Operating expenses:		
Research and development	$ 50,503	$ 59,901
General and administrative	8,648	11,279
Total operating expenses	59,151	71,180
Loss from operations	(59,151)	(71,180)
Other income:		
Investment income, net	1,881	2,317
Net loss	(57,270)	(68,863)
Convertible preferred stock dividends	1,859	-
Net loss attributable to common stockholders	$(59,129)	$(68,863)
Basic and diluted weighted average common shares outstanding	22,265	22,253
Basic and diluted net loss attributable to common stockholders per share	$ (2.66)	$ (3.09)

Synta Pharmaceuticals Corp.
Condensed Consolidated Balance Sheet
(in thousands)

		Pro forma(1)	
	December 31, 2006	December 31, 2006	December 31, 2005
		(unaudited)	
Assets			
Cash, cash equivalents and marketable securities	$ 46,824	$ 91,524	$ 62,057
Other current assets	803	803	893

Property, plant and equipment, net	6,067	6,067	8,127
Other non-current assets	1,095	132	133
Total assets	$ 54,789	$ 98,526	$ 71,210
Liabilities and Equity			
Current liabilities	$ 11,546	$ 10,583	$ 14,474
Non-current liabilities	3,170	3,170	4,259
Convertible preferred stock, at redemption value	41,820	-	-
Stockholders' equity (deficit)	(1,747)	84,773	52,477
Total liabilities and stockholders' equity (deficit)	$ 54,789	$ 98,526	$ 71,210

(1) The pro forma balance sheet data as of December 31, 2006 gives effect to and reflects the $50.0 million in gross proceeds from the sale of 5,000,000 shares of common stock at $10.00 per share in our initial public offering on February 9, 2007, net of $5.3 million in expenses for underwriters' discounts, fees and commissions, legal, accounting, printing and listing and filing fees, and miscellaneous expenses, and the conversion of all outstanding shares of our Series A convertible preferred stock and accumulated dividends into 6,278,765 shares of common stock upon the closing of our initial public offering.

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