Synta Reports Fourth Quarter and Year-End 2014 Financial Results

March 12, 2015

- GALAXY-2 Clinical Trial On Track for Interim Analysis in Second Half of 2015 –

- 500 Patients Enrolled To Date -

Webcast and Conference Call Today, March 12, at 8:30 AM ET

LEXINGTON, Mass.--(BUSINESS WIRE)--Mar. 12, 2015-- Synta Pharmaceuticals Corp. (NASDAQ: SNTA) today reported financial results for the fourth quarter and year ended December 31, 2014 and provided an operational update.

“This past year has been marked by both significant progress and change for the organization. With new leadership and a renewed focus, we are laying the foundation for building a leading oncology biopharmaceutical company and realizing the value of our lead clinical candidate, ganetespib, and our proprietary Hsp90 inhibitor Drug Conjugate program,” said Anne Whitaker, President and Chief Executive Officer of Synta. “We are encouraged by the progress of our pivotal GALAXY-2 trial of ganetespib in non-small cell lung cancer, and by the continued, high level of external support for the investigator-sponsored trials of ganetespib in various cancers, including breast cancer, ovarian cancer, acute myeloid leukemia (AML) and high risk myelodysplastic syndrome (MDS). We also look forward to translating the significant promise of our HDC program by advancing our first candidate, STA-12-8666, into the clinic.”

2014 Accomplishments and Recent Updates

- ***Final Results from GALAXY-1 Reported; GALAXY-2 Clinical Trial Remains on Track for Interim Analysis of Overall Survival in 2015.*** In 2014, Synta announced final results from the global, randomized, multi-center Phase 2b GALAXY-1 study comparing the combination of ganetespib and docetaxel to docetaxel alone for the second-line treatment of advanced non-small cell adenocarcinoma. The final results from this trial, in particular the encouraging overall survival results and tolerability profile in patients whose time from diagnosis of advanced disease is greater than 6 months, support the selection of this population for the ongoing pivotal Phase 3 GALAXY-2 trial.

  Five hundred (500) patients have been enrolled in GALAXY-2 to date. The Company expects, based on current projections and statistical assumptions, that the first interim overall survival (OS) analysis of GALAXY-2 will be conducted in the second half of 2015, and the second interim and final OS analysis will be conducted in 2016. Assuming positive interim results from the ongoing GALAXY-2 trial of ganetespib, and pending regulatory feedback, the Company plans to seek regulatory approval of ganetespib in North America and Europe for NSCLC in 2016.

- ***Results from ENCHANT-1 Trial Lead to Selection of Ganetespib for I-SPY 2 Breast Cancer Trial; Enrollment of Ganetespib Arm Ongoing.*** In 2014, the Company announced results from the ENCHANT-1 trial, a single-arm multi-center Phase 2 proof-of-concept study designed to evaluate ganetespib administered as monotherapy for the treatment of metastatic breast cancer at the 2014 European Breast Cancer Conference (EBCC). The results demonstrated encouraging single-agent activity in both HER2+ and triple-negative disease. The strength of the scientific rationale and evidence of clinical activity in ENCHANT-1 led to the selection of ganetespib for the I-SPY 2 TRIAL (Investigation of Serial Studies to Predict Your Therapeutic Response with Imaging And moLecular Analysis 2). I-SPY 2 is a standing Phase 2 randomized, controlled, multicenter trial for women with newly diagnosed, locally advanced breast cancer (Stage 2 or higher) that is designed to test whether adding investigational drugs to standard chemotherapy is better than standard chemotherapy alone in the neoadjuvant setting. The trial is sponsored by QuantumLeap Healthcare Collaborative, a 501(c)(3) non-profit organization dedicated to accelerating healthcare solutions, and shares a unique partnership with the Foundation for the National Institutes of Health Biomarkers Consortium.

- ***Ganetespib Advances into Phase 3 Extension of AML LI-1 Study in AML and High-Risk MDS; Selected for Randomized AML-18 and AML-19 Trials.*** The Company announced the advancement of ganetespib into the Phase 3 extension of the AML LI-1 trial after meeting pre-specified interim efficacy analysis criteria in July 2014. The multicenter randomized Phase 2/3 AML LI-1 (less intensive) trial, being conducted under the auspices of the UK’s National Cancer Research Institute (NCRI) Haematological Oncology Study Group, UK, and under the sponsorship of Cardiff University, is evaluating treatments in newly diagnosed patients with acute myeloid leukemia (AML) or high-risk myelodysplastic syndrome (MDS) over 60 years of age who are not eligible for intensive chemotherapy. Two additional, randomized Phase 2/3 AML trials, supported by the same sponsors, will evaluate ganetespib in combination with chemotherapy in first-line treatment of patients with AML and high risk MDS: AML-18 and AML-19. Initiation of the AML-18 trial was announced in the fourth quarter of 2014; AML-19 is expected to initiate in the first half of 2015.

- ***Initiation of Phase 2 Portion of GANNET53 Trial in Ovarian Cancer Anticipated in First Half 2015; Phase 1 Portion Complete.*** In July 2014, GANNET53, a randomized, Phase 1/2 trial in metastatic, platinum-resistant ovarian cancer and a Seventh Framework Programme (FP7) research project funded by the European Commission, commenced enrollment in the safety lead-in Phase 1 portion evaluating the combination of ganetespib and paclitaxel. Enrollment is now complete and investigators plan to present results from the Phase 1 portion at a medical meeting in 2015. Initiation of the randomized Phase 2 portion, which will evaluate the combination of ganetespib and paclitaxel vs. paclitaxel alone in over 200 patients, is anticipated in the first half of 2015.
- ***Company Invited to ODAC Pediatric Subcommittee Meeting To Discuss Ganetespib in Pediatric Sarcoma.*** The Company was invited by the U.S. Food and Drug Administration (FDA) to participate in a December 2014 meeting of the Oncologic Drugs Advisory Committee's (ODAC) Pediatric Subcommittee to discuss FDA issuance of a Pediatric Written Request to Synta. At the meeting, the subcommittee reviewed the SARC 023 study, an open label Phase 1/2 trial of ganetespib in combination with the mTOR inhibitor sirolimus in patients with refractory sarcoma, including malignant peripheral nerve sheath tumors (MPNSTs), sponsored by the Sarcoma Alliance for Research through Collaboration (SARC).
- ***First Candidate from Hsp90 Inhibitor Drug Conjugate (HDC) Program Advancing Toward Clinic.*** The Company presented preliminary preclinical data from its HDC Program at scientific meetings throughout 2014, including poster presentations at the 105th Annual Meeting of the American Association for Cancer Research (AACR) in April and the 26th EORTC-NCI-AACR Symposium on Molecular Targets and Cancer Therapeutics in November. Results presented at these meetings demonstrate the prolonged antitumor effects and broad activity of the Company's lead HDC candidate, STA-12-8666, a conjugate of an Hsp90 inhibitor and SN-38, the active metabolite of the widely used drug irinotecan, across several tumor types. The data also highlighted the feasibility of constructing HDCs using several classes of payloads. In the first quarter of 2015, the Company advanced STA-12-8666 into IND enabling studies. A submission of an IND for STA-12-8666 is anticipated by the first quarter of 2016.
- ***Executive Management Team Strengthened; New Corporate Strategy Outlined.*** In 2014, the Company strengthened its executive management team and Board of Directors through the appointment of Anne C. Whitaker as President, Chief Executive Officer and Member of the Board of Directors; Paul A. Friedman, M.D., as Director; Chen Schor as Executive Vice President and Chief Operating Officer; and Marc R. Schneebaum as Senior Vice President, Chief Financial Officer. In February 2015, Synta outlined a new strategy for transforming the company into a leading oncology biopharmaceuticals company. The strategy highlighted divestiture of non-core programs, a more focused research program, and the reallocation of resources with an emphasis on value creating milestones in 2015 and 2016 with ganetespib and its HDC product candidates.

Fourth quarter and full year 2014 financial results

There were no revenues recognized in the fourth quarters of 2014 and 2013. There were no revenues recognized for either the year ended December 31, 2014 or for the same period in 2013.

Research and development expenses were $15.7 million for the fourth quarter in 2014, compared to $20.0 million for the same period in 2013. Research and development expenses were $68.2 million for the year ended December 31, 2014, compared to $71.9 million for the same period in 2013.

General and administrative expenses were $4.2 million for the fourth quarter in 2014, compared to $3.5 million for the same period in 2013. General and administrative expenses were $15.7 million for the year ended December 31, 2014, compared to $15.7 million for the same period in 2013.

The Company reported a net loss of $20.4 million or $0.19 per basic and diluted share in the fourth quarter of 2014, compared to a net loss of $24.2 million or $0.31 per basic and diluted share for the same period in 2013. For the year ended December 31, 2014, the Company reported a net loss of $86.2 million or $0.87 per basic and diluted share, compared to a net loss of $90.2 million or $1.27 per basic and diluted share for the same period in 2013.

As of December 31, 2014, the Company had $97.7 million in cash, cash equivalents and marketable securities, compared to $91.5 million as of December 31, 2013.

More detailed financial information and analysis may be found in the Company's Annual Report on Form 10-K for the year ended December 31, 2014, which was filed with the Securities and Exchange Commission on March 12, 2015.

Guidance

The Company expects its cash resources of approximately $97.7 million at December 31, 2014 will be sufficient to fund operations at least through the end of 2015. This estimate assumes no additional funding from new partnership agreements, equity financings or further sales under its ATM. The timing and nature of certain activities contemplated for 2015 will be conducted subject to the availability of sufficient financial resources.

Conference call

Synta will host a conference call at 8:30 AM (EST) today to discuss clinical updates and fourth quarter and year end 2014 financial results. The conference call will be webcast live over the Internet and can be accessed by logging on to the "Investors" section of the Synta Pharmaceuticals website, www.syntapharma.com, prior to the event.

The conference call can be accessed by dialing (877) 407-8035 (U.S.) or (201) 689-8035 (International). For those unable to join the live call, a replay

will be available from noon ET on March 12, 2015 through 11:59 p.m. ET on March 19, 2015. To access the replay, please dial (877) 660-6853 (U.S.) or (201) 612-7415 (International) and refer to conference ID 13602493.

The live webcast can be accessed by visiting the Investor Relations section of the Synta Pharmaceuticals website, www.syntapharma.com. The webcast will also be archived under Webcasts and Events within the Investor Relations section of the Company's website.

About Synta Pharmaceuticals

Synta Pharmaceuticals Corp. is an innovative, agile biopharmaceutical company focused on research, development and commercialization of novel oncology medicines that change cancer patients' lives. Synta's lead oncology drug candidate, ganetespib, a novel heat shock protein 90 (Hsp90) inhibitor, is currently being evaluated in several clinical trials including the pivotal GALAXY-2 Phase 3 trial in non-small cell lung cancer. Building on its extensive expertise in the science of Hsp90, Synta also has a novel proprietary Hsp90 inhibitor Drug Conjugate (HDC) small molecule drug development program. IND enabling studies have commenced for the first clinical candidate from the HDC program, STA-12-8666, and preclinical evaluation of additional HDC candidates is ongoing. For more information, please visit www.syntapharma.com.

Safe Harbor Statement

This media release may contain forward-looking statements about Synta Pharmaceuticals Corp. Such forward-looking statements can be identified by the use of forward-looking terminology such as "will", "would", "should", "expects", "anticipates", "intends", "plans", "believes", "may", "estimates", "predicts", "projects", or similar expressions intended to identify forward-looking statements. Such statements, including statements relating to the anticipated timing for the interim and final analyses from the GALAXY-2 trial, the timing around seeking regulatory approval of ganetespib, the initiation of the AML-19 trial, the timing of results from the Phase 1 portion and initiation of the randomized Phase 2 portion of GANNET53, and the timing an IND submission for STA-12-8666, as well as the expectation that Synta's cash resources as of December 31, 2014 will be sufficient to fund operations at least through the end of 2015, reflect Synta's 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 "Risk Factors" of our Form 10-K for the year ended December 31, 2014 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.

Condensed Consolidated Statements of Operations

(in thousands, except share and per share amounts)

(unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2014	**2013**	**2014**	**2013**
Revenues:				
Total revenues	$ —	$ —	$ —	$ —
Operating expenses:				
Research and development	15,653	19,981	68,205	71,860
General and administrative	4,241	3,463	15,746	15,699
Total operating expenses	19,894	23,444	83,951	87,559
Loss from operations	(19,894)	(23,444)	(83,951)	(87,559)
Interest expense, net	(458)	(718)	(2,210)	(2,633)
Net loss	$ (20,352)	$ (24,162)	$ (86,161)	$ (90,192)
Basic and diluted net loss per common share	$ (0.19)	$ (0.31)	$ (0.87)	$ (1.27)
Basic and diluted weighted average number of common shares outstanding	108,366,504	76,769,199	98,489,470	70,976,705

Synta Pharmaceuticals Corp.

Condensed Consolidated Balance Sheets Data

(in thousands)

(unaudited)

	December 31, 2014	December 31, 2013
Assets		
Cash, cash equivalents and marketable securities	$ 97,690	$ 91,476
Other current assets	1,656	765
Property, plant and equipment, net	1,024	1,553
Other non-current assets	305	1,409
Total assets	$ 100,675	$ 95,203
Liabilities and Equity		
Current liabilities	$ 30,889	$ 32,207
Long-term liabilities	4,650	13,905
Stockholders' equity	65,136	49,091
Total liabilities and Stockholders' equity	$ 100,675	$ 95,203

Source: Synta Pharmaceuticals Corp.

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