Synta Pharmaceuticals Announces Closing of $50 Million Round C Financing

January 14, 2004

Clinical Status Update on Product Pipeline

LEXINGTON, MA - January 14, 2004 - Synta Pharmaceuticals Corp. today announced the closing of a $50 million private financing round. Participants in this round included Caxton Group, Gollust Management, Mountain Trail Investments, Duquesne Capital, Galleon Group, AIG SunAmerica, and other undisclosed institutional and individual investors, representing both new investors and strong support from existing investors. To date, more than $180 million has been invested in Synta since its inception in 1997, of which over $120 million has been received in the past eighteen months.

This financing enables Synta to accelerate the development of its three lead clinical programs in cancer and autoimmune disease, while maintaining investment in its promising earlier-stage product candidates. All of the company's clinical and pre-clinical candidates have been generated through its internal chemistry-driven discovery engine, with 100% of all rights in all markets and indications retained.

"We are pleased by the speed of response and level of interest shown by both new and existing investors in this round," stated Safi Bahcall, Ph.D., Chief Executive Officer of Synta. "The additional capital allows us to implement a robust development program in multiple therapeutic areas for our lead clinical candidates, increasing upside value for shareholders. In addition, our strong financial position allows us to continue to develop new compounds and attract the highest level individuals to the company. We are pleased in particular with the long-term focus of our investor group and the shared vision of creating a world-class pharmaceutical company."

Clinical Status Update

Synta has three products in clinical development.

STA-5326 is a first-in-class, oral inhibitor of IL-12, a cytokine critical to the development of certain autoimmune diseases including rheumatoid arthritis, psoriasis, multiple sclerosis, and Crohn's disease. This target has been validated by the recent clinical successes of anti-IL-12 monoclonal antibodies. STA-5326 has successfully completed two Phase I trials and is currently in a Phase IIa trial for Crohn's disease. Trials in additional indications are planned for later this year.

STA-4783 is a small molecule that selectively induces the expression of heat shock protein 70 (HSP70) on tumor cells, causing a strong immune-mediated attack on tumors. The compound has demonstrated broad anti-cancer activity in animals when used in combination with taxanes such as paclitaxel (Taxol®). STA-4783 has shown preliminary responses and clinical benefit in several cancer types in an ongoing Phase I trial and is currently in a Phase II trial for non-small cell lung cancer. Phase II trials in additional indications are in preparation.

STA-5312 is a novel small molecule anti-cancer agent that has demonstrated strong activity against a variety of chemotherapy resistant cancers in animals. STA-5312 inhibits microtubule assembly to prevent cell division, while escaping a common mechanism of resistance experienced by similar class cancer agents (e.g., the vinca alkaloids). STA-5312 is currently in Phase I clinical trials.

About Synta

Synta Pharmaceuticals is an emerging pharmaceutical company focused on discovering, developing, and commercializing breakthrough products for severe medical conditions. Synta has a diverse pipeline of small-molecule products for the treatment of cancer and immune disorders, with its two most advanced products in Phase II clinical development. Synta developed as a buyout of the U.S. subsidiary of a large Japanese pharmaceutical company. As a result, Synta has an experienced and successful drug discovery team that has worked together for over ten years. All clinical candidates were developed by this team using Synta's chemistry-driven drug discovery platform. Synta fully owns all rights for all of its products. For more information, please see www.syntapharma.com.