



Synta Pharmaceuticals Reports Second Quarter 2009 Financial Results

August 4, 2009

LEXINGTON, Mass.--(BUSINESS WIRE)--Aug. 4, 2009-- 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 ended June 30, 2009.

The Company reported a net loss attributable to common stockholders of \$8.5 million, or \$0.25 per basic and diluted share, for the second quarter in 2009, compared to a net loss of \$22.7 million, or \$0.67 per basic and diluted share for the same period in 2008.

Collaboration revenue in the second quarter of 2009 was \$4.7 million compared to net contra revenue of \$0.6 million for the same period in 2008. Research and development expenses were \$10.1 million for the second quarter in 2009 compared to \$18.3 million for the same period in 2008. General and administrative expenses were \$3.0 million for the second quarter in 2009 compared to \$4.0 million for the same period in 2008.

As of June 30, 2009, the Company had \$60.5 million in cash, cash equivalents, and marketable securities. This compares to \$73.6 million in cash, cash equivalents and marketable securities as of December 31, 2008.

More detailed financial information and analysis may be found in the Company's Quarterly Report on Form 10-Q, which was filed with the Securities and Exchange Commission on August 4, 2009.

Operational Highlights

"In the second quarter we focused on two near-term priorities: advancing the clinical program for STA-9090, our Hsp90 inhibitor, and initiating partnership discussions with the goal of concluding an agreement in the next six to nine months," said Safi Bahcall, Ph.D., President and Chief Executive Officer of Synta. "STA-9090 has the potential to be the leading program in the Hsp90 category, a category which has generated a high level of interest in the medical oncology community. We and our investigators have been encouraged by both the emerging clinical data for STA-9090 and by the strong pre-clinical data package, which shows a clear differentiation from other Hsp90 inhibitors, including an improved potency and safety profile."

Synta currently has three clinical trials of STA-9090 underway and expects to begin a once-weekly dosing trial in hematologic cancers shortly. Synta plans to initiate several additional company- and investigator-sponsored trials of STA-9090 in the second half of 2009 in order to rapidly explore the potential clinical role of STA-9090 in treating both solid and liquid tumors. Early clinical data could be presented at a scientific meeting as soon as late 2009.

In addition to making strong progress in advancing our STA-9090 clinical program, we have begun

discussions with over 20 potential partners about multiple programs at the Company under a variety of different possible partnership structures," said Dr. Bahcall. "The combination of our current cash position, our current research partnership, and the high level of interest we are seeing in our unpartnered assets gives us confidence in both our near term and our long term financial and strategic outlook. We believe we will be able to maintain a strong balance sheet, execute a robust development program for STA-9090, and preserve substantial product rights, across our pipeline, for our shareholders."

Synta continues to collect and analyze data from the Phase 3 trial of elesclomol in metastatic melanoma (SYMMETRYSM), including overall survival results. An independent scientific advisory panel will meet in the third quarter to review the data collected to date and provide initial recommendations to Synta on future development plans for elesclomol. Overall survival data from the trial is expected to mature in Q4 2009 or Q1 2010, after which a final analysis of the results will be conducted.

Financial Guidance

As a result of the implementation of cost-saving measures and based upon our current operating plans, we expect to end 2009 with approximately \$40 million of cash, cash equivalents and marketable securities. This estimate assumes no additional funds from new partnership agreements or equity financing events.

Conference Call

Management will conduct a conference call at 10:00 a.m. (ET) this morning to review the Company's second-quarter 2009 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 call can also be accessed by dialing (877) 407-8035 or (201) 689-8035 prior to the start of the call. For those unable to join the live conference call, a replay will be available from 2:00 p.m. (ET) today through midnight (ET) on August 11. To access the replay, dial (877) 660-6853 or (201) 612-7415 and refer to both account number 286 and conference ID 327528. The webcast also will be archived on the Company's website.

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. All Synta drug candidates were invented by Synta scientists using our compound library and discovery capabilities. 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 timing, developments and progress of our clinical and preclinical programs, the timing of any partnership and the expected amount of our cash, cash equivalents and marketable securities at the end of 2009 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 "Risk Factors" of our Form 10-K for the year ended December 31, 2008 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		Six Months Ended	
	June 30,		June 30,	
	2009	2008	2009	2008
Collaboration revenues:				
License and milestone revenue	\$ 3,314	\$ 1,338	\$ 7,387	\$ 2,676
Cost sharing reimbursements, net	1,336	(1,969	) 1,773	(1,969
Total collaboration revenues	4,650	(631	) 9,160	707
Operating expenses:				
Research and development	\$ 10,098	\$ 18,342	\$ 32,736	\$ 34,492
General and administrative	3,005	3,974	7,076	7,607
Restructuring	-	-	1,236	-
Total operating expenses	13,103	22,316	41,048	42,099
Loss from operations	(8,453	) (22,947	) (31,888	) (41,392
Other income:				
Other income, net	(42	) 253	(106	) 1,048
Net loss	\$ (8,495	) \$ (22,694	) \$ (31,994	) \$ (40,344

Basic and diluted weighted average
common

shares outstanding	33,877,075	33,733,536	33,874,559	33,731,883
Basic and diluted net loss per share	\$(0.25)	\$(0.67)	\$(0.94)	\$(1.20)

Synta Pharmaceuticals Corp.

Condensed Consolidated Balance Sheets Data

(in thousands)

(unaudited)

June 30, 2009 December 31, 2008

Assets

Cash and cash equivalents	\$ 60,544	\$ 73,563
Collaboration receivable	907	16,000
Other current assets	1,556	1,658
Property, plant and equipment, net	5,126	5,929
Other non-current assets	68	103
Total assets	\$ 68,201	\$ 97,253

Liabilities and Equity

Current liabilities (1)	\$ 146,359	\$ 33,323
Long-term liabilities	10,415	122,721
Stockholders' deficit	(88,573)	(58,791)
Total liabilities and stockholders' deficit	\$ 68,201	\$ 97,253

(1) Includes approximately \$116 million in deferred revenue from up-front payments and milestones received under the GSK Agreement, all of which will be recorded as non-cash license and milestone revenue upon the effectiveness of the termination of the GSK Agreement in the third quarter of 2009.

Source: Synta Pharmaceuticals Corp.

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