Synta Reports Fourth Quarter and Year-End 2013 Financial Results and Provides Corporate Update

March 11, 2014

Announces GALAXY-2 Clinical Trial Amendment and Updates Timeline to Data Readout
GALAXY-2 DMC Recommends Continuation of Study with No Change Following First Planned Safety Analysis
Ganetespib Now Included in Six Large, Randomized Clinical Trials

LEXINGTON, Mass.--(BUSINESS WIRE)--Mar. 11, 2014-- Synta Pharmaceuticals Corp. (NASDAQ:SNTA) today reported financial results for the fourth quarter and year ended December 31, 2013 and provided an update on recent corporate events.

"The team at Synta has made important progress with its two lead programs, ganetespib and the HDC platform," said Keith Gollust, Chairman of the Executive Committee of Synta. "In addition to the ongoing progress of the pivotal GALAXY-2 trial, the Company has supported a growing pipeline of randomized studies with ganetespib, including investigator-sponsored trials in breast cancer, ovarian cancer, AML and high risk MDS. The team has also begun to demonstrate the promise of its HDC platform through preclinical validation work. The Executive Committee of the Board is working closely with management to carry this momentum forward, as we conduct our search for a chief executive."

Recent Updates

- ***GALAXY-2 Clinical Trial Amendment and Updated Timeline to Data Readout.*** Synta announced today that based on an evolving standard of care and regulatory feedback, it is amending the Company's pivotal, Phase 3 GALAXY-2 trial of ganetespib and docetaxel vs. docetaxel alone for the 2nd line treatment of patients with NSCLC adenocarcinoma. This trial is being amended to strengthen the provision for testing patients for ALK translocations and EGFR mutations from "strongly encouraged" to "mandatory." Only those patients whose tumors test negative for both ALK and EGFR status (double-negative) will be enrolled.

To ensure that there are at least 700 patients with ALK, EGFR double-negative status, the trial size has been increased from an anticipated 700 patients to 850 patients. Tumor tissue from patients who were enrolled prior to mandatory testing will be evaluated to establish double negative status and inclusion in the primary analysis population. At this study size, the GALAXY-2 trial has an 87% power to detect a 25% reduction in risk of death (hazard ratio of 0.75) at the time of the final overall survival analysis. Based on the study amendments and current projections, Synta expects the two interim efficacy analyses of GALAXY-2 to be conducted by the independent Data Monitoring Committee (DMC) in the second half of 2015 and the final analysis to be conducted in the first half of 2016.

The Company also announced that the independent DMC for the GALAXY-2 trial, which periodically reviews safety data from the trial, has recommended continuing the trial with no change to study conduct following recent completion of its first such planned safety analysis.

- ***Ganetespib Selected for I-SPY 2 Breast Cancer Trial.*** The Company, along with QuantumLeap Healthcare Collaborative, today announced that ganetespib has been selected for study in the I-SPY 2 TRIAL (**I**nvestigation of **S**erial Studies to **P**redict **Y**our **T**herapeutic **R**esponse with **I**maging **A**nd mo**L**ecular 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 neo-adjuvant setting (prior to surgery). Enrollment in the ganetespib arm of I-SPY 2 is expected to begin in 2014. Ganetespib will initially be available to patients with HER2 negative disease, with the intent to expand its eligibility to all biomarker subtypes after safety testing with trastuzumab is completed.
- ***Ganetespib Selected for the AML-LI-1, AML-18 and AML-19 Trials in AML/MDS.*** In January 2014, the Company announced the initiation of three multicenter, randomized trials, supported by the Leukemia & Lymphoma Research Fund and Cancer Research UK, evaluating ganetespib in combination with chemotherapy in first-line treatment of patients with acute myeloid leukemia (AML) and high risk myelodysplastic syndrome (MDS). The trials are being conducted under the auspices of the UK National Cancer Research Institute Hematological Oncology Study Group, and under the sponsorship of Cardiff University. Among the studies, the AML-LI (less intensive)-1 trial, which is currently ongoing, evaluates the combination of ganetespib with low dose cytarabine (Ara-C) vs. low dose Ara-C alone in patients who are not eligible for intensive chemotherapy and are traditionally not included in most trials. Up to 50 patients are being enrolled in the ganetespib arm, after which an interim analysis will be conducted to evaluate the potential of proceeding into a potentially registration-enabling extension. This interim analysis is expected to be conducted in mid-2014.
- ***Ganetespib Selected for the GANNET53 Trial in Ovarian Cancer.*** In January 2014, the Company announced the initiation of GANNET53, a Seventh Framework Programme (FP7) research project funded by the European Commission, which is a pan-European randomized trial designed to evaluate the combination of ganetespib and paclitaxel vs. paclitaxel alone in over 200 patients with metastatic, predominantly p53 mutant, platinum-resistant ovarian cancer. The study's consortium consists of national clinical trial groups in gynecological oncology and high-volume university centers as well as

noted p53 scientists and three innovative small and medium sized companies (SMEs). The safety lead-in Phase 1 portion of GANNET53 is expected to begin enrollment in mid-2014.

- ***Presented Preclinical Results for Hsp90 Inhibitor Drug Conjugates (HDC).*** In February and March of 2014, Synta reported on progress with lead compounds from its Hsp90-Inhibitor Drug Conjugate platform at the IASLC 14th Annual Targeted Therapies of the Treatment of Lung Cancer Meeting and the 12th International Congress on Targeted Anticancer Therapies. The new compounds, consisting of an Hsp90-inhibitor conjugated with SN-38 (HDC SN-38) and an Hsp90-inhibitor conjugated with docetaxel (HDC docetaxel), demonstrated proof of principle in multiple preclinical cancer models. Notably, complete or near complete regressions of tumors were observed in models of NSCLC, small-cell lung cancer, breast cancer, pancreatic cancer, colon cancer, and skin cancer, including models that are generally resistant or show limited response to treatment with the unconjugated therapies.

Fourth quarter and full year 2013 financial results

There were no revenues recognized in the fourth quarters of 2013 and 2012. There were no revenues recognized for the year ended December 31, 2013 compared to $0.1 million for the same period in 2012.

Research and development expenses were $20.0 million for the fourth quarter in 2013, compared to $14.4 million for the same period in 2012. Research and development expenses were $71.9 million for the year ended December 31, 2013, compared to $49.4 million for the same period in 2012.

General and administrative expenses were $3.5 million for the fourth quarter in 2013, compared to $3.4 million for the same period in 2012. General and administrative expenses were $15.7 million for the year ended December 31, 2013, compared to $11.7 million for the same period in 2012.

The Company reported a net loss of $24.2 million or $0.31 per basic and diluted share in the fourth quarter of 2013, compared to a net loss of $18.1 million or $0.29 per basic and diluted share for the same period in 2012. For the year ended December 31, 2013, the Company reported a net loss of $90.2 million or $1.27 per basic and diluted share, compared to a net loss of $62.8 million or $1.06 per basic and diluted share for the same period in 2012.

As of December 31, 2013, the Company had $91.5 million in cash, cash equivalents and marketable securities, compared to $100.6 million as of December 31, 2012.

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 11, 2014.

Guidance

Based on our current operating levels the Company expects its cash resources of approximately $91.5 million will be sufficient to fund operations at least through the end of 2014. This estimate assumes no additional funding from new partnership agreements or equity financing events, and that the timing and nature of certain activities contemplated for 2014 will be conducted subject to the availability of sufficient financial resources.

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,	
	2013	**2012**	**2013**	**2012**
Revenues:				
Grant revenues	$ —	$ —	$ —	$ 147
Operating expenses:				
Research and development	19,981	14,351	71,860	49,412
General and administrative	3,463	3,352	15,699	11,676
Total operating expenses	23,444	17,703	87,559	61,088
Loss from operations	(23,444)	(17,703)	(87,559)	(60,941)

Interest expense, net	(718)	(420)	(2,633)	(1,849)
Net loss	$ (24,162)	$ (18,123)	$ (90,192)	$ (62,790)
Basic and diluted net loss per common share	$ (0.31)	$ (0.29)	$ (1.27)	$ (1.06)
Basic and diluted weighted average number of common shares outstanding	76,769,199	62,914,546	70,976,705	59,411,476

Synta Pharmaceuticals Corp.

Condensed Consolidated Balance Sheets Data

(in thousands)

(unaudited)

	December 31, 2013	December 31, 2012
Assets		
Cash, cash equivalents and marketable securities	$ 91,476	$ 100,599
Other current assets	765	786
Property, plant and equipment, net	1,553	1,174
Other non-current assets	1,409	458
Total assets	$ 95,203	$ 103,017
Liabilities and Equity		
Current liabilities	$ 32,207	$ 23,486
Long-term liabilities	13,905	4,465
Stockholders' equity	49,091	75,066
Total liabilities and Stockholders' equity	$ 95,203	$ 103,017

Conference call

Synta will host a conference call at 10:00 AM (EDT) today to discuss clinical updates and fourth quarter and year end 2013 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 2:00 p.m. ET on March 11, 2014 through 11:59 p.m. ET on March 18, 2014. To access the replay, please dial (877) 660-6853 (U.S.) or (201) 612-7415 (International) and refer to conference ID 13576468.

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 Ganetespib

Ganetespib, an investigational drug candidate, is a selective inhibitor of heat shock protein 90 (Hsp90), a molecular chaperone which controls the folding and activation of a number of client proteins that drive tumor development and progression. Many solid and hematologic tumors are dependent on Hsp90 client proteins including proteins involved in "oncogene addiction" (ALK, HER2, mutant BRAF and EGFR, androgen receptor, estrogen receptor, and JAK2); proteins involved in resistance to chemotherapy and radiation therapy (ATR, BCL2, BRCA1/2, CDK1/4, CHK1, survivin, and WEE1); proteins involved in angiogenesis (HIF-1alpha, VEGFR, PDFGR, and VEGF); and proteins involved in metastasis (MET, RAF, AKT, MMPs, HIF-1alpha, and IGF-1R). In preclinical models, inhibition of Hsp90 by ganetespib results in the inactivation, destabilization, and eventual degradation of these cancer-promoting proteins. Ganetespib is being evaluated in trials in lung cancer, breast cancer, and other tumor types. The most common adverse event seen to date has been transient, mild or moderate diarrhea, which has been manageable with standard supportive care. Information on these trials can be found at www.clinicaltrials.gov. Ganetespib has received Fast Track designation from FDA for second-line treatment of non-small cell lung adenocarcinoma in combination with docetaxel.

About Hsp90-Inhibitor Drug Conjugates (HDCs)

HDCs are small-molecule drugs consisting of an Hsp90 inhibitor (targeting moiety) joined to an anti-cancer agent (payload) via a cleavable chemical linker optimized for controlled release of payload drug inside cancer cells. They exploit the preferential retention of Hsp90 inhibitors in tumors to selectively deliver anti-cancer payloads. HDCs represent a promising new therapeutic class with the potential to enhance the safety and efficacy of a wide range of small molecule anti-cancer drugs.

Synta has established proof of concept for HDC lead candidates in preclinical studies and has developed over 550 compounds, using a broad range of Hsp90 inhibitor moieties, cleavable linkers, and anti-cancer payloads. The latter include cytotoxic chemotherapeutics, kinase inhibitors, hormone therapies, immunomodulators, and epigenetic modifiers, creating the potential for next-generation compounds in each of these categories. Synta has filed worldwide patent applications that include comprehensive claims covering the HDC platform, compositions of matter, methods for identifying therapeutically effective compounds, and methods of use of such compounds against a wide range of diseases and conditions.

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 its 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 anticipated timing for the interim and final analyses from the GALAXY-2 trial, the start of enrollment in the ganetespib arm of the I-SPY 2 trial, the interim analysis from the AML-LI (less intensive)-1 trial, and the start of enrollment of the safety lead-in Phase 1 portion of GANNET53, as well as the expectation that Synta's cash resources as of December 31, 2013 will be sufficient to fund operations at least through the end of 2014, 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, 2013 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.

Source: Synta Pharmaceuticals Corp.

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