Synta Reports Third Quarter Financial Results and Provides Corporate Update

November 6, 2014

Announces Initiation of AML-18 Trial

Webcast and Conference Call Today, November 6, at 10:00 AM ET

LEXINGTON, Mass.--(BUSINESS WIRE)--Nov. 6, 2014-- Synta Pharmaceuticals Corp. (NASDAQ: SNTA) today reported financial results for the third quarter ended September 30, 2014 and provided an update on recent corporate events.

“Since joining Synta two months ago, I have been working closely with the Board and management team to develop a strategy for leveraging the talent within Synta along with external partnerships to realize the tremendous value-potential in ganetespib, our HDC platform and other pipeline assets,” said Anne Whitaker, President and Chief Executive Officer of Synta. “As we continue to develop this strategy, the Company remains intensely focused on executing the Phase 3 GALAXY-2 study of ganetespib in second-line non-small cell lung adenocarcinoma. In addition, thanks to the high level of investigator interest in studying ganetespib, we continue to support investigator sponsored clinical trials in a broad range of indications. We are also evaluating options for efficiently advancing the HDC platform and further scaling our pipeline through partnerships and lifecycle management.”

Ms. Whitaker concluded: “Our strategy, which we look forward to outlining in the months ahead, will be designed to support our goal of becoming a leading pharmaceutical company focused on the discovery, development and commercialization of medicines that make a difference for patients with few treatment options.”

Third Quarter and Recent Updates

- ***Initiation of AML-18 Trial of Ganetespib in Acute Myeloid Leukemia (AML) and High Risk Myelodysplastic Syndrome (MDS).*** The Company announced that the AML-18 trial, which will evaluate the combination of ganetespib with standard DA (daunorubin and Ara-C) in patients with AML and high risk MDS over 60 years old who can tolerate intensive chemotherapy versus treatment with standard DA alone, has initiated and is expected to begin enrolling patients in the ganetespib arm in the fourth quarter of 2014. AML-18 is the second of three multicenter, randomized trials supported by the Leukemia & Lymphoma Research Fund and Cancer Research UK that will evaluate ganetespib in combination with chemotherapy in first-line treatment of patients with AML and high risk MDS. Up to 300 patients are expected to be enrolled in the ganetespib arm. Results from a pilot study conducted in the UK under the auspices of the Cardiff Experimental Cancer Medicine Centre in 2012 confirmed the feasibility and safety of combining ganetespib with intensive chemotherapy in older patients with AML.
- ***ODAC Pediatric Subcommittee to Review Ganetespib in Pediatric Sarcoma.*** Earlier this week, Synta announced that the U.S. Food and Drug Administration (FDA) has invited the Company to participate in a meeting of the Oncologic Drugs Advisory Committee’s (ODAC) Pediatric Subcommittee on December 11, 2014 to inform the FDA as to whether there is sufficient interest in the pediatric investigator community to warrant the FDA issuing a Pediatric Written Request to Synta. An additional six months of exclusivity will be granted to ganetespib if the FDA issues a Pediatric Written Request and Synta fulfills its requirements. The Pediatric Subcommittee of ODAC will review the design of SARC 023, an open label Phase 1/2 trial of ganetespib in combination with the mTOR inhibitor sirolimus in patients with refractory sarcomas, including malignant peripheral nerve sheath tumors (MPNSTs), as well as pre-clinical data demonstrating the scientific rationale for studying this combination in a clinical trial. The ongoing SARC 023 study is sponsored by the Sarcoma Alliance for Research through Collaboration (SARC).

- ***Initiation of I-SPY 2 TRIAL of Ganetespib in Breast Cancer.*** In October 2014, the Company announced the initiation of 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**) arm evaluating ganetespib, the Company’s Hsp90 inhibitor, as a neoadjuvant therapy for patients with breast cancer. 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.
- ***Anne Whitaker Named President and Chief Executive Officer.*** In September 2014, Anne Whitaker joined Synta as President, Chief Executive Officer and a member of the Company’s Board of Directors. Ms. Whitaker has more than 20 years of experience in the pharmaceutical industry, principally at GlaxoSmithKline and Sanofi including, most recently, the role of President, North America Pharmaceuticals, at Sanofi.

Third Quarter 2014 Financial Results

There were no revenues recognized in the third quarters of 2014 and 2013.

Research and development expenses were $16.2 million for the third quarter in 2014, compared to $17.6 million for the same period in 2013. General and administrative expenses were $3.2 million for the third quarter in 2014, compared to $4.2 million for the same period in 2013.

The Company reported a net loss of $20.0 million, or $0.19 per basic and diluted share, in the third quarter of 2014, compared to a net loss of $22.5 million, or $0.33 per basic and diluted share, for the same period in 2013.

In the third quarter of 2014, the Company raised an aggregate of approximately $28.1 million in net proceeds from the sale of its common stock under its at-the-market (ATM) issuance sales agreements with MLV & Co.

As of September 30, 2014, the Company had $119.3 million in cash, cash equivalents and marketable securities, compared to $91.5 million in cash, cash equivalents and marketable securities as of December 31, 2013.

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 (SEC) on November 6, 2014.

Guidance

Based on its current operating levels, the Company expects its cash resources of approximately $119.3 million at September 30, 2014 will be sufficient to fund operations at least into the fourth quarter of 2015. This estimate assumes no additional funding from new partnership agreements, equity financing events or further sales under its ATM, and that the timing and nature of certain activities contemplated for the remainder of 2014 and 2015 will be conducted subject to the availability of sufficient financial resources.

Conference call

Synta will host a conference call at 10:00 AM (ET) today to discuss clinical updates and third quarter 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 2:00 p.m. ET on November 6 through 11:59 p.m. ET on November 13. To access the replay, please dial (877) 660-6853 (U.S.) or (201) 612-7415 (International) and refer to conference ID 13594063.

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 (HDC)

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 HDCs using a range of Hsp90 inhibitor moieties, cleavable linkers, and over 40 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", “continues”, "projects", or similar expressions intended to identify forward-looking statements. Such statements, including statements relating to the potential outcomes of the ODAC Pediatric Subcommittee meeting on December 11, 2014, the potential of ganetespib to treat MPNSTs

and other indications, the I-SPY 2 treatment plan for ganetespib and the potential of ganetespib to treat breast cancer and other indications, the potential of ganetespib to treat AML or high risk MDS, the anticipated timing for the beginning of enrollment for AML-18, as well as the expectation that Synta's cash resources will be sufficient to fund operations through the fourth quarter 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, 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.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	**2013**	**2014**	**2013**
Revenues:				
Total revenues	$ —	$ —	$ —	$ —
Operating expenses:				
Research and development	16,208	17,623	52,552	51,879
General and administrative	3,241	4,171	11,505	12,236
Total operating expenses	19,449	21,794	64,057	64,115
Loss from operations	(19,449)	(21,794)	(64,057)	(64,115)
Interest expense, net	(517)	(721)	(1,752)	(1,915)
Net loss	$ (19,966)	$ (22,515)	$ (65,809)	$ (66,030)
Basic and diluted net loss per common share	$ (0.19)	$ (0.33)	$ (0.69)	$ (0.96)
Basic and diluted weighted average number of common shares outstanding	105,774,949	69,047,161	95,160,945	69,024,656

Synta Pharmaceuticals Corp.
Condensed Consolidated Balance Sheets
(in thousands)
(unaudited)

	September 30, 2014	**December 31, 2013**
Assets		
Cash, cash equivalents and marketable securities	$ 119,280	$ 91,476
Other current assets	2,911	765
Property, plant and equipment, net	1,134	1,553
Other non-current assets	331	1,409
Total assets	$ 123,656	$ 95,203
Liabilities and Equity		
Current liabilities	$ 32,961	$ 32,207
Long-term liabilities	6,967	13,905
Stockholders' equity	83,728	49,091
Total liabilities and Stockholders' equity	$ 123,656	$ 95,203

Source: Synta Pharmaceuticals Corp.

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