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Exubera Hailed as Innovation in Prestigious European and American Awards

SAN CARLOS, Calif., Sep 12, 2006 (BUSINESS WIRE) -- Nektar Therapeutics (Nasdaq:NKTR):

-- WSJ/Professor Pedro Nueno: "The drug could encourage diabetes sufferers to get treatment earlier and more often. This has such a tremendous advantage for a huge number of people world-wide. It is a real breakthrough."

-- PharmaBarometer: "Despite only being launched into the German market in May 2006, it has been immediately endorsed by diabetologists as the most innovative product of the year."

Nektar Therapeutics (Nasdaq:NKTR) announced today that Exubera, the world's first inhalable, non-injectable insulin has garnered two prestigious awards for innovation within months of its launch. In the United States, The Wall Street Journal recognized Exubera first in the biotechnology and medical category as a technological breakthrough with the bronze award overall. In Germany, Exubera was "immediately endorsed by diabetes experts as being the most innovative diabetes medicine of 2006," according to PharmaBarometer.

"As the creator of the core technologies for Exubera, we at Nektar appreciate the recognition of Exubera for its innovation to bring a better therapy option to diabetes patients," said Dr. John Patton, co-founder and chief scientific officer, Nektar.

Exubera is the first insulin, and first ever biotechnology-based medicine to treat a systemic disorder, that can be administered without an injection. It is the only inhaled insulin to be approved for use in clinical practice in the European Union, U.S., Brazil and Mexico, and it is pending approval in several other countries. Exubera was co-developed by Pfizer and Nektar. Its development took over 15 years and involved experts from diverse scientific disciplines including biological, chemical, mechanical, manufacturing, fluid engineering, physics and even aeronautical engineers. In addition to these awards, Exubera has also been recognized as an innovative therapy by the 2005 Yearbook of Endocrinology, Popular Science ("Best of What's New" award) and Prevention magazine ("Eight Medical Breakthroughs").

About The Wall Street Journal 'Technology Innovation Award'

The Wall Street Journal received more than 600 entries for this year's Technology Innovation Awards. Exubera has been selected as the overall bronze award winner for all technological categories by an independent panel of judges. The award celebrates a technological breakthrough in the field of biotechnology and medicine and Exubera was selected as the winner in this category. Judges looked for innovativeness, clarity of explanation and whether the innovation was covered by patents or had achieved some kind of track record. Winners were featured in The Journal Report, appearing in The Wall Street Journal's three global editions on September 11, 2006.

About the PharmaBarometer Award

German diabetologists have declared Exubera to be the most innovative diabetes medicine of 2006. This is the conclusion of Pharma Trend, a representative poll conducted for the trade magazine 'PharmaBarometer. Every year, Pharma Trend surveys 1,500 healthcare professionals from ten medical disciplines. Honoring the best pharmaceutical company, as well as the most innovative product in each discipline, both awards have become the industry's 'Oscar' in Germany. The Pharma Trend 2006 market research surveyed a representative sample of 100 diabetologists who were asked to name the medicine which, in their opinion, was the most innovative of the year. Exubera received its 'Most Innovative Product 2006' award at a ceremony with 120 leading healthcare industry representatives on September 12th in Munich, Germany.

About Exubera

Exubera is a rapid-acting powdered insulin that is inhaled through the mouth prior to eating, using the handheld Exubera(R) Inhaler. Exubera is currently available in the U.S., United Kingdom, Ireland and Germany. The unique Exubera(R) Inhaler produces a standing cloud of insulin powder, which is designed to pass rapidly into the bloodstream to regulate the body's blood sugar levels. In the U.S., Exubera is approved for the treatment of adults with type 1 or type 2 diabetes for the control of high blood sugar levels. In patients with type 2 diabetes, Exubera can be used alone or in combination with diabetes pills or longer-acting insulin. In patients with type 1 diabetes, Exubera should be used in combination with a longer-acting insulin.

In the European Union, Exubera is indicated for the treatment of adult patients with type 2 diabetes mellitus not adequately controlled with oral anti-diabetic agents and requiring insulin therapy. Exubera is also indicated for the treatment of adult patients with type 1 diabetes mellitus, in addition to long or intermediate acting insulin, for whom the potential benefits of adding inhaled insulin outweigh the potential safety concerns.

Exubera is marketed by Pfizer and is a product of a developmental collaboration between Pfizer and Nektar Therapeutics. Under the agreement between Nektar and Pfizer, Nektar will receive royalties on Exubera as well as revenue for the manufacture of the powder and the inhalation devices.

Important Safety Information about Exubera

Patients should not take Exubera if they have poorly controlled or unstable lung disease, or if they smoke or have stopped smoking less than six months prior to starting Exubera treatment. If a patient starts smoking or resumes smoking, he or she must stop using Exubera and see a health care provider about a different treatment.

In clinical trials, mean treatment group differences between Exubera and comparators showed that Exubera was associated with small, nonprogressive declines in lung function relative to comparator treatments.

Before starting treatment with Exubera, a healthcare professional will carry out a simple test to check lung function. This will help to find out if Exubera is the right treatment for individual patients. Once a patient starts treatment, it is recommended that a health care provider check lung function again at six months and yearly thereafter.

Like all medicines, Exubera can cause side effects. As with all forms of insulin, a possible side effect of Exubera is low blood sugar levels. Some patients have reported a mild cough while taking Exubera, which tended occur within seconds to minutes after Exubera inhalation. Coughing occurred less frequently as patients continued to use Exubera.

About Nektar Advanced Pulmonary Delivery

Nektar Advanced Pulmonary Technology uses innovative molecular formulations and novel delivery devices to improve or enable administration of medicines to and through the lungs for both lung diseases and systemic conditions. Exubera is the most advanced product using Nektar Advanced Pulmonary Technology. The company has two proprietary inhaled anti-infective products currently in clinical development and four additional pulmonary products in the clinic with various partners.

About Nektar

Nektar Therapeutics is a biopharmaceutical company that develops and enables differentiated therapeutics with its industry-leading drug delivery technologies, expertise and manufacturing capabilities. Nektar technology and know-how have enabled nine approved products for partners, which include the world's leading pharmaceutical and biotechnology companies. Nektar also develops its own products by applying its drug delivery technologies and expertise to existing medicines to enhance performance, such as improving efficacy, safety and compliance.

Nektar has not independently verified and does not assume responsibility for the statements and statistics of the third party organizations contained in this press release. This press release contains forward looking statements regarding Exubera. These statements involve uncertainties and other risks, including but not limited to (i) the commercial success of the ongoing Exubera product launch, (ii) Nektar's ability to manufacture and supply sufficient quantities of Exubera powder and Exubera Inhalers to meet market demand, and (iii) the discovery of any new or more severe side effects or negative efficacy findings for Exubera or any product liability claims related thereto. Other important risks and uncertainties are detailed in the company's reports and other filings with the SEC, including its most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q, and Current Reports on Form 8-K. Actual results could differ materially from the forward-looking statements contained in this press release. Nektar undertakes no obligation to update forward-looking statements, whether as a result of new information, future events or otherwise.

For more information about Exubera, please visit www.Exubera.com. Exubera is a registered trademark of Pfizer Inc.

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Nektar Therapeutics

Jennifer Ruddock, 650-631-4954 (U.S.)

Joyce Strand, 650-444-9847 (EU only)

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