Nektar Consolidates Research at Its State-of-the-Art R&D Center Located in San Francisco at Mission Bay

Huntsville, Alabama Will Continue to Serve as Company's Manufacturing and Process Development Center

SAN FRANCISCO, March 20, 2012 /PRNewswire/ -- Nektar Therapeutics (NASDAQ:NKTR) today announced that the company is consolidating its U.S.-based research scientists at the company's existing San Francisco state-of-the-art R&D center, which is located adjacent to the UCSF research and medical campus in Mission Bay. With the consolidation, research scientists from Nektar's Huntsville, Alabama research site will be relocating to San Francisco. Nektar's San Francisco R&D Center at Mission Bay opened in November 2010 and includes 102,000 square feet of biology and chemistry lab space, as well as Nektar's corporate headquarters. Under a ten-year sub-lease with Pfizer which was signed in March 2010, Nektar received free rent through July of 2014 for the newly constructed biopharmaceutical lab space.

"Bringing our highly productive U.S. research team together in San Francisco will greatly increase our efficiency and further enhance critical interaction between research, clinical, and product strategy teams as we continue to generate new drug candidates," said Howard W. Robin, President and Chief Executive Officer of Nektar Therapeutics. "Nektar's R&D Center in Mission Bay is located in the heart of a growing hub of leading biopharmaceutical companies and surrounded by world-renowned scientific research institutes and medical facilities."

Nektar will continue to operate its 105,000-square-foot manufacturing and process development facility in Huntsville, Alabama that manufactures proprietary PEGylation compounds for its own clinical pipeline, as well as Nektar's pharmaceutical partners. The facility supplies polymers for UCB's Cimzia®, Roche's PEGASYS®, Pfizer's SOMAVERT®, Amgen's NEULASTA® and Affymax's peginesatide, among others.

The consolidation plans announced today will result in no change to the company's most recent financial guidance provided on the February 29, 2012 webcast conference call to review the company's 2011 financial results. An audio replay of that conference call will remain available the company's website www.nektar.com in the Investor Relations Section under Financial Calendar & Presentations.

About Nektar

Nektar Therapeutics is a biopharmaceutical company developing novel therapeutics based on its PEGylation and advanced polymer conjugation technology platforms. Nektar has a robust R&D pipeline of potentially high-value therapeutics in oncology, pain and other therapeutic areas. In the area of pain, Nektar has an exclusive worldwide license agreement with AstraZeneca for naloxegol (NKTR-118), an investigational drug candidate, which is being evaluated in Phase 3 clinical studies as a once-daily, oral tablet for the treatment of opioid-induced constipation. This agreement also includes NKTR-119, an earlier stage development program that is a co-formulation of naloxegol and an opioid. NKTR-181, a novel mu-opioid analgesic in development to treat chronic pain, has completed Phase 1 development and is being prepared for Phase 2 development. In oncology, NKTR-102 is being evaluated in a Phase 3 clinical study for the treatment of metastatic breast cancer and in Phase 2 studies for the treatment of ovarian and colorectal cancers.

Nektar's technology has enabled seven approved products in the U.S. or Europe through partnerships with leading biopharmaceutical companies, including UCB's Cimzia® for Crohn's disease and rheumatoid arthritis, Roche's PEGASYS® for hepatitis C and Amgen's Neulasta® for neutropenia. Additional development-stage products that leverage Nektar's proprietary technology platform include peginesatide, for which Affymax and partner Takeda submitted a new drug application to the United States Food and Drug Administration in May 2011, and Baxter's BAX 855, a long-acting PEGylated rFVIII program which is in Phase 1 clinical development.

Nektar is headquartered in San Francisco, California, with additional operations in Huntsville, Alabama and Hyderabad, India. Further information about the company and its drug development programs and capabilities may be found online at http://www.nektar.com.

Cautionary Note Regarding Forward-Looking Statements
This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of

1995. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "expect," "believe," "should," "may," "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding the value and potential of Nektar's R&D pipeline; the future identification and advancement of new drug candidates by Nektar's R&D organization; and our plans to initiate a Phase 2 clinical study for NKTR-181. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results to differ materially from those indicated in the forward-looking statements include, among others: (i) Nektar's drug candidates and those of our collaboration partners are in various stages of clinical development and the risk of failure is high and can unexpectedly occur at any stage prior to regulatory approval for numerous reasons including safety and efficacy findings even after positive findings in preclinical and clinical studies; (ii) the timing of the commencement or end of clinical trials and the commercial launch of our drug candidates may be delayed or unsuccessful due to regulatory delays, slower than anticipated patient enrollment, manufacturing challenges, changing standards of care, evolving regulatory requirements, clinical trial design, clinical outcomes, competitive factors, or delay or failure in ultimately obtaining regulatory approval in one or more important markets; (iii) scientific discovery of new medical breakthroughs is an inherently uncertain process and the future success of the application of our technology platform to potential new drug candidates is therefore highly uncertain and unpredictable and one or more research and development programs could fail; and (iv) certain other important risks and uncertainties set forth in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 29, 2012. Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

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