
OMB APPROVAL

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 3)*

Inhale Therapeutic Systems

(Name of Issuer)

Common Stock, no par value

(Title of Class of Securities)

457191104

(CUSIP Number)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Item 1(a). Name of Issuer: Inhale Therapeutic Systems.

Item 1(b). Address of Issuer's Principal Executive Offices:
1525 Industrial Way, Belmont, CA 94002.

Item 2(a). Names of Persons Filing: New Enterprise Associates V, Limited Partnership ("NEA V"), NEA Partners V, Limited Partnership ("NEA Partners V"), which is the sole general partner of NEA V, NEA ONSET Partners, Limited Partnership ("ONSET Partners") and Cornelius J. Bond, Jr. ("Bond"), Frank A. Bonsal, Jr. ("Bonsal"), Nancy L. Dorman ("Dorman"), C. Richard Kramlich ("Kramlich"), Arthur J. Marks ("Marks"), Thomas C. McConnell ("McConnell") and Charles W. Newhall III ("Newhall") (collectively, the "General Partners"). Bonsal, Dorman, Kramlich, Marks, McConnell and Newhall are individual general partners of NEA Partners V. Bond, Bonsal, Dorman, Kramlich, Marks, McConnell and Newhall are individual general partners of ONSET Partners. The persons named in this paragraph are referred to individually herein as a "Reporting Person" and collectively as the "Reporting Persons."

Item 4. Ownership.

Not applicable.

Item 5. Ownership of Five Percent or Less of a Class.

Each Reporting Person has ceased to be the beneficial owner of more than five percent of outstanding Common Stock of Inhale Therapeutic Systems.

All other items of this Schedule 13G remain the same as reported on

the Schedule 13G dated as of February 10, 1997 and filed on behalf of the Reporting Persons with respect to the Common Stock of Inhale Therapeutic Systems, except to reflect that each of the Reporting Persons has ceased to be the beneficial owner of more than five percent of the Common Stock of Inhale Therapeutic Systems.

SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: February 10, 1998

NEW ENTERPRISE ASSOCIATES V, LIMITED PARTNERSHIP

By: NEA PARTNERS V, LIMITED PARTNERSHIP

By: *

Charles W. Newhall III
General Partner

NEA PARTNERS V, LIMITED PARTNERSHIP

By: *

Charles W. Newhall III
General Partner

NEA ONSET Partners, Limited Partnership

By: *

Charles W. Newhall III
General Partner

*

Cornelius C. Bond, Jr.

*

Frank A. Bonsal, Jr.

*

C. Richard Kramlich

*

Arthur J. Marks

*

Thomas C. McConnell

*

Charles W. Newhall III

*By: /s/ Nancy L. Dorman
Nancy L. Dorman, in her individual
capacity and as Attorney-in-Fact

This Schedule 13G was executed by Nancy L. Dorman pursuant to Powers of Attorney filed with the Securities and Exchange Commission on February 13, 1992 in connection with a Schedule 13G for Advanced Interventional Systems Inc. and on February 13, 1995 in connection with a Schedule 13G for Acuity Imaging, Inc., which Powers of Attorney are incorporated herein by reference.

AGREEMENT

Pursuant to Rule 13d-1(f)(1) under the Securities Exchange Act of 1934, the undersigned hereby agree that only one statement containing the information required by Schedule 13G need be filed with respect to the ownership by each of the undersigned of shares of Common Stock of Inhale Therapeutic Systems.

EXECUTED as a sealed instrument this 10th day of February, 1998.

NEW ENTERPRISE ASSOCIATES V, LIMITED PARTNERSHIP

By: NEA PARTNERS V, LIMITED PARTNERSHIP

By: *

Charles W. Newhall III
General Partner

NEA PARTNERS V, LIMITED PARTNERSHIP

By: *

Charles W. Newhall III
General Partner

NEA ONSET Partners, Limited Partnership

By: *

Charles W. Newhall III
General Partner

*

Cornelius C. Bond, Jr.

*

Frank A. Bonsal, Jr.

*

C. Richard Kramlich

*

Arthur J. Marks

*

Thomas C. McConnell

*

Charles W. Newhall III

*By: /s/ Nancy L. Dorman

Nancy L. Dorman, in her individual
capacity and as Attorney-in-Fact

This Agreement was executed by Nancy L. Dorman pursuant to Powers of Attorney filed with the Securities and Exchange Commission on February 13, 1992 in connection with a Schedule 13G for Advanced Interventional Systems Inc. and on February 13, 1995 in connection with a Schedule 13G for Acuity Imaging, Inc., which Powers of Attorney are incorporated herein by reference.