# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**WASHINGTON, DC 20549**

# FORM 8-K

**CURRENT REPORT**
**PURSUANT TO SECTION 13 OR 15(d)**
**OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of report (Date of earliest event reported): November 3, 2016**

# NEKTAR THERAPEUTICS
**(Exact Name of Registrant as Specified in Charter)**

| **Delaware** | **0-24006** | **94-3134940** |
|---|---|---|
| **(State or Other Jurisdiction of Incorporation)** | **(Commission File Number)** | **(IRS Employer Identification No.)** |

**455 Mission Bay Boulevard South**
**San Francisco, California 94158**
**(Address of Principal Executive Offices and Zip Code)**

**Registrant's telephone number, including area code: (415) 482-5300**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02 Results of Operations and Financial Condition.**

On November 3, 2016, Nektar Therapeutics, a Delaware corporation ("Nektar"), issued a press release (the "Press Release") announcing its financial results for the quarter ended September 30, 2016. A copy of the Press Release is furnished herewith as Exhibit 99.1.

On October 27, 2016, Nektar announced that it would hold a Webcast conference call on November 3, 2016 to review financial results for the quarter ended September 30, 2016. This conference call is accessible through a link that is posted on the home page and Investor Relations section of the Nektar website: http://www.nektar.com.

The information in this report, including the exhibit hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. The information contained herein and in the accompanying exhibit shall not be incorporated by reference into any filing with the Securities and Exchange Commission made by Nektar Therapeutics, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

**Item 9.01 Financial Statements and Exhibits.**

| Exhibit Number | Description |
|---|---|
| 99.1 | Press Release titled "Nektar Therapeutics Reports Financial Results for the Third Quarter of 2016" issued by Nektar Therapeutics on November 3, 2016. |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**NEKTAR THERAPEUTICS**

November 3, 2016

By: /s/ *Mark A. Wilson*
Mark A. Wilson
*Vice President and General Counsel*

## EXHIBIT INDEX

| Exhibit No. | Description |
| --- | --- |
| 99.1 | Press Release titled “Nektar Therapeutics Reports Financial Results for the Third Quarter of 2016” issued by Nektar Therapeutics on November 3, 2016. |

**Nektar Therapeutics Reports Financial Results for the Third Quarter of 2016**

SAN FRANCISCO, Nov. 3, 2016 /PRNewswire/ — Nektar Therapeutics (Nasdaq: NKTR) today reported its financial results for the third quarter ended September 30, 2016.

Cash and investments in marketable securities at September 30, 2016 were $253.5 million as compared to $308.9 million at December 31, 2015. Our cash and investments in marketable securities at September 30, 2016 do not include net proceeds of approximately $189.1 million from the recent sale and issuance of our common stock on October 24, 2016.

“Our pipeline is rapidly advancing with several important data catalysts and potential approvals expected over the next several quarters,” said Howard W. Robin, President and Chief Executive Officer of Nektar. “With the positive clinical results from our ongoing Phase 1 study of NKTR-214, we have now demonstrated that NKTR-214 is the first investigational medicine in immuno-oncology that selectively stimulates the in vivo proliferation of endogenous tumor-killing lymphocytes within the tumor micro-environment. In Q3, these data led to a broad clinical collaboration with Bristol-Myers Squibb to evaluate combination regimens with their anti-PD-1 agent in five different tumor types and at least seven indications. Within the next two quarters, we will have Phase 3 data for four programs: two Bayer anti-infective programs, Ophthotech’s Fovista in wet AMD, and our own proprietary pain program, NKTR-181, in chronic low back pain. We are also expecting a decision from the European CHMP on conditional approval of ONZEALD by the end of Q1 2017.”

Year-to-date revenue for 2016 was $128.0 million as compared to $191.4 million in the first nine months of 2015. Revenue in 2016 included recognition of $31.0 million from AstraZeneca as a result of its sublicense of MOVENTIG® (naloxegol) to ProStrakan (Kyowa Kirin) in Europe. In addition, product sales, royalty revenue, and non-cash royalty revenue increased in the first nine months of 2016 compared to the first nine months of 2015. Revenue in 2015 included recognition of $90.0 million of the $100.0 million milestone payment from AstraZeneca following the first commercial sale of MOVANTIK in the U.S. in Q1 2015 and the $40.0 million milestone payment from AstraZeneca following the first commercial sale of MOVENTIG in the EU in Q3 2015. Revenue in the third quarter of 2016 was $36.3 million as compared to $60.0 million in the third quarter of 2015.

Revenue included non-cash royalty revenue, related to our 2012 royalty monetization, of $7.7 million and $22.3 million in the third quarter and first nine months of 2016, respectively, and $6.1 million and $14.8 million in the third quarter and first nine months of 2015, respectively. This non-cash royalty revenue is offset by non-cash interest expense also incurred in connection with the 2012 royalty monetization of $4.9 million and $14.9 million in the third quarter and first nine months of 2016, respectively and $5.2 million and $15.4 million in the third quarter and first nine months of 2015, respectively.

Total operating costs and expenses in the third quarter of 2016 were $69.2 million as compared to $59.5 million in the third quarter of 2015. Year-to-date total operating costs and expenses in 2016 were $208.7 million as compared to $191.4 million for the same period in 2015. Total operating costs and expenses increased primarily as a result of increased research and development (R&D) expense.

Research and development expense in the third quarter of 2016 was $52.0 million as compared to $43.2 million in the third quarter of 2015. Year-to-date R&D expense for 2016 was $153.6 million as compared to $135.7 million for the same period in 2015. R&D expense was higher in the third quarter and first nine months of 2016 as compared to the same periods in 2015 primarily due to expenses for the NKTR-181 Phase 3 studies and the initiation of the Phase 1/2 study of NKTR-214.

General and administrative expense was $10.3 million in the third quarter of 2016 as compared to $9.5 million in the third quarter of 2015. G&A expense in the first nine months of 2016 was $31.5 million as compared to $30.0 million for the same period in 2015.

Net loss in the third quarter of 2016 was $43.2 million or $0.32 loss per share as compared to $8.2 million or $0.06 loss per share in the third quarter of 2015. Net loss in the first nine months of 2016 was $111.3 million or $0.82 loss per share as compared to $27.0 million or $0.21 loss per share in the first nine months of 2015.

The company also announced upcoming presentations at the following scientific congresses during the fourth quarter of 2016:

**Society for Immunotherapy in Cancer (SITC) 31st Anniversary Annual Meeting, National Harbor, MD:**

- **Oral Presentation:** *“A CD122-biased agonist increases CD8+T Cells and natural killer cells in the tumor microenvironment; making cold tumors hot with NKTR-214”*
    - **Presenter:** Dr. Adi Diab, Assistant Professor, Department of Melanoma Medical Oncology, Division of Cancer Medicine, The University of Texas MD Anderson Cancer Center, Houston, Texas
    - **Session:** New Cancer Immunotherapy Agents in Development
    - **Date:** Wednesday, November 9, 2016, 11:10 a.m. – 12:20 p.m. Eastern Time
- **Poster 387:** *“A CD122-biased agonist increases CD8+T Cells and natural killer cells in the tumor microenvironment; making cold tumors hot with NKTR-214”*
    - **Session:** Tumor Microenvironment
    - **Date:** Friday, November 11, 2016, 12:15 – 1:30 p.m. and 6:15 – 7:30 p.m. Eastern Time

- **Poster 343:** *"Anti-tumor activity of NKTR-214; a CD122-biased agonist that promotes immune cell activation in the tumor microenvironment and lymphoid tissues"*
    - **Session:** Promoting and Measuring Anti-Tumor Activity
    - **Date:** Friday, November 11, 2016, 12:15 – 1:30 p.m. and 6:15 – 7:30 p.m. Eastern Time
- **Poster 359: "***NKTR-214, an engineered cytokine, synergizes and improves efficacy of anti-cancer vaccination in the treatment of established murine melanoma tumors"*
    - **Session:** Therapeutic Cancer Vaccines
    - **Date:** Friday, November 11, 2016, 12:15 – 1:30 p.m. and 6:15 – 7:30 p.m. Eastern Time
- **Poster 342:** *"NKTR-255: an IL-15-based therapeutic with optimized biological activity and anti-tumor efficacy"*
    - **Session:** Promoting and Measuring Anti-Tumor Activity
    - **Date:** Saturday, November 12, 2016, 11:45 a.m. – 1:00 p.m. and 6:45 – 8:00 p.m. Eastern Time

**EORTC-NCI-AACR Molecular Targets and Cancer Therapeutics Symposium, Munich, Germany:**

- **Poster**: *"Intra-tumoral immune cell mobilization and anti-tumor activity after treatment with the engineered cytokine NKTR-214 in multiple preclinical mouse tumor models"*, Charych, D., et al.
    - **Poster Session:** Immunotherapy
    - **Date:** November 30, 2016, 8:30 a.m. Central European Time

**2016 San Antonio Breast Cancer Symposium, San Antonio, TX:**

- **Poster OT1-04-08:** *"Phase 3 study of etirinotecan pegol versus treatment of physician's choice in patients with metastatic breast cancer who have stable brain metastases previously treated with an anthracycline, a taxane, and capecitabine"*, Tripathy, D. et al.
    - Poster Session: Ongoing Trials - Metastases
    - Date: December 7, 2016, 5:00 p.m. – 7:00 p.m. Central Time

**Conference Call to Discuss Third Quarter 2016 Financial Results**

Nektar management will host a conference call to review the results beginning at 5:00 p.m. Eastern Time/2:00 p.m. Pacific Time today, Thursday, November 3, 2016.

This press release and a live audio-only Webcast of the conference call can be accessed through a link that is posted on the home page and Investor Relations section of the Nektar website: http://www.nektar.com. The web broadcast of the conference call will be available for replay through Tuesday, December 6, 2016.

To access the conference call, follow these instructions:

Dial: (877) 881.2183 (U.S.); (970) 315.0453 (international)
Passcode**:** 7718800 (Nektar Therapeutics is the host)

In the event that any non-GAAP financial measure is discussed on the conference call that is not described in the press release, or explained on the conference call, related information will be made available on the Investor Relations page at the Nektar website as soon as practical after the conclusion of the conference call.

**About Nektar**

Nektar Therapeutics has a robust R&D pipeline and portfolio of approved partnered medicines in oncology, pain, immunology and other therapeutic areas. In the area of oncology, Nektar is developing NKTR-214, an immuno-stimulatory CD122-biased agonist, which is in Phase 1/2 clinical development for patients with solid tumors. ONZEALD™ (etirinotecan pegol), a long-acting topoisomerase I inhibitor, is being developed for patients with advanced breast cancer and brain metastases and is partnered with Daiichi Sankyo in Europe. In the area of pain, Nektar has an exclusive worldwide license agreement with AstraZeneca for MOVANTIK™ (naloxegol), the first FDA-approved once-daily oral peripherally-acting mu-opioid receptor antagonist (PAMORA) medication for the treatment of opioid-induced constipation (OIC), in adult patients with chronic, non-cancer pain. The product is also approved in the European Union as MOVENTIG® (naloxegol) and is indicated for adult patients with OIC who have had an inadequate response to laxatives. The AstraZeneca agreement also includes NKTR-119, an earlier stage development program that is a co-formulation of MOVANTIK and an opioid. NKTR-181, a wholly owned mu-opioid analgesic molecule for chronic pain conditions, is in Phase 3 development. In hemophilia, Nektar has a collaboration agreement with Baxalta for ADYNOVATE™ [Antihemophilic Factor (Recombinant)], a longer-acting PEGylated Factor VIII therapeutic approved in the U.S. and Japan for patients over 12 with hemophilia A. In anti-infectives, the company has two collaborations with Bayer Healthcare, Cipro Inhale in Phase 3 for non-cystic fibrosis bronchiectasis and Amikacin Inhale in Phase 3 for patients with Gram-negative pneumonia.

Nektar's technology has enabled nine approved products in the U.S. or Europe through partnerships with leading biopharmaceutical companies, including AstraZeneca's MOVANTIK™, Baxalta's ADYNOVATE™, UCB's Cimzia® for Crohn's disease and rheumatoid arthritis, Roche's PEGASYS® for hepatitis C and Amgen's Neulasta® for neutropenia.

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.

MOVANTIK™ is a trademark and MOVENTIG® is a registered trademark of the AstraZeneca group of companies. ADYNOVATE™ is a trademark of Baxalta Inc.

ONZEALD™ is a trademark of Nektar Therapeutics.

**Cautionary Note Regarding Forward-Looking Statements**

*This press release contains forward-looking statements which 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 timing of the CHMP decision for conditional approval of ONZEALD in Europe, the timing of the availability of Phase 3 data for our partnered programs with Bayer and Ophthotech and our NKTR-181 Phase 3 clinical study, the timing and potential approval of our partnered products and the potential of our technology and drug candidates in our research and development pipeline. 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) the CHMP and FDA have substantial discretion as to whether to grant marketing approval for pharmaceutical products (including ONZEALD and those of our partners) and the decisions from these regulatory authorities are difficult to predict and these decisions have significant financial consequences; (ii) NKTR-214 is in early-stage clinical development and there are substantial risks that can unexpectedly occur for numerous reasons including negative safety and efficacy findings in the ongoing Phase 1 clinical study notwithstanding positive findings in preclinical studies; (iii) our 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 negative safety and efficacy findings even after positive findings in previous preclinical and clinical studies; (iv) the timing of the commencement or end of clinical trials and the availability of clinical data 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; (v) scientific discovery of new medical breakthroughs is an inherently uncertain process and the future success of applying our technology platform to potential new drug candidates (such as NKTR-181 and NKTR-214) is therefore highly uncertain and unpredictable and one or more research and development programs could fail; (vi) patents may not issue from our patent applications for our drug candidates including NKTR-181 and NKTR-214, patents that have issued may not be enforceable, or additional intellectual property licenses from third parties may be required; and (vii) certain other important risks and uncertainties set forth in our Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 4, 2016. 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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**NEKTAR THERAPEUTICS**
**CONDENSED CONSOLIDATED BALANCE SHEETS**
(In thousands)
(Unaudited)

| | September 30, 2016 | December 31, 2015 (1) |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 63,295 | $ 55,570 |
| Short-term investments | 190,216 | 253,374 |
| Accounts receivable, net | 14,249 | 19,947 |
| Inventory | 10,754 | 11,346 |
| Other current assets | 4,008 | 9,814 |
| Total current assets | 282,522 | 350,051 |
| Property, plant and equipment, net | 65,553 | 71,336 |
| Goodwill | 76,501 | 76,501 |
| Other assets | 519 | 754 |
| Total assets | $ 425,095 | $ 498,642 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)** | | |
| Current liabilities: | | |
| Accounts payable | $ 7,118 | $ 2,363 |
| Accrued compensation | 15,733 | 5,998 |
| Accrued clinical trial expenses | 10,946 | 8,220 |
| Other accrued expenses | 6,761 | 4,156 |
| Interest payable | 4,198 | 4,198 |
| Capital lease obligations, current portion | 2,370 | 4,756 |
| Liability related to refundable upfront payment | 12,500 | — |
| Deferred revenue, current portion | 14,101 | 21,428 |
| Other current liabilities | 2,578 | 10,127 |
| Total current liabilities | 76,305 | 61,246 |
| Senior secured notes, net | 243,004 | 241,699 |
| Capital lease obligations, less current portion | 2,143 | 1,073 |
| Liability related to the sale of future royalties, net | 108,893 | 116,029 |
| Deferred revenue, less current portion | 57,088 | 62,426 |
| Other long-term liabilities | 5,515 | 9,740 |
| Total liabilities | 492,948 | 492,213 |
| Commitments and contingencies | | |
| Stockholders' equity (deficit): | | |
| Preferred stock | — | — |
| Common stock | 13 | 13 |
| Capital in excess of par value | 1,912,907 | 1,876,072 |
| Accumulated other comprehensive loss | (1,962) | (2,170) |
| Accumulated deficit | (1,978,811) | (1,867,486) |
| Total stockholders' equity (deficit) | (67,853) | 6,429 |
| Total liabilities and stockholders' equity (deficit) | $ 425,095 | $ 498,642 |

(1) The consolidated balance sheet at December 31, 2015 has been derived from the audited financial statements at that date but does not include all of the information and notes required by generally accepted accounting principles in the United States for complete financial statements.

**NEKTAR THERAPEUTICS**
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**
(In thousands, except per share information)
(Unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2016 | 2015 | 2016 | 2015 |
| Revenue: | | | | |
| Product sales | $ 14,698 | $ 7,240 | $ 41,664 | $ 26,182 |
| Royalty revenue | 5,573 | 187 | 13,150 | 1,057 |
| Non-cash royalty revenue related to sale of future royalties | 7,692 | 6,050 | 22,341 | 14,752 |
| License, collaboration and other revenue | 8,373 | 46,475 | 50,829 | 149,423 |
| Total revenue | 36,336 | 59,952 | 127,984 | 191,414 |
| Operating costs and expenses: | | | | |
| Cost of goods sold | 7,033 | 6,760 | 23,611 | 25,738 |
| Research and development | 51,951 | 43,229 | 153,569 | 135,652 |
| General and administrative | 10,253 | 9,544 | 31,515 | 30,031 |
| Total operating costs and expenses | 69,237 | 59,533 | 208,695 | 191,421 |
| Income (loss) from operations | (32,901) | 419 | (80,711) | (7) |
| Non-operating income (expense): | | | | |
| Interest expense | (5,614) | (4,202) | (16,918) | (12,491) |
| Non-cash interest expense on liability related to sale of future royalties | (4,902) | (5,226) | (14,929) | (15,428) |
| Interest income and other income (expense), net | 332 | 898 | 1,666 | 1,355 |
| Total non-operating expense, net | (10,184) | (8,530) | (30,181) | (26,564) |
| Loss before provision for income taxes | (43,085) | (8,111) | (110,892) | (26,571) |
| Provision for income taxes | 139 | 92 | 433 | 469 |
| Net loss | $ (43,224) | $ (8,203) | $ (111,325) | $ (27,040) |
| Basic and diluted net loss per share | $ (0.32) | $ (0.06) | $ (0.82) | $ (0.21) |
| Weighted average shares outstanding used in computing basic and diluted net loss per share | 137,094 | 132,631 | 136,415 | 131,882 |

**NEKTAR THERAPEUTICS**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
(In thousands)
(Unaudited)

| | Nine Months Ended September 30, | |
|---|---|---|
| | 2016 | 2015 |
| **Cash flows from operating activities:** | | |
| Net loss | $ (111,325) | $ (27,040) |
| Adjustments to reconcile net loss to net cash (used in) provided by operating activities: | | |
| Non-cash royalty revenue related to sale of future royalties | (22,341) | (14,752) |
| Non-cash interest expense on liability related to sale of future royalties | 14,929 | 15,428 |
| Stock-based compensation | 18,793 | 14,499 |
| Depreciation and amortization | 11,502 | 9,109 |
| Other non-cash transactions | (2,190) | (1,448) |
| Changes in operating assets and liabilities: | | |
| Accounts receivable, net | 5,698 | 641 |
| Inventory | 592 | 2,600 |
| Other assets | 6,041 | 3,843 |
| Accounts payable | 4,799 | (525) |
| Accrued compensation | 9,735 | 7,056 |
| Accrued clinical trial expenses | 2,726 | 3,394 |
| Other accrued expenses | 2,386 | 949 |
| Interest payable | — | (3,750) |
| Liability related to refundable upfront payment | 12,500 | — |
| Deferred revenue | (12,665) | (11,832) |
| Other liabilities | (5,793) | 3,854 |
| Net cash (used in) provided by operating activities | (64,613) | 2,026 |
| **Cash flows from investing activities:** | | |
| Purchases of investments | (142,972) | (202,870) |
| Maturities of investments | 201,449 | 155,683 |
| Sales of investments | 4,969 | 23,778 |
| Release of restricted cash | — | 25,000 |
| Purchases of property, plant and equipment | (3,741) | (8,722) |
| Net cash provided by (used in) investing activities | 59,705 | (7,131) |
| **Cash flows from financing activities:** | | |
| Payment of capital lease obligations | (5,376) | (3,798) |
| Proceeds from shares issued under equity compensation plans | 18,041 | 15,516 |
| Net cash provided by financing activities | 12,665 | 11,718 |
| Effect of exchange rates on cash and cash equivalents | (32) | (159) |
| Net increase in cash and cash equivalents | 7,725 | 6,454 |
| Cash and cash equivalents at beginning of period | 55,570 | 12,365 |
| Cash and cash equivalents at end of period | $ 63,295 | $ 18,819 |
| **Supplemental disclosure of cash flow information:** | | |
| Cash paid for interest | $ 15,513 | $ 16,095 |
| **Supplemental schedule of non-cash investing and financing activities** | | |
| Accrued debt issuance costs | $ — | $ 8,503 |