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NEW PATHWAYS TO SMARTER MEDICINE™

Nektar Investor & Analyst Call

Nektar & Bristol-Myers Squibb Collaboration

February 14, 2018

This presentation includes forward-looking statements regarding Nektar's proprietary drug candidates, the timing of the start and conclusion of ongoing or planned clinical trials, the timing and outcome of regulatory decisions, and future availability of clinical trial data. Actual results could differ materially and these statements are subject to important risks detailed in Nektar's filings with the SEC including the Form 10-Q filed on November 8, 2017. Nektar undertakes no obligation to update forward-looking statements as a result of new information or otherwise.

Collaboration Achieves Key Strategic Goals for NKTR-214 Program

- **Substantial upfront** and **future milestone** economics to Nektar
- Nektar **maintains control** of NKTR-214 (pricing and distribution)
- Nektar **books revenue** for worldwide sales of NKTR-214
- Nektar has **global commercialization rights**
- Nektar **keeps majority of global profits** of NKTR-214 (65%)
- Nektar gains access to resources and infrastructure of Bristol-Myers Squibb to **expedite a broad Phase 3 development program starting middle of 2018**
- **Majority of development costs for broad Phase 3** registration-enabling trials with Opdivo (+/- Yervoy) paid by **Bristol-Myers Squibb**
- Nektar **is free to develop NKTR-214 with other anti-cancer agents** (either our own or those of third parties)

Allows Us to Rapidly Establish NKTR-214 As Backbone Immuno-oncology Therapy

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Substantial Upfront and Future Cash Payments

- **Total Up-Front Payments and Milestones to Nektar of $3.63 Billion**
  - **Total upfront payments of $1.85 billion**
    - $1.0 billion upfront cash payment to Nektar
    - $850 million upfront equity investment in Nektar
      - 8,284,600 shares at $102.60 per share
      - BMY is subject to standstill agreement
      - BMY has agreed to lock-up provisions and voting provisions for a period of five years
  - **Nektar is eligible for an additional $1.43 billion in development and regulatory milestones**
    - A total of $650 million for 1st indication upon filings and launches in US, EU and Japan
    - A total of $780 million for next 3 indications upon filings and launches in US, EU and Japan ($260 million total for each indication)
  - **Nektar is eligible for an additional $350 million in global sales milestones**

Joint Development and Commercialization of NKTR-214

- Nektar will book revenue for worldwide sales of NKTR-214
- Nektar has sole decision-making authority for NKTR-214 pricing
- NKTR-214 to be marketed only as stand-alone product – no fixed dose combinations or packaged combinations
- Nektar and BMY to share global profits for NKTR-214
  - 65% NKTR and 35% BMY
- Nektar and BMY to jointly commercialize NKTR-214 globally
- BMY will lead commercialization activities for NKTR-214 combinations with BMY medicines
  - Nektar will co-commercialize these combinations in the US, major EU markets and Japan
- Nektar will lead global commercialization activities for NKTR-214 combinations with either Nektar medicines and/or other third-party medicines

Establishing NKTR-214 as a Backbone Immuno-oncology Therapy

Nektar and BMS to pursue >20 indications in 9 tumor types in a Joint Clinical Development Plan with Opdivo and Opdivo plus Yervoy in certain indications

Nektar free to combine NKTR-214 with any agent other than anti-PD-1/PDL-1 in any indication, including third party clinical collaborations

Nektar free to combine NKTR-214 with other PD-1/PD-L1 agents in indications outside of the Joint Clinical Development Plan

Broad Joint Clinical Development Plan to Rapidly Advance NKTR-214 with Opdivo

Joint Clinical Development Plan of registration-enabling clinical trials in ≥20 indications in 9 tumor types in ~15,000 patients

- Registration-enabling studies to start no later than 14 months from effective date of collaboration (subject to allowable delays)
- 9 Tumor Types: Non-Small Cell Lung, Small Cell Lung, Melanoma, Renal Cell Carcinoma, Urothelial, Breast, Colorectal, Gastric, and Sarcoma
- Parties to share development costs of registration-enabling trials as follows:

Combination Therapy	BMY	NKTR
NKTR-214 + Opdivo	67.5%	32.5%
NKTR-214 + Opdivo + Yervoy	78.0%	22.0%

Nektar has annual development cost sharing cap of $125M

Limited Indication Exclusivity for Trials in Joint Clinical Development Plan

Joint Clinical Development Plan (CDP) of registration-enabling clinical trials in ≥20 indications in 9 tumor types in ~15,000 patients

- BMY and Nektar agree to not initiate studies in defined indications within the Joint Clinical Development Plan with overlapping mechanisms of IL-2 agonism plus PD-1/PD-L1 antagonism (plus anti-CTLA-4 in some indications) as follows:
  - Initial Exclusivity Period: Until first commercial launch of NKTR-214 or 3 years from the effective date of the collaboration, whichever is longer.
  - Collaboration Exclusivity Period: During the 3 years following end of Initial Exclusivity Period, either party can start a competing study on its own (but not in collaboration with a third party) with any agent(s) even if mechanisms overlap with those in the Joint Clinical Development Plan. If Nektar is acquired by a company with a PD-1/PD-L1, the acquiring company can study their own PD-1/PD-L1 agent with NKTR-214 without limitation.
- Exclusivity Fall-Off Provision: If a study in a defined indication in the Joint Clinical Development Plan does not start within 14 months after effective date of collaboration (subject to allowable delays), that indication is no longer subject to exclusivity.

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