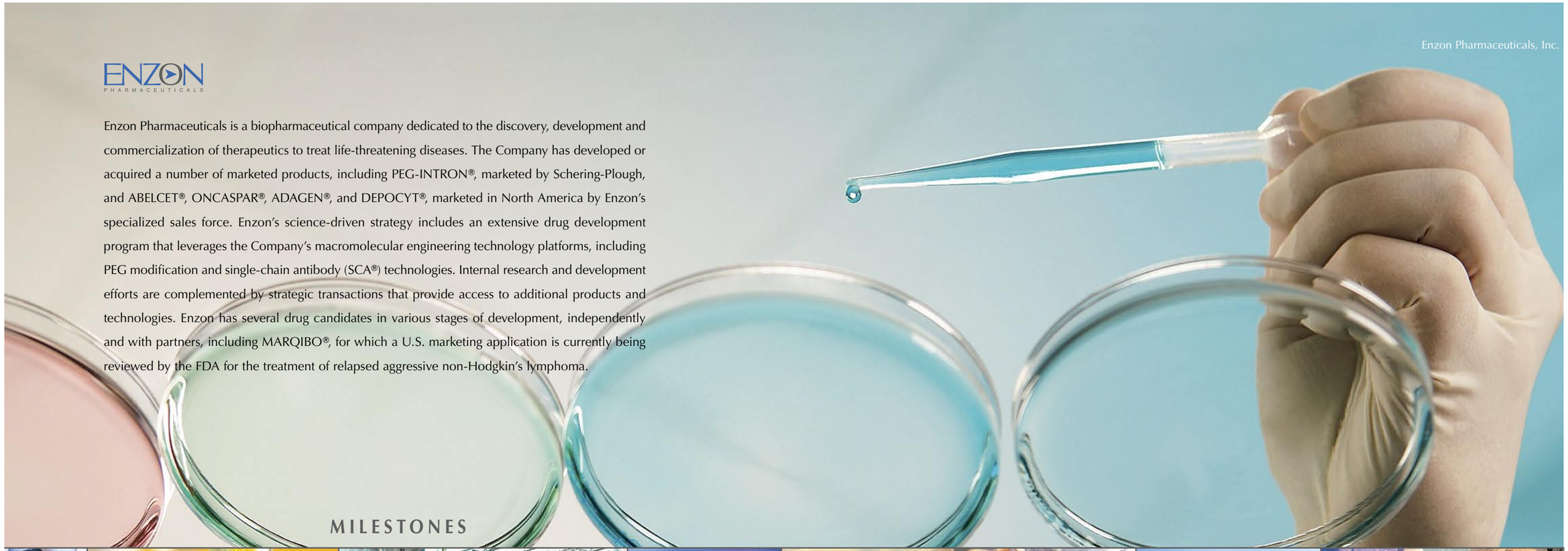
SCIENCE-DRIVEN/RESULTS-ORIENTED

ENZON PHARMACEUTICALS

2004 ANNUAL REPORT

ENZON PHARMACEUTICALS

Enzon Pharmaceuticals is a biopharmaceutical company dedicated to the discovery, development and commercialization of therapeutics to treat life-threatening diseases. The Company has developed or acquired a number of marketed products, including PEG-INTRON®, marketed by Schering-Plough, and ABELCET®, ONCASPAR®, ADAGEN®, and DEPOCYT®, marketed in North America by Enzon's specialized sales force. Enzon's science-driven strategy includes an extensive drug development program that leverages the Company's macromolecular engineering technology platforms, including PEG modification and single-chain antibody (SCA®) technologies. Internal research and development efforts are complemented by strategic transactions that provide access to additional products and technologies. Enzon has several drug candidates in various stages of development, independently and with partners, including MARQIBO®, for which a U.S. marketing application is currently being reviewed by the FDA for the treatment of relapsed aggressive non-Hodgkin's lymphoma.



MILESTONES

January 2004

We strengthened our late-stage oncology pipeline with the addition of MARQIBO®. This product is complementary to our R&D and manufacturing infrastructure, is an excellent fit with our sales team's therapeutic focus, and, if approved, offers the potential to significantly increase product revenues.

February 2004

Our partner Schering-Plough launched the PEG-INTRON REDIPEN™, the first and only pen delivery system for PEGylated interferon therapy. The REDIPEN combines PEG-INTRON's proven efficacy and the advantages of weight-based dosing with the convenience and precision of the REDIPEN injection system.

April 2004

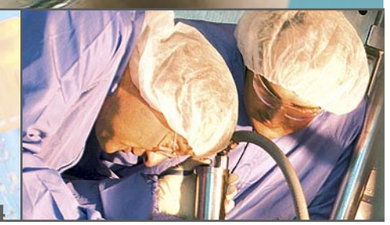
Schering-Plough reported the acceptance of its New Drug Application in Japan seeking marketing approval for PEG-INTRON combination therapy for hepatitis C. If approved, PEG-INTRON combination therapy would be the first and only PEGylated alpha interferon combination therapy approved in Japan.

May 2004

The FDA accepted a New Drug Application for MARQIBO®, moving Enzon and Inex one step closer toward providing a new treatment option to aggressive non-Hodgkin's lymphoma (NHL) patients who have failed previous chemotherapy regimens and have very few treatment options.

June 2004

Investigators presented promising interim data from a Phase 2 open-label clinical trial in which MARQIBO® was used in combination therapy for the first-line treatment of aggressive NHL. The data demonstrated an overall response rate of 93% in evaluable patients and positive patient survival rates.



August 2004

Enzon was named by *Fortune* magazine as one of "America's 100 Fastest Growing Companies for 2004." This accomplishment acknowledges the significant forward progress made over the past several years and our ability to successfully execute our stated strategy.

November 2003

We enhanced our early-stage oncology pipeline with the addition of SS1P from the NIH. SS1P is a novel and potent immunotoxin that targets mesothelin. While SS1P is still in the early stages of clinical development, we are excited about its potential.

September 2004

We entered into an agreement with Pharmagene to engineer an optimized version of Pharmagene's PGN0052 for clinical development. Under the agreement, Enzon can either jointly develop and commercialize the product with Pharmagene or receive future royalties and certain co-marketing rights.

TO OUR SHAREHOLDERS

"Enzon has the necessary elements in place, as well as a philosophy of excellence and execution, that are enabling us to create and maximize opportunities that are driving the Company to its next level of success."

ENZON

Fiscal 2004 has been a year of significant advancements for Enzon. We continued to build on our past achievements and have successfully transformed our business from a royalty-based specialty pharmaceutical company into a fully integrated biopharmaceutical company with a robust pipeline and strong revenues driven by our internally marketed products and complemented by a substantial royalty stream.

Our strategy focuses on enhancing our growing pipeline by accessing products through select strategic transactions that complement our internal drug development programs. In the pharmaceutical industry, a company must have the financial resources, internal capabilities, and robust pipeline to drive sustainable growth. Today, as a fully integrated biopharmaceutical company, Enzon has internal capabilities that span from research, preclinical and clinical development, to manufacturing, sales, and marketing. Enzon has the necessary elements in place, as well as a philosophy of excellence and execution, that are enabling us to create and maximize opportunities that are driving the Company to its next level of success. The solid foundation that exists at Enzon today is the result of the disciplined execution of our strategy.

Revenues for fiscal 2004 reached nearly $170 million —an achievement that was fueled by over $100 million in combined sales from our four internally marketed products and nearly $50 million in royalties on products that utilize our proprietary PEG technology. These strong sustainable revenues are driving positive cash flows, profitability, and are enabling us to expand our clinical-stage pipeline. By continuing to execute product-licensing deals, while simultaneously advancing our early-stage development programs, we are investing in a product pipeline that is forming an engine that we believe will drive future growth for many years to come.

The driving force behind our strong product sales is our specialized North American sales and marketing team. Our commercial organization focuses on building relationships with opinion leaders and leading patient organizations in our three areas of therapeutic focus—oncology and hematology, transplantation, and infectious disease. We have made continued progress this year in building relationships and brand recognition in our targeted markets.

Our specialized sales force is an important example of our integration from drug discovery to manufacturing to product commercialization. Unlike many companies of our size, we have the commercial infrastructure in place to advance and market internally developed products. These same capabilities are major assets that we are simultaneously leveraging to access late-stage or marketed products that strategically fit within the therapeutic areas that our field force is focused on. Another valuable feature of our sales and marketing infrastructure is that it is scalable and can support expanded product offerings with modest increases in capital investments.

A specific area targeted by our field force is oncology physicians at leading cancer clinics across North America. Oncologists practicing medicine in these specialty clinics are limited in number, yet are responsible for treating a vast majority of cancer patients. By focusing on these cancer specialists, our highly trained sales force can address a broad market segment. Our commercial expertise in oncology was a key ingredient in the successful in-licensing of MARQIBO® (vincristine sulfate liposomes injection) from Inex Pharmaceuticals. This product complements the three products that our sales and marketing organization are currently presenting to the oncology market. MARQIBO is being investigated for the treatment of aggressive non-Hodgkin's lymphoma (NHL), as well as several

"Unlike many companies of our size, we have the commercial infrastructure in place to advance and market internally developed products. These same capabilities are major assets that we are simultaneously leveraging to access late-stage or marketed products..."

additional oncology indications. Currently, the FDA is evaluating a marketing application for MARQIBO for the third-line treatment of NHL with a targeted date of January 2005 for completion of the review.

In addition to MARQIBO, we also expanded our earlier stage oncology pipeline by collaborating with the National Cancer Institute (NCI) on the development of SS1P, a novel and potent immunotoxin that targets mesothelin, a cell-surface antigen that is over-expressed in mesothelioma, ovarian, and pancreatic cancers. While this compound is still in the early stages of development, we are excited about its potential as the NCI's Phase 1 program has already shown signs of clinical benefit and anti-tumor activity.

Products such as MARQIBO and SS1P are enabling us to make major progress toward growing a successful and sustainable oncology franchise at Enzon. Importantly, our oncology franchise has evolved into a highly strategic asset that should enable us to compete successfully for product-licensing opportunities. Enzon's oncology expertise is an attractive asset that is making Enzon an ideal partner. We offer partners the capacity to maximize the potential of their products by providing instant access to established clinical, regulatory, and commercial expertise, which is both cost-effective and less time intensive than investing substantial assets in building infrastructure.

Our state-of-the-art sterile injectable manufacturing capabilities are also important assets that we believe make us a more attractive potential partner. Our in-house manufacturing expertise is an essential element of our business that eliminates delays and other uncertainties and vulnerabilities associated with outsourcing and facilitates more stringent control over the costs of product manufacturing. An ideal example of the value of our manufacturing capabilities is the potential synergies they provide for MARQIBO. The sphingosomal drug delivery system used in MARQIBO is similar to those of ABELCET and MYOCET, both of which we manufacture in our Indianapolis facility. Given our successful track record of manufacturing these products, our goal is to ultimately transfer the production of MARQIBO to our facility, which should create significant economies of scale and enable us to produce this product more cost effectively.

We have also made tremendous strides in expanding our clinical pipeline by strengthening our roots as a biopharmaceutical company. Few companies have internal scientific and product development expertise that includes single-chain antibodies, proteins, oligonucleotides, and the modification of other large-molecule therapeutics. Our expertise in macromolecular engineering and other internal research and development capabilities are defining strengths that are enabling us to innovate new products to fuel our drug pipeline. Enzon's scientific team is highly committed to harnessing this scientific expertise and focusing it on the most appropriate drug development projects with the highest likelihood of commercial success.

By combining the successes of our internal R&D efforts with our product-licensing strategy, we are continuing to build a pipeline that we believe mitigates the risks of drug development by establishing a balanced mix of both near- and long-term opportunities.

Before the end of 2004, we plan to initiate a pivotal trial for our transplantation product ATG-Fresenius S, a polyclonal antibody preparation we are developing for the North American market. We are very optimistic about this product's potential as it is already marketed by our partner Fresenius Biotech GmbH in more than 60 countries and has been effective for the prevention of graft rejection in organ transplantation. ATG-Fresenius S differs from Thymoglobulin® in a number of ways, including the preferential

ENZON

targeting and depleting of only activated T-cells, which are the T-cells that may result in an immunologic attack on the transplanted organ. These features, along with this product's demonstrated clinical efficacy, leave us optimistic about its potential in the growing U.S. transplantation market.

Our macromolecular engineering expertise is also an effective tool in gaining preferential access to commercialization rights for promising clinical compounds. Currently, we are applying our PEG technology to engineer an optimized version of Pharmagene's PGN0052. This compound is a synthetic version of human secretin that is being investigated as a treatment for cystic fibrosis. Pharmagene has successfully advanced PGN0052 through three Phase 1 studies, and is currently evaluating the compound in a Phase 2a proof of concept trial, with results anticipated before the end of 2004. Under this agreement, we received an upfront fee and are eligible for a milestone payment upon successfully engineering a PEG enhanced version of PGN0052 that meets certain specified criteria. An important component of this agreement is our option to either jointly develop and commercialize the compound, or receive royalties on sales and certain co-marketing rights. In essence, we leveraged our PEG expertise to gain access to an exciting clinical compound at an attractive cost.

Looking back, 2004 was a year of substantial progress and achievements for Enzon. Our team executed on all aspects of our stated business strategy and underscored our ability to leverage our scientific, development, manufacturing, and commercialization capabilities to obtain products with tremendous commercial potential.

Prior to closing, I would like to pay tribute to a colleague and a friend—Dr. David Golde who passed away this past August. David served on Enzon's Board of Directors for six years. Over this period, as a world-class expert in cancer research, most notably of hematologic cancers, and Attending Physician at Memorial Sloan-Kettering Cancer Center, David provided tremendous input to Enzon's business and R&D activities. We will certainly miss David's insight and his friendship.

Lastly, I would like to take this opportunity to welcome Jeff Buchalter and wish him the best as Enzon's chairman. It was an honor to lead Enzon during my tenure as chairman and chief executive officer and I am extremely proud of all that we have accomplished. Our successes would not have been possible without a superior senior management team and employees that are committed to excellence and building on Enzon's reputation for delivering on its promises.

Looking ahead, I am confident results-oriented execution that is driven by science will remain Enzon's focus. With substantial internal capabilities spanning from research, preclinical and clinical development, to manufacturing, sales, and marketing, along with strong revenues and a robust pipeline—the necessary elements are in place to continue to successfully create and maximize opportunities to drive Enzon to the next level.

Arthur Higgins

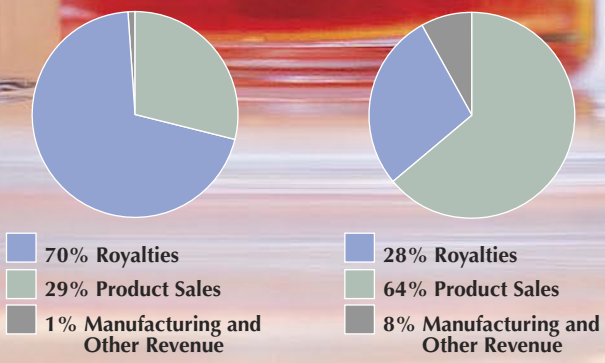
Arthur J. Higgins
Director and former Chairman

1

ESTABLISHING INDEPENDENCE

As a Fully Integrated Company

TODAY ENZON IS STRONGER THAN IT HAS EVER BEEN WITH SIGNIFICANT IN-HOUSE CAPABILITIES IN RESEARCH, DEVELOPMENT, MANUFACTURING, SALES, AND MARKETING.



ENZON

Through the disciplined execution of our strategy, we have successfully transformed Enzon from a royalty-based specialty pharmaceutical company to a fully integrated biopharmaceutical company with a robust pipeline and strong revenues from four internally marketed products and internal capabilities spanning research, development, manufacturing, sales, and marketing—including a specialized North American sales team that focuses on three key therapeutic areas: oncology and hematology, transplantation, and infectious disease.

We believe Enzon's capabilities—particularly in sales, marketing, and manufacturing—truly differentiate us from many of our peers. Not only have these capabilities played a vital role in our evolution into a company that is product- rather than royalty-driven, they are essential ingredients that we can leverage to generate sustainable growth.

Revenues from products that are marketed by our specialized sales and marketing team now contribute over 60% to our total revenues—a significant increase over 2002 levels when less than 30% of our total revenues were attributable to our internally marketed products. Enzon is now a company that is in control of its own destiny with a highly capable sales team driving revenues from our internally marketed products. Additionally, this sales and marketing organization is an important asset that provides our partners with a very capable commercial organization that successfully accesses key therapeutic areas. In essence, we can leverage the time of our sales force as a currency when negotiating commercial or co-promote rights to additional products. For example, the in-licensing of MARQIBO® (vincristine sulfate liposomes injection) was a very competitive process. Two important reasons that we were able to execute this deal at an attractive upfront cost were our experienced sales and marketing organization and our manufacturing expertise.

In the completed pivotal trial, MARQIBO was administered to 119 patients with relapsed aggressive non-Hodgkin's lymphoma who had not responded to their previous therapy or had responded and subsequently relapsed. After treatment with MARQIBO as a single-agent, an overall response rate of 25% was achieved. We believe these data are significant, as these patients were at very advanced stages of disease and had already received an average of four prior chemotherapy regimens and did not respond or relapsed following treatment. The results of this pivotal trial are the basis for the NDA submission.

In addition to our sales and marketing capabilities, our FDA-approved manufacturing facilities are also important assets of Enzon. Our state-of-the-art sterile injectable manufacturing facility in Indianapolis has the capabilities of formulating complex injectable products and single- and dual-chamber vial filling. Currently, we manufacture ABELCET®, ADAGEN®, and ONCASPAR® and generate contract manufacturing revenue for other injectable pharmaceutical products we manufacture for third parties.

These significant in-house capabilities, as well as our successful track record of bringing products from the research bench to the market, have established Enzon as a partner-of-choice and are vital ingredients that we will continue to leverage to attain long-term sustainable growth.

2

BUILDING A FRANCHISE

A Year of Achievement

This year we made significant progress toward achieving our objective of growing a successful, sustainable oncology franchise at Enzon by adding MARQIBO® and SS1P to our pipeline.

ENZON

This year we made significant progress toward achieving our objective of growing a successful, sustainable oncology franchise at Enzon by adding MARQIBO® and SS1P to our pipeline. These products exemplify our strategy of leveraging our infrastructure to license promising clinical compounds at an attractive investment that we can develop and commercialize internally.

MARQIBO is an excellent example of executing this strategy. In January, we in-licensed the North American rights to MARQIBO from Inex Pharmaceuticals for an attractive upfront payment, as well as future payments that are only triggered upon the attainment of product approval(s) and sales objectives.

MARQIBO was designed as an improved version of vincristine, a validated and highly-used chemotherapy drug. Vincristine is a powerful cell-cycle specific drug that acts by inhibiting cell division during the mitosis or M phase of the cell cycle; however, when administered in its conventional form at its indicated therapeutic dose, patients often experience dose-limiting neurotoxicities, therefore physicians often apply a dosage cap. We believe this cap may prevent patients from receiving the optimal dose of native vincristine.

Using sphingosomal technology, Inex scientists designed MARQIBO to offer several key advantages that may lead to improved efficacy over native vincristine, namely:

- Extended circulation in the bloodstream may allow for more of the cancer cells to be exposed to vincristine during the M phase.
- Unlike Vincristine, there has been no dosage cap utilized in the clinical program for MARQIBO, enabling significantly more vincristine to be administered to patients.
- Lastly, despite delivering significantly more vincristine for an extended period of time, MARQIBO's clinical data supports a safety profile that is similar to vincristine.

The United States Food and Drug Administration (FDA) will review MARQIBO at an Oncologic Drugs Advisory Committee session scheduled for December 1, 2004. In May 2004, the FDA accepted a New Drug Application (NDA) for MARQIBO for relapsed aggressive NHL for patients previously treated with at least two combination chemotherapy regimens. The FDA's target date for completing the review is January 2005.

In addition to relapsed aggressive NHL, Inex and Enzon are also exploring the development of MARQIBO for a variety of other cancers, including first-line aggressive NHL in combination with other chemotherapeutic agents.

This year we also bolstered our early-stage oncology pipeline by collaborating with the National Cancer Institute (NCI) on the development of SS1P, a novel and potent immunotoxin that targets mesothelin, a cell-surface antigen that is over-expressed in mesothelioma, ovarian, and pancreatic cancers. While this compound is still in the early stages of development, we are very excited about its potential as the NCI's Phase 1 program has already shown signs of clinical benefit and anti-tumor activity.

Both MARQIBO and SS1P are highly synergistic with Enzon's commercial infrastructure and are excellent examples of Enzon's ability to leverage our infrastructure to gain access to promising clinical compounds. We look forward to identifying new strategic opportunities to continue growing our oncology franchise to bring important therapies to patients and provide value to our shareholders.

3 LOOKING AHEAD

Product Pipeline

We are committed to bringing innovative products to the market that enable physicians to improve patient care.

ENZON

Enzon is committed to bringing innovative products to the market that enable physicians to improve patient care. We have built a strong R&D organization that is advancing internally developed products while simultaneously reviewing licensing opportunities that have the potential to keep Enzon's pipeline filled with promising clinical compounds. This strategy is allowing us to allocate our R&D investments to those programs that we believe have the greatest likelihood for success.

In collaboration with Inex, we are developing MARQIBO® as a third-line treatment for aggressive NHL, as well as additional cancer indications. At the 2004 American Society of Clinical Oncology (ASCO) conference, clinicians presented promising 22-month follow-up data from a Phase 2 open-label clinical trial in which MARQIBO replaced conventional vincristine as part of the standard first-line combination chemotherapy regimen for aggressive NHL. Investigators presented interim data that demonstrated positive patient survival rates and an overall response rate of 93% in evaluable patients. Of the estimated 100,000 patients treated with vincristine in the U.S. in 2002, over 50% are estimated to be first-line NHL patients. Therefore, we have placed a high priority on this indication.

Before the end of 2004, we plan to initiate a pivotal trial for our transplantation product ATG-Fresenius S, a polyclonal antibody preparation, which is marketed by our partner Fresenius Biotech GmbH in more than 60 countries. We are developing ATG-Fresenius S for the North American market. Currently, the leading polyclonal antibody product in the U.S. is Genzyme's product Thymoglobulin®. ATG-Fresenius S differs from Thymoglobulin in a number of significant ways, leaving us optimistic about its potential to compete effectively in the growing U.S. transplantation market.

This year we also initiated a pivotal trial for Pegamotecan as a second-line treatment for gastric and gastroesophageal junction cancers. Presently, there is no approved therapy and a large medical need. Therefore, we believe an opportunity exists to pursue accelerated FDA approval under Subpart H of The Food and Drug Act.

To bolster our early-stage pipeline this year, we added two promising compounds—SS1P for cancer and PGN0052 for cystic fibrosis. We are developing SS1P in collaboration with the NCI. This is an ingenious example of protein engineering in which an antibody fragment that targets mesothelin—a cell-surface antigen that is over-expressed in mesothelioma, ovarian, and pancreatic cancers—is linked to a highly lethal toxin, thereby targeting the toxin to only those cells expressing mesothelin. While SS1P is in the early stages of development, we are very excited about its potential and are preparing to kickoff a Phase 2 study during the first half of calendar 2005.

Pharmagene is currently investigating PGN0052 as a treatment for cystic fibrosis. We are utilizing our PEG technology to engineer an optimized version of PGN0052 for clinical development. Under this collaboration, we have the option to either jointly develop and commercialize the product, or receive future royalties and certain co-marketing rights.

The strides we have made in expanding our product pipeline underscores our ability to successfully execute our strategy and leverage our infrastructure to gain access to promising clinical compounds. We are highly confident that the past year's accomplishments are only the beginning and we are strongly positioned to continue on our strategic path of building sustainable value for our shareholders.

ENZON PRODUCTS AND PIPELINE

Product	Partner	Indication	Research	Phase 1	Phase 2	Pivotal	Marketed
ABELCET®*	Proprietary	IV Antifungal					
ADAGEN®	Proprietary	ADA Deficient Severe Combined Immuno-deficiency Disease (SCID)					
DEPOCYT®*	Proprietary	Lymphomatous Meningitis					
ONCASPAR®	Proprietary	Acute Lymphoblastic Leukemia (ALL)					
MARQIBO®*	INEX Pharmaceuticals	Relapsed, Aggressive Non-Hodgkin's Lymphoma (NHL)					
		First-line and Relapsed Lymphoma (5)					
		Small Cell Lung Cancer					
		Hodgkin's Disease					
		Pediatric Malignancies					
		Acute Lymphoblastic Leukemia (ALL)					
ATG-Fresenius S*	Fresenius Biotech	Solid Organ Transplantation					
Pegamotecan	Proprietary	Gastric and Gastroesophegeal Cancers					
SS1P	NCI	Pancreatic Cancer					
PEG-Enzymes	Proprietary	Various					
SCA/PEG-SCA	Micromet	Various					
PEG-Secretin*	Pharmagene	Cystic Fibrosis					

*North American Rights

ENZON ROYALTY-BASED PRODUCT PIPELINE

Product	Licensee	Indication	Research	Phase 1	Phase 2	Phase 3	Marketed
PEG-INTRON®	Schering-Plough	U.S./EU Hepatitis C					
	Schering-Plough	Japan					
	Schering-Plough	Malignant Melanoma					
	Schering-Plough	Various Solid Tumors					
PEGASYS®	Nektar/Roche	Hepatitis C					
MACUGEN™	Nektar/Eyetech	Age-related Macular Degeneration					
CDP870	Nektar/Celltech	Rheumatoid Arthritis/ Crohn's Disease					
Pexelizumab	Alexion Pharmaceuticals	Cardiopulmonary Bypass Surgery					
		Myocardial Infarction					

Risk Factors

This annual report contains "forward-looking statements" which can be identified by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should" or "anticipates," or the negative thereof, or other variations thereon, or comparable terminology, or by discussions of strategy. No assurance can be given that the future results covered by the forward-looking statements will be achieved. Certain factors could cause actual results to vary materially from the future results indicated in such forward-looking statements. These factors are discussed in detail in the Risk Factors section of the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2004, under the headings: "Our business is heavily dependent on the continued sale of PEG-INTRON® and ABELCET®. If revenues from either of these products fail to increase as anticipated or materially decline, our financial condition and results of operations will be materially harmed"; "We may not sustain profitability"; "We are subject to extensive regulation. Compliance with these regulations can be costly, time consuming and subject us to unanticipated delays in developing our products. The regulatory approval process is highly uncertain and we may not successfully secure approval for MARQIBO®"; "We have experienced problems complying with the FDA's regulations for manufacturing our products, and have had to conduct voluntary recalls of certain of our products. These problems could materially harm our business"; "Our clinical trials could take longer to complete and cost more than we expect"; "If preclinical and clinical trials do not yield positive results, our product candidates will fail"; "Even if we obtain regulatory approval for our products, they may not be accepted in the marketplace"; "We depend on our collaborative partners. If we lose our collaborative partners or they do not apply adequate resources to our collaborations, our product development and financial performance may suffer"; "We purchase some of the compounds utilized in our products from a single source or a limited group of suppliers, and the partial or complete loss of one of these suppliers could cause production delays and a substantial loss of revenues"; "The United States and foreign patents upon which our original PEG technology was based have expired. We depend on patents and proprietary rights, which may offer only limited protection against potential infringement and the development by our competitors of competitive products"; "Our products may infringe the intellectual property rights of others, which could increase our costs and negatively affect our profitability"; "We have limited sales and marketing experience, which makes us dependent on our marketing partners"; "We may acquire other companies or products and may be unable to successfully integrate such companies with our operations"; "We may need to obtain additional financing to meet our future capital needs, and this financing may not be available when we need it"; "We depend on key personnel and may not be able to retain these employees or recruit additional qualified personnel, which would harm our business"; "We face rapid technological change and intense competition, which could harm our business and results of operations"; "We may be sued for product liability"; "Because of the uncertainty of pharmaceutical pricing, reimbursement and healthcare reform measures, we may be unable to sell our products profitably in the United States"; "The price of our common stock has been, and may continue to be, volatile which may significantly affect the trading price of our notes"; "Our notes are subordinated to all existing and future indebtedness"; "We may be unable to redeem our notes upon a fundamental change"; "A public market for our notes may fail to develop or be sustained"; "Events with respect to our share capital could cause the price of our common stock to decline"; "The issuance of preferred stock may adversely affect rights of common stockholders or discourage a takeover"; "We have a significant amount of indebtedness"; and "The market for unrated debt is subject to disruptions, which could have an adverse effect on the market price of the notes."

Corporate Headquarters
Enzon Pharmaceuticals, Inc.
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Bridgewater, NJ 08807
(908) 541-8600

Enzon's Executive Management
Ulrich M. Grau, Ph.D.
Chief Scientific Officer

Kenneth J. Zuerblis
Executive Vice President, Finance,
Chief Financial Officer and Secretary

Enzon's Board of Directors
Jeffrey H. Buchalter
Chairman
President and Chief Executive Officer of ILEX Oncology

Rolf A. Classon
Former Chairman of the Executive Committee of Bayer HealthCare AG

Dr. Rosina B. Dixon, M.D.
Pharmaceutical industry consultant and director of Cambrex Corporation and Church & Dwight Co., Inc.

Arthur J. Higgins
Chairman of the Executive Committee of Bayer HealthCare AG

Robert LeBuhn
Private investor and director of Cambrex Corporation

Directors Emeriti
Richard Cooper, M.D.
Frank F. Davis, Ph.D. (Co-Founder)
Martin B. Stein
Peter G. Tombros

Auditors
KPMG LLP
Short Hills, NJ

SEC Counsel
Dorsey & Whitney LLP
New York, NY

Investor Relations
Updated information about the Company is available by accessing Enzon's home page, located on the World Wide Web at www.enzon.com. Enzon's website includes summaries of the Company's technologies, products on the market and some products under development. The site also contains press releases and current financial data. Copies of current press releases and quarterly earnings releases can also be obtained through fax, e-mail, or the mail. To register for the Company's fax service, e-mail list, or mailing list, please call the corporate communications request line at (908) 541-8777.

Corporate Governance Documents
Our Board of Directors has adopted a Code of Conduct that is applicable to all of our directors, officers and employees. Any material changes made to our Code of Conduct or any waivers granted to any of our directors and executive officers will be publicly disclosed by filing a current report on Form 8-K within five business days of such material change or waiver. We intend to make copies of the charters of the Finance and Audit Committee, the Nominating and Corporate Governance Committee and the Compensation Committee of our Board of Directors, which comply with the recently adopted corporate governance rules of the Nasdaq® National Market, available on our website at www.enzon.com. A copy of our Code of Conduct is available to our shareholders upon request by contacting our Investor Relations Department by calling (908) 541-8777 or through an e-mail request from our website at www.enzon.com/request.

Registrar and Transfer Agent
The transfer agent is responsible for, among other things, handling shareholder questions regarding lost stock certificates, address changes including duplicate mailings and changes in ownership or name in which shares are held. These requests may be directed to the transfer agent at the following address:

Continental Stock Transfer & Trust Company
New York, NY 10004
17 Battery Place, 8th Floor
(212) 509-4000

Common stock is traded on the Nasdaq National Market under the symbol: ENZN

Annual Shareholders' Meeting
The annual shareholders' meeting will be held at 10:00 a.m. on Tuesday, December 7, 2004 at the Embassy Suites Hotel, 121 Centennial Avenue, Piscataway, NJ 08854.

Form 10-K/A
A copy of Enzon's Annual Report on Form 10-K/A for the fiscal year ended June 30, 2004 is included with this Annual Report and is incorporated by reference herein.

Enzon Trademarks
ABELCET®
ADAGEN®
CLEAR®
CLEAR II™
MARQIBO®
ONCASPAR®
PROTHECAN®
SCA®

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