Ironwood

A COMMERCIAL BIOTECHNOLOGY COMPANY

– March 6, 2017 –

Safe Harbor Statement

This presentation contains forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements, including statements about the development, launch, introduction and commercial potential of linaclotide, lesinurad, our product candidates (including expectations related to the introduction of LINZESS 72 mcg dose and launch of DUZALLO) and the other products that we promote and the drivers, timing, impact and results thereof; expectations concerning the timing of when we will become cash flow positive; market size, prevalence, growth and opportunity, including peak sales and the potential demand for linaclotide, lesinurad and our product candidates, as well as their potential impact on applicable markets; the potential indications for, and benefits of, linaclotide, lesinurad and our product candidates; the anticipated timing of preclinical, clinical and regulatory developments and the design, timing and results of clinical and preclinical studies; the potential for, and timing of, regulatory submissions and approvals for linaclotide, lesinurad and our product candidates; expected periods of patent exclusivity; the strength of the intellectual property protection for linaclotide, lesinurad and our product candidates and our intentions and efforts to protect such intellectual property; our potential for sustainable, high-margin growth and shareholder returns; and our financial performance and results, and guidance and expectations related thereto, including expectations related to Ironwood revenue CAGR, margin expansion, cash used for operations, LINZESS U.S. net sales and growth, commercial margin and commercial costs, R&D expenses, SG&A expenses, total LINZESS marketing and sales expenses, net interest expenses, LINZESS profitability and Ironwood revenues. Each forward-looking statement is subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such statement. Applicable risks and uncertainties include the risk that we are unable to successfully integrate lesinurad into our existing business, commercialize lesinurad or realize the anticipated benefits of the lesinurad transaction; those related to the effectiveness of commercialization efforts by us and our partners; preclinical and clinical development, manufacturing and formulation development; our reliance on AstraZeneca to provide critical support services related to lesinurad; the risk that findings from our completed nonclinical and clinical studies may not be replicated in later studies; efficacy, safety and tolerability of linaclotide, lesinurad and our product candidates; decisions by regulatory authorities; the risk that we may never get sufficient patent protection for linaclotide and our product candidates or that we are not able to successfully protect such patents; the outcomes in legal proceedings to protect or enforce the patents relating to our products and product candidates, including ANDA litigation; developments in the intellectual property landscape; challenges from and rights of competitors or potential competitors; the risk that our planned investments do not have the anticipated effect on our company revenues, linaclotide, lesinurad or our product candidates; the risk that we are unable to manage our operating expenses or cash use for operations, or are unable to commercialize our products, within the guided ranges or otherwise as expected; and the risks listed under the heading "Risk Factors" and elsewhere in Ironwood's Annual Report on Form 10-K for the year ended December 31, 2016, and in our subsequent SEC filings. These forward-looking statements (except as otherwise noted) speak only as of the date of this presentation, and Ironwood undertakes no obligation to update these forward-looking statements.

Ironwood: A Successful Commercial Biotech

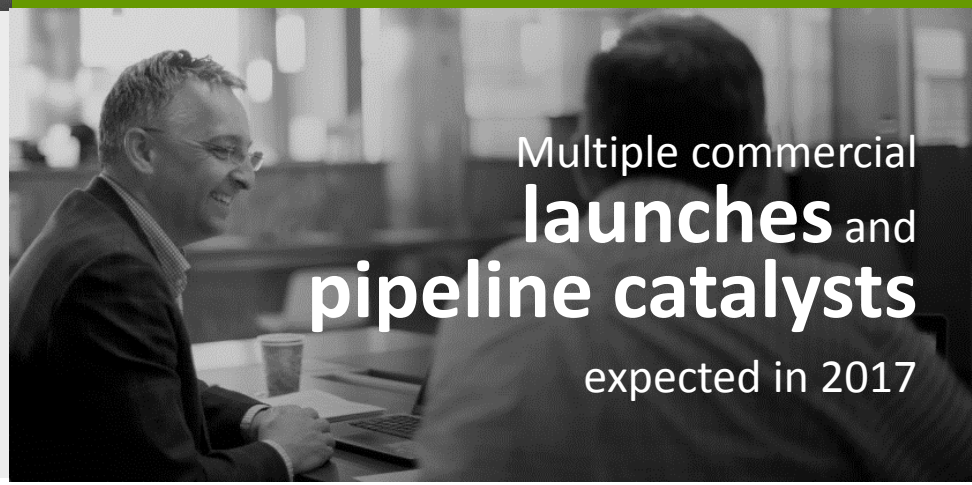
Creating outstanding value for patients and our fellow shareholders

Rapid growth

Expect >25% Ironwood revenue CAGR (2016-2020)[1]

Two innovative,
marketed products

Linzess® ZURAMPIC®



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1) The >25% Ironwood revenue CAGR calculation excludes any current or future revenue recognized in the period related to milestone payments to Ironwood, including approximately $39 million recognized in 2016.

Continuing Momentum in 2017 Provides Opportunity for Further Value Creation

2017 Goals

Continued strong LINZESS growth and margin expansion; introduce LINZESS 72mcg dose (1Q 2017)

ZURAMPIC market development; DUZALLO launch, if approved (2H 2017)

Linaclotide CR1 Phase III initiation (2H 2017)

IW-3718 Phase IIb data (mid-2017)

sGC Phase II readouts/study starts (2017)

LINZESS IBS-C launch in Japan (1H 2017)

Turning cash flow positive during 2018

2020 Goals

>25% Ironwood revenue CAGR (2016-2020)[1]

>$1B annual LINZESS net sales with >70% commercial margin[2]

ZURAMPIC/DUZALLO cash flow accretive 2019; rapidly expanding margins

≥2 new product launches

≥5 Phase III clinical programs

Rapidly growing cash flows

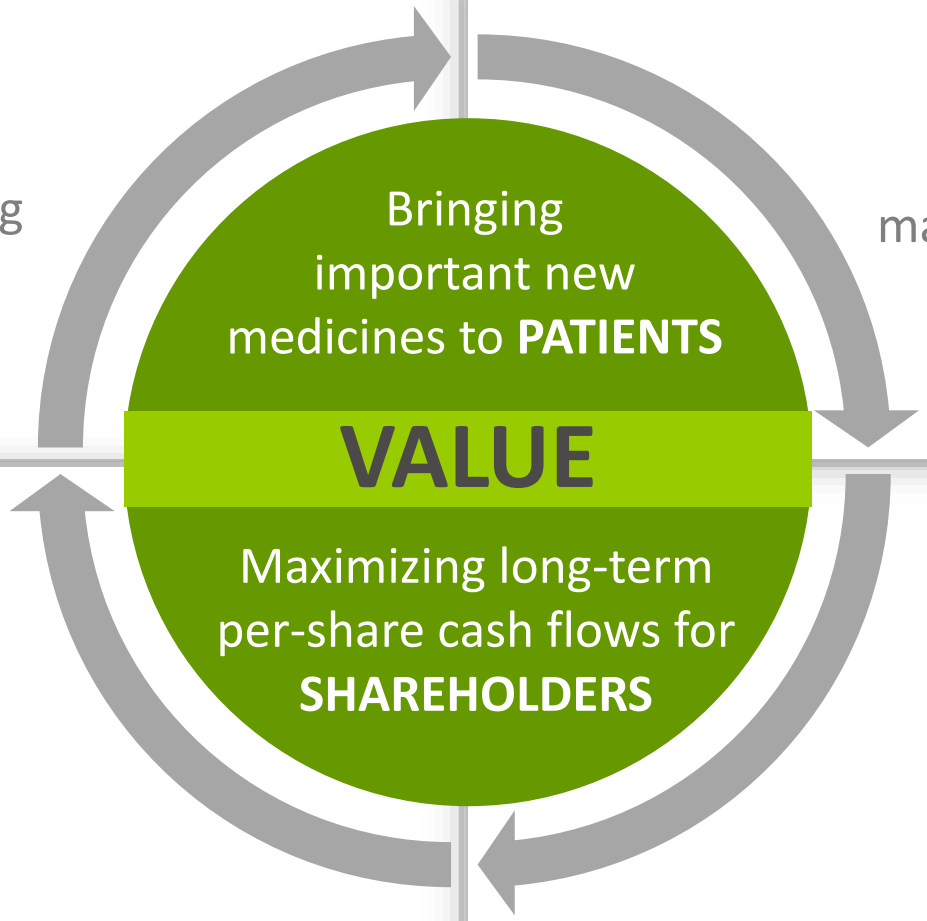
Ironwood®

1) The >25% Ironwood revenue CAGR calculation excludes any current or future revenue recognized in the period related to milestone payments to Ironwood, including approximately $39 million recognized in 2016. 2) Commercial margin is defined as commercial profit on sales of LINZESS as a percent of total LINZESS U.S. net sales. Commercial profit on sales of LINZESS is equal to LINZESS U.S. net sales less (a) cost of goods sold incurred by Allergan and (b) selling, general and administrative expenses incurred by Allergan and Ironwood that are attributable to the cost-sharing arrangement between the parties.

Creating Value for Patients and Shareholders

Differentiated pipeline leveraging GI + GC expertise

Innovative marketed products



Sustainable, high-margin growth

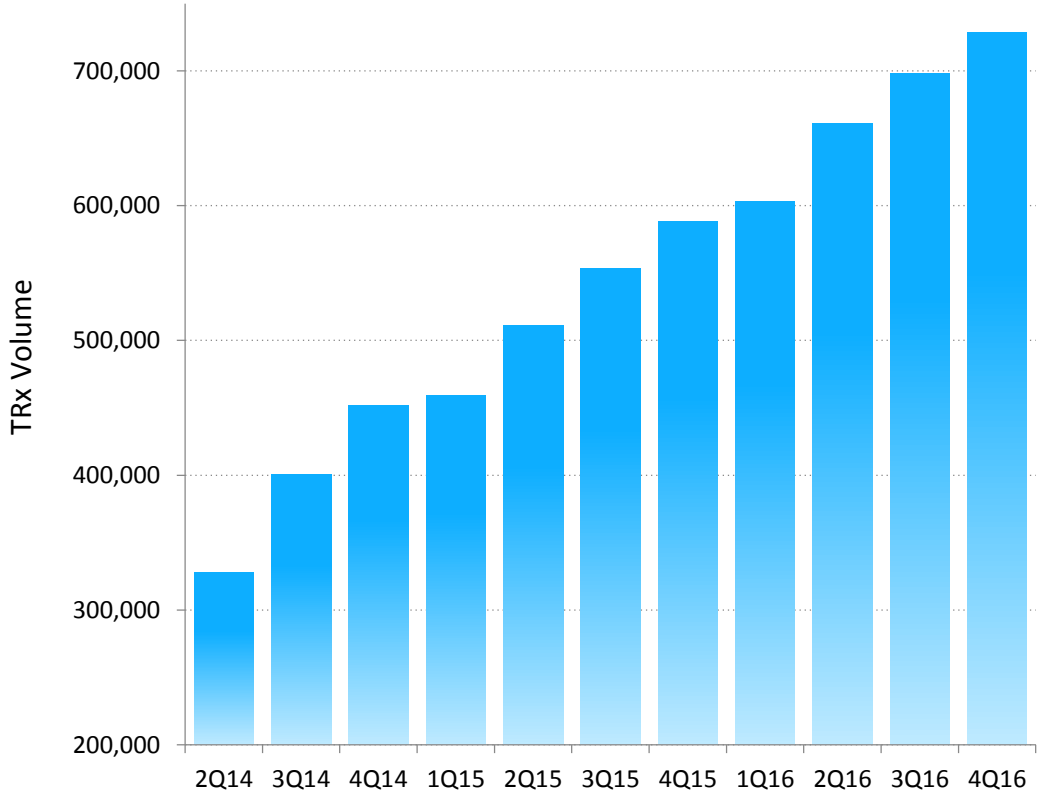
Focused approach to U.S. primary care

LINZESS: Transforming the IBS-C/CIC Treatment Paradigm

LINZESS provides multi-symptom relief for IBS-C and CIC; relieves abdominal pain in IBS-C

#1 Prescribed brand[1]	2 Indications	3 Dosage strengths	4 Years on the market

Strong Linzess Rx Growth[2]



- **Branded Rx market leader** with nearly 7M prescriptions filled by nearly 1.5M patients[3] since launch
- On track to exceed **$1B by 2020**; ~$626M 2016 U.S. net sales[4]
- Expect to **introduce third LINZESS dose** (72mcg) in 1Q 2017; would provide additional dose optionality for patients and physicians

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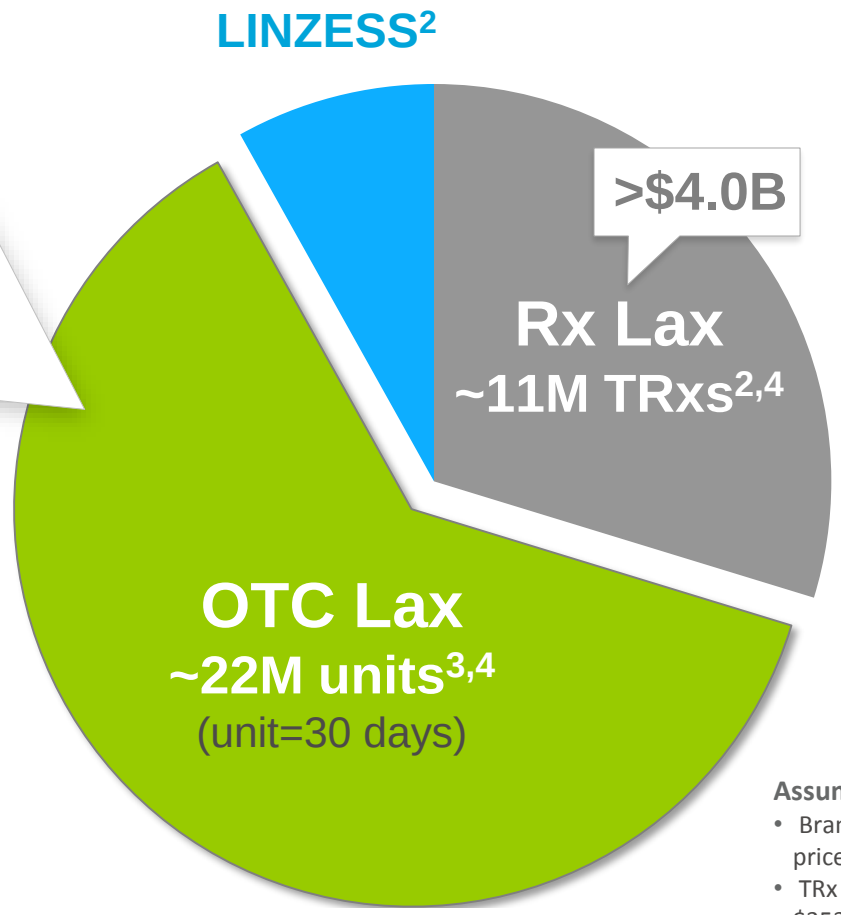
Sources: 1) QuintilesIMS, NPA Audit, January 2015 – December 2016, #1 prescribed brand by gastroenterologists, PCPs and nurse practitioners 2) QuintilesIMS NPA January 2017 3) QuintilesIMS, Total Patient Tracker, November 2012 – January 2017 4) As provided by Allergan plc.

OTC Laxative Market is Primary Source of LINZESS Growth

$7.5B+
OTC Lax Market

~70% patients dissatisfied
with OTC treatment[5]

2/3 of new LINZESS Rxs
come from OTC[1]

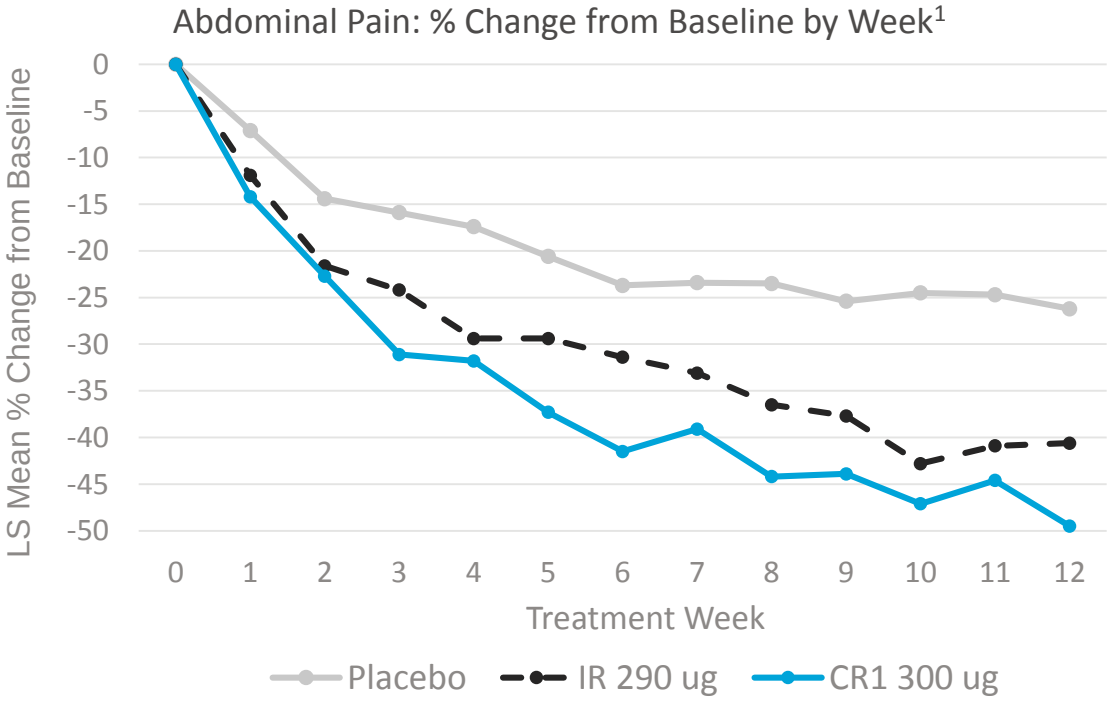


Assumptions
- Branded medication priced $11.78/day
- TRx (30 day) priced $353/TRx

Sources: 1) QuintilesIMS Market Dynamics July 2016; 2) QuintilesIMS NPA Sept 2016; 3) QuintilesIMS/IRI June 2016; 4) Chey, W. et al "Frequency and Bothersomeness of Symptoms, Health Care Seeking Behavior and Satisfaction with Therapy in IBS-C Patients Meeting ROME II Criteria: Results of a Population Based Survey"; Hoch, R, et al "Title: Symptom Frequency, Health Care Seeking Behavior, and Satisfaction with Therapy among Chronic Constipation Patients with Both Constipation and Abdominal Symptoms: Results of a Population-Based Survey"; 5) Lieberman "GI Patient Landscape Survey" 2010.

Linaclotide CR1 Provides Opportunity to Drive Growth and Further Penetrate IBS-C/CIC Market

>$2B Projected U.S. peak sales opportunity for IBS-C/CIC franchise



- **If approved, better abdominal pain improvement can drive:**
  - Healthcare practitioners to **choose** for more patients
  - Patients to be **more adherent** to treatment
- **Expected patent protection for CR formulations into mid-2030s**
- **LINZESS and CR1 (if approved) expected to grow market together for many years**

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Source: 1) Topline data from Linaclotide Colonic Release Phase IIb Trial

Ironwood's Focused Approach to U.S. Primary Care Expected to Drive Productive, High-Margin Business

Innovative products treating **motivated** patients with **highly symptomatic** disorders in **underserved** markets

INNOVATIVE PRODUCTS

UNDERSERVED MARKETS/ MINIMAL COMPETITION

FOCUSED SELLING EFFORT

HIGHLY SYMPTOMATIC DISORDERS

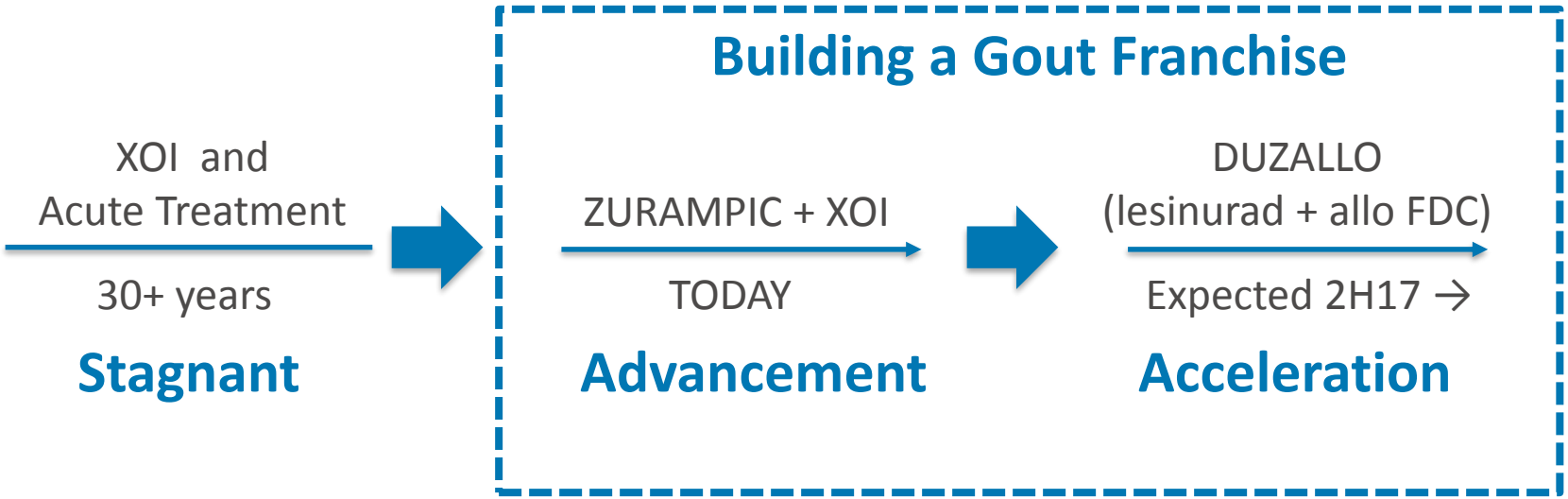
MOTIVATED PATIENTS

VALUE RECOGNIZED BY PAYER

ZURAMPIC and DUZALLO: Simple Solution to Get More Uncontrolled Gout Patients to Goal

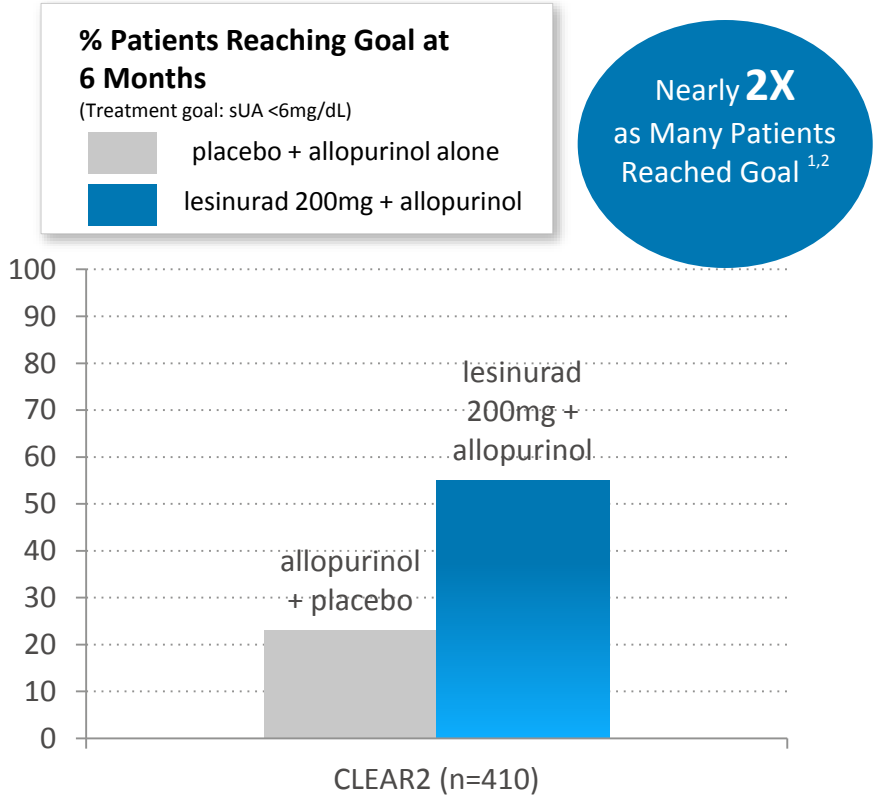
Up to 2M Americans not reaching targeted sUA levels of <6mg/dL

>$300M Estimated U.S. peak sales opportunity for uncontrolled gout franchise



Dual-Mechanism Combination of lesinurad + XOI Helps to Enable More Patients to Reach Goal

Addresses both overproduction and inefficient excretion of uric acid



- DUZALLO, if approved, expected to **expand utilization** by improving confidence, convenience and compliance
- Expect uncontrolled gout franchise to be **cash flow accretive in 2019**
- Expected **patent protection** into at least 2028

Boxed warning for ZURAMPIC - risk of acute renal failure more common when given alone; reinforces its use with an XOI.

ZURAMPIC is not recommended for the treatment of asymptomatic hyperuricemia and should not be used as monotherapy.

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Source: 1) Allopurinol PI 2) Zurampic PI

IW-3718 for Uncontrolled GERD: When PPIs Are Not Enough

>$2B Estimated peak U.S. sales opportunity for uncontrolled GERD franchise

Tens of millions of U.S. adults suffer from GERD[1]; ~10M continue to suffer despite PPI treatment[2,3]

- Opportunity to lead Rx market: no non-surgical treatment options approved for this condition

IW-3718: gastric retentive bile acid sequestrant

- Designed to work with PPIs to reduce bile and acid exposure in the esophagus
- Wholly-owned; expected patent protection into mid-2030s

Phase IIb data expected mid-2017

- Phase III trial initiation expected 2018

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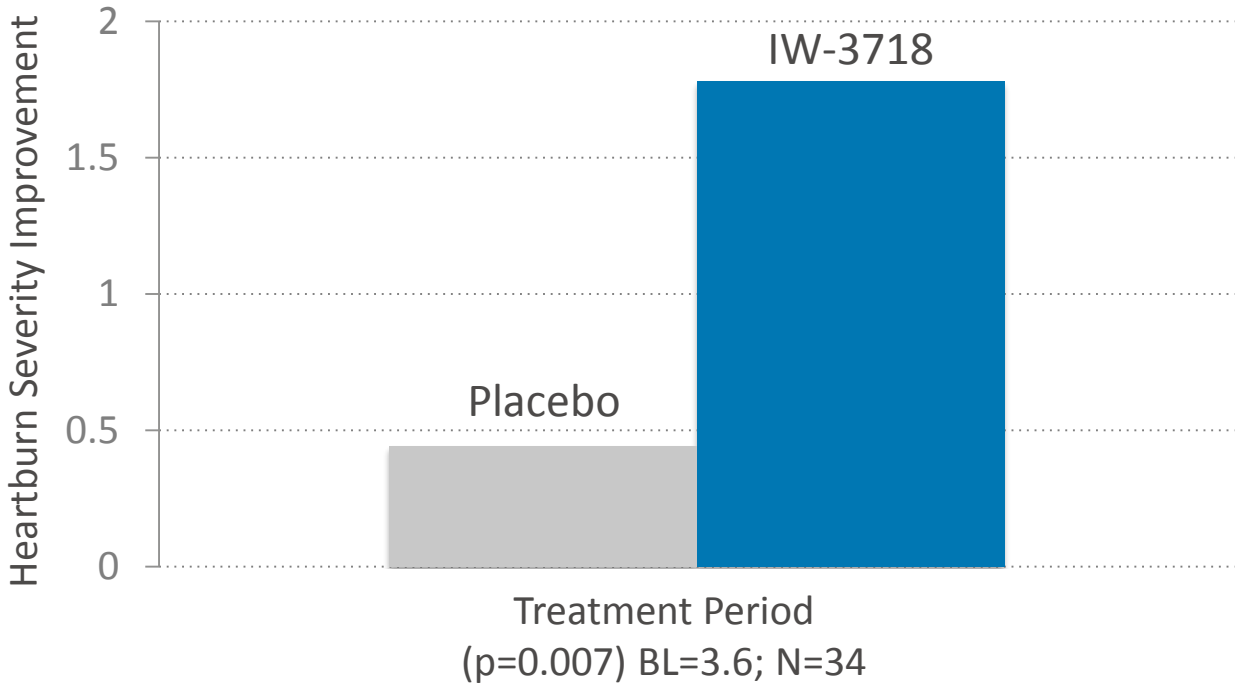
1) ElSerag, Hashem "Update on the epidemiology of gastro-oesophageal reflux disease: a systematic review", Gut, 2014 2) Lieberman GI Patients Landscape survey, 2010 3) U.S. Census, 2015

IW-3718 Phase IIa Data Suggest Relief of Heartburn Severity Most Pronounced in Patients with Confirmed Acid Reflux



Approximately 2/3 of studied patients who underwent bile reflux monitoring tested positive for bile reflux in the esophagus

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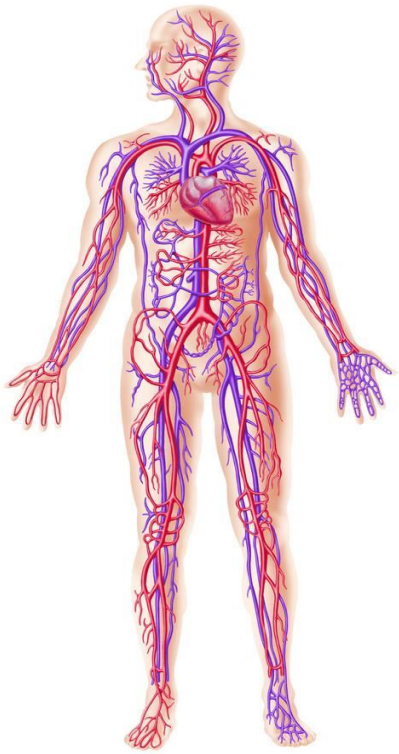
Uncontrolled GERD: patients experiencing heartburn ≥2 episodes/week and confirmed acid reflux based on existing erosive esophagitis (EE); p values: pairwise comparison based on ANCOVA model w/ treatment and bile reflux status as factors and baseline as covariate. Confirmed ongoing esophagitis based on screening EGD or history of esophagitis at screening described as continuing at BL. Analysis based on ITT Population. Daytime heartburn was assessed on a 0-10 NRS (0= none; 10=very severe). BL = Baseline value

IW-1973 for Diabetic Complications Resulting from Vascular Dysfunction and Fibrosis

Multiple **>$1B** estimated peak U.S. sales opportunities



Millions of diabetic patients suffer complications resulting from vascular dysfunction and fibrosis[1]

- Dysregulation of NO-sGC-cGMP pathway linked to many diseases
  - Diabetic nephropathy
  - Heart Failure (pEF)
  - Resistant hypertension
- Few treatment options

IW-1973: Phase II sGC stimulator

- Blood flow, fibrosis, metabolism and inflammation improved in preclinical studies
- Wholly-owned; in discussions for ex-US partnerships
- Expected patent protection into mid-2030s

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1) Comparative risk of renal, cardiovascular, and mortality outcomes in controlled, uncontrolled resistant, and nonresistant hypertension, Kidney International (2015) 88, 622–632; doi:10.1038/ki.2015.142; published online 6 May 2015; Heart Failure with Preserved Ejection Fraction: Persistent Diagnosis, Therapeutic Enigma, Curr Cardiovasc Risk Rep. 2011 October ; 5(5): 440–449. doi:10.1007/s12170-011-0184-2; Epidemiology of Diabetic Nephropathy, E.V. Lerma and V. Batuman (eds.), Diabetes and Kidney Disease, 9 DOI 10.1007/978-1-4939-0793-9_2.

Building sGC Stimulator Franchise

IW-1701 targeting Specialty Indications

- Phase IIa study underway in achalasia; data expected in 2017
- Phase IIa study in sickle cell disease expected to initiate in 2018

IW-6463 targeting CNS Indications

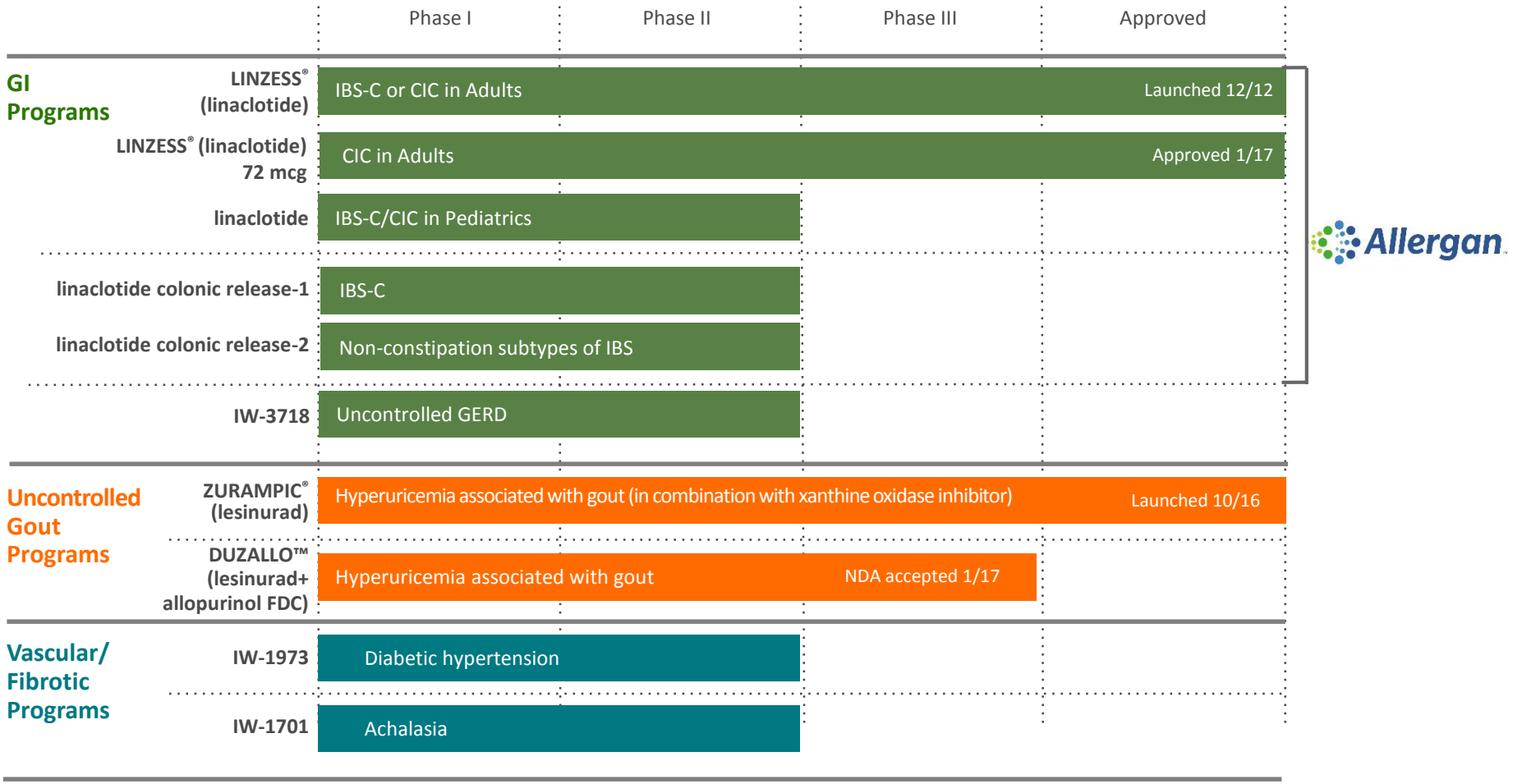
- Penetrates blood-brain barrier in preclinical models (potential for vascular dementia, Alzheimer's)
- IND enabling studies ongoing

Discovery-stage Liver Program

- Designed molecules targeted to liver with high tissue-to-plasma ratios (potential for liver diseases, NASH)

Promising Mid-/Late-stage Pipeline*

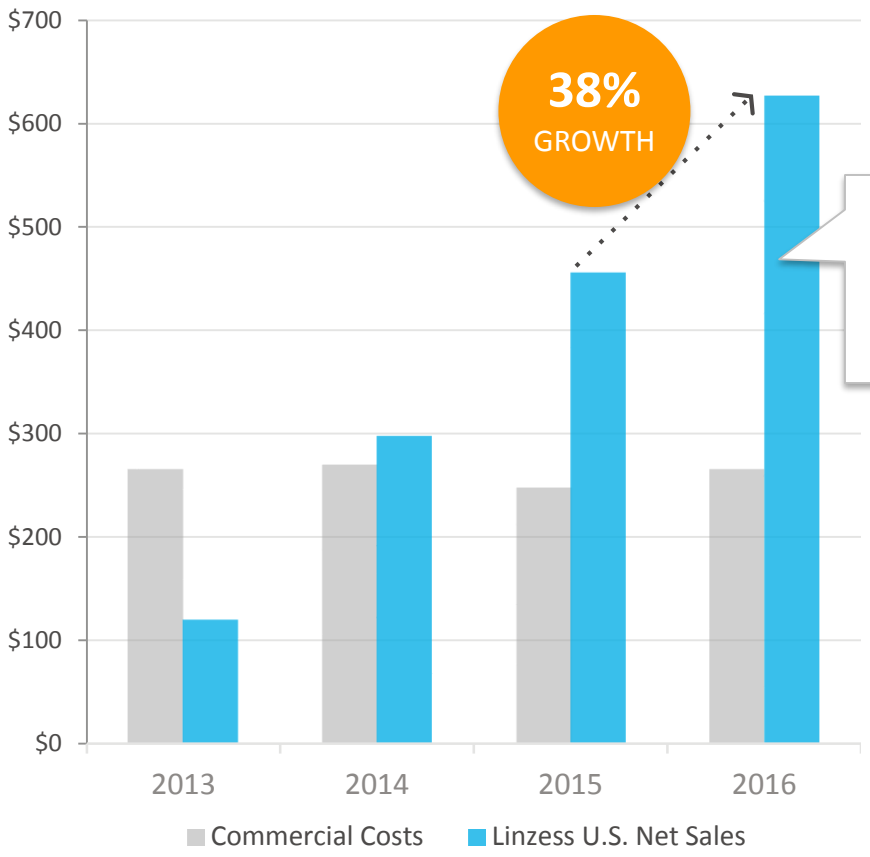
Status of selected key development programs



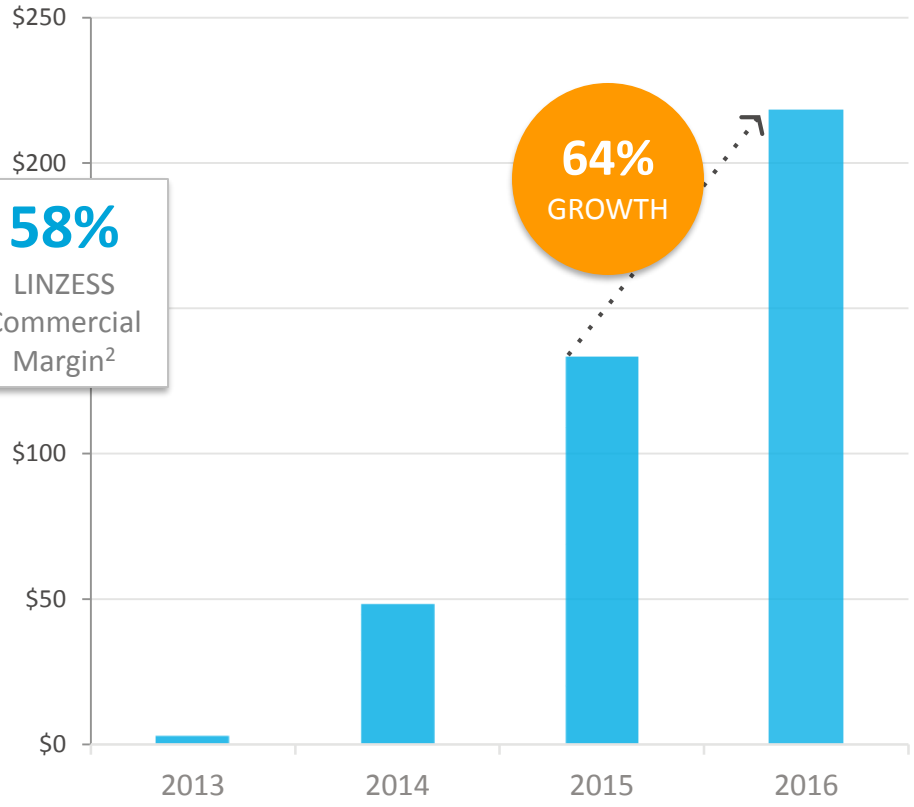
*Represents ongoing phase of development; does not correspond to initiation or completion of a particular phase.

Rapidly Growing LINZESS Sales and Expanding Commercial Margin Drive Ironwood Revenue Growth

LINZESS U.S. Net Sales & Commercial Costs[1]

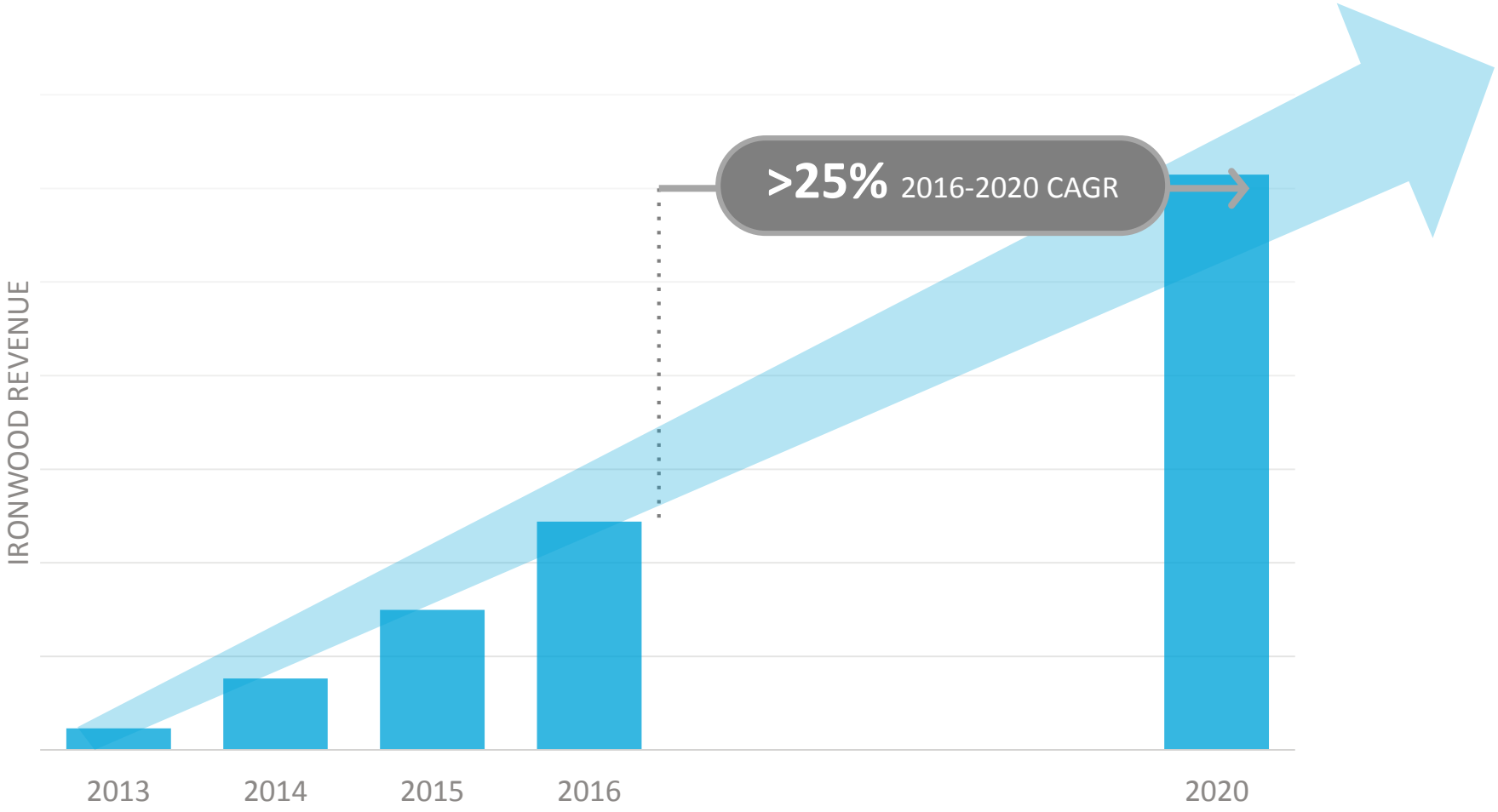


IRWD Revenue from LINZESS[1]



1) LINZESS U.S. net sales are reported by Allergan and LINZESS commercial costs incurred by each of us and Allergan are reported in our respective financial statements. An explanation of the calculation of LINZESS commercial margin is provided on page 4 of this presentation.

Expect Greater than 25% Ironwood Revenue CAGR[1]



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Prudent Investments in 2017

2017 Financial Guidance

R&D Expenses	$145 - $160 million
SG&A Expenses	$235 - $250 million
Total LINZESS Marketing & Sales Expenses (IRWD + AGN)	$250 - $280 million
Net Interest Expense	~$40 million
Cash Used for Operations	<$100 million

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Rapid growth

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Two innovative,
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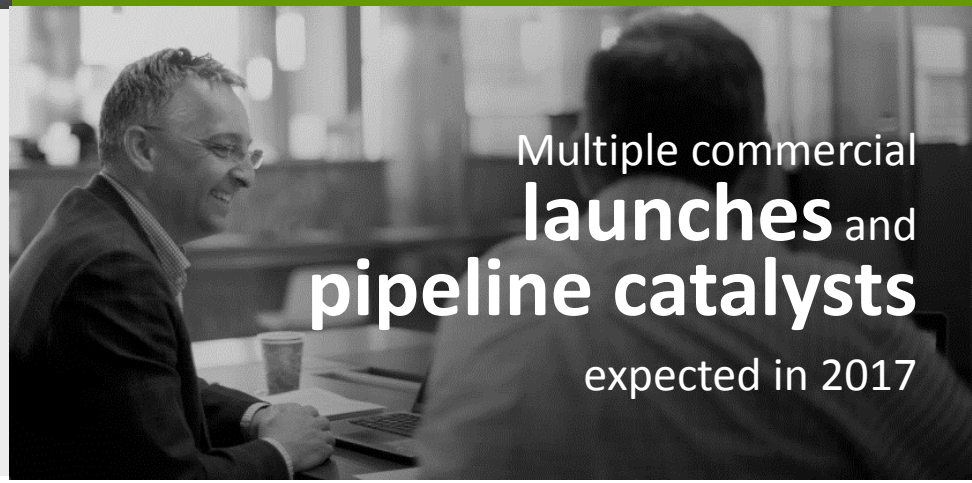
Linzess® ZURAMPIC®



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