IW-3718 Phase IIb Clinical Trial Results

July 20, 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 topline assessment of the data from the Phase IIb clinical trial of IW-3718; the development, regulatory and commercialization plans for IW-3718, and the timing thereof, including further investigation and advancement of IW-3718, engaging with the FDA, advancing IW-3718 into Phase III development and commercializing IW-3718 within and outside the U.S.; the design of the Phase IIb trial and its impact on the results thereof, as well as the results and their validation of our approach to targeting bile acid reflux in patients with uncontrolled GERD and expectations relating to replication in Phase III; the timing of presentation of additional IW-3718 Phase IIb data; the design, potential indications for, and possible benefits of IW-3718 and its potential as a treatment for patients with uncontrolled GERD; the potential for patient adherence to IW-3718; the level of competition in the uncontrolled GERD space; physicians' willingness to adopt and the potential for broad payer access and reimbursement; prevalence and unmet need; market size, growth and opportunity, including peak sales and potential demand for IW-3718 in the U.S.; and the strength of the intellectual property protection for IW-3718. 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 those related to preclinical and clinical development, manufacturing and formulation development; the risk that future clinical studies need to be discontinued for any reason, including safety, tolerability, enrollment, manufacturing or economic reasons; the risk that findings from our completed nonclinical and clinical studies may not be replicated in later studies; efficacy, safety and tolerability of IW-3718; the risk that the therapeutic opportunities for IW-3718 are not as we expect; decisions by regulatory authorities; those risks related to competition and future business decisions made by us and our competitors or potential competitors; the risk that we may never get sufficient patent protection for IW-3718 or that we are not able to successfully protect such patents; developments in the intellectual property landscape; and the risks listed under the heading "Risk Factors" and elsewhere in Ironwood's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, 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.

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Introduction

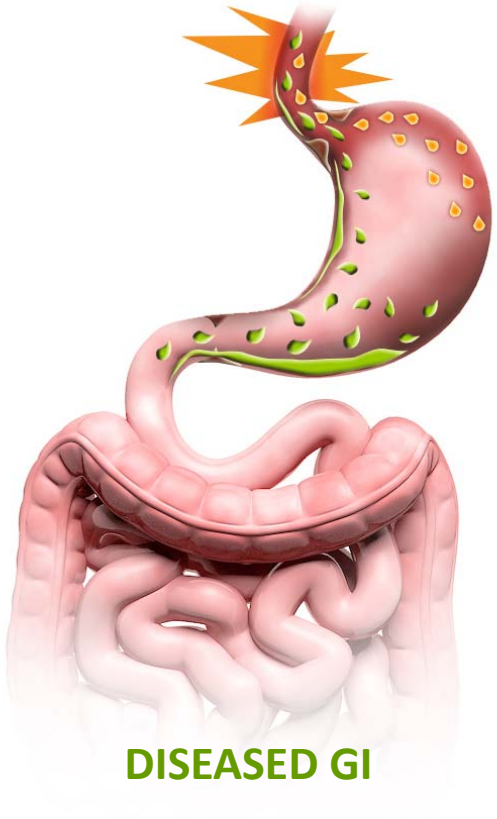
Peter Hecht
Chief Executive Officer

Phase IIb Data Highlights

Mark Currie, Ph.D.
Chief Scientific Officer

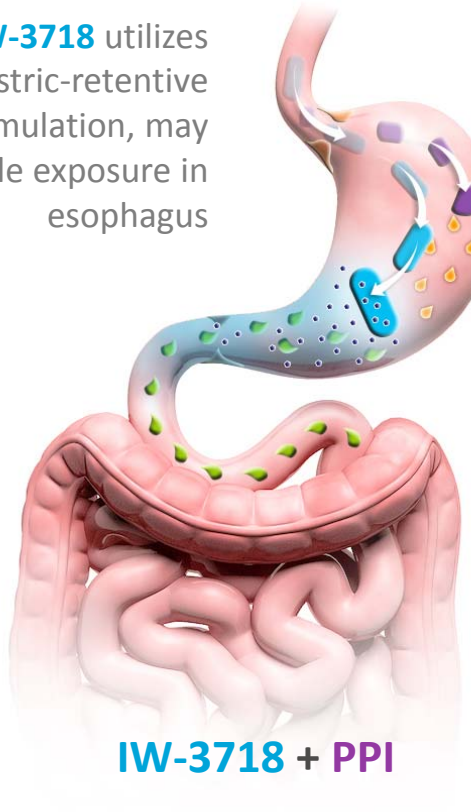
IW-3718 for Uncontrolled GERD: When PPIs Alone Are Not Enough

Offers potential for complementary mechanism to treat key symptoms



DISEASED GI

IW-3718 utilizes gastric-retentive formulation, may reduce bile exposure in esophagus



IW-3718 + PPI

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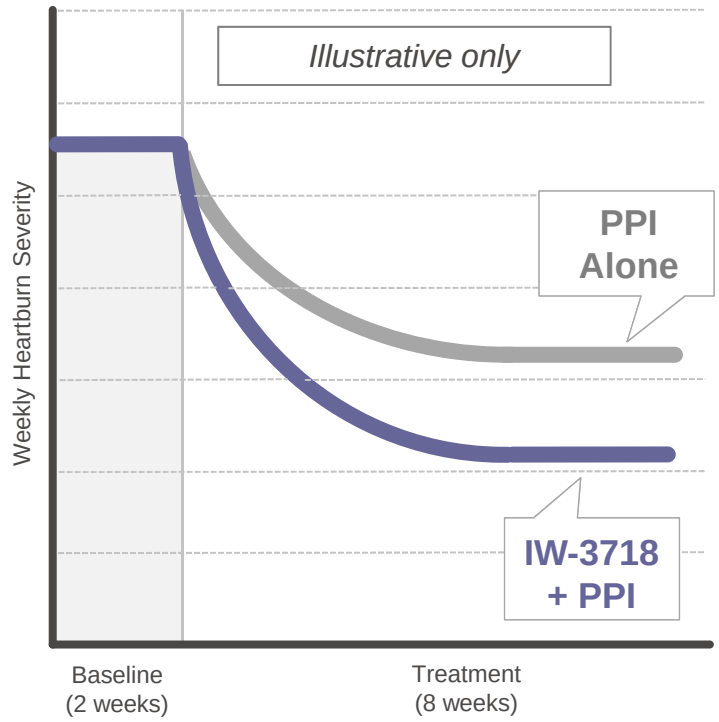
Major Phase IIb Objectives: Evaluate Improvement in Heartburn Severity with IW-3718 + PPI vs PPI Alone and Define Clinically Meaningful Response

Evaluate Improvement in Heartburn Severity



Define Clinically Meaningful Response

Patient-reported outcome data expected to:

- Define clinically meaningful response for ***first time*** in this category
- Reference with treatment effect
  - Inform Phase III go/no go decision
  - Advise Phase III endpoints, pending FDA discussions and Phase IIb data

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Phase IIb Top-line Data Support Advancement of IW-3718 1500 mg into Phase III

✓ IW-3718 1500 mg + PPI

- Demonstrated significant reduction in heartburn severity at Week 8 compared to PPI alone
- ~53% of patients treated with IW-3718 + PPI reported clinically meaningful reduction in heartburn severity
- Demonstrated reduction in regurgitation frequency at Week 8 compared to PPI alone
- IW-3718 was well tolerated; most common adverse event reported overall was constipation
- Supports advancement into Phase III, following end of Phase II meetings with FDA; Phase III expected to begin in 2H 2018

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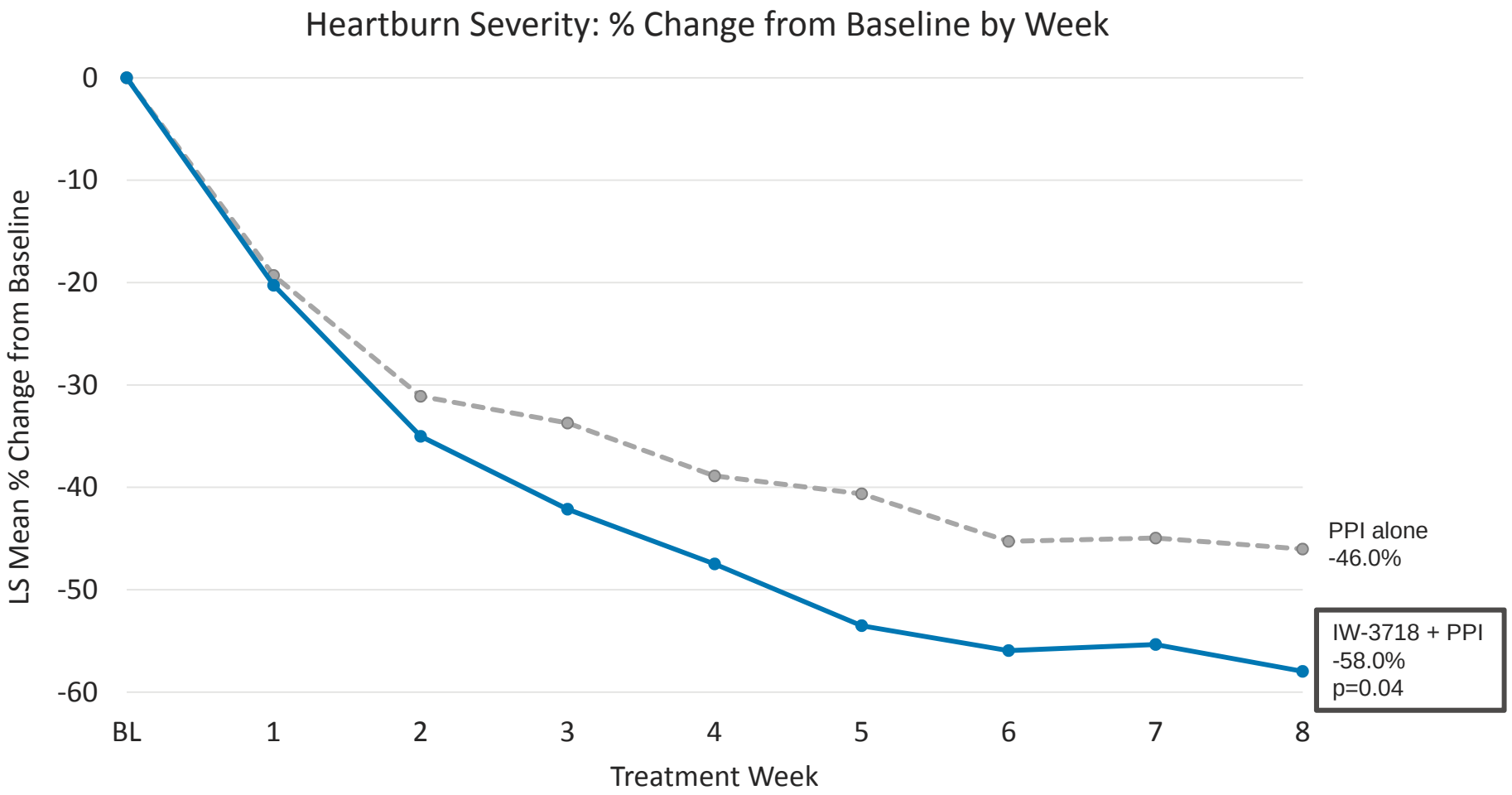
IW-3718 1500 mg + PPI Demonstrated Significant Reduction in Heartburn Severity vs PPI Alone



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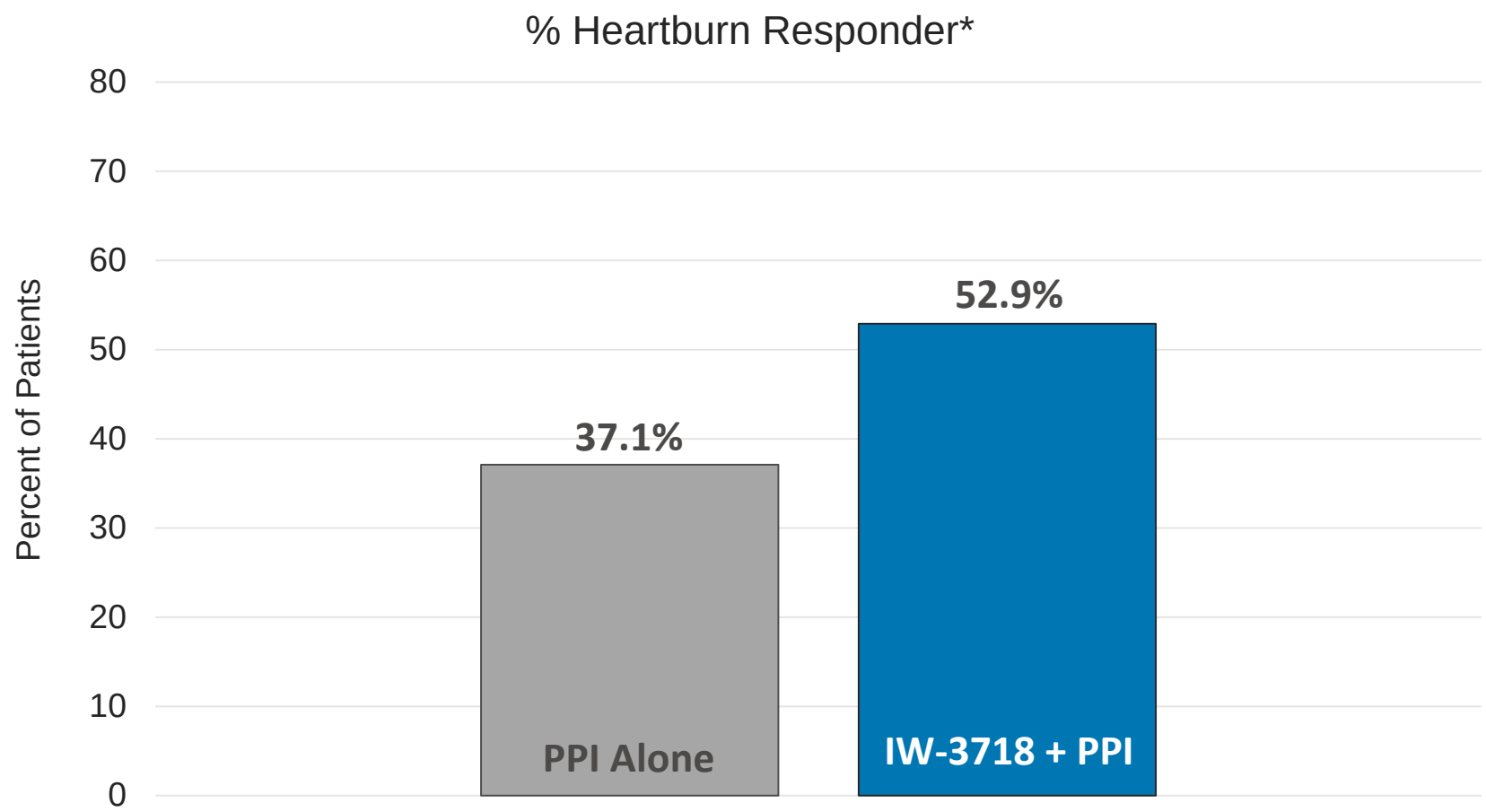
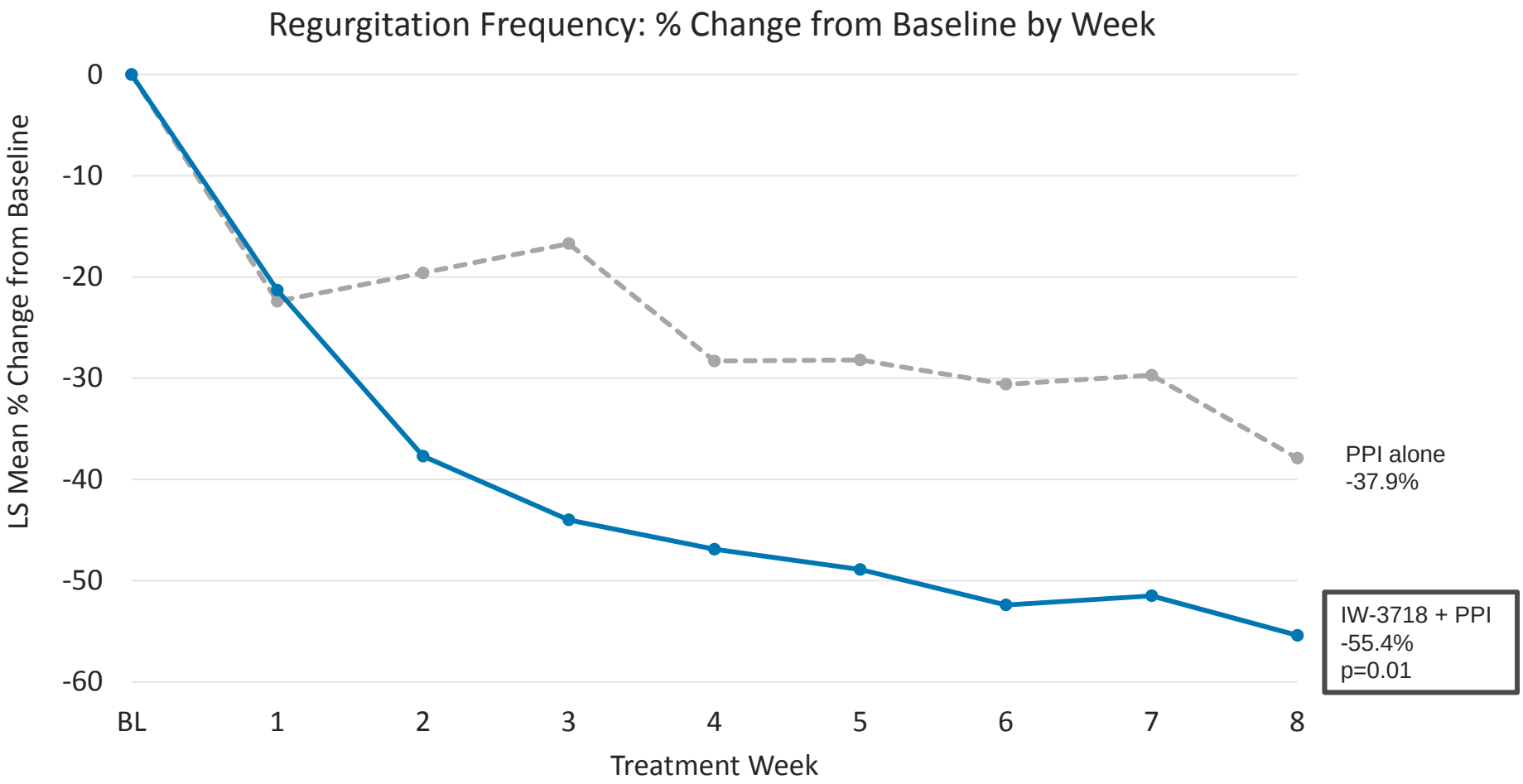
>50% of Patients Treated with IW-3718 1500 mg + PPI Reported Clinically Meaningful Reduction in Heartburn Severity



*A Heartburn Responder had a decrease of at least 45% in Weekly Heartburn Severity Score for at least 4 of the 8 treatment weeks, including at least 1 of the last 2 weeks.

IW-3718 1500 mg + PPI Demonstrated Decrease in Regurgitation Frequency vs PPI Alone



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Encouraging Safety and Tolerability Profile

- **No treatment-related SAEs reported with IW-3718 + PPI**
- **IW-3718 1500 mg + PPI**
  - Most common adverse event reported overall was constipation
    - Constipation: IW-3718 1500 mg + PPI: 7.4% (n=5); PPI alone: 7.1% (n=5)
  - All constipation adverse events reported as mild or moderate in severity
  - Discontinuation rates due to adverse events less than 5% and similar across treatment arms

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Commercial Opportunity

Tom McCourt
Chief Commercial Officer

IW-3718 Represents Greater than $2 Billion U.S. Annual Peak Sales Opportunity

PATIENT

- ~10M continue to suffer heartburn & regurgitation[1]
- Actively looking for relief
- High treatment adherence

PHYSICIAN

- Patients easily identified
- Recognize unmet need, no treatment options
- Willingness to adopt

PAYER

- Appreciate patient suffering
- Recognize value proposition
- Potential for broad access & reimbursement

Strong commercial fit; patent coverage expected into mid-2030s

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Source: 1) ElSerag, Hashem "Update on the epidemiology of gastro-oesophageal reflux disease: a systematic review", Gut, 2014

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