Ironwood Lesinurad U.S. Licensing Agreement with AstraZeneca

April 26, 2016

Introduction

Lisa Adler
Senior Vice President, Corporate Communications

Ironwood

Safe Harbor Statement

This presentation contains forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements, including, but not limited to, statements about the benefits anticipated from the addition of the gout franchise to Ironwood's portfolio; the timing of the closing of the lesinurad transaction; development, launch and commercialization plans for lesinurad and our product candidates; market size, growth and opportunity, including peak sales, and potential demand for lesinurad and our product candidates, as well as their potential impact on applicable markets and commercial and sales strategies; the potential indications for, and benefits of, lesinurad; the anticipated timing of regulatory developments for the fixed-dose combination of lesinurad and allopurinol; the design, timing and results of clinical and preclinical studies; the timing of filings with regulatory authorities; expected periods of patent exclusivity; our potential for rapid, sustainable, high-margin growth; and our company's financial performance and results, and guidance and expectations related thereto, including our projected cash needs and expectations regarding the need for future financings, expectations regarding the accretive nature of the transaction and the timing of such accretion, revenue growth and revenue from the transaction, commercial margin, cash flows, operating expenses, commercial expenses, LINZESS net sales, the effect of the transaction on 2016 LINZESS marketing and sales expense, and the timing of providing updated guidance on total operating expenses following closing. 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, but are not limited to, the risk that the transaction does not close or is delayed; the risk that we are unable to successfully integrate lesinurad into our existing business or are unable to realize the anticipated benefits of the lesinurad transaction; those related to our growth strategy; decisions made by U.S. regulatory authorities, the U.S. Patent and Trademark Office and their foreign counterparts; intellectual property rights of competitors or potential competitors; efficacy, safety and tolerability of lesinuard, linaclotide and our product candidates; competition in disease states; the commercial potential of lesinurad, linaclotide, our product candidates and the other products that we promote; and the risk that we are unable to manage our operating expenses and capital expenditures due to foreseeable or unforeseeable events or occurrences. Applicable risks also include those that are listed under the heading "Risk Factors" and elsewhere in Ironwood's Annual Report on Form 10-K for the year ended December 31, 2015 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.

Lesinurad Transaction Overview

Peter Hecht
Chief Executive Officer

Lesinurad: Strategically + Financially Compelling

U.S. deal includes FDA-approved ZURAMPIC, FDC, other opportunities

Strong Strategic Fit

- **Category:** 2M uncontrolled gout patients[1]; highly symptomatic[2]; seeking new treatment options
- **Asset:** Durable, innovative therapy with potential to help suffering patients
- Leverages strong commercial capabilities
- 5 U.S. launches expected by 2020 across the IRWD portfolio

Financially Compelling

- $100M cash up front plus milestones and single-digit royalty for lesinurad franchise, including ready-to-launch product
- <$75M annual incremental commercial expenses expected initially
- Transaction expected to be cash flow accretive in 2019
- Lesinurad franchise expected >$300M peak sales
- Lesinurad franchise commercial margins expected to be >60% by 2022
- Updating 2016 IRWD cash flow guidance to <$70M from <$60M cash used in operations; expect 2018 cash flow positive

Sources: 1) IMS data, AZ estimation, Zhu et al, Arthritis Rheum, 2011, (NHANES 07/08), Becker et al, NEJM, 2005, Becker et al., Arthritis Res Ther 2010, Schumacher et al, Arthritis Rheum 2008 2) Data on file

Ironwood TODAY: Successful Commercial Biotech

Multiple blockbuster opportunities

IBS-C / CIC
>$2B peak U.S. sales opportunity[2]

Vascular/Fibrotic diseases
Multiple drug candidates with >$1B peak sales opportunities[2]

Refractory GERD
>$2B peak sales opportunity[2]

Highly successful primary care launch

LINZESS®: Branded Rx market leader

~$455M 2015 U.S. net sales (~53% y/o/y growth)[1]

~46% 2015 commercial margin and expanding

Sustainable growth company

Proven R&D and commercial capabilities

~$439M 2015 cash & investments

No further financings expected to fund core business

1) As provided by Allergan plc.
2) Peak U.S. sales estimates by Ironwood

Ironwood TODAY: Successful Commercial Biotech

Multiple blockbuster opportunities

IBS-C / CIC
>$2B opportunity[2]

Vascular/Fibrotic diseases
Multiple drug candidates with >$1B opportunity[2]

Refractory GERD
>$2B opportunity[2]

Gout >$300M opportunity[2]

LINZESS®: Branded Rx market leader

~$455M 2015 U.S. net sales (~53% y/o/y growth)[1]

~46% 2015 commercial margin and expanding

Highly successful primary care launch

Proven R&D and commercial capabilities

~$439M 2015 cash & investments

No further financings expected to fund core business

Sustainable growth company

1) As provided by Allergan plc.
2) Peak U.S. sales estimates by Ironwood

ZURAMPIC® (lesinurad)

Tom McCourt
Chief Commercial Officer

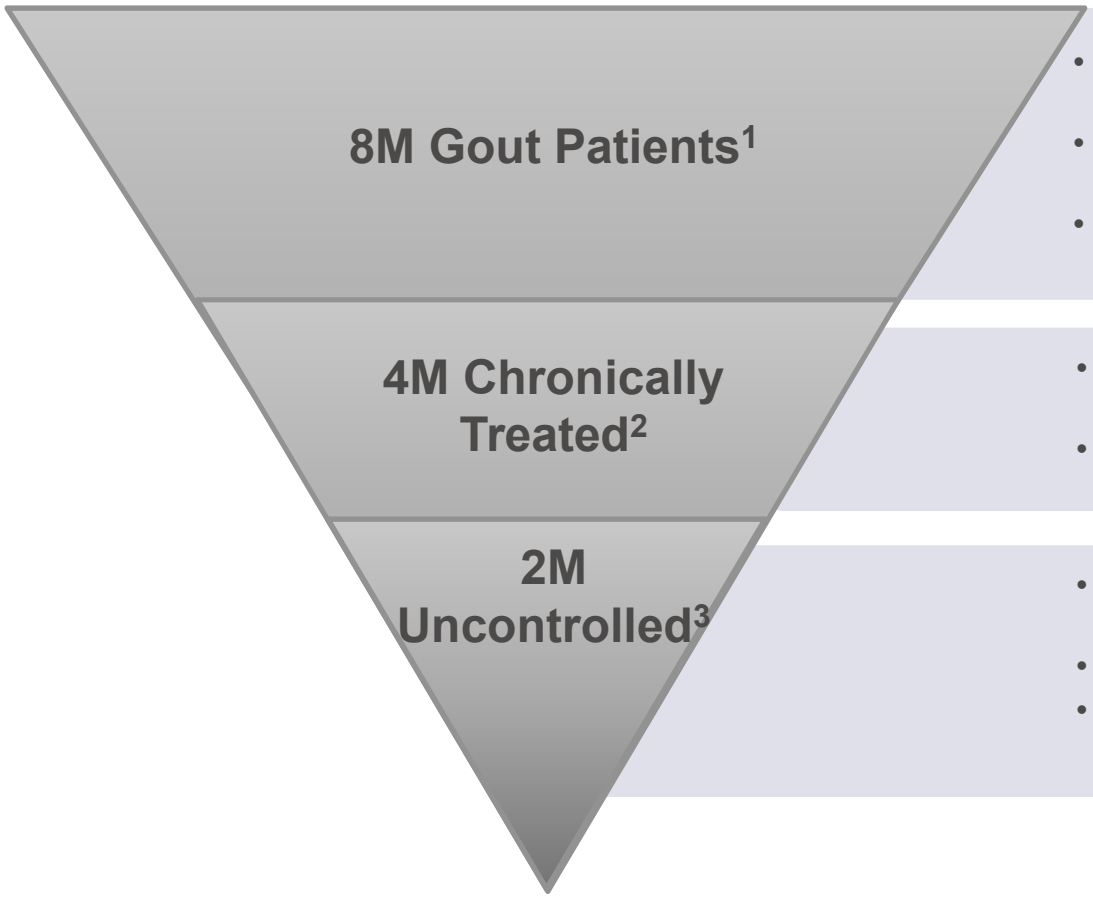
Great Fit for Our Strong Commercial Capabilities

- **Significant Unmet Need:** 2 million[1] patients continue to suffer from painful flares due to uncontrolled gout despite XOI treatment
- **Innovative Asset:** 1st FDA-approved Selective Uric Acid Reabsorption Inhibitor (SURI)
  - ZURAMPIC + XOI demonstrated nearly two-fold increase in patients reaching target serum uric acid levels compared to XOI alone[2]
- **Highly Leverageable:** Proven sales and marketing organization
  - ZURAMPIC and LINZESS provide effective treatment options to prescriber base of 20K-30K physicians
  - Ironwood plans to strengthen sales capability by expanding deeper into primary care; focus on high-prescribers and early-adopters

Sources: 1) IMS data, AZ estimation, Zhu et al, Arthritis Rheum, 2011, (NHANES 07/08), Becker et al, NEJM, 2005, Becker et al., Arthritis Res Ther 2010, Schumacher et al, Arthritis Rheum 2008 2) ZURAMPIC Prescribing Information

2M Patients Suffer from Uncontrolled Gout in U.S.

Gout is a metabolic disorder caused by hyperuricemia



- Serum Uric acid levels above 6.0 mg/dL = crystal deposition
- Can cause acute painful flares, visible deposits called tophi
- Over time: may cause permanent joint and bone damage

- XOIs (xanthine oxidase inhibitors) are first-line therapy
- >90% of patients treated with allopurinol[4]

- Fail to reach target uric acid treatment goal with XOI alone
- Suffer from recurrent flares
- Patients with uncontrolled gout have limited treatment options

Sources: 1) NHANES 2007-2008 Zhu Y, et al, *Arthritis Rheum* 2011 (NHANES 07/08) 2) IMS/NHANES; IMS Rx Audit, AZ estimation, DR Gout PharmaCor 2012 3) IMS data, AZ estimation, Zhu et al, Arthritis Rheum, 2011, (NHANES 07/08), Becker et al, NEJM, 2005, Becker et al., Arthritis Res Ther 2010, Schumacher et al, Arthritis Rheum 2008 2) ZURAMPIC Prescribing Information 4) IMS/Data on file

Ironwood

ZURAMPIC: First FDA-approved Selective Uric Acid Reabsorption Inhibitor (SURI)

- ZURAMPIC is indicated in combination with XOI for hyperuricemia associated with uncontrolled gout patients who have not achieve targeted serum uric levels with an XOI alone
- ZURAMPIC is not recommended for the treatment of asymptomatic hyperuricemia and should not be used as monotherapy

Efficacy established in three Phase III trials of ZURAMPIC 200 mg + XOI versus XOI alone

- Demonstrated ability to lower serum uric acid levels; nearly doubling number of patients to target

Boxed warning

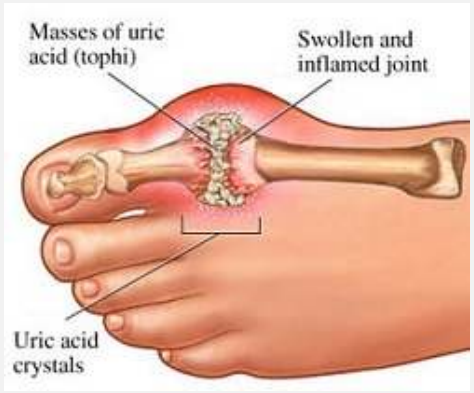
- Risk of acute renal failure has occurred with ZURAMPIC and was more common when ZURAMPIC was given alone
- ZURAMPIC should be used in combination with an XOI

Adverse events

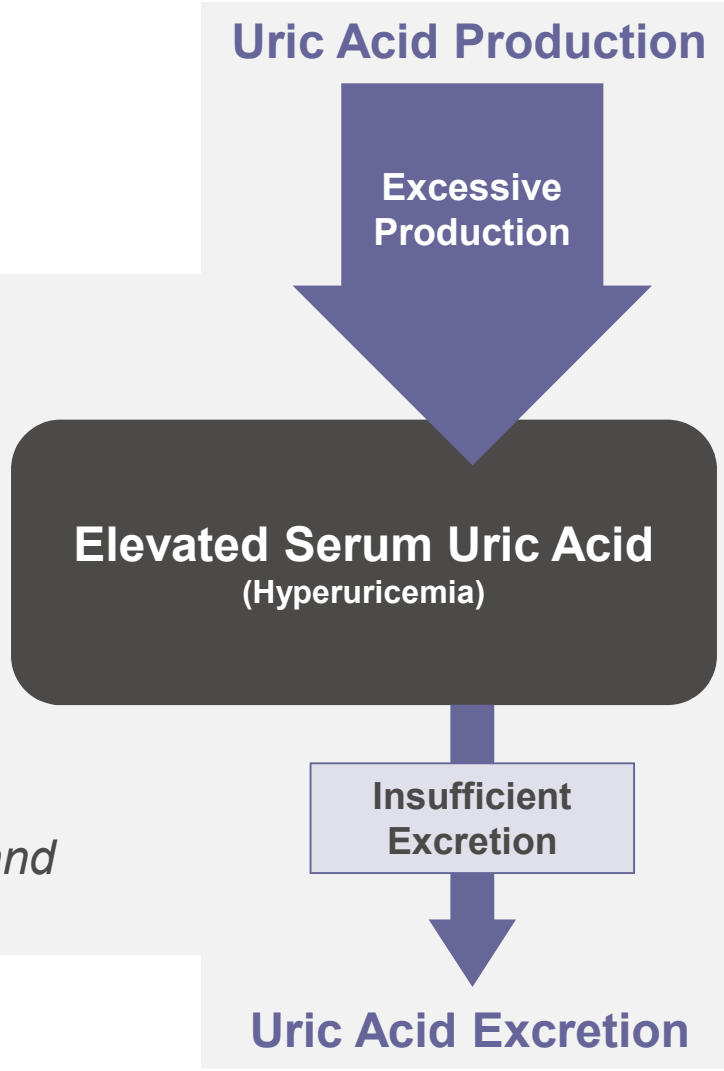
- Elevations in serum creatinine have been observed and are more common in patients with impaired kidney function
- Most common adverse events reported were headache, influenza, serum creatinine increase and gastroesophageal reflux disease

Please see full Prescribing Information, including Boxed Warning, at www.linzess.com
Source: 1) U.S. collaboration with Actavis plc 2) as of January 12, 2015
3) Lieberman GI Patient Landscape survey, 2010

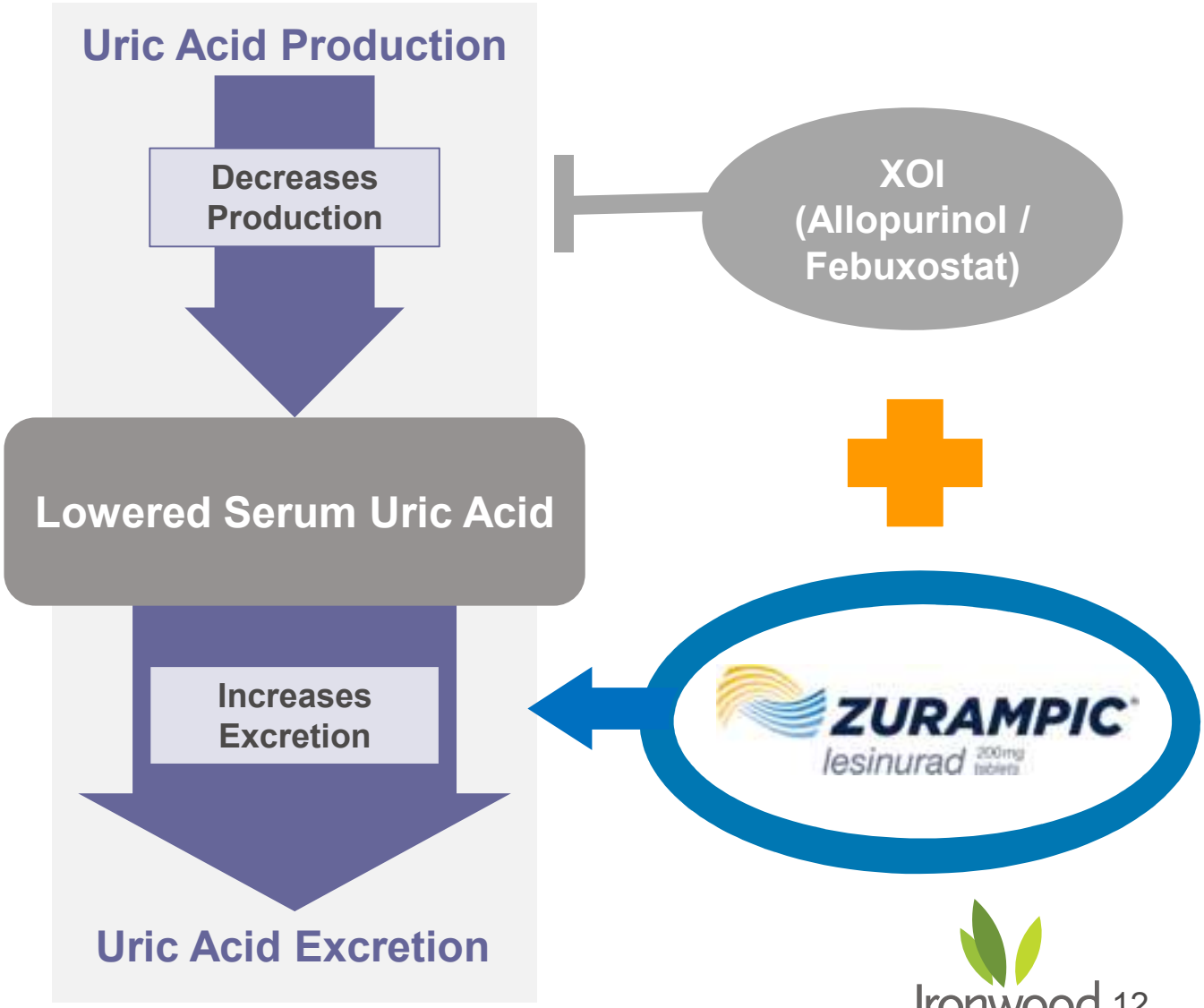
Hyperuricemia is caused by both overproduction and inefficent excretion of uric acid



Hyperuricemia leads to the deposition of crystals in joints and soft tissues

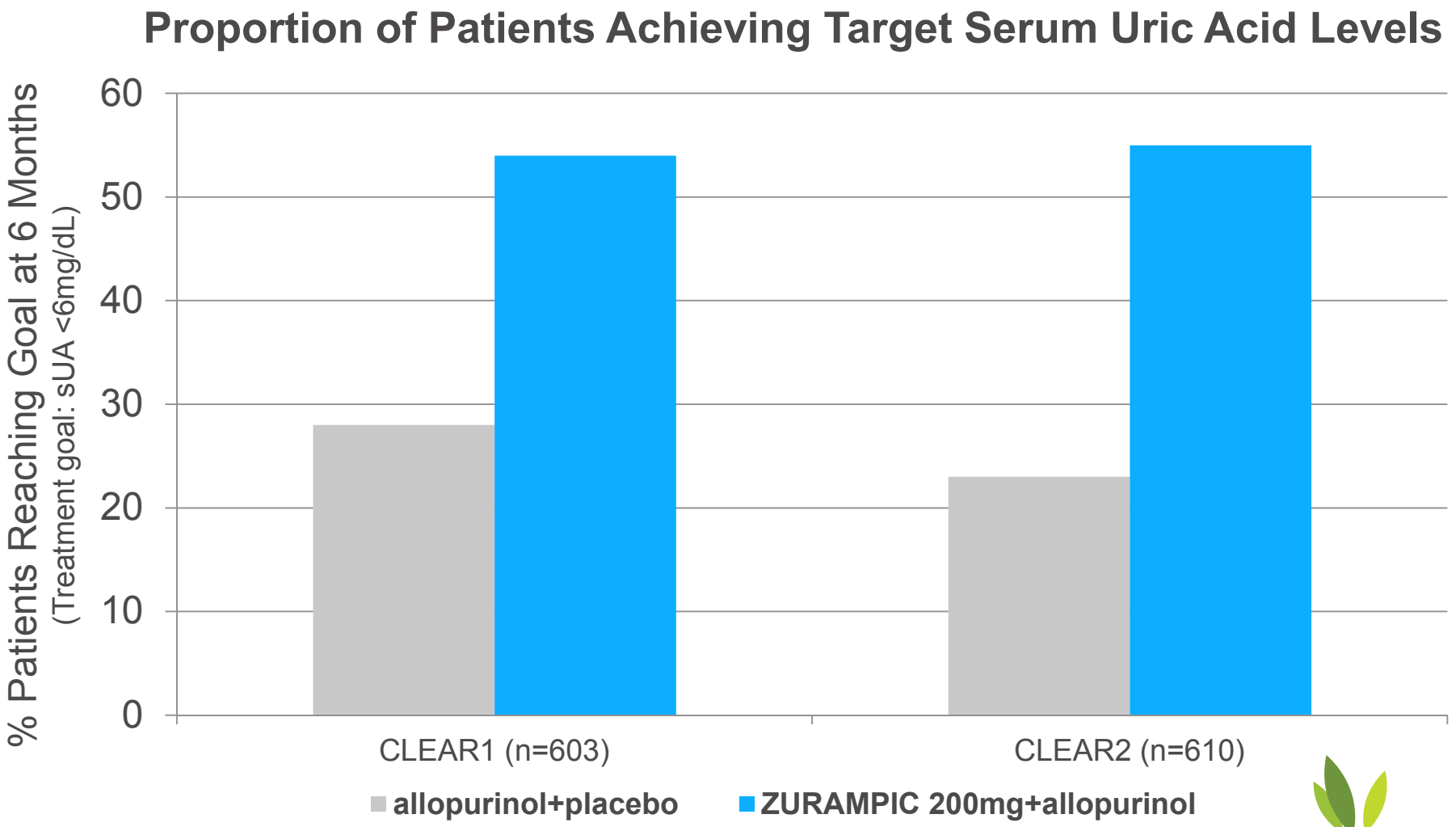


ZURAMPIC + XOI: Complementary MOA to treat both causes of hyperuricemia in uncontrolled patients



ZURAMPIC + Allopurinol Enabled More Patients Than Allopurinol Alone to Reach Treatment Goal

--Nearly 2X as many patients reached goal with ZURAMPIC + allopurinol--



Sources: ZURAMPIC Prescribing Information

Key Forces to Drive ZURAMPIC Growth in Patients with Uncontrolled Gout

MD URGENCY to improve treatment for uncontrolled patients

- Recognize a high level of patient suffering
- Acknowledge need for additional treatment options
- Report high willingness to try ZURAMPIC

Uncontrolled patients desire more effective treatment

- Suffer recurrent painful flares
- Majority of patients not treated to sUA goal
- Actively seeking better treatment option

Payers recognize unmet need in uncontrolled gout

- Reimburse for all current treatment options
- ZURAMPIC provides strong value proposition
- IRWD objective is to provide broad access

ZURAMPIC offers **COMPELLING** value to all customers

ZURAMPIC lesinurad 200mg tablets

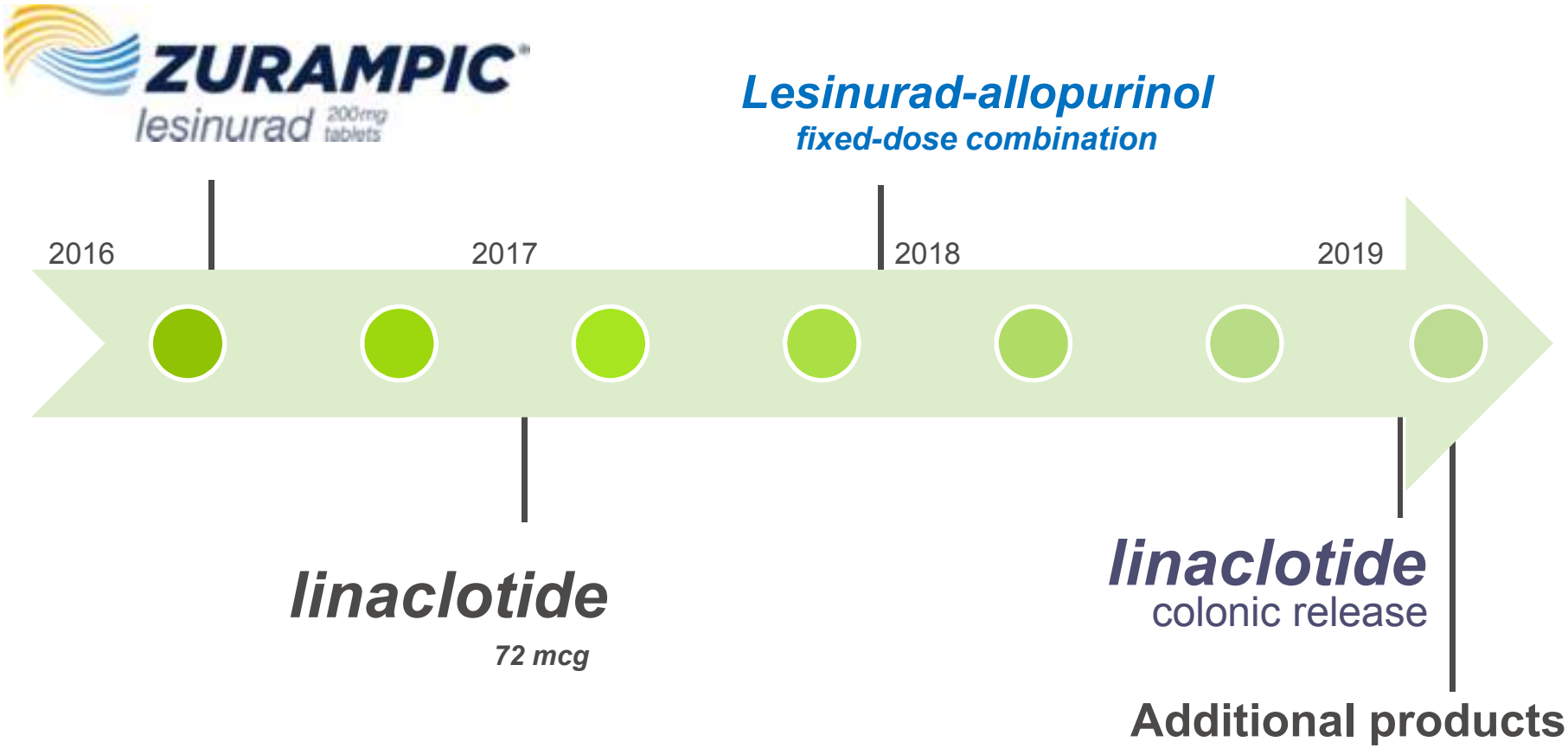
ZURAMPIC: The Path Forward

- **ZURAMPIC launch expected mid-2H 2016: expect >$300M peak annual net sales**
  - Targeting 2M[1] uncontrolled gout patients in the U.S. easily identified
  - High performing sales team will call on 20-30K high-volume, early-adopting prescribers with: LINZESS, ZURAMPIC and our existing co-promotes
    - Targets prescribers estimated to generate >65% of TRxs over first 12-18 months
  - Patients with uncontrolled disease are actively seeking better treatment
    - Opportunity to access, educate and activate patient through online promotion
- **Lesinurad-allopurinol fixed-dose combination**
  - Regulatory submission expected 2H16
- **Focused commercial investment to maximize cash flows**
  - Initial incremental commercial expenses expected to be <$75M/yr

Sources: 1) IMS data, AZ estimation, Zhu et al, Arthritis Rheum, 2011, (NHANES 07/08), Becker et al, NEJM, 2005, Becker et al., Arthritis Res Ther 2010, Schumacher et al, Arthritis Rheum 2008

Expect Five Launches by 2020

Reflects current expectations, assuming FDA approval of investigational products



A COMMERCIAL BIOTECHNOLOGY COMPANY