November 1, 2016

Flexion Therapeutics Reports Primary Endpoint Met in Clinical Trial Evaluating Investigational Drug Candidate Zilretta™ in Type 2 Diabetes Patients with Knee Osteoarthritis

- Results Demonstrate a Markedly Lower Rise in Blood Glucose in Patients Receiving a Zilretta Injection Compared to Patients Receiving an Immediate- Release Triamcinolone Acetonide Injection -

- Difference was Both Statistically Significant and Clinically Relevant -

- Conference Call Scheduled for Today, November 1, 2016, at 9:00 a.m. ET -

BURLINGTON, Mass., Nov. 01, 2016 (GLOBE NEWSWIRE) -- Flexion Therapeutics, Inc. (Nasdaq:FLXN) today reported top-line results from a clinical trial to assess the effects of its investigational lead drug candidate, Zilretta (also known as FX006), on blood glucose levels in adults with osteoarthritis (OA) of the knee who also have Type 2 diabetes. Results from the trial demonstrated Zilretta is associated with a statistically significant ($p<0.05$, 2-sided) and clinically relevant reduction in the rise of blood glucose compared to that observed following immediate-release (IR) triamcinolone acetonide (TCA) injection in patients who also have knee OA. Zilretta has previously demonstrated clinically meaningful improvement of pain, stiffness and function in its Phase 3 pivotal trial in patients with knee OA.

The objective of the double-blind, randomized, parallel group, single-dose study was to examine if Zilretta had effects on blood glucose levels that differ from IR TCA. Investigators from seven study sites enrolled 33 patients, randomized 1:1 to receive a single intra-articular injection of 40 mg Zilretta or 40 mg IR TCA. Blood glucose levels were evaluated for a total of 3 weeks (one week prior to injection and two weeks post injection) using a continuous glucose monitoring device. Patients returned for follow up visits at Day 8, Day 15 and Week 6/Day 43. The primary endpoint compared the change in average glucose values from the period of 72 hours before to the period 72 hours after injection with Zilretta versus IR TCA.

"It is well-known that immediate-release corticosteroids can cause substantial elevations in blood glucose among patients with diabetes following an intra-articular injection, an effect that is likely tied to peak plasma concentrations. Because pharmacokinetic studies have shown that Zilretta is associated with much lower peak plasma concentrations, we hypothesized that any rise in glucose after a Zilretta injection would be negligible. The data are consistent with this hypothesis and we are enthusiastically looking forward to presenting the detailed study results at an upcoming scientific forum," said Michael Clayman, M.D., Flexion Therapeutics' President and Chief Executive Officer. "We believe these data demonstrate that Zilretta may limit effects on blood glucose which, if approved, could have future implications for the many knee OA patients in the U.S. who also have Type 2 diabetes. We look forward to including these topline data in the Zilretta new drug application (NDA) which we plan to submit by the end of the year."

"Disruption of glucose control following intra-articular glucocorticoid injections is a problem for patients with diabetes mellitus," said Steven J. Russell, M.D., Ph.D., Assistant Professor of Medicine, Diabetes Research Center and Department of Medicine, Massachusetts General Hospital and Harvard Medical School. "Initial analysis of the data from this carefully designed study suggests that Zilretta may not disrupt glucose control in people with type 2 diabetes who need intra-articular steroid injections for knee osteoarthritis. Enabling steroid treatment without glucose disruption would be an important clinical advance for patients with diabetes who are candidates for glucocorticoid injections."

Conference Call Details
At 9:00 a.m. ET today, Flexion's management will host a conference call to discuss the clinical results evaluating Zilretta in Type 2 diabetes patients. The dial-in number for the conference call is (855) 770-0022 for U.S. participants and (908) 982-4677 for international participants, with Conference ID # 11746484. A live webcast of the conference call can also be accessed through the "Investors" tab on the Flexion Therapeutics website at www.flexiontherapeutics.com. A webcast replay will be available online after the call.

About Osteoarthritis of the Knee
While OA is currently being diagnosed at increasingly younger ages, prevalence rises after age 45. In 2015, more than 14 million Americans were diagnosed with OA of the knee. OA represents an enormous burden on the U.S. healthcare system,

affecting more than 27 million individuals and accounting for more than $185 billion in annual expenditures. These costs are expected to rise with a predicted increase in OA prevalence, which is expected to affect 67 million Americans by 2030.

Each year, more than five million OA patients in the U.S. receive immediate-release corticosteroid and hyaluronic acid intra-articular injections for knee pain, but these injections generally provide limited relief, and no alternative injectable therapy has been approved in more than a decade.

About Zilretta
Zilretta is being investigated as the first intra-articular extended-release, non-opioid treatment for patients with moderate to severe knee OA pain. Zilretta employs proprietary microsphere technology combining TCA — a commonly administered, short-acting corticosteroid — with a polymer (PLGA) intended to provide persistent concentrations of drug locally to both amplify the magnitude and prolong the duration of pain relief.

To date, more than 600 patients have been treated with Zilretta in clinical trials. No drug-related serious adverse events have been observed in these trials and adverse events have typically been localized, mild and comparable to those observed with immediate-release TCA and placebo. The data from these trials are consistent with Zilretta providing meaningful and durable pain relief.

About Flexion Therapeutics
Flexion is a specialty pharmaceutical company focused on the development and commercialization of novel, local therapies for the treatment of patients with musculoskeletal conditions, beginning with OA. The company's lead product candidate, Zilretta, is being investigated for its potential to provide improved analgesic therapy for the millions of U.S. patients who receive intra-articular injections for knee OA annually.

Forward-Looking Statements
Statements in this press release regarding matters that are not historical facts, including, but not limited to, statements relating to the future of Flexion; the potential benefits of Zilretta, including in patients with knee OA and Type 2 diabetes; and projected growth of OA and the potential market for Zilretta, are forward-looking statements. These forward-looking statements are based on management's expectations and assumptions as of the date of this press release and are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those expressed or implied by such statements. These risks and uncertainties include, without limitation, risks associated with the process of discovering, developing, manufacturing and obtaining regulatory approval for drugs that are safe and effective for use as human therapeutics; our reliance on third parties to manufacture and conduct clinical trials of Zilretta, which could delay or limit its future development or regulatory approval; the fact that we will require additional capital, including prior to commercializing Zilretta or any other product candidates, and may be unable to obtain such additional capital in sufficient amounts or on terms acceptable to us; the risk that we may not be able to maintain and enforce our intellectual property, including intellectual property related to Zilretta; competition from alternative therapies; regulatory developments and safety issues, including difficulties or delays in obtaining regulatory approvals to market Zilretta; the risk that the FDA and foreign regulatory authorities may not agree with our interpretation of the data from our clinical trials of Zilretta and may require us to conduct additional clinical trials; Zilretta may not receive regulatory approval or be successfully commercialized, including as a result of the FDA's or other regulatory authorities' decisions regarding labeling and other matters that could affect its availability or commercial potential; risks related to key employees, markets, economic conditions, health care reform, prices and reimbursement rates; and other risks and uncertainties described in our filings with the Securities and Exchange Commission (SEC), including under the heading "Risk Factors" in our most recent Annual Report on Form 10-K and subsequent filings with the SEC. The forward-looking statements in this press release speak only as of the date of this press release, and we undertake no obligation to update or revise any of the statements. We caution investors not to place considerable reliance on the forward-looking statements contained in this press release.

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