November 11, 2016

Flexion Therapeutics Announces Presentation of Phase 3 Data Demonstrating that Extended-Release Zilretta™ Achieves Clinically Significant Improvement of Pain, Stiffness and Function in Patients with Osteoarthritis of the Knee

Podium Presentation at the AAHKS Annual Meeting Shows Zilretta Delivers Extended Relief Compared to Immediate-Release Steroid and Placebo

DALLAS, Nov. 11, 2016 (GLOBE NEWSWIRE) -- Flexion Therapeutics, Inc. (Nasdaq:FLXN) announced today that its lead investigational product candidate Zilretta (also known as FX006) demonstrated clinically and statistically significant improvements in an analysis of Phase 3 trial data conducted in patients with osteoarthritis (OA) of the knee. The analysis evaluating the clinical relevance of Zilretta treatment was presented during the 26th American Association of Hip and Knee Surgeons Annual Meeting, taking place November 10-13, 2016.

OA is a type of degenerative arthritis that is caused by the progressive breakdown and eventual loss of cartilage in one or more joints, characterized by pain, swelling, stiffness and decreased mobility of the affected joint. Many current treatment options provide sub-optimal pain control or carry serious side effects. Approximately 40 percent of OA patients are treated with opioid pain medications and about half ultimately require total joint replacement due to disease progression.

"These results demonstrate that FX006 significantly improved pain, stiffness and function in patients with OA of the knee compared to placebo and an immediate-release steroid," said Andrew Spitzer, M.D., Director of the Joint Replacement Program at Cedars-Sinai Orthopaedic Center. "The persistence of pain relief and functional benefits at 12 weeks, along with data from previous studies showing persistent therapeutic concentrations of steroid in the joint with low systemic exposure, highlight the potential for FX006 to represent a meaningful new treatment option for OA patients."

- The Phase 3, randomized, double blind, placebo-controlled, active-comparator trial enrolled 484 patients at 37 centers worldwide. Efficacy was assessed at four week intervals over 24 weeks by:
  - Weekly mean of the average daily pain (ADP) score
  - OA specific measures - WOMAC A (pain), B (stiffness) and C (function)
  - Knee Injury and Osteoarthritis Outcome Score (KOOS) quality of life (QoL) at four-week intervals over 24 weeks
- As previously reported, Zilretta achieved the primary endpoint of this trial, significantly reducing pain as measured by the weekly mean of the ADP score at week 12 compared to placebo ($P<0.0001$).
- Zilretta also achieved statistically significant improvements in WOMAC A, B, and C at Weeks 4, 8, and 12 compared to placebo and immediate-release triamcinolone acetonide (TCA) ($P<0.05$).
- In a new post-hoc analysis, Zilretta, but not TCA, consistently demonstrated clinically meaningful effects in pain, stiffness and function by exceeding the Minimum Clinically Important Improvement (MCII) thresholds through 12 weeks as established in the 2013 American Academy of Orthopedic Surgeons (AAOS) Guidelines.
- No serious drug-related AEs occurred. AEs were balanced across arms and were generally mild.

"We are excited by these data which, we believe, demonstrate that pain relief and functional improvement with Zilretta are rapid, substantial and durable and that the safety profile is comparable to placebo. These attributes support the potential for Zilretta, if approved, to be an important addition to the OA treatment armamentarium," said Michael Clayman, M.D., President and Chief Executive Officer of Flexion. "We remain on track to submit an NDA to the FDA in December and look forward to providing additional updates on our commercialization objectives in the future."

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 IA

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 the Phase 3 trial 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 IA 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; our plans for, and the expected timing of, our Zilretta NDA submission with the FDA; our plans to commercialize Zilretta; the potential therapeutic and other benefits of Zilretta and expectations regarding the future prevalence and impact of OA, 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; our ability to meet anticipated regulatory filing, approval, and commercial launch dates for Zilretta; the fact that we will require additional capital, including to fully commercialize 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.

Investor Contact
David Carey
Lazar Partners LTD
T: 212-867-1768
dcarey@lazarpartners.com

Media Contact
Danielle Lewis
Lazar Partners LTD
T: 212-843-0211
dlewis@lazarpartners.com

Corporate Contact
Fred Driscoll
Chief Financial Officer

Flexion Therapeutics, Inc.
T: 781-305-7763
fdriscoll@flexiontherapeutics.com