SVB Leerink Global Healthcare Conference

February 26, 2021

Ironwood®

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 our ability to execute on our vision and mission; the Company's strategy, business, financial position and operations, including with respect to maximizing LINZESS® (linaclotide), building an innovative GI pipeline and delivering sustained profits and generating cash flow, as well as the Company's corporate development strategy; the demand, development, commercial availability and commercial potential of linaclotide and the drivers, timing, impact and results thereof; the potential indications for, and benefits of, linaclotide; our ability to successfully execute and the value-creation potential of our strategic priorities, including our efforts to advance innovative treatments for commercial and earlier-stage clinical assets focused on serious, organic diseases and openness to explore transformative transactions or other strategies; the potential that we return capital to shareholders via a share repurchase program; our ability to drive LINZESS growth, including through efforts to enhance the HCP / patient experience (including via our hybrid selling model, telehealth initiatives, and patient adherence and engagement programs), communicate overall abdominal symptom data (including our expected refresh of our consumer campaign), broaden payer access and strengthen clinical utility of linaclotide; our ability to successfully innovate our commercial strategy by implementing a hybrid selling model and advancing telehealth initiatives and advancing lifecycle management efforts; the potential of IW-3300 to be an effective treatment of visceral pain conditions and the size of the IB/BPS and endometriosis populations, as well as our plans to submit an IND with the U.S. FDA and, assuming IND approval, to advance IW-3300 into Phase I development (including the timing and results thereof); and our financial performance and results; expectations regarding our financial performance and results, and guidance and expectations related thereto, including expectations related to, and potential drivers of, Rx demand growth, price erose, LINZESS net sales growth, total revenue and adjusted EBITDA. These forward-looking statements speak only as of the date of this presentation, and Ironwood undertakes no obligation to update these forward-looking statements. 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 the effectiveness of development and commercialization efforts by us and our partners; preclinical and clinical development, manufacturing and formulation development of linaclotide and our product candidates; the risk that clinical programs and studies may not progress or develop as anticipated, including that studies are delayed or discontinued for any reason, such as safety, tolerability, enrollment, manufacturing, economic or other reasons, including due to the impacts of the COVID-19 pandemic; the risk that findings from our completed nonclinical and clinical studies may not be replicated in later studies; the risk that we or our partners are unable to obtain, maintain or manufacture sufficient LINZESS or our product candidates, or otherwise experience difficulties with respect to supply or manufacturing; the efficacy, safety and tolerability of linaclotide and our product candidates; the risk that the therapeutic opportunities for LINZESS or our product candidates are not as we expect; decisions by regulatory and judicial authorities, including the potential impact of the COVID-19 pandemic on governmental authorities; the risk we may never get additional patent protection for linaclotide and other product candidates; the risk that we may never get sufficient patent protection for linaclotide and other product candidates, that patents for linaclotide or other products may not provide adequate protection from competition, or that we are not able to successfully protect such patents; outcomes in legal proceedings to protect or enforce the patents relating to our products and product candidates, including abbreviated new drug application litigation; the possibility that we may not achieve some or all of the anticipated benefits of the separation of Cyclerion; the risk that financial and operating results may differ from our projections; 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; the risk that we are unable to manage our expenses or cash use, or are unable to commercialize our products 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, 2020, and in our subsequent SEC filings. In addition, the COVID-19 pandemic and the associated containment efforts have had a serious adverse impact on the economy, the severity and duration of which are uncertain. Government stabilization efforts will only partially mitigate the consequences. The extent and duration of the impact on our business and operations is highly uncertain. Factors that will influence the impact on our business, operations and financial results include the duration and extent of the pandemic, the extent of imposed or recommended containment and mitigation measures, and the general economic consequences of the pandemic. The pandemic could have a material adverse impact on our business, operations and financial results for an extended period of time.

Ironwood uses non-GAAP financial measures in this presentation, which should be considered only a supplement to, and not a substitute for or superior to, GAAP measures. Refer to the Reconciliation of GAAP Results to Non-GAAP Financial Measures table and to the Reconciliation of GAAP Income from Continuing Operations to Adjusted EBITDA table and related footnotes on slides 23 and 24 of this presentation. Further, Ironwood considers the net profit for the U.S. LINZESS brand collaboration with AbbVie in assessing the product's performance and calculates it based on inputs from both Ironwood and AbbVie. This figure should not be considered a substitute for Ironwood's GAAP financial results. An explanation of our calculation of this figure is provided in the U.S. LINZESS Brand Collaboration table and related footnotes on slide 25 of this presentation.

LINZESS® is a registered trademark of Ironwood Pharmaceuticals, Inc. Any other trademarks referred to in this presentation are the property of their respective owners. All rights reserved.

Ironwood®

Ironwood: Leading in GI through Growth and Innovation

OUR VISION

To Become the Leading U.S. Gastrointestinal Healthcare Company

OUR MISSION

To advance the treatment of GI diseases and redefine the standard of care for GI patients

Ironwood®

Our Path Forward: Advancing Innovative Treatments for GI Diseases

We have a refreshed focus in areas of high unmet need where gastroenterologists play the primary role in treating patients

We Aim to:

1 Maximize LINZESS® (linaclotide)

- Drive LINZESS growth in demand and net sales
- Enhance linaclotide clinical utility through **robust lifecycle management opportunities**

2 Build Innovative GI Pipeline

- Strengthen GI portfolio with a focus on **serious, organic GI diseases** and other prioritized criteria focused on value creation

3 Deliver Sustained Profits and Generate Cash Flow

- Continue driving Ironwood revenue growth
- Maintain focus on generating sustainable profits and cash flow
- Apply thoughtful and disciplined capital allocation decisions

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Maximize LINZESS

Ironwood®

LINZESS is the Prescription Market Leader in IBS-C / CIC Category

Sustained growth since launch in 2012

Linzess®

#1 Prescribed

Branded Treatment for IBS-C & CIC

IQVIA NPA Nov 2020

#1 in Rx Demand

IBS-C / CIC Market Share ~40%

IQVIA RAPID Weekly Market without PEG, Dec 2020

#1 in Branded Payer Access

>75% Combined, Unrestricted Access

Oct 2020 MMIT, AbbVie Oct 2020 MM Dashboard

#1 HCP / Patient Satisfaction

SRI "LINZESS ATU" 2020; Brado "LINZESS Patient Journey" July 2020

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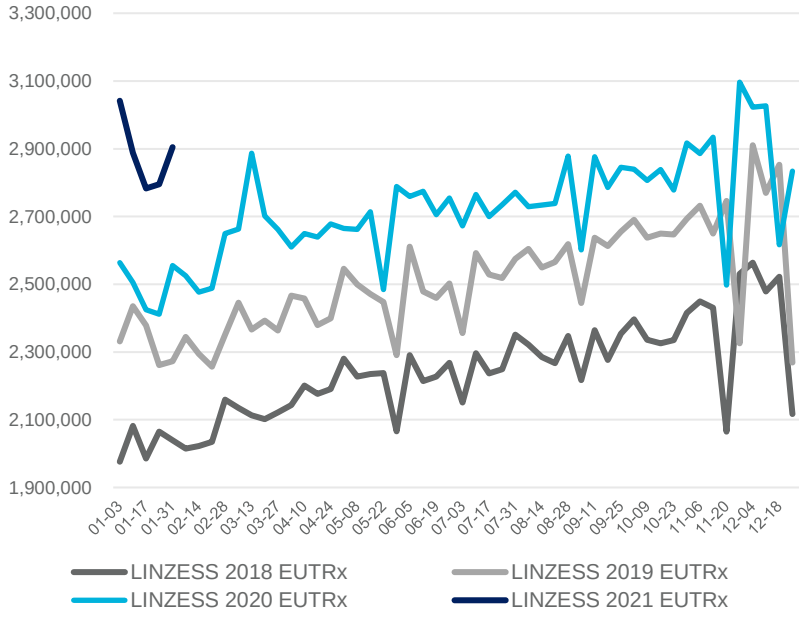
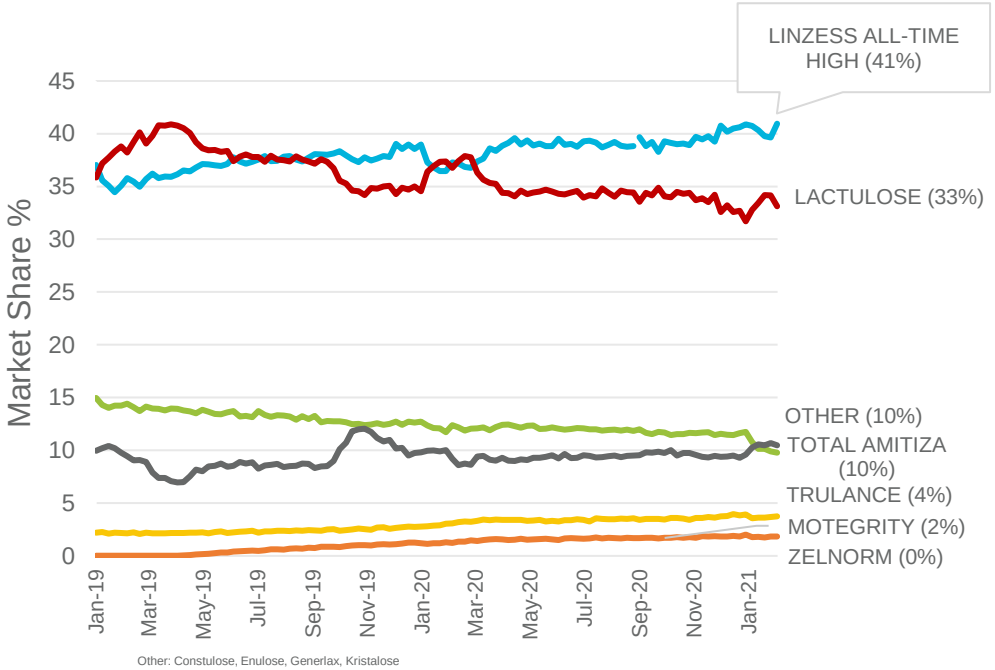
LINZESS Maintained Strong Demand Growth and ~40% IBS-C / CIC Market Share in 2020[1]

LINZESS Y/Y Total Rx Demand[1]



2020 IBS-C/CIC Market Share[1]



Other: Constulose, Enulose, Generlax, Kristalose

1) IQVIA NPA Weekly, Feb 2021

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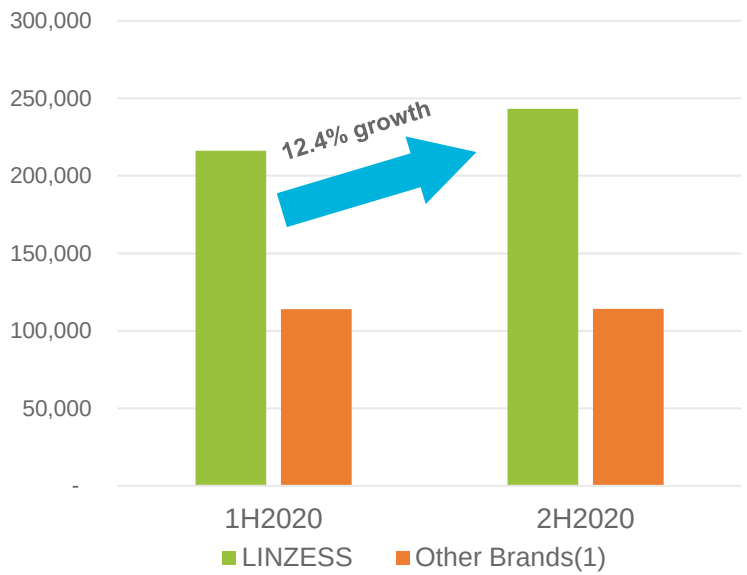
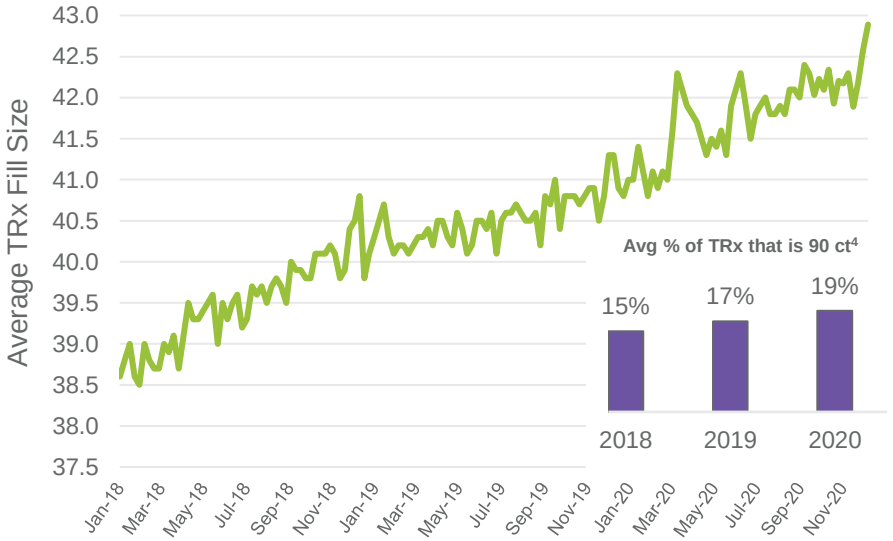
Strong LINZESS New-to-brand Volume and 90-Day Prescriptions Are Key Indicators of Future Growth Potential

LINZESS NBRx Volume Growth[2]



LINZESS 90-Day Prescription Growth[3]



Average TRx fill size increased by 2.5% in Nov 2020 Y/Y to 42 pills/Rx[5]
Average NRx fill size increased by 2.3% in Nov 2020 Y/Y to 46 pills/Rx[5]

1) Other Branded Products: Amitiza, Trulance, Motegrity, and Zelnorm. 2) IQVIA Monthly Patient Insights. 3) IQVIA Weekly NPA Dec 2020 4) IQVIA Monthly NPA FY 2018, FY 2019, and FY 2020 (through 11/30/2020) 5) IQVIA Weekly NPA Nov 2019 vs Nov 2020

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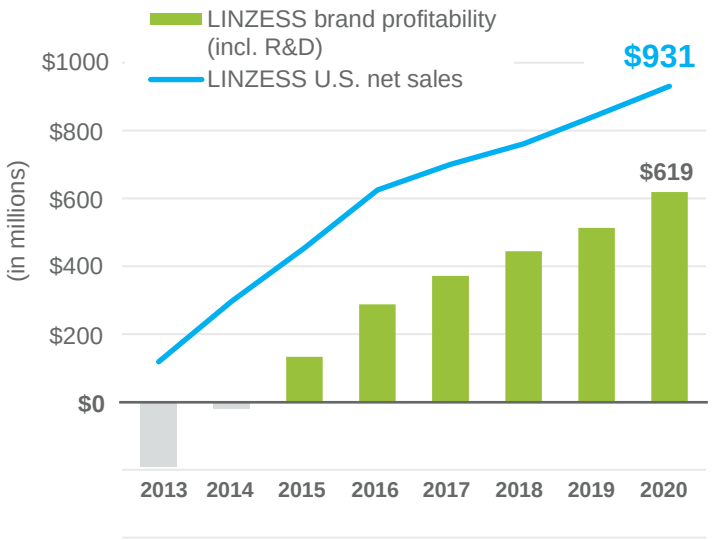
LINZESS Success is Generating Substantial Revenue for Ironwood

2020 Total Ironwood Revenue was $390 Million, Exceeding 2020 Guidance of High End of $370-385 Million



50/50
profit share

$335M

Ironwood's share of **2020** U.S. LINZESS **profits**

In 2021, we expect:

High-single digit % Rx demand growth driven by strong execution and innovative commercial strategies

Mid-single digit % price erosion due to competitive dynamics and increased payer rebates & mix

3 to 5 % U.S. net sales growth

In connection with its acquisition of Allergan, AbbVie recast LINZESS U.S. net sales (previously reported by Allergan) for periods beginning on January 1, 2019 to conform with its revenue recognition accounting policies and reporting conventions for certain rebates and discounts. LINZESS U.S. net sales are reported by AbbVie and LINZESS costs incurred by each of us and AbbVie are reported in our respective financial statements. LINZESS costs include cost of goods sold incurred by AbbVie and selling, general and administrative expenses and research and development expenses incurred by AbbVie and Ironwood that are attributable to the cost-sharing arrangement between the parties. See slide 25 for detailed presentation.

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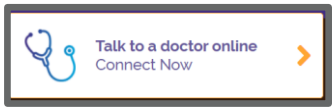
On Track to Exceed $1 Billion in LINZESS Net Sales

Currently evaluating multiple opportunities to drive further growth

Enhancing HCP / Patient Experience

We seek to:

- ✓ Expand hybrid selling model leveraging in-person & virtual technologies
- ✓ Advance access to telehealth to drive increased LINZESS New Patient Starts
- ✓ Increase adherence through 90-day Rx & patient engagement programs



Communicating Overall Abdominal Symptom Data

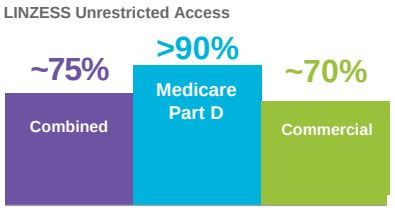
- ✓ FDA approved LINZESS sNDA for overall IBS-C abdominal symptoms of bloating, pain and discomfort
- ✓ Full refresh of consumer campaign expected spring 2021

DEMONSTRATED IMPROVEMENT IN
OVERALL ABDOMINAL SYMPTOMS
(BLOATING, PAIN, DISCOMFORT)

Broadening Payer Access

We seek to:

- ✓ Maintain broad access while managing net price impact
- ✓ Communicate value of LINZESS with payers in effort to maintain access & price
- ✓ Educate on clinical profile & importance of overall IBS-C abdominal symptom data



Source: IMS Xponent™, PlanTrak, as of August-2020, Oct 2020 MMIT

Strengthening Clinical Utility via LCM

We seek to:

- ✓ Enhance clinical utility of linaclotide through robust lifecycle management (LCM)
- ✓ Advance efforts to explore new indications and populations

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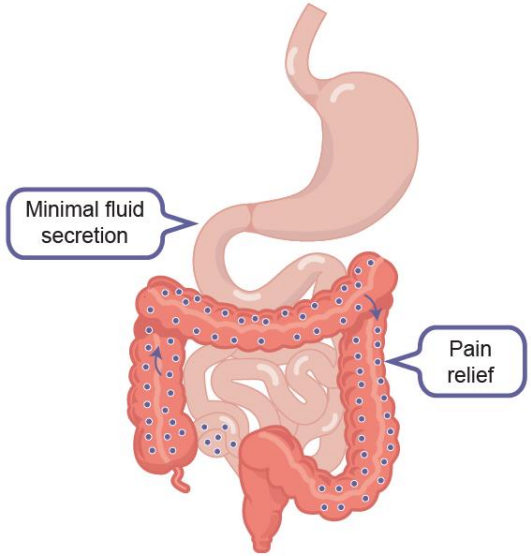
Build an Innovative Pipeline

Advancing IW-3300, a GC-C Agonist, into Phase I Development for Potential Treatment of Visceral Pain Conditions

Opportunity to test the “cross-talk” hypothesis in humans for the first time

- **Strong pre-clinical data:** Stable peptide expected to provide flexibility in formulation
  - IW-3300 reversed endometriosis-induced vaginal hypersensitivity in a pre-clinical vaginal distension model
  - IW-3300 also demonstrated pain relief in bladder pre-clinical hypersensitivity model
- **Very high unmet need in Interstitial Cystitis / Bladder Pain Syndrome and in Endometriosis**
  - Limited number of treatment options available
  - Patients surveyed report experiencing a low QoL and many reported experiencing reduced productivity
- **Strong pre-clinical evidence combined with sound scientific & commercial rationale supports POC study to explore potential impact of IW-3300 on chronic visceral pain outside of GI tract**



Target indications are strategically linked to GC-C mechanism, designed to address a significant medical need and have a defined path to POC

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There Remains High Unmet Need within GI, as GI diseases Affect Approximately **1 in every 5 Americans**[1]

60 to 70 million Americans are affected by GI diseases[1]

GI diseases are responsible for millions of office visits, ED visits, and hospitalizations each year[2]

GI cost to the U.S. healthcare system ~$142B annually[3]

1) National Institutes of Health, U.S. Department of Health and Human Services. Opportunities and Challenges in Digestive Diseases Research: Recommendations of the National Commission on Digestive Diseases. Bethesda, MD: National Institutes of Health; 2009. NIH Publication 08–6514; 2) Peery AF et al. Burden and cost of gastrointestinal, liver, and pancreatic diseases in the United States: Update 2018. Gastroenterology 2018 Oct 10; [e-pub]. (https://doi.org/10.1053/j.gastro.2018.08.063)
3) Everhart JE, ed. The Burden of Digestive Diseases in the United States. Bethesda, MD: National Institute of Diabetes and Digestive and Kidney Diseases, U.S. Department of Health and Human Services; 2008. NIH Publication 09–6433

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Prioritizing Serious, Organic GI Diseases

We Have Identified >100 GI Assets in >25 Prioritized Disease Areas, Including:

Abdominal Pain	Celiac Disease	Liver Injury / Failure	Pruritus
Pancreatitis	Mucositis / Gut Inflammation	Rare GI Diseases	Esophageal / Allergic

Note: **Organic GI diseases** have measurable physiological changes; **Functional GI diseases** can cause symptoms but are not associated with any identifiable or measurable changes.

Corporate Development Strategy Guided by Clear Principles Focused on Delivering Patient Benefit and Shareholder Value

In assessing any new potential asset, we seek to:

1 Prioritize diseases that are **primarily managed by gastroenterologists**

2 Focus on **organic GI diseases**, where mechanisms are well understood

3 Target innovation, via **first-in-class or differentiated opportunities**

4 Explore **innovative, earlier-stage clinical assets** and late-stage / commercial assets

5 Maintain our ability to **deliver profits and generate cash**

Deliver Sustained Profits and Generate Cash Flow

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Continued Strong Financial Performance in 2020

2020 represents Ironwood's 2nd full year of profitability

$390M

Total Ironwood Revenues

Primarily driven by **$369M** in U.S. LINZESS collaboration revenue

13% Y/Y growth in U.S. LINZESS collaboration revenue

$931M

U.S. LINZESS Net Sales[1]

10% Y/Y growth

Primarily driven by 9% Y/Y prescription demand growth combined with net price improvement & inventory fluctuations[2]

LINZESS brand margin: 66%[1]

$106M

GAAP Net Income

$0.67/share – basic
$0.66/share – diluted

$161M

Adjusted EBITDA[2]

1. LINZESS U.S. net sales are reported by AbbVie and LINZESS costs incurred by each of us and AbbVie are reported in our respective financial statements. LINZESS costs include certain discounts recognized and cost of goods sold incurred by AbbVie, as well as selling, general and administrative expenses incurred by AbbVie and Ironwood that are attributable to the cost-sharing arrangement between the parties. See slide 25 for detailed breakdown. 2. Refer to the Reconciliation of GAAP income from continuing operations to adjusted EBITDA on slide 24 of this presentation.

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2021 Financial Guidance

Ironwood expects:

	FY 2021 Guidance
LINZESS U.S. net sales growth	**3 to 5%**
Total Ironwood revenue	**$370 - $385 million**
Adjusted EBITDA[1]	**>$190 million**

1) Adjusted EBITDA is calculated by subtracting net interest expense, income taxes, depreciation, amortization, mark-to-market adjustments on derivatives related to Ironwood's 2022 Convertible Notes and restructuring expenses from GAAP income from continuing operations. Ironwood does not provide guidance on GAAP income from continuing operations or a reconciliation of expected adjusted EBITDA to expected GAAP income from continuing operations because, without unreasonable efforts, it is unable to predict with reasonable certainty the non-GAAP adjustments used to calculate adjusted EBITDA. These adjustments are uncertain, depend on various factors and could have a material impact on GAAP income from continuing operations for the guidance period.

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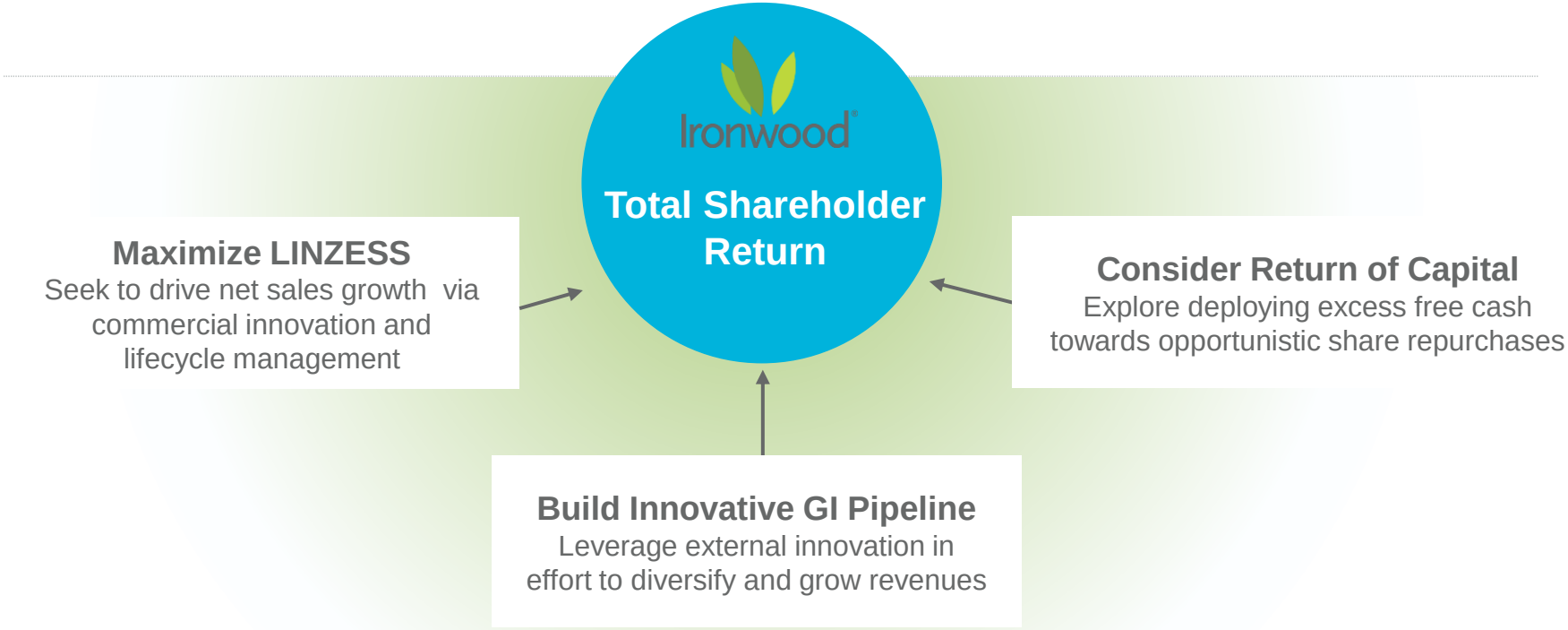
We are Focused on Delivering Shareholder Value

Seeking to Allocate Capital to Highest Return Opportunities



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Appendix

4Q and Full Year 2020 Financial Summary

Reconciliation of GAAP results to non-GAAP financial measures[1]

	Three Months Ended December 31, 2020 (000s, except per share amounts)	Twelve Months Ended December 31, 2020 (000s, except per share amounts)
GAAP net income	$ 43,204	$ 106,176
Adjustments:		
Mark-to-market adjustments on the derivatives related to convertible notes, net	(420)	6,129
Restructuring expenses	14,150	15,382
Non-GAAP net income	$ 56,934	$ 127,687
GAAP net income per share – basic	$ 0.27	$ 0.67
Adjustments to GAAP net income (detailed above)	0.09	0.13
Non-GAAP net income per share – basic	$ 0.36	$ 0.80
GAAP net income per share – diluted	$ 0.27	$ 0.66
Adjustments to GAAP net income (detailed above)	0.09	0.13
Non-GAAP net income per share – diluted	$ 0.36	$ 0.79

1. The company presents non-GAAP net income and non-GAAP net income per share to exclude the impact of net gains and losses on the derivatives related to our 2022 convertible notes that are required to be marked-to-market and restructuring expenses. Investors should consider these non-GAAP measures only as a supplement to, not as a substitute for or as superior to, measures of financial performance prepared in accordance with GAAP. In addition, these non-GAAP financial measures are unlikely to be comparable with non-GAAP information provided by other companies. For a reconciliation of the company's non-GAAP financial measures to the most comparable GAAP measures, please refer to the table above. Additional information regarding the non-GAAP financial measures is included in the company's press release dated February 17, 2021.

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4Q and Full Year 2020 Financial Summary

Reconciliation of GAAP income from continuing operations to adjusted EBITDA

	Three Months Ended December 31, 2020	Twelve Months Ended December 31, 2020
	(000s)	(000s)
GAAP income from continuing operations[1]	$ 43,204	$ 106,176
Adjustments:		
Mark-to-market adjustments on the derivatives related to convertible notes, net	(420)	6,129
Restructuring expenses	14,150	15,382
Interest expense	7,521	29,478
Interest and investment income	(220)	(1,504)
Income tax expense	1,296	2,685
Depreciation and amortization	421	2,332
Adjusted EBITDA	$ 65,952	$ 160,678

1. Ironwood presents GAAP income from continuing operations and adjusted EBITDA, a non-GAAP measure. Adjusted EBITDA is calculated by subtracting net interest expense, income taxes, depreciation, mark-to-market adjustments on derivatives related to Ironwood's 2022 Convertible Notes and restructuring expenses, from GAAP net income from continuing operations. Investors should consider these non-GAAP measures only as a supplement to, not as a substitute for or as superior to, measures of financial performance prepared in accordance with GAAP. In addition, these non-GAAP financial measures are unlikely to be comparable with non-GAAP information provided by other companies. For a reconciliation of the company's non-GAAP financial measures to the most comparable GAAP measures, please refer to the table above. Additional information regarding the non-GAAP financial measures is included in the company's press release dated February 17, 2021.

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4Q and Full Year 2020 Financial Summary

LINZESS U.S. Brand Collaboration

Commercial Profit & Collaboration Revenue[1]

	Three Months Ended December 31, 2020	Twelve Months Ended December 31, 2020
	(000s)	(000s)
LINZESS U.S. net product sales	$ 278,320	$ 931,211
AbbVie & Ironwood commercial costs, expenses and other discounts[2]	97,992	260,825
Commercial profit on sales of LINZESS	$ 180,328	$ 670,386
Commercial Margin	*65%*	*72%*
Ironwood's share of net profit	90,164	335,193
Reimbursement for Ironwood's selling, general, and administrative expenses[3]	20,562	39,312
Adjustments to reconcile Ironwood's previously reported share of net profit in conformance with AbbVie's revenue recognition accounting policies and reporting conventions[4]	-	(5,902)
Ironwood's collaboration revenue	$ 110,726	$ 368,603

Ironwood & AbbVie Total Net Profit

	Three Months Ended December 31, 2020	Twelve Months Ended December 31, 2020
	(000s)	(000s)
LINZESS U.S. net product sales	$ 278,320	$ 931,211
AbbVie & Ironwood commercial costs, expenses and other discounts[2]	97,992	260,825
AbbVie & Ironwood R&D expenses[5]	11,889	51,295
Total net profit on sales of LINZESS[6]	$ 168,439	$ 619,091

1. The purpose of the Commercial Profit and Collaboration Revenue table is to present the calculation of Ironwood's share of net profits generated from sales of LINZESS in the U.S. and Ironwood's collaboration revenue / expense; 2. Includes certain discounts recognized and cost of goods sold incurred by AbbVie, as well as selling, general and administrative expenses incurred by AbbVie and Ironwood that are attributable to the cost-sharing arrangement between the parties. 3. Includes Ironwood's selling, general and administrative expenses attributable to the cost-sharing arrangement with AbbVie, including the adjustment to selling expenses incurred in 2020 and recorded in the fourth quarter of 2020. 4. In connection with its acquisition of Allergan, AbbVie recast LINZESS U.S. net sales (previously reported by Allergan) for periods beginning on January 1, 2019 to conform with its revenue recognition accounting policies and reporting conventions for certain rebates and discounts. This recast did not result in any change to Ironwood's historically reported collaborative arrangements revenue or collaborative arrangements revenue policy. Ironwood continues to record collaborative arrangements revenue based on actual settlement payments received from AbbVie. 5. R&D expenses related to LINZESS in the U.S. are shared equally between Ironwood and AbbVie under the collaboration agreement. 6. Ironwood has recalculated its share of net profit on sales of LINZESS in the U.S. to conform with AbbVie's recast of historically reported LINZESS U.S. net sales (previously reported by Allergan).

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