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May 4, 2009

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CAMBRIDGE, Mass., May 4, 2009 - Ironwood Pharmaceuticals, Inc. today announced that the company has entered into an out-licensing agreement with Laboratorios Almirall, S.A. for European rights to develop and commercialize the investigational compound linaclotide for the treatment of irritable bowel syndrome with constipation (IBS-C) and other gastrointestinal conditions. This agreement is a continuation of Ironwood's strategy to develop and market its products in the United States while forming partnerships to accelerate delivery to patients in other territories.

Under the terms of the agreement, Almirall will provide Ironwood with up to \$55 million in near-term payments, including a \$40 million upfront licensing fee. Pre-commercial licensing fees and milestone payments total \$95 million. In addition, Ironwood will receive escalating royalties on linaclotide sales. Almirall will be responsible for activities relating to regulatory approval and commercialization, as well as expenses for the European market. Ironwood continues to retain all rights to linaclotide outside of North America and Europe.

"We are very pleased to be joining forces with Almirall to develop and commercialize linaclotide for the millions of patients in Europe who suffer from IBS-C and currently lack adequate therapies. Almirall presented us with the best strategy to rapidly and effectively deliver linaclotide to the market, and terms that, should linaclotide meet our expectations, allow us to share approximately half of the long term value of the product," said Peter Hecht, Ironwood's chief executive officer.

About Linaclotide

Linaclotide is a first-in-class compound in Phase 3 clinical development for the treatment of IBS-C and chronic constipation (CC). Linaclotide demonstrated proof of concept in a comprehensive Phase 2b program, comprised of two clinical studies in over 700 patients with either IBS-C or CC. In patients with IBS-C, linaclotide significantly reduced abdominal pain and bloating and improved bowel function throughout the 12-week treatment period. In patients with CC, linaclotide reduced constipation throughout the 4-week treatment period. In both studies the most common adverse event was diarrhea. Linaclotide is a once daily, orally delivered peptide that acts locally in the gut with no detectable systemic exposure at therapeutic doses. Linaclotide is an agonist of guanylate cyclase type-C, a receptor found on the lining of the intestine. Issued composition of matter patents for linaclotide in the United States and Europe provide protection beyond 2024. In September 2007, Ironwood and Forest Laboratories, Inc. entered into a 50/50 collaboration to co-develop and co-promote linaclotide in United States.

About Irritable Bowel Syndrome with Constipation (IBS-C)

IBS-C is a chronic functional gastrointestinal disorder characterized by abdominal pain and discomfort associated with altered bowel habits. There are currently few available therapies to treat this disorder. In the five major European markets alone, an estimated nine million patients suffer from IBS-C. Patients suffering from IBS-C can be affected physically, psychologically, socially, and economically.

About Almirall

Almirall is an international pharmaceutical company based on innovation and committed to health. Headquartered in Barcelona, Spain, Almirall researches, develops, manufactures, and commercializes its own R&D and licensed drugs with the aim of improving people's health and wellbeing.

The therapeutic areas on which Almirall focuses its research resources are related to the treatment of asthma, COPD (chronic obstructive pulmonary disease), rheumatoid arthritis, multiple sclerosis, psoriasis, and dermatology. The company is also aiming to expand its development pipeline through licensing-in in the areas mentioned plus some others including gastrointestinal and neurology.

Almirall is currently present in over 70 countries with direct presence in Europe and Latin America through 11 affiliates (Austria, Belgium, France, Germany, Italy, Mexico, Poland, Portugal, Spain, Switzerland, and the UK-Ireland). For further information please visit the website at: www.almirall.com.

About Ironwood Pharmaceuticals

Ironwood Pharmaceuticals (www.ironwoodpharma.com) is an entrepreneurial pharmaceutical company dedicated to the science and art of great drugmaking. Linaclotide, the company's first in class compound, is being evaluated in a comprehensive Phase 3 program for the treatment of irritable bowel syndrome with constipation (IBS-C) and chronic constipation (CC). Ironwood also has a growing pipeline of additional drug candidates in earlier stages of development. Microbia, Inc. (formerly Microbia Precision Engineering), a majority-owned subsidiary of Ironwood, is an industrial biotechnology company developing and commercializing novel bioprocesses for the production of specialty chemicals. Ironwood has raised \$281 million in private equity financing and is located in Cambridge, Massachusetts.

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