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IRONWOOD AND ASTELLAS ANNOUNCE JAPAN LICENSING AGREEMENT FOR LINACLOTIDE

CAMBRIDGE, Mass. and TOKYO, Japan, November 10, 2009— Ironwood Pharmaceuticals, Inc. and Astellas Pharma Inc. today announced that they have entered into an agreement providing Astellas exclusive rights to develop and commercialize the investigational compound linaclotide in Japan, Indonesia, Korea, the Philippines, Taiwan, and Thailand. Linaclotide is currently in Phase 3 clinical development in the United States for the treatment of irritable bowel syndrome with constipation (IBS-C) and chronic constipation. Under the terms of the agreement, Astellas would pay Ironwood \$75 million in upfront and precommercial milestones, including a \$30 million licensing fee, as well as escalating royalties on linaclotide sales. Astellas will lead clinical development in Japan and be responsible for all activities and expenses relating to clinical development, regulatory approval, and commercialization in the above mentioned territory.

“We are pleased to initiate a great partnership with Ironwood,” said Masafumi Nogimori, Astellas’ president and chief executive officer. “This collaboration fits well with our existing gastrointestinal franchise in Japan, and I’m excited to deliver linaclotide to the Asian territory. I strongly believe that Astellas will maximize the potential product value of linaclotide with our proven capabilities.”

“This collaboration continues Ironwood’s strategy to form partnerships to develop and commercialize linaclotide in the top three pharmaceutical markets: the U.S., Europe, and Japan, while enabling Ironwood to retain potentially fifty percent of the long-term global value of linaclotide in those key regions, should linaclotide meet our sales expectations,” said Peter Hecht, Ironwood’s chief executive officer. “Astellas has strong capabilities for delivering linaclotide to patients in its territory and we look forward to collaborating with them.”

About Astellas

Astellas Pharma Inc., located in Tokyo, Japan, is a pharmaceutical company dedicated to improving the health of people around the world through the provision of innovative and reliable pharmaceutical products. Astellas has approximately 15,000 employees worldwide. The

organization is committed to becoming a global category leader by rapidly establishing a business model in urology, immunology & infectious diseases, neuroscience, DM complications & metabolic diseases and oncology. Astellas has discovered an over-active bladder (OAB) medication, Vesicare® and an immunosuppressive agent, Prograf® (tacrolimus), which have enabled them to become an established leader in both urology and transplant. For more information on Astellas Pharma Inc., please visit www.astellas.com/en.

About Ironwood Pharmaceuticals

Ironwood Pharmaceuticals (www.ironwoodpharma.com) is an entrepreneurial pharmaceutical company dedicated to the art and science of great drugmaking. Linaclotide, the Company's first in class compound, is being evaluated in a confirmatory Phase 3 program for the treatment of irritable bowel syndrome with constipation (IBS-C) and chronic constipation. Ironwood also has a growing pipeline of additional drug candidates in earlier stages of development. Ironwood has raised \$306 million in private equity financing and is located in Cambridge, Massachusetts.