Corporate Presentation

December 2015

Synergy Pharmaceuticals

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We believe that it is important to communicate future expectations to investors. However, there may be events in the future that we are not able to accurately predict or control. Factors that may cause such differences include, but are not limited to, those discussed under Risk Factors and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2014, as filed with the Securities and Exchange Commission, including the uncertainties associated with product development, the risk that products that appeared promising in early clinical trials do not demonstrate safety and efficacy in larger-scale clinical trials, the risk that we will not obtain approval to market our products, the risks associated with dependence upon key personnel and the need for additional financing. We do not assume any obligation to update forward-looking statements as circumstances change.

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GI Expertise and Proven Track Record of Execution

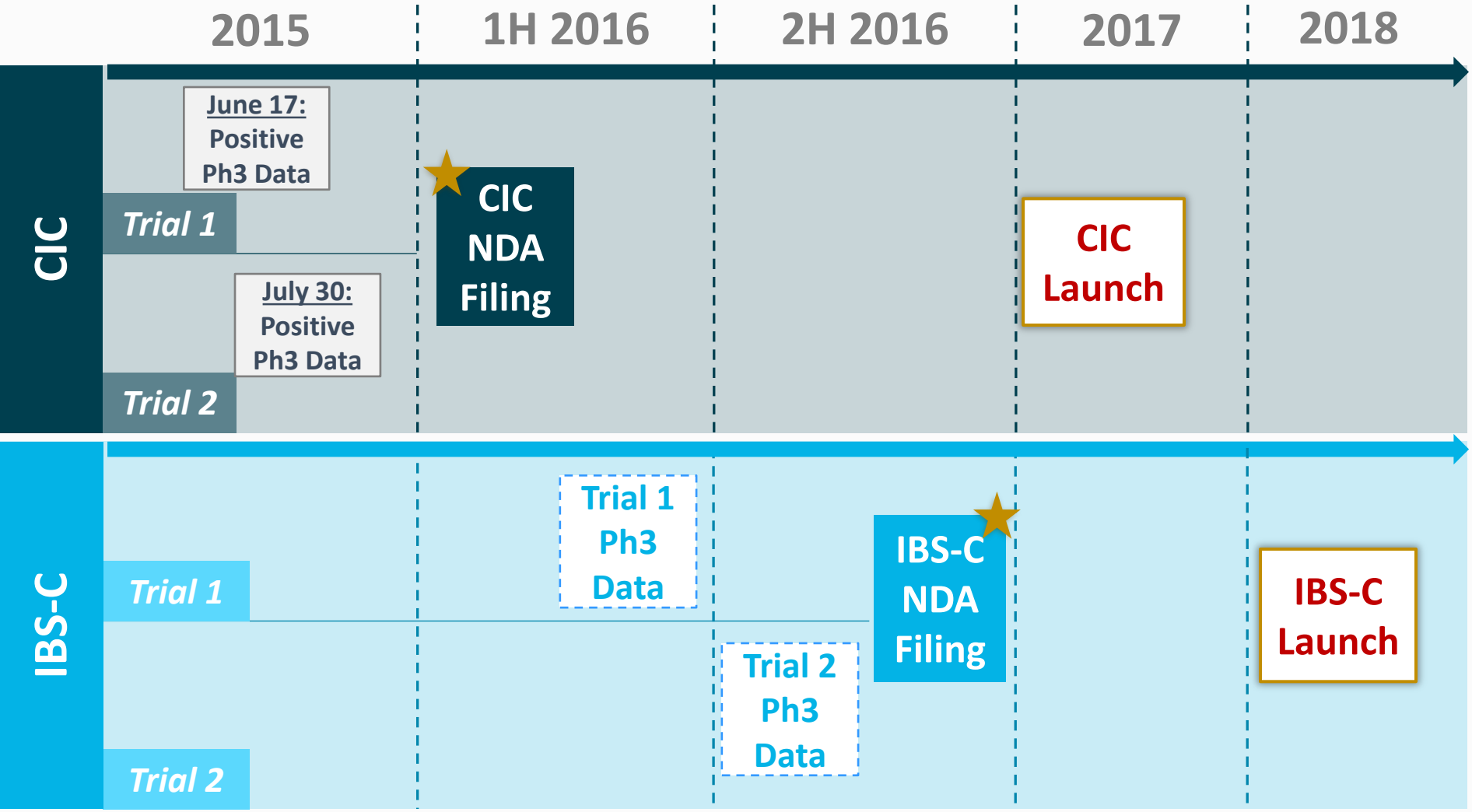
Gary Jacob, PhD Chairman & CEO	• Over 25 years of experience in pharma and biotech across multiple disciplines, including: ***R & D, operations and business development***
Kunwar Shailubhai, PhD Chief Scientific Officer	• Major discoverer of Plecanatide and Dolcanatide for GI indications • Over 20 years experience at G.D. Searle/Monsanto Co. and NIH
Patrick Griffin, MD Chief Medical Officer	• Board-certified, internal medicine and gastroenterology • Over 25 years of experience; Sanofi-Aventis, Forest Laboratories, Private practice
Troy Hamilton, PharmD Chief Commercial Officer	• Over 19 years of commercial pharmaceutical experience; Shire and J&J • Led the successful launch of Lialda® and commercialization of Pentasa®
Gary Sender, MBA Chief Financial Officer	• Over 25 years of financial leadership experience in specialty pharmaceutical organizations; Shire, Tengion, Merck • Managed financial planning and analysis and strategic growth initiatives of Shire's Global Commercial Businesses
Marino Garcia, MBA SVP, Corporate Development	• Former VP of Global BD, Aptalis Pharmaceuticals • Aspreva Pharmaceuticals, Eli Lilly, Schering Plough, Pfizer

Plecanatide: Novel GI Therapy with Near-term Blockbuster Potential

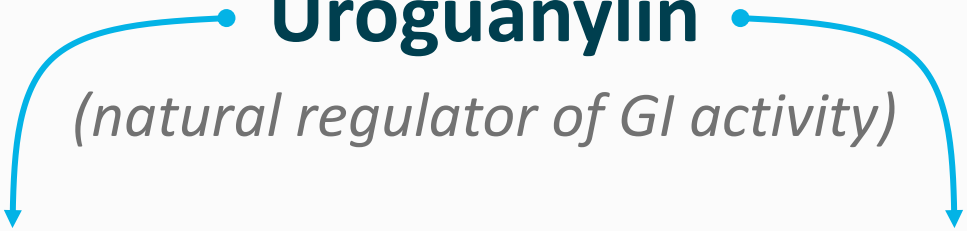
- First NDA filing expected in January 2016
- Efficacy, safety and tolerability demonstrated in CIC and IBS-C clinical trials
- Large, untapped market with strong growth potential
- Control 100% worldwide rights
- Strong patent portfolio

Advancing Plecanatide for CIC and IBS-C:

Anticipated milestones for two pivotal phase 3 programs



Novel GI Platform Based on Uroguanylin, Discovered and Developed by Synergy



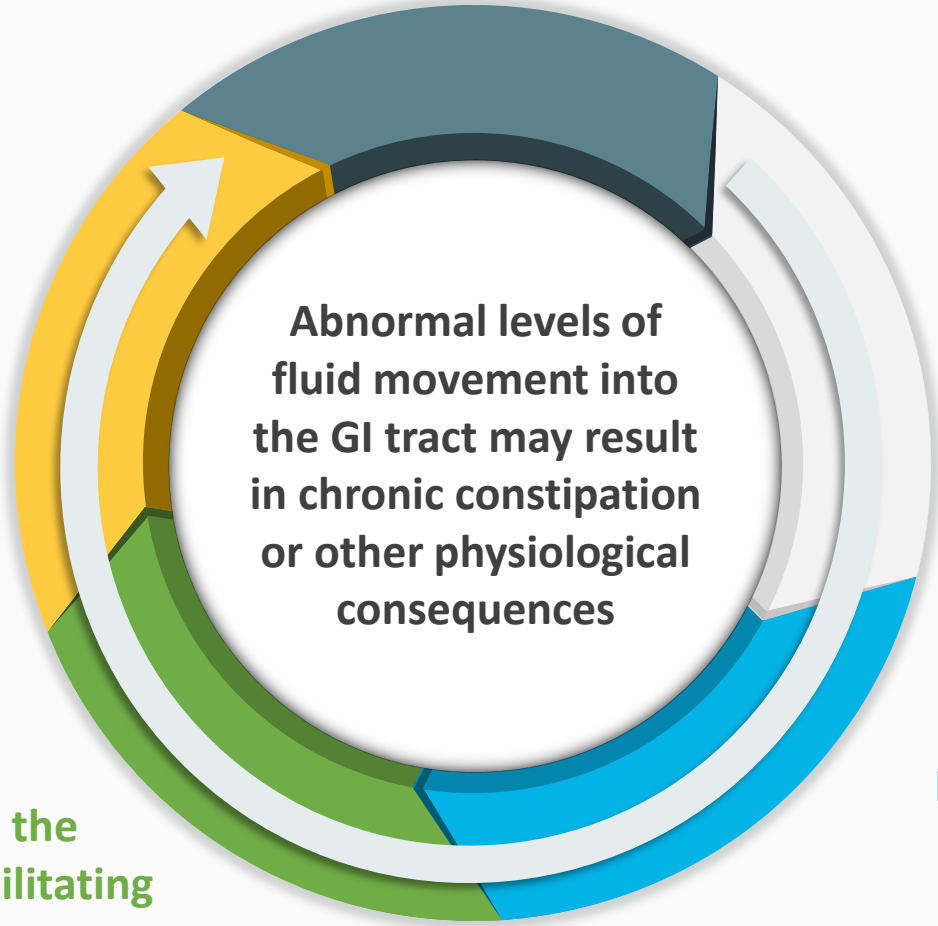
PLECANATIDE
(CIC & IBS-C)

DOLCANATIDE [SP-333]
(OIC & Ulcerative Colitis)

Uroguanylin activates and regulates the movement of fluid required for normal digestion…

1

Uroguanylin is naturally secreted in the GI tract in response to food intake



2

Binds to & activates intestinal GC-C receptor, operating in a pH-dependent fashion

(optimized at pH 5-6)

3

Initiates cyclic-GMP synthesis

(cascade of digestive signaling)

4

Fluid moves into the intestinal lumen, facilitating bowel movement

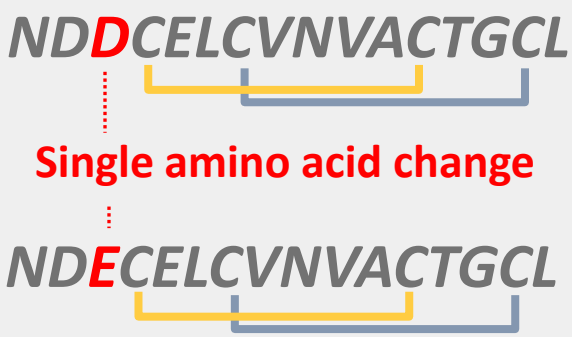
5

Uroguanylin binding to GC-C 'turns off', regulating normal digestive activity

Plecanatide: First Uroguanylin Analog for CIC and IBS-C

UROGUANYLIN
(natural GI regulator)

PLECANATIDE
(uroguanylin analog)



- Activity mimics natural uroguanylin (pH-regulated)
- Essentially non-systemic
- Once-daily oral tablet
- Evaluating 3.0 and 6.0 mg tablets

Plecanatide Market Opportunity

Estimated 45 Million US Adults Suffer from CIC or IBS-C

Common CIC Symptoms:

- Constipation (< 3 bowel movements per wk. for ≥ 3 months)
- Hard or lumpy stools
- Incomplete bowel movements
- Straining

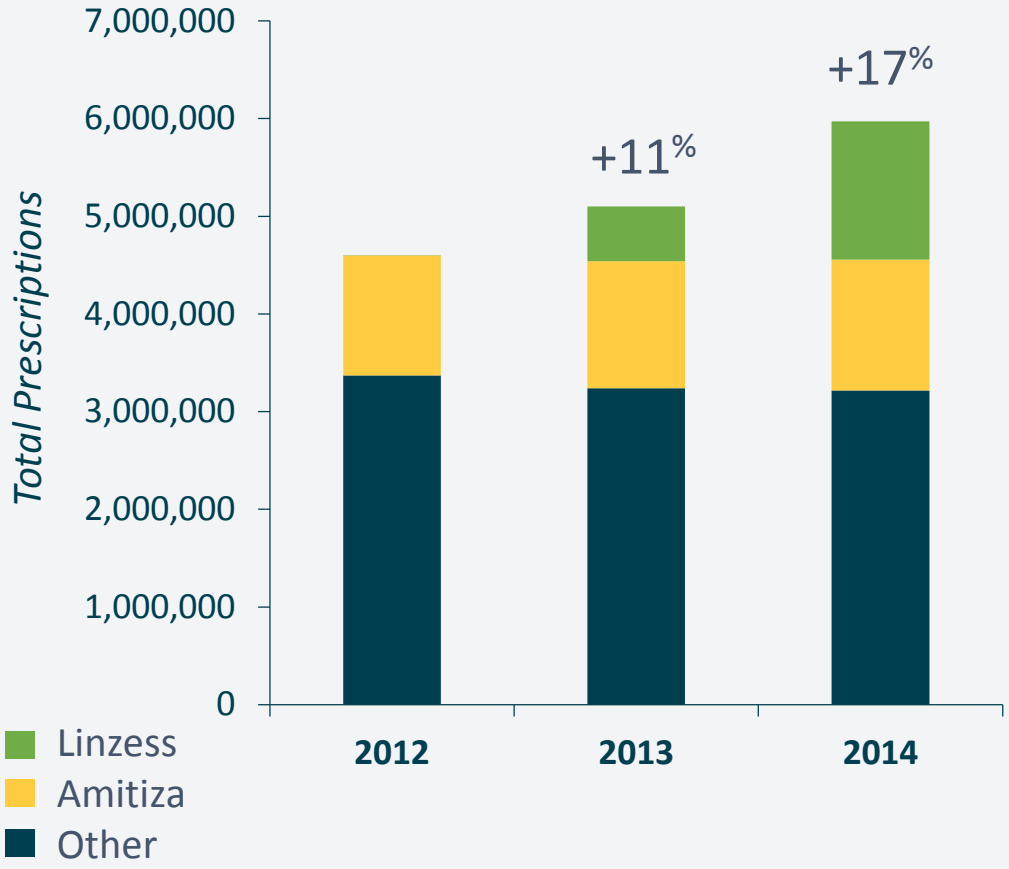
Common IBS-C Symptoms:

- Abdominal Pain
- Constipation
- Incomplete bowel movements

These are symptom-driven conditions that should be managed on a daily basis.
There is no cure for CIC or IBS-C.

US Constipation Prescription Market Growth & Value is Accelerating

Total Prescriptions (TRx)



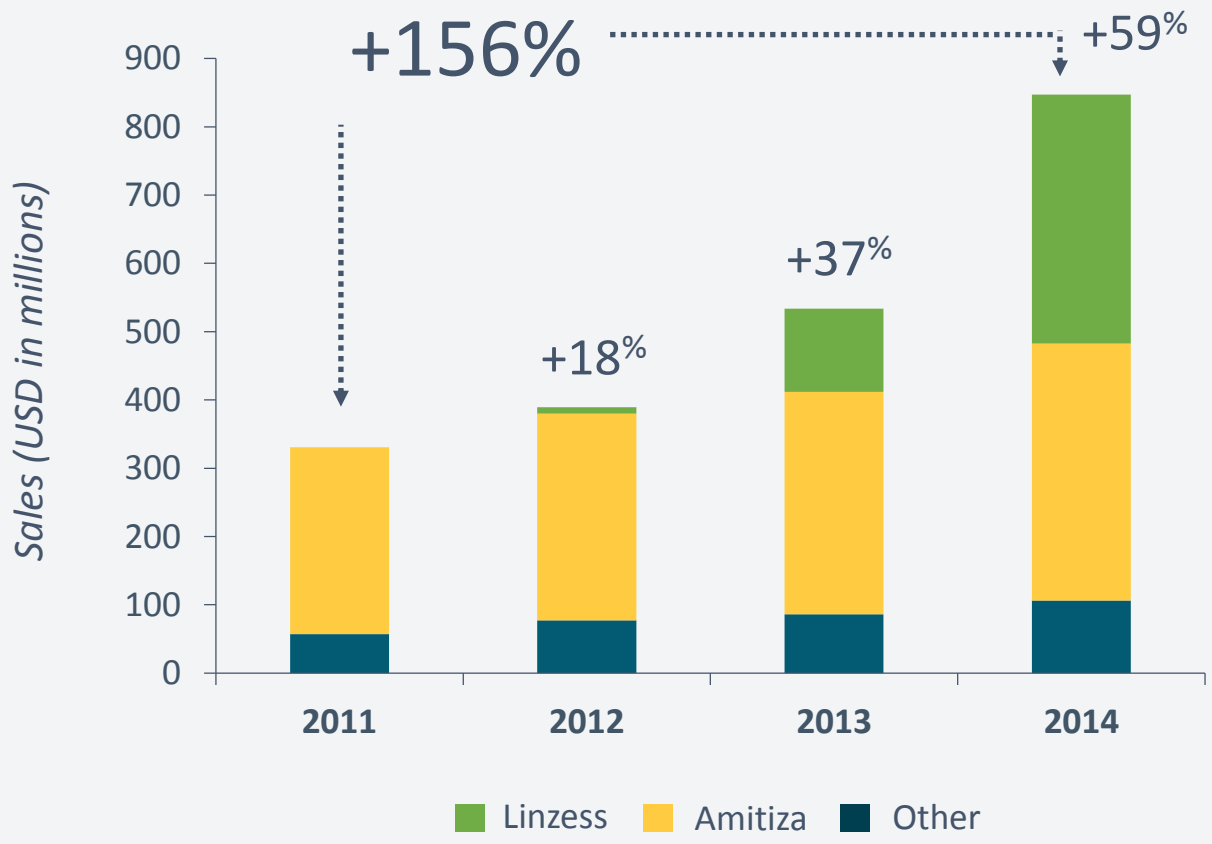
FUTURE GROWTH DRIVERS

- DTC campaigns continue to grow disease awareness
- Growth in category with new IBS/OIC brands
- Plecanatide expected to launch in 2017
- Aging population
- Increasing awareness of importance of “gut health”

Source: Constipation Rx market includes treatments for IBS-C, CIC, OIC; Other products includes Constulose, Generlac, Kristalose, Lactulose, Miralax, and Relistor ; IMS Monthly NPA Dec. 2014;

U.S. Constipation Market Value Increased +156% in Last 3 Years

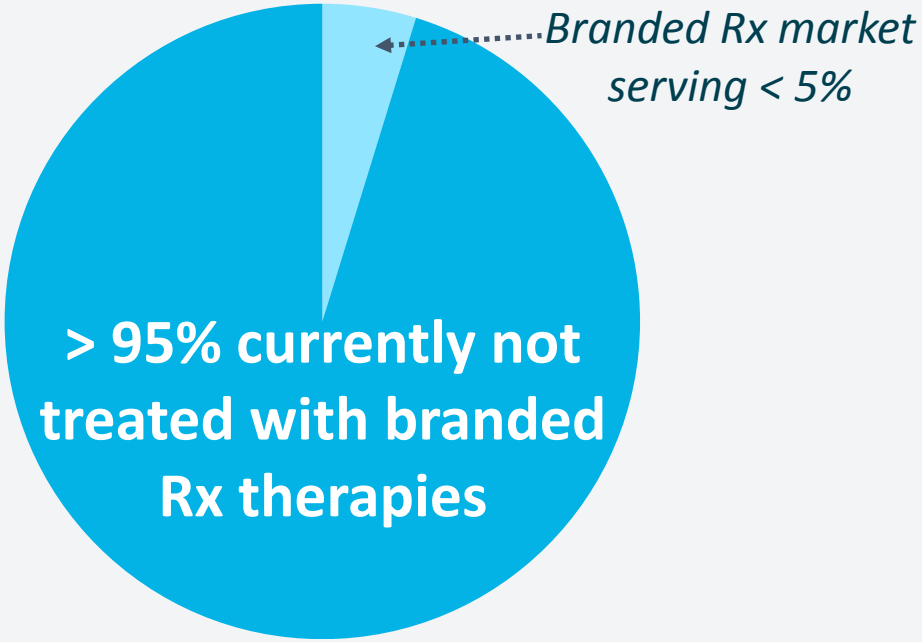
TRx Sales



Source: Constipation Rx market includes treatments for IBS-C, CIC, OIC; Other products includes Constulose, Generlac, Kristalose, Lactulose, Miralax, and Relistor ; IMS Monthly NPA Dec. 2014.

Untapped US Market Opportunity with Blockbuster Potential

Estimated 45 Million
US Adults with CIC or IBS-C



Assuming patients fill 3-4 Rx per year, less than 2 million of 45 million adults with CIC or IBS-C are treated with branded Rx therapies.

Plecanatide is well-positioned for a successful launch due to growing demand and wide acceptance for improved therapies.

Source: Constipation Rx market includes treatments for IBS-C, CIC, OIC; Other products includes Constulose, Generlac, Kristalose, Lactulose, Miralax, and Relistor ; IMS Monthly NPA Dec. 2014;

Plecanatide
CIC Clinical Program

Plecanatide Phase 3 CIC Trials: Program Overview

Aim:

Two, randomized, 12-week, double-blind, placebo-controlled trials to confirm the efficacy and safety of plecanatide in CIC patients

Treatment Groups:

3.0 and 6.0 mg oral tablet plecanatide or placebo once-daily

Patient Population:

Approximately 1,350 patients per trial - Modified Rome III Criteria for CIC

Primary Endpoint:

Proportion of Durable Overall Responders (FDA approval endpoint)

Design:

Primary Endpoint (FDA Endpoint): Proportion of Durable Overall Responders

Overall Responder = Patient fulfills both ≥ 3 CSBMs per week + an increase of ≥ 1 CSBM from baseline, in the same week, for 9 out of the 12 treatment weeks

+

Durability = Same patient must be an overall responder for at least 3 of the last 4 treatment weeks

=

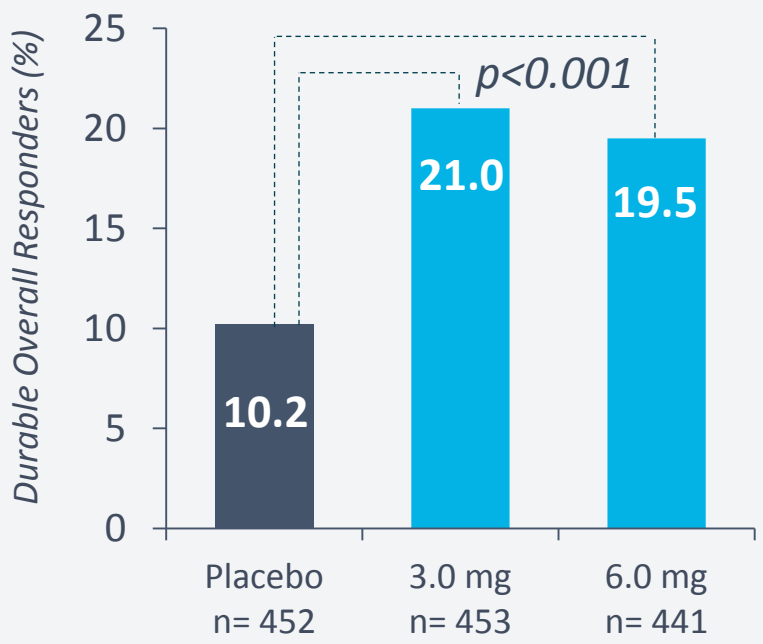
Durable Overall Responder

Plecanatide would be the first drug approved for CIC using the more stringent FDA requirement for durability in the response.

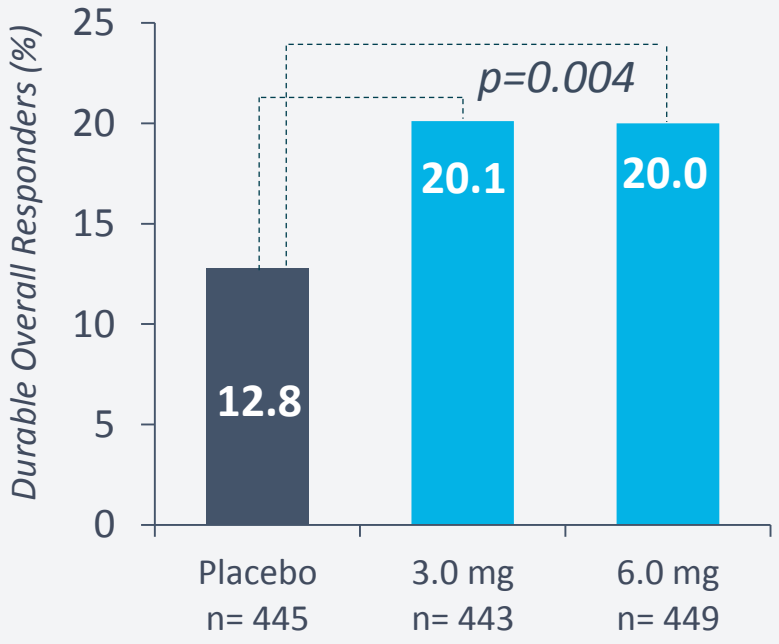
Plecanatide Phase 3 CIC Trials (Top-line Data)

Primary Endpoint: *Durable Overall Responders (%)*

Phase 3 CIC Trial 1



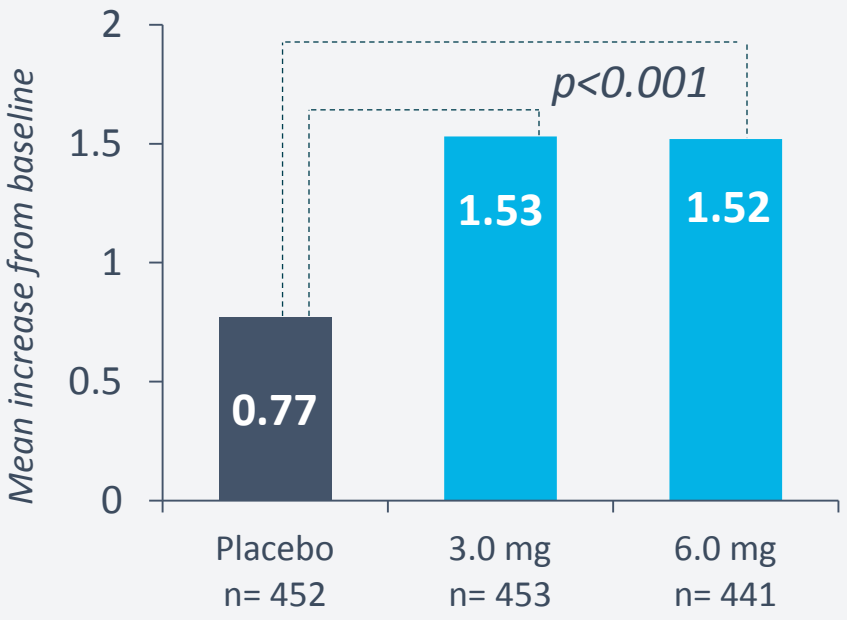
Phase 3 CIC Trial 2



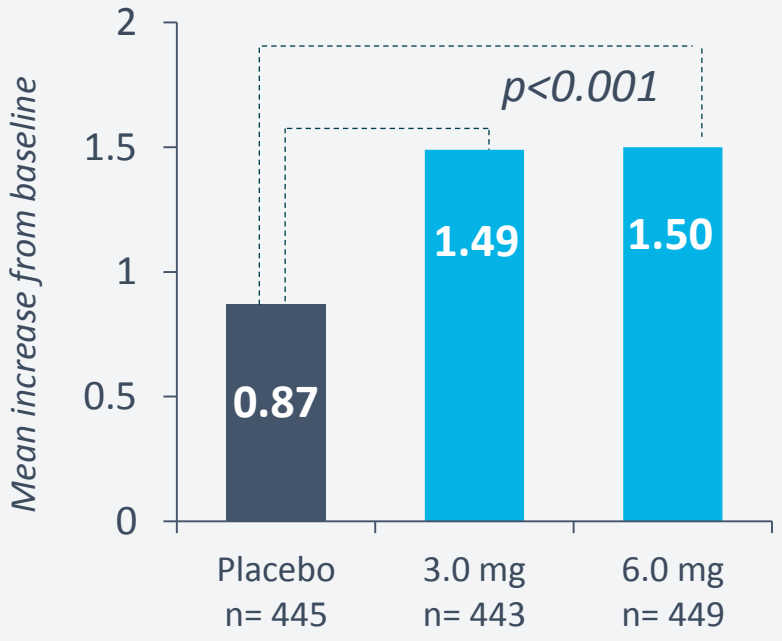
Plecanatide Phase 3 CIC Trials (Top-line Data)

Key Secondary Endpoint: Stool Consistency

Phase 3 CIC Trial 1



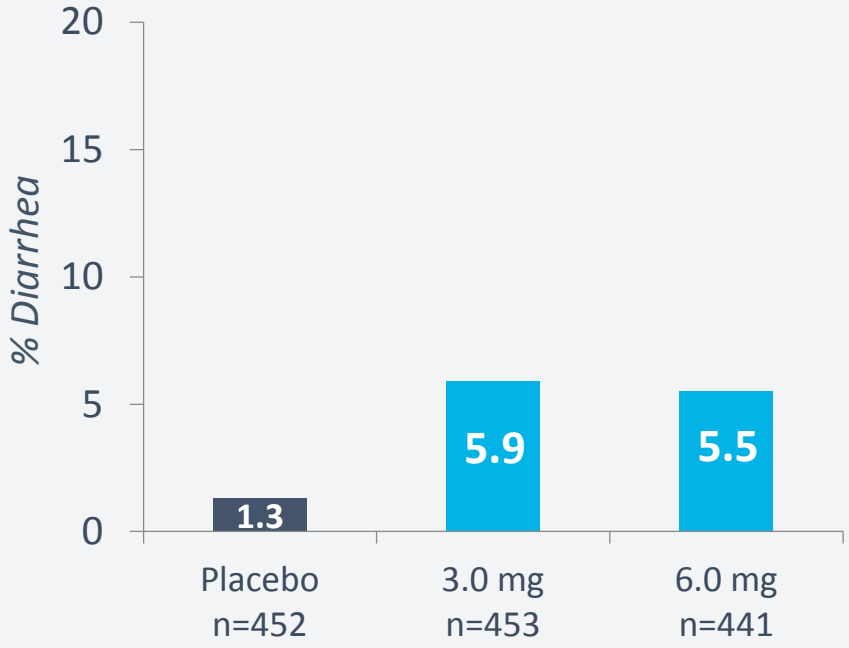
Phase 3 CIC Trial 2



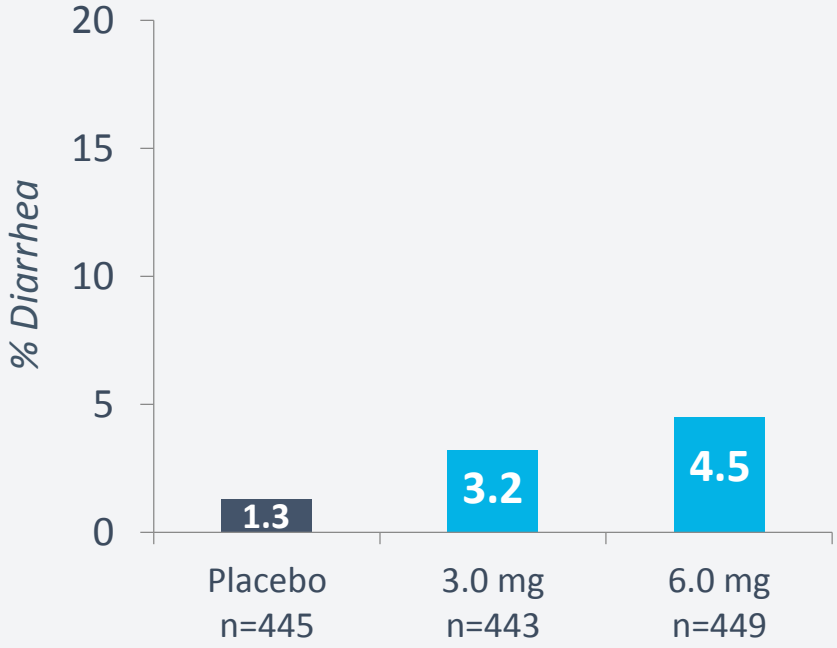
Plecanatide Phase 3 CIC Trials (Top-line Data)

Diarrhea Rates < 6.0% at both 3.0 and 6.0mg

Phase 3 CIC Trial 1



Phase 3 CIC Trial 2



Plecanatide Phase 3 CIC Trials
Top-line Safety Summary

Phase 3 CIC Trial 1

	Placebo n= 452	3.0 mg n= 453	6.0 mg n= 441
AE Withdrawal	1.3%	5.1%	5.0%
% Diarrhea	1.3%	5.9%	5.5%
Diarrhea Withdrawal	0.4%	2.7%	2.4%
Only 15 patients (1.1%) experienced SAEs			

Phase 3 CIC Trial 2

	Placebo n= 445	3.0 mg n= 443	6.0 mg n= 449
AE Withdrawal	3.0%	3.2%	3.8%
% Diarrhea	1.3%	3.2%	4.5%
Diarrhea Withdrawal	0.4%	1.1%	1.1%
Only 20 patients (1.4%) experienced SAEs			

- No imbalance across treatment groups in either incidences or individual SAEs
- No clinically relevant abnormalities were observed in serum chemistries, hematology, urinalysis, ECG or vital sign measurements

Plecanatide
IBS-C Clinical Program

Plecanatide Phase 2b IBS-C Trial: Overview

Aim:

Dose-ranging study to assess the efficacy and safety of plecanatide in IBS-C patients

Treatment Groups:

0.3,1.0,3.0 and 9.0 mg plecanatide vs. placebo

Study Population:

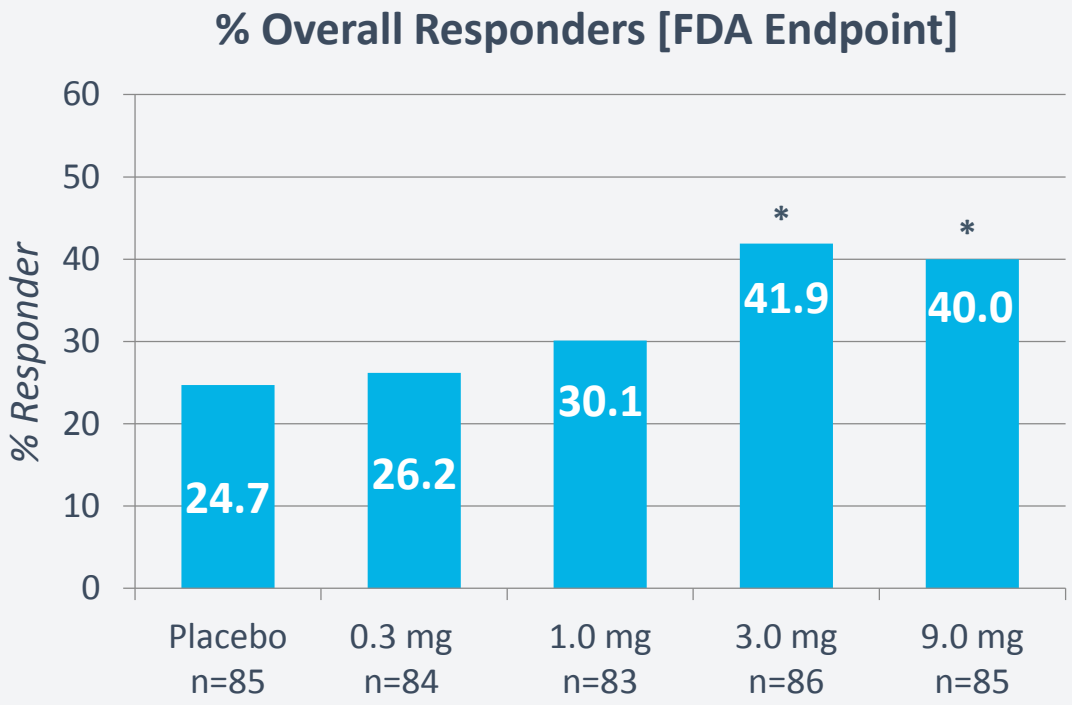
424 IBS-C patients - Rome III Criteria

Primary Endpoint:

CSBM Frequency

Design:

Plecanatide Phase 2b IBS-C Trial: Met FDA Approval Endpoint

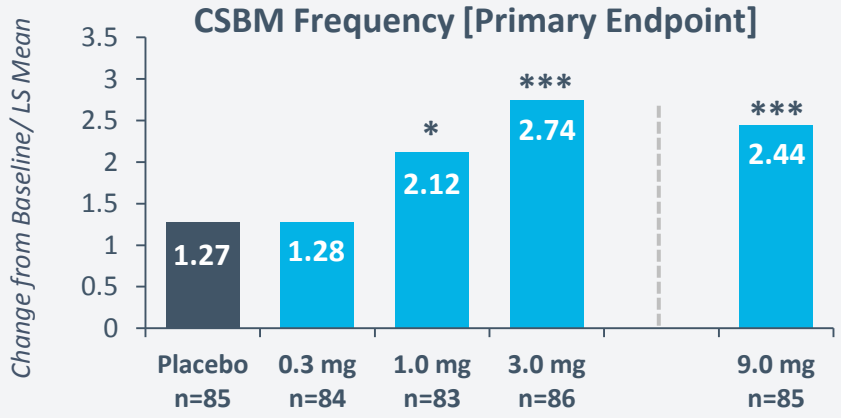


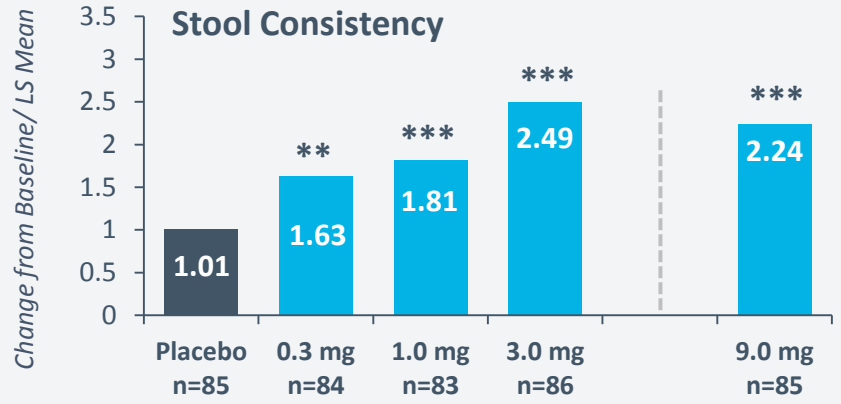
*=p<0.05

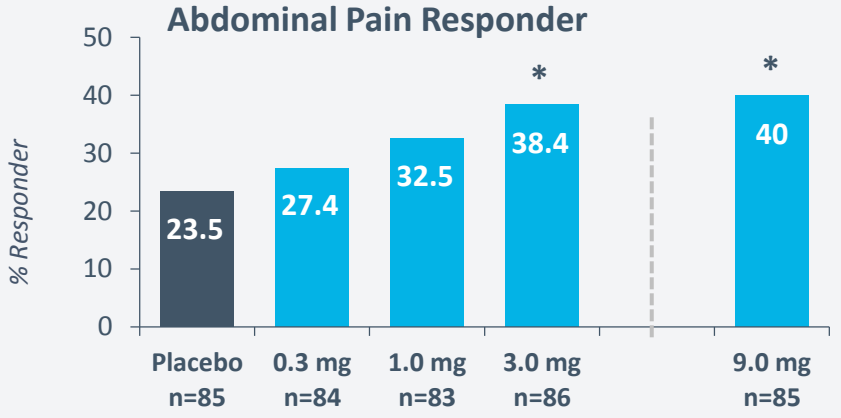
Overall Responder = Patient fulfills both ≥ 30% reduction in worst abdominal pain *and* Increase of ≥ 1 CSBMs from baseline in the same week for at least 50% of the weeks (6/12 wks)

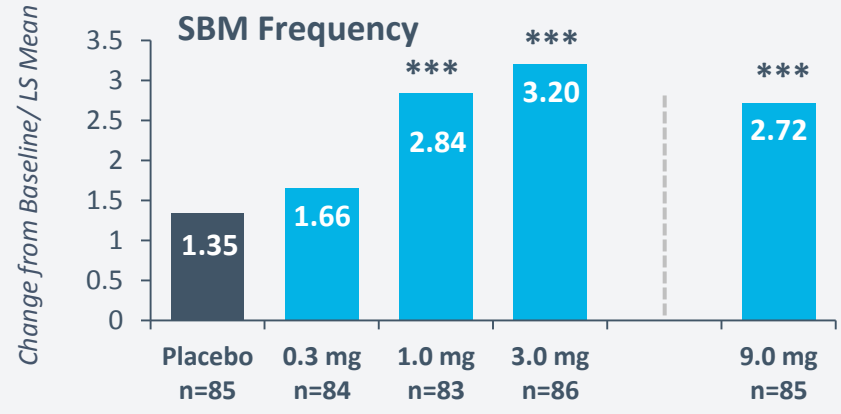
Note: % Overall Responders was evaluated as a key secondary endpoint in plecanatide phase 2b IBS-C study

Plecanatide Phase 2b IBS-C Trial: Demonstrated Consistent Efficacy Across Various Endpoints



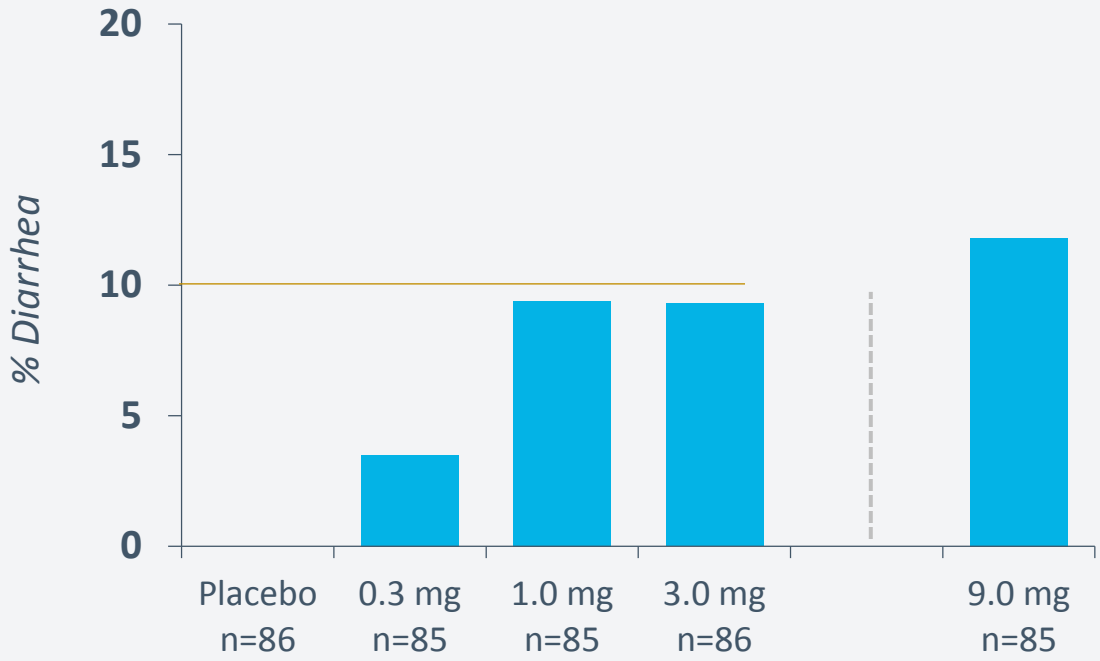






* = p<0.05; ** = p < 0.01; *** = p ≤ 0.001

Plecanatide Phase 2b IBS-C Trial: Safe and Well Tolerated at All Dose Levels



Currently evaluating plecanatide 3.0 mg and 6.0 mg in two ongoing phase 3 IBS-C trials

Plecanatide Phase 3 IBS-C Trials: Program Overview

Aim:

Two, randomized, 12-week, double-blind, placebo-controlled studies to confirm the safety and efficacy of plecanatide in IBS-C patients

Treatment Groups:

3.0 and 6.0 mg oral tablet plecanatide or placebo once-daily

Estimated Enrollment:

1,050 IBS-C patients per trial (Rome III Criteria)

Primary Endpoint:

Overall Responder endpoint

Design:

Dolcanatide (SP-333)

Dolcanatide:
Second Uroguanylin Analog

Uroguanylin — *NDDCELCVNVACTGCL*

Dolcanatide — *dNDECELCVNVACTGCdL*

Single letters denote different amino acids. Colored lines denote disulfide bonds.

- Resistant to proteolysis in simulated intestinal fluid
- Highly potent and stable peptide
- Activity mimics natural uroguanylin (pH-regulated)
- Essentially non-systemic
- Once-daily oral tablet

Dolcanatide Phase 2 OIC Trial: Overview

Aim:

Assess the safety and efficacy of dolcanatide in OIC patients receiving chronic opioid therapy for ≥ 3 months

Treatment Groups:

1.0, 3.0 and 6.0 mg dolcanatide vs. placebo once-daily

Estimated Enrollment:

289 OIC patients

Treatment Duration:

4 weeks

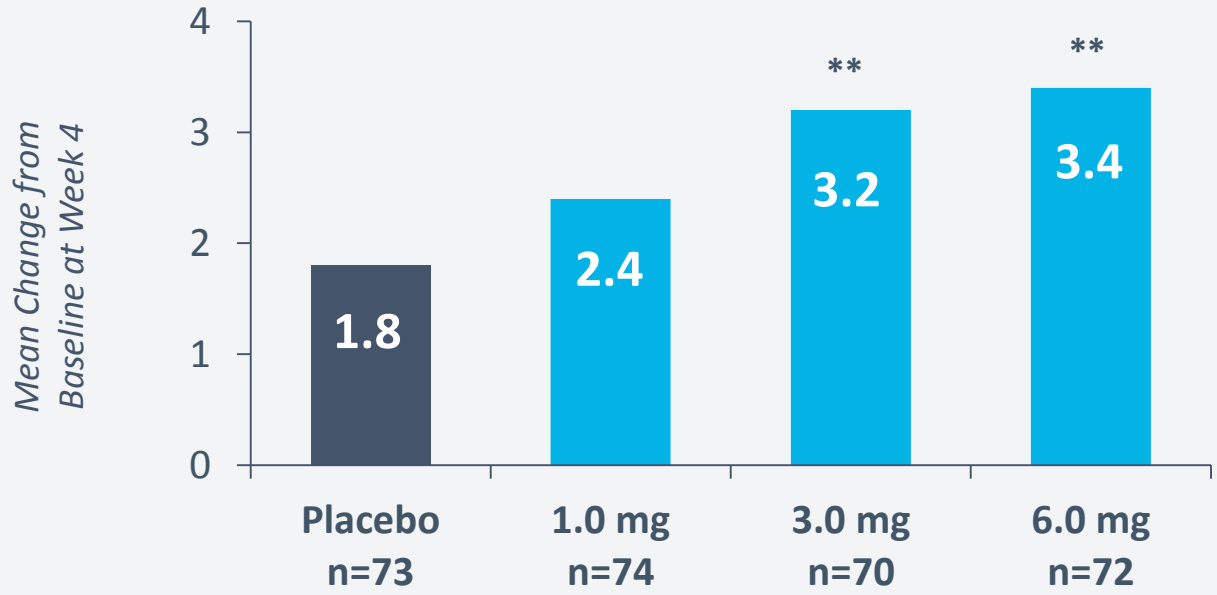
Primary Endpoint:

Mean change from baseline in the number of SBMs during Week 4 of the Treatment Period

Dolcanatide Phase 2 OIC Trial: Positive Data Results

Primary Endpoint:

Change from baseline in SBMs at Week 4



***p<0.01*

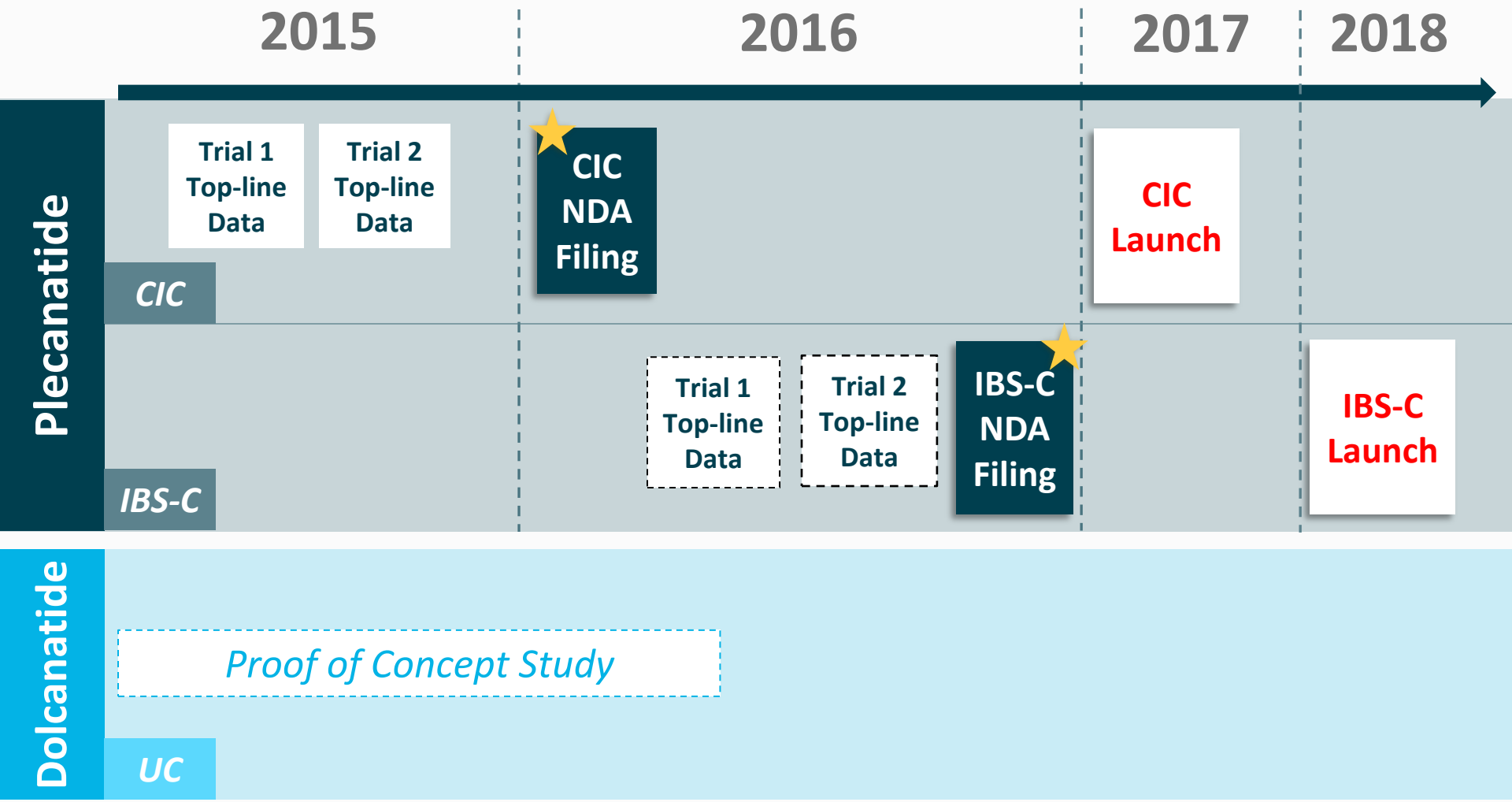
Dolcanatide Phase 2 OIC Trial: Safety Summary

	Placebo n=73	1.0 mg n=74	3.0 mg n=70	6.0 mg n=72
Serious Adverse Events	2	0	1	1
% Diarrhea	0	4.0%	5.4%	9.7%
Discontinued due to Diarrhea	0	0	0	2

Dolcanatide was safe and well tolerated with <10% diarrhea at the highest dose

Corporate Summary

Anticipated Milestones



Financial and Market Data

NASDAQ: SGYP

Price per share (12/4/2015)	**$6.11**	
Avg. volume (3 months)	**2,179,500**	
Market cap	**$697mm**	*($1.2B fully diluted)*
Shares outstanding	**114mm**	*(190mm fully diluted)*
Cash (as of 9/30/2015)	**$142mm**	

Thank You!

Synergy Pharmaceuticals