Idera Pharmaceuticals Reports First Quarter 2016 Financial Results and Provides Corporate Update

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9 of 10 Waldenstrom's Macroglobulinemia Patients Treated at the Highest Dose have Demonstrated Reductions in IgM or M-Protein Levels in Ongoing Trial

Company is on Track to Deliver Data from 4 Clinical Trials over Next 6 to 18 Months

CAMBRIDGE, Mass. and EXTON, Pa., May 09, 2016 (GLOBE NEWSWIRE) -- Idera Pharmaceuticals, Inc. (NASDAQ:IDRA), a clinical-stage biopharmaceutical company focused on the discovery, development and commercialization of novel nucleic acid-based therapeutics for oncology and rare diseases, today reported its financial and operational results for the first quarter ended March 31, 2016.

"Idera continued to make strong progress across all of our areas of focus during the first period of 2016," stated Vincent Milano, Idera's Chief Executive Officer. "Our clinical development teams have transformed our programs into executable registration strategies and the research group continues to advance the 3GA platform to put us into position to enter human proof of concept trials in 2017."

Continued Milano, "The amount of strategic consideration and effort that has taken place over the past year and the related execution should provide us with critical catalysts beginning in the second half of this year and right through the course of 2017 across all aspects of our business. We're currently conducting four separate clinical trials and we expect data from all four of these studies over the course of the next six to 18 months. This is an exciting time for Idera and we look forward to a very bright future for the patients we aim to serve as well as our investors, who support these bold endeavors."

Research and Development Program Updates
IMO-8400 and IMO-2125 are our lead clinical development drug candidates. IMO-8400 is an oligonucleotide-based antagonist of Toll-like receptors (TLRs) 7, 8, and 9. IMO-2125 is an oligonucleotide-based agonist of TLR9. The company also announced during the fourth quarter of 2015, the first two development targets from its proprietary 3GA Technology platform: NLRP3 (NOD-like receptor family, pyrin domain containing protein 3) and DUX4 (Double Homeobox 4). The company plans to take the first 3GA candidate into human proof of concept studies in 2017.

Toll-like Receptor (TLR) Agonism

Immuno-Oncology Program
Idera's development program in immuno-oncology is based on pre-clinical studies that demonstrated through the mechanism of intra-tumoral injections of the TLR9 agonist, IMO-2125, the tumor microenvironment could be impacted in a manner which positively increases the efficacy of check-point inhibition. These studies have led Idera into a strategic research alliance with the University of Texas MD Anderson Cancer Center to clinically explore the combination of checkpoint inhibitors.

In December 2015, Idera announced the initiation of a Phase 1/2 clinical trial of intra-tumoral IMO-2125 in combination with Ipilimumab in patients with relapsed or refractory Metastatic Melanoma being conducted at the University of Texas MD Anderson Cancer Center. The study will also include an arm exploring the combination of IMO-2125 with a PD1 inhibitor. The company expects to present the first translational data from the trial during the second half of 2016, with clinical results expected in 2017.

Additionally, the company presented new preclinical data demonstrating the potentiation of anti-tumor effects through combination of IMO-2125 and indoleamine-pyrolle 2,3-dioxygenase (IDO-1) in cancer models at the American Association for Cancer Research (AACR) Annual Meeting.

Toll-like Receptor (TLR) Antagonism

Genetically Defined Forms of B-cell Lymphoma
Idera's program in genetically defined forms of B-cell lymphoma is based on pre-clinical studies that have demonstrated in certain B-cell lymphomas driven by the oncogenic MYD88-L265P mutation, blocking TLR7 and 9 signaling can promote tumor cell death.

In December 2015, Idera presented positive clinical data from the ongoing Phase 1/2 trial of IMO-8400 in patients with Waldenstrom's Macroglobulinemia at the 57th Annual Meeting of the American Society of Hematology (ASH) in Orlando, FL. The company is continuing further dose escalation of IMO-8400 in both the ongoing trials in Waldenstrom's Macroglobulinemia and Diffuse Large B-cell Lymphoma to further explore the full potential of IMO-8400 based on the safety profile and efficacy signals seen to date. The company expects to complete the accrual of the escalated dosing for both the WM and DLBCL studies by the end of 2016, with data available in the first half of 2017.

Idera previously announced that the U.S. Food and Drug Administration (FDA) granted orphan drug designation for IMO-8400 for the treatment of Waldenström's macroglobulinemia and DLBCL.

Rare Diseases
In November 2015, Idera announced the initiation of a Phase 2 clinical trial of IMO-8400 in patients with Dermatomyositis. The company expects to have the DM Phase 2 study fully enrolled in the first half of 2017.

The company announced during the first quarter of 2016 that due to the resources required to fully commit to a Duchenne muscular dystrophy (DMD) clinical development endeavor, the company has chosen to suspend internal efforts at this time to advance IMO-8400 into clinical development for DMD.

Third Generation Antisense Platform

Throughout 2015, the company undertook an analysis and prioritization of oncology and rare disease indications for potential development of drug candidates derived from our 3GA technology platform. The key considerations in identifying disease indications from our third generation antisense

program included: strong evidence that the disease is caused by a specific protein; clear criteria to identify a target patient population; biomarkers for early assessment of clinical proof-of-concept; a targeted therapeutic mechanism for action; and unmet medical need to allow for a well-defined development path to approval and commercial opportunity. As a result of this analysis, in the fourth quarter of 2015 Idera announced the selection of NLRP3 (NOD-like receptor family, pyrin domain containing protein 3) and DUX4 (Double Homeobox 4) as initial gene targets to advance into IND-enabling activities, which will occur throughout 2016. Potential disease indications include, but are not limited to interstitial cystitis, uveitis and facioscapulohumeral muscular dystrophy (FSHD), respectively. The company is currently conducting clinical and regulatory pathway and commercial analysis activities and conducting IND-enabling studies with the plan to enter the clinic in 2017 for the first disease indication.

Financial Results

First Quarter 2016 Results

Net loss for the three months ended March 31, 2016 was $12.8 million, or $0.11 per basic and diluted share, compared to a net loss of $12.5 million, or $0.12 per basic and diluted share, for the same period in 2015. There was nominal revenue recognized in each of the first quarters of 2016 and 2015. Research and development expenses for the three months ended March 31, 2016 totaled $9.3 million compared to $8.7 million for the same period in 2015. General and administrative expense for the three months ended March 31, 2016 totaled $3.9 million compared to $3.8 million for the same period in 2015.

As of March 31, 2016, Idera's cash, cash equivalents and investments totaled $74.1 million compared to $87.2 million as of December 31, 2015. The company expects the current cash position and investments to fund its operations into the third quarter of 2017.

Investor Event and Webcast

Idera will host a conference call and live webcast on Monday, May 9, 2016 at 5:00 P.M. EST to provide an update on the company's progress and to provide an overview of additional clinical activity from the ongoing Phase 1/2 clinical trial of IMO-8400 in Waldenstrom's Macroglobulinemia. To participate in the conference call, please dial (844) 882-7837 (domestic) and (574) 990-9824 (international). The webcast can be accessed live or in archived form in the "Investor's" section of the company's website at www.iderapharma.com.

About Idera Pharmaceuticals, Inc.

Idera Pharmaceuticals is a clinical-stage biopharmaceutical company developing novel nucleic acid-based therapies for the treatment of certain cancers and rare diseases. Idera's proprietary technology involves using a TLR-targeting technology, to design synthetic oligonucleotide-based drug candidates to act by modulating the activity of specific TLRs. In addition to its TLR programs, Idera has created a third generation antisense technology platform using its proprietary technology to inhibit the production of disease-associated proteins by targeting RNA. To learn more about Idera, visit www.iderapharma.com.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, included or incorporated in this press release, including statements regarding the Company's strategy, future operations, collaborations, intellectual property, cash resources, financial position, future revenues, projected costs, prospects, clinical trials, plans, and objectives of management, are forward-looking statements. The words "believes," "anticipates," "estimates," "plans," "expects," "intends," "may," "could," "should," "potential," "likely," "projects," "continue," "will," and "would" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Idera cannot guarantee that it will actually achieve the plans, intentions or expectations disclosed in its forward-looking statements and you should not place undue reliance on the Company's forward-looking statements. There are a number of important factors that could cause Idera's actual results to differ materially from those indicated or implied by its forward-looking statements. Factors that may cause such a difference include: whether results obtained in preclinical studies and clinical trials such as the results described in this release will be indicative of the results that will be generated in future clinical trials; whether products based on Idera's technology will advance into or through the clinical trial process when anticipated or at all or warrant submission for regulatory approval; whether such products will receive approval from the U.S. Food and Drug Administration or equivalent foreign regulatory agencies; whether, if the Company's products receive approval, they will be successfully distributed and marketed; whether the Company's collaborations will be successful; and such other important factors as are set forth under the caption "Risk Factors" in the Company's Annual Report on Form 10-K and Quarterly Report on Form 10-Q for the periods ended December 31, 2015, and March 31, 2016, respectively. Although Idera may elect to do so at some point in the future, the Company does not assume any obligation to update any forward-looking statements and it disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Idera Pharmaceuticals, Inc.
Condensed Statements of Operations - Unaudited
(In thousands, except per share data)

	Three Months Ended March 31,	
	2016	**2015**
Alliance Revenue	$ 294	$ 34
Operating Expenses		
Research & Development	9,296	8,720
General & Administrative	3,916	3,837
Total Operating Expenses	13,212	12,557

Loss from Operations	(12,918)	(12,523)
Other Income (Expense), Net	95	42
Net loss applicable to common stockholders	$ (12,823)	$ (12,481)
Basic and diluted net loss per common share applicable to common stockholders	$ (0.11)	$ (0.12)
Shares used in computing basic and diluted net loss per common share applicable to common stockholders	121,284	105,067

Idera Pharmaceuticals, Inc.
Condensed Balance Sheet Data
(In thousands)

	At March 31, 2016	At December 31, 2015
	(Unaudited)	
Cash, Cash Equivalents & Investments	$ 74,122	$ 87,157
Other Assets	5,198	5,119
Total Assets	$ 79,320	$ 92,276
Total Liabilities	$ 6,642	$ 8,694
Total Stockholders' Equity	72,678	83,582
Total Liabilities & Stockholders' Equity	$ 79,320	$ 92,276

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