



Reata Pharmaceuticals, Inc. ("Reata") has completed a \$78 million equity financing led by existing investors CPMG, Inc. and Novo A/S. This financing brings the total raised by the Company to \$180 million since inception.

This financing will fund the second of two pivotal trials of Reata's lead product candidate, bardoxolone methyl ("bardoxolone"), in patients with advanced chronic kidney disease (CKD) and Type 2 diabetes. The primary endpoint of the ongoing first pivotal trial of bardoxolone was recently analyzed and the data are planned for presentation at a scientific meeting in November 2010.

"Bardoxolone has the potential to have a significant effect on public health worldwide," stated Jack B. Nielsen, a partner at Novo A/S and a director of Reata. "Novo A/S is pleased to continue supporting Reata and funding this important clinical program."

In two completed Phase 2 trials, bardoxolone significantly improved kidney function in patients with advanced CKD and Type 2 diabetes. Ninety percent of patients in these studies experienced an increase from baseline in estimated glomerular filtration rate (eGFR), which forms the basis of diagnosis and staging of CKD. Further, more than 70% of patients classified as Stage 4 CKD (eGFR range of 15-30 mL/min/1.73 m²) at baseline improved to Stage 3 CKD (eGFR range of 30-59 mL/min/1.73 m²). Patients with Stage 3 CKD have a significantly lower risk of death, cardiovascular events, and progression to dialysis than patients with Stage 4 CKD. Significant improvements were also seen in other markers of kidney function, glycemic control, and cardiovascular disease. The observed improvements in GFR and disease stage suggest that bardoxolone may be able to reverse the course of disease progression, and thus delay or prevent the initiation of dialysis in CKD patients.

"This financing provides Reata with sufficient capital to fully fund our entire pivotal trial program for bardoxolone, while also advancing other potential products from our pipeline into clinical development," commented Warren Huff, Reata's Chief Executive Officer. "We are looking forward to initiating the second pivotal trial of bardoxolone later this year and remain on track to make this important new therapy available to CKD patients in 2012."

Reata plans to build a commercial organization in the United States to launch bardoxolone. Reata and Kyowa Hakko Kirin entered into a partnership to jointly develop bardoxolone for Japan and certain other Asian markets during December 2009. The Company plans to seek a partner for expanded global development and commercialization in Europe and other worldwide markets.

About Chronic Kidney Disease

CKD is a highly prevalent and rapidly growing condition throughout the world. CKD is a

life-threatening disease affecting more than 40 million adults in the US and Europe. GlobalData estimates that the worldwide market for CKD therapeutics was approximately \$13 billion in 2009 and that it will grow to \$20 billion by 2016. Available therapies modestly slow the progression of CKD, and patients ultimately progress to dialysis.

About Reata Pharmaceuticals

Reata Pharmaceuticals is the leader in discovering and developing novel, oral anti-inflammatory drugs that activate Nrf2, the primary regulator of cellular antioxidant and detoxification enzymes. Activation of this important biological target protects against a broad range of diseases associated with inflammation and oxidative stress. Reata is developing bardoxolone methyl, its lead product candidate, as the first disease-modifying treatment for chronic kidney disease.

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