REATA ANNOUNCES THE PUBLICATION OF EFFICACY DATA FROM THE BEACON STUDY OF BARDOXOLONE IN DIABETIC CKD IN THE AMERICAN JOURNAL OF NEPHROLOGY

IRVING, Texas—January 18, 2018—Reata Pharmaceuticals, Inc. (Nasdaq:RETA) ("Reata" or "the Company"), a clinical-stage biopharmaceutical company, today announced the digital publication of an original research article, "Bardoxolone Methyl Improves Kidney Function in Patients with Chronic Kidney Disease Stage 4 and Type 2 Diabetes – Post-hoc Analyses from BEACON," in the *American Journal of Nephrology*. The publication complements previously published safety analyses and reports efficacy analyses that characterize bardoxolone's longer-term effects on kidney function. Key highlights of the paper demonstrate that:

- For patients treated at least 48 weeks, increases in eGFR from baseline and placebo were sustained 4 weeks after cessation of treatment
- Early improvements in eGFR with bardoxolone methyl correlate with durable increases through one year of treatment and sustained eGFR increases after cessation of treatment
- Patients randomized to bardoxolone methyl were significantly less likely to experience a newly validated composite renal endpoint consisting of confirmed ≥30% decline from baseline in eGFR, confirmed eGFR <15 mL/min/1.73 m^2, and end-stage renal disease events (hazard ratio 0.48 [95% CI 0.36 to 0.64]; p<0.0001), suggesting that bardoxolone preserves kidney function and may delay the onset of kidney failure in patients with type 2 diabetes and stage 4 chronic kidney disease

"Though BEACON was discontinued early, it was not a failed study, as it yielded critical insights into bardoxolone methyl's clinical profile," said Glenn Chertow, M.D., MPH, Professor of Medicine and Chief, Division of Nephrology at Stanford University School of Medicine. "In this post-hoc analysis, we employed an expanded renal composite endpoint and showed that bardoxolone methyl reduced (by half) the likelihood of developing an adverse renal event. If the associated risks of heart failure due to fluid overload can be mitigated, bardoxolone methyl could prove to be an extremely valuable treatment for diabetic kidney disease."

"We believe the pharmacology of bardoxolone may be broadly relevant to many forms of kidney disease, not just diabetic CKD," said Colin Meyer, M.D., Chief Medical Officer of Reata. "This publication helps provide additional context and rationale for our expanding kidney clinical programs, including our ongoing Phase 3 trial in Alport syndrome and Phase 2 trials in autosomal dominant polycystic kidney disease, IgA nephropathy, focal segmental glomerulosclerosis, and type 1 diabetic CKD."

The article can be found online at the following link: https://www.karger.com/Article/FullText/486398.

About Bardoxolone Methyl

Bardoxolone methyl is an experimental, oral, once-daily activator of Nrf2, a transcription factor that induces molecular pathways that promote the resolution of inflammation by restoring mitochondrial function, reducing oxidative stress, and inhibiting pro-inflammatory signaling. The FDA has granted orphan designation to bardoxolone methyl for the treatment of Alport syndrome and pulmonary arterial hypertension. Bardoxolone methyl is currently being studied in CARDINAL, a Phase 3 study for the treatment of Alport syndrome, PHOENIX, a Phase 2 study for the treatment of autosomal dominant polycystic kidney disease, IgA nephropathy, CKD associated with type 1 diabetes, and focal segmental glomerulosclerosis, and CATALYST, a Phase 3 study for the treatment of connective tissue disease associated pulmonary arterial hypertension.

About Reata Pharmaceuticals, Inc.

Reata is a clinical-stage biopharmaceutical company that develops novel therapeutics for patients with serious or life-threatening diseases by targeting molecular pathways involved in the regulation of cellular metabolism and inflammation. Reata's two most advanced clinical candidates, bardoxolone methyl and omaveloxolone, target the important transcription factor Nrf2 that promotes the resolution of inflammation by restoring mitochondrial function, reducing oxidative stress, and inhibiting pro-inflammatory signaling.

Forward-Looking Statements

This press release includes certain disclosures that contain "forward-looking statements," including, without limitation, statements regarding the success, cost and timing of our product development activities and clinical trials, our plans to research, develop and commercialize our product candidates, and our ability to obtain and retain regulatory approval of our product candidates. You can identify forward-looking statements because they contain words such as "believes," "will," "may," "aims," "plans," and "expects." Forward-looking statements are based on Reata's current expectations and assumptions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that may differ materially from those contemplated by the forward-looking statements, which are neither statements of historical fact nor guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, (i) the timing, costs, conduct, and outcome of our clinical trials and future preclinical studies and clinical trials, including the timing of the initiation and availability of data from such trials; (ii) the timing and likelihood of regulatory filings and approvals for our product candidates; (iii) the potential market size and the size of the patient populations for our product candidates, if approved for commercial use, and the market opportunities for our product candidates; and (iv) other factors set forth in Reata's filings with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K, under the caption "Risk Factors." The forward-looking statements speak

only as of the date made and, other than as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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