



Dear Fellow Stockholders:

2017 was a transitional year for Regulus, characterized by significant organizational changes, some unexpected setbacks, and key learnings. Amidst these challenges, we remained steadfast in the advancement of our pipeline, attracted key talent, and raised a meaningful amount of capital. Importantly, our strategy has never wavered.

Targeting microRNAs as a therapeutic approach to address complex disease is still a relatively new and evolving field of drug discovery. Over the last several years, through our pioneering work in the field, we have gained valuable insights into the unique properties of microRNAs and therapeutics directed against these targets. Our experience and understanding of microRNA biology continues to grow as we advance our pipeline. The opportunity to pursue areas of significant unmet medical need with a fundamentally novel therapeutic approach drives everyone at Regulus. New learnings are constantly being applied to our next generation of drug candidates across our research portfolio. This has enabled a more focused and efficient research and translational effort. Based on these experiences, I believe we are poised to translate the growing body of knowledge of microRNA biology into clinical candidates more effectively and efficiently with every compound we bring to the clinic. Our research portfolio is maturing - with over a half-dozen programs in the pipeline behind our two clinical programs.

2018 is a year focused on operational excellence and advancing our most valuable programs, while managing our cash position.

On behalf of the Board of Directors, I want to thank our employees and stockholders for their continued support of Regulus and its mission.

Sincerely,

Joseph "Jay" Hagan
President and Chief Executive Officer
April 2018

