Roche and Chiasma announce collaboration to develop and commercialize Chiasma's Octreolin®

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For acromegaly and neuroendocrine tumors

Basel, Switzerland, New York, USA, and Jerusalem, Israel **-** February 18, 2013. Roche (SIX: RO, ROG; OTCQX: RHHBY) and Chiasma (pronounced key-azma) Inc., a privately held biopharma company, announced today that they have entered into an agreement to develop and commercialize Chiasma's proprietary product Octreolin, initially for acromegaly and subsequently for neuroendocrine tumors. Octreolin is an investigational oral form of the peptide octreotide, a somatostatin analog that is commercially available only by injection. Octreolin is currently in a pivotal phase 3 clinical trial for acromegaly.

Under the terms of the agreement, Roche received a worldwide exclusive license to Octreolin, and will assume responsibility for the commercialization of Octreolin. Genentech will market the product in the United States after US FDA approval. Chiasma will continue development through completion of the pivotal phase 3 clinical trial for acromegaly. The arrangement includes an upfront payment to Chiasma of $65 million, future considerations of up to $530 million in development and commercial milestones, as well as tiered, double- digit royalties on Octreolin net sales.

Commenting on the deal, Fredric D. Price, Chiasma's Chairman and Chief Executive Officer said: "We are especially pleased to have entered into this agreement with Roche, an ideal collaboration partner that has the right development and commercial resources in the areas of endocrinology and oncology to support Octreolin."

Hal Barron, M.D., Roche Global Head of Product Development and Chief Medical Officer added: "If approved, Octreolin would be an important alternative for patients with acromegaly, a disorder that develops when a person's pituitary gland produces too much growth hormone. Octreolin is an investigational oral regimen that avoids the painful injections of current treatment options."

Evercore Partners served as Chiasma's financial advisor on the transaction, and Latham & Watkins LLP served as its legal counsel.

About Chiasma

Chiasma is developing oral drugs that previously were only available by injection, thereby providing patients with pain-free medications that are self-administered. The Company's lead candidate is an oral form of the peptide octreotide, initially being developed for patients with acromegaly that is in a Phase 3 (pivotal) trial. Chiasma is evaluating additional proteins, peptides and small molecules that can be applied to its proprietary Transient Permeability Enhancer (TPE) technology to enable oral delivery of drugs that previously were available by injection only. Chiasma is a Delaware corporation with a 100% owned Israeli subsidiary. Additional information can be found at www.ChiasmaPharma.com.

About Roche

Headquartered in Basel, Switzerland, Roche is a leader in research-focused healthcare with combined strengths in pharmaceuticals and diagnostics. Roche is the world's largest biotech company, with truly differentiated medicines in oncology, infectious diseases, inflammation, metabolism and neuroscience. Roche is also the world leader in in vitro diagnostics and tissue-based cancer diagnostics, and a frontrunner in diabetes management. Roche's personalised healthcare strategy aims at providing medicines and diagnostic tools that enable tangible improvements in the health, quality of life and survival of patients. In 2012 Roche had over 82,000 employees worldwide and invested over 8 billion Swiss francs in R&D. The Group posted sales of 45.5 billion Swiss francs. Genentech, in the United States, is a wholly owned member of the Roche Group. Roche is the majority shareholder in Chugai Pharmaceutical, Japan. For more information, please visit www.roche.com.

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Forward-Looking Statements
This press release contains forward-looking statements about the business, goals and prospects of Chiasma, Inc., including, without limitation, statements about the development of drugs in the Transient permeability Enhancer (TPE) system. These forward-looking statements are predictions and involve risks and uncertainties such that actual results may differ materially from these statements. Chiasma is under no obligation, and expressly disclaims any obligation, to update or alter any forward-looking statement, whether as a result of new information, future events or otherwise.

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