NEWS RELEASE

For Immediate Release

New Preclinical Data Demonstrate Kala Pharmaceuticals' Topical LE-MPP Provides Equal or Better Drug Exposure Compared to Lotemax®

Data in Preclinical Models Presented at 2014 ASCRS/ASOA Symposium & Congress

Waltham, Mass., April 28, 2014 – Kala Pharmaceuticals, Inc., a leading developer of innovative ophthalmic products based on the company's proprietary Mucus Penetrating Particle (MPP) platform technology, today announced that new preclinical data on its loteprednol etabonate MPP ("LE-MPP") program demonstrate equal or better drug exposure compared to Lotemax® gel and support twice-daily dosing frequency with LE-MPP in preclinical models. These data were presented yesterday at the 2014 American Society of Cataract and Refractory Surgeons (ASCRS)/American Society of Ophthalmic Administrators (ASOA) Symposium & Congress in Boston.

"Our LE-MPP program is uniquely developed using our MPP nanotechnology to allow drug penetration through the mucus of tear film, which may provide increased penetration, duration and uniform distribution in ocular tissue in addition to improved safety profiles and dosing schedules," said Kim Brazell, Ph.D., Chief Medical Officer at Kala and lead author of the study. "These preclinical data support proposed twice-daily dosing frequency and improved drug exposure levels achieved with LE-MPP. We look forward to initiating clinical trials this year to explore the clinical utility of LE-MPP in multiple ocular disease indications."

In the presentation titled, "Evaluation of the Pharmacokinetic Profile of a Novel Ophthalmic Formulation of Loteprednol Etabonate," Kala researchers showed that LE-MPP (0.4%) provides equal or better drug levels in both the cornea and aqueous humor compared to Lotemax gel (0.5%), even at a 20 percent lower dose strength. This research supports the premise that MPP technology can be used to enhance ocular exposure for topically applied therapeutics and support potential twice-daily dosing.

Kala will be initiating four U.S. clinical trials with LE-MPP in 2014: a Phase 3 trial in post-operative inflammation and pain following cataract surgery with 1% and 0.25% LE-MPP; a Phase 2 trial with 0.25% LE-MPP in dry eye disease; a Phase 2 trial with 0.25% LE-MPP in inflammatory meibomian gland disease (blepharitis); and an exploratory trial with 1% LE-MPP in diabetic macular edema and retinal vein occlusion to evaluate the ability to treat retinal diseases via topical administration.

About Kala Pharmaceuticals
Kala Pharmaceuticals, Inc. is advancing innovative treatments for ocular diseases addressing significant needs in both front and back of the eye based on the company's proprietary Mucus Penetrating Particle (MPP) platform technology. Kala's topical ocular MPP formulations enhance penetration into ocular tissue by facilitating penetration through the mucus layer of tear film. Kala's MPP technology has potential applications in other indications, such as respiratory, women's reproductive health and gastrointestinal diseases.

Kala was founded by leaders in the fields of nanomedicine and biopharmaceutical engineering, and is backed by leading life sciences investors including Crown Venture Fund, Lux Capital, Polaris Partners, Third Rock Ventures and Ysios Capital. For more information, please visit www.kalarx.com

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