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pSivida Corp. Announces Germany Grants ILUVIEN® Marketing Authorization for the Treatment of Chronic Diabetic Macular Edema

WATERTOWN, Mass.--(BUSINESS WIRE)-- pSivida Corp. (NASDAQ: PSDV) (ASX: PVA), a leader in developing sustained release, drug delivery products for treatment of back-of-the-eye diseases, today announced the Federal Ministry of Health of Germany (Bundesministerium fur Gesundheit, BfArM) has granted marketing authorization to ILUVIEN® for the treatment of vision impairment associated with chronic diabetic macular edema (DME) considered insufficiently responsive to available therapies.

This marketing authorization follows the completion of the Decentralized Regulatory Procedure (DCP) in the European Union (EU), in which the Medicines and Healthcare products Regulatory Agency (MHRA) in the United Kingdom, serving as the Reference Member State (RMS), delivered a positive outcome for ILUVIEN along with six Concerned Members States (CMS), specifically Austria, France, Germany, Italy, Portugal and Spain. The German authorization is the fifth national approval in the EU, preceded by Austria, Portugal, the U.K. and France.

"We are very pleased ILUVIEN has received marketing authorization in Germany. Our product now has marketing authorization in five of the seven targeted EU countries," said Dr. Paul Ashton, president and chief executive officer of pSivida. "We look forward to ILUVIEN's commercial launch in these countries and to it receiving approval in the two remaining CMS countries, Italy and Spain, in the coming months."

The International Diabetes Federation estimates that more than five million people are currently living with diabetes in Germany, and according to estimates of Alimera Sciences, pSivida's licensee of ILUVIEN for the treatment of DME, more than 215,000 people suffer from vision loss associated with DME.

ILUVIEN is an injectable, sustained-release intravitreal insert that releases sub-microgram levels of fluocinolone acetonide (FAc) for up to 36 months for the treatment of chronic DME. pSivida is developing an insert of the same design for the treatment of uveitis affecting the posterior of the eye.

About pSivida Corp.

pSivida Corp., headquartered in Watertown, MA, develops tiny, sustained release, drug delivery products designed to deliver drugs at a controlled and steady rate for months or years. pSivida is currently focused on treatment of chronic diseases of the back of the eye utilizing its core technology systems, Durasert™ and BioSilicon™. ILUVIEN® for the treatment of Diabetic Macular Edema (DME), which is licensed to Alimera Sciences, Inc., is pSivida's most advanced product candidate. It has received marketing authorization for chronic DME considered insufficiently responsive to available therapies in the U.K., Austria, France, Germany and Portugal following a positive review by Austria, France, German, Italy, Portugal, Spain and the U.K. under the Decentralized Procedure. Marketing authorization in the remaining countries is anticipated in the coming months. An investigator-sponsored clinical trial is ongoing for an injectable, bioerodible insert to treat glaucoma and ocular hypertension. pSivida's two FDA-approved products, Retisert® and Vitrasert®, are implants that provide long-term, sustained drug delivery to treat two other chronic diseases of the retina.

SAFE HARBOR STATEMENTS UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: Various statements made in this release are forward-looking, and are inherently subject to risks, uncertainties and potentially inaccurate assumptions. All statements that address activities, events or developments that we intend, expect or believe may occur in the future are forward-looking statements. The following are some of the factors that could cause actual results to differ materially from the anticipated results or other expectations expressed, anticipated or implied in our forward-looking statements: the timing and conditions for additional regulatory approvals are subject to decisions by regulators; necessity to raise additional capital to finance Phase III uveitis trials as well as other working capital needs; ability to obtain additional capital; ability to initiate and complete clinical trials and obtain regulatory approval of product candidates; adverse side effects; Alimera's ability to successfully obtain regulatory approval of and commercialize ILUVIEN for DME in the EU; Alimera's ability to obtain financing to provide the necessary capital to launch ILUVIEN in the EU; actions with respect to regulatory approval of ILUVIEN for DME in the U.S.; ability to attain profitability; exercise by Pfizer of the Latanoprost Product option; further impairment of intangible assets; fluctuations in operating results; decline in royalty revenues; ability to find partners to develop and market products;

termination of license agreements; competition; market acceptance of products and product candidates; reduction in use of products as a result of future guidelines, recommendations or studies; ability to protect intellectual property and avoid infringement of others' intellectual property; retention of key personnel; product liability; consolidation in the pharmaceutical and biotechnology industries; compliance with environmental laws; manufacturing risks; risks and costs of international business operations; credit and financial market conditions; legislative or regulatory changes; volatility of stock price; possible dilution; possible influence by Pfizer; ability to pay any registration penalties; absence of dividends; and other factors described in our filings with the Securities and Exchange Commission. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Our forward-looking statements speak only as of the dates on which they are made. We do not undertake any obligation to publicly update or revise our forward-looking statements even if experience or future changes makes it clear that any projected results expressed or implied in such statements will not be realized.

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