September 30, 2013

pSivida Announces That U.K.'s NICE Recommends ILUVIEN® for Chronic Diabetic Macular Edema in Pseudophakic Eyes; NHS Reimbursement Expected to Follow

WATERTOWN, Mass.--(BUSINESS WIRE)-- pSivida Corp. (NASDAQ: PSDV)(ASX: PVA), a specialty pharmaceutical company that is a leader in developing sustained release drugs for treatment of back-of-the-eye diseases, today announced that the United Kingdom's National Institute for Health and Care Excellence (NICE) issued final draft guidance recommending ILUVIEN as an option for the treatment of chronic diabetic macular edema (DME) that is insufficiently responsive to available therapies in pseudophakic eyes (those that have already undergone cataract surgery). This recommendation reverses the final draft guidance previously issued by NICE with respect to this subgroup of chronic DME patients.

NICE's final guidance recommending ILUVIEN to the National Health Service (NHS) is expected to be published in November 2013, which would result in NHS reimbursement in England and Wales under the patient access scheme submitted by Alimera Sciences, pSivida's licensee.

"We are very pleased with this position by NICE and the expectation that ILUVIEN will be available to treat this significant subgroup of chronic DME patients," said Dr. Paul Ashton, President and CEO of pSivida. "We are encouraged that Alimera plans to continue to work with NICE in an effort to broaden access to ILUVIEN to include all chronic DME patients who could benefit from the treatment."

ILUVIEN, a sustained release intravitreal micro-insert, has received marketing authorization in the U.K., Austria, Portugal, Germany, France and Spain, and is pending in Italy. ILUVIEN is currently commercially available in the U.K. and Germany.

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™, including Tethadur™. The injectable, sustained release micro-insert ILUVIEN® for the treatment of chronic Diabetic Macula Edema (DME) considered insufficiently responsive to available therapies, licensed to Alimera Sciences, Inc., is marketed in the U.K. and Germany and has also received marketing authorization in Austria, France, Portugal, and Spain and is awaiting authorization in Italy. Alimera resubmitted the New Drug Application for ILUVIEN for DME to the U.S. Food and Drug Administration and received a PDUFA date of October 17, 2013. pSivida has instituted the first of two planned pivotal Phase III clinical trials for Medidur™ for the treatment of posterior uveitis, a chronic back-of-the-eye disease, with the same micro-insert as ILUVIEN for DME. An investigator-sponsored clinical trial is ongoing for an injectable, bioerodible micro-insert to treat glaucoma and ocular hypertension, a product candidate on which Pfizer Inc. has an option. pSivida's FDA-approved Retisert®, licensed to Bausch & Lomb Incorporated, provides long-term, sustained drug delivery to treat posterior uveitis.

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: uncertainties with respect to: issuance of final NICE guidance and any action by NICE to broaden patients for whom ILUVIEN is recommended; Alimera's ability to finance, achieve additional marketing approvals, successfully complete pricing and reimbursement discussions for, commercialize and achieve market acceptance of, and generate revenues to pSivida from, ILUVIEN for DME in the EU; Alimera's ability to obtain regulatory approval for, and if approved, to finance, successfully commercialize and achieve market acceptance of, and generate revenues to pSivida from, ILUVIEN for DME in the U.S.; the ability to finance, complete and achieve a successful outcome for Phase III trials for, and file and achieve marketing approvals for, Medidur for posterior uveitis, including efficacy, side effects and risk/benefit profile, as well as uncertainty as to the ultimate results of the investigator-sponsored trial for Medidur for posterior uveitis; initiation, financing and success of Latanoprost Product Phase II trials and exercise by Pfizer of its option; ability to utilize Tethadur and BioSilicon to develop product candidates and products and potential related collaborations; initiation and completion of clinical trials and obtaining regulatory approval of product candidates; continued sales of Retisert; adverse side effects; ability to attain profitability; ability to obtain additional capital; further impairment of intangible assets; fluctuations in operating results; decline in royalty income; ability to,

and to find partners to, develop and market products; termination of license agreements; competition and other developments affecting sales of products; market acceptance; protection of intellectual property and avoiding intellectual property infringement; 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; absence of dividends; and other factors described in our filings with the SEC. 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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The President's Blog: http://www.thechairmansblog.com/paul-ashton

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