June 23, 2014

pSivida Announces ILUVIEN® Receives Marketing Authorization in Italy for Treatment of Chronic Diabetic Macular Edema

WATERTOWN, Mass.--(BUSINESS WIRE)-- pSivida Corp. (NASDAQ: PSDV) (ASX: PVA), a leader in the development of sustained release, drug delivery products for treating eye diseases, today announced that the Italian Medicines Agency (Agenzia Italiana del Farmaco) 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.

The ILUVIEN marketing authorization notice was published on June 18 in the Gazzetta Ufficiale della Repubblica Italiana, the official journal of record of the Italian government. Designated a C Class product in Italy, ILUVIEN will be available initially to private paying patients, and pSivida's licensee, Alimera Sciences, is pursuing H Class designation for ILUVIEN with the Italian regulatory authorities, which, if granted, would expand patient access to the product.

The Italian authorization marks the seventh national approval in the EU. ILUVIEN is authorized in Austria, the United Kingdom, Portugal, France, Germany and Spain and is commercially available in the U.K. and Germany. Alimera is also engaged in a Repeat Use Procedure through Mutual Recognition (MRP) to obtain a positive opinion for approval from another 10 EU countries. In the United States, ILUVIEN is awaiting a decision from the FDA on the refiled NDA, with a Prescription Drug User Fee Act (PDUFA) goal date of September 26, 2014.

"We are very pleased that ILUVIEN has been granted marketing authorization in all seven EU countries where initial applications have been submitted," said Dr. Paul Ashton, President and CEO of pSivida. "Additionally, should ILUVIEN be approved by the FDA, we are entitled to a $25 million milestone payment from Alimera in addition to net profit payments on Alimera's sales of ILUVIEN."

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™. pSivida has insti the first of two planned pivotal Phase III clinical trials for its lead development product, Medidur™, an injectable, sustained release micro-insert for the treatment of posterior uveitis, a chronic back-of-the-eye disease. ILUVIEN® for the treatment of chronic DME considered insufficiently responsive to available therapies, which uses the same micro-insert as Medidur and is 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 has filed for ten additional EU country approvals through the Mutual Recognition Procedure. Alimera is seeking approval of ILUVIEN in the U.S. 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: ability of STA to achieve marketing approvals, adequate pricing and reimbursement and market acceptance for and successful commercialization of ILUVIEN for DME in Australia and New Zealand; Alimera's ability to finance, achieve additional marketing approvals, obtain adequate pricing and reimbursement for, successfully 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 achieving acceptable risk-to-benefit and safety profiles in light of the CRL for ILUVIEN; initiation, financing and success of Latanoprost Product Phase II trials and any exercise by Pfizer of its option; ability of Tethadur to successfully deliver proteins, peptides and other large biologic molecules; ability 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. Should known or unknown risks materialize, or should underlying assumptions prove inaccurate, actual results could differ materially from past results and those anticipated, estimated or projected in the 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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Source: pSivida Corp.