



SurModics and Brookwood License Nanotechnology Drug Delivery System

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EDEN PRAIRIE, Minn.--(BUSINESS WIRE)--July 14, 2008--SurModics, Inc. (Nasdaq:SRDX), a leading provider of surface modification and drug delivery technologies to the healthcare industry, announced today that its Brookwood Pharmaceuticals subsidiary has licensed lipid nanoparticle technology from PharmaSol GmbH of Berlin, Germany. Under the agreement, Brookwood has exclusive rights to all pharmaceutical applications of the technology.

The PharmaSol technology can be used to formulate drugs into nanostructured lipid carriers (NLCs(TM)), which offer a number of advantages over other drug delivery nanotechnologies such as liposomes, emulsions and solid lipid nanoparticles. These advantages include increased drug loading, improved drug incorporation and the ability to produce suspensions of higher solids content, allowing for decreased dose size and products with longer shelf life. NLC formulations of drugs can be administered orally, as well as through intravenous or subcutaneous injection. Brookwood is currently offering this technology to potential customers, while also generating additional data to accelerate product development of the NLC drug delivery platform.

"This license further broadens the drug delivery technology offerings of SurModics and Brookwood and complements our existing portfolio," said Arthur J. Tipton, Ph.D., president of Brookwood. "Our microparticle technology has demonstrated multi-day to multi-month delivery; incorporating this NLC technology can enable shorter-duration injectable delivery, targeted delivery and high value oral applications for nearly all therapeutic areas. The license agreement with PharmaSol demonstrates our commitment to offering leading-edge proprietary technologies to our customers."

Professor R.H. Muller, Ph.D., the inventor of the technology and founder of PharmaSol, is a recognized leader in the field of lipid nanotechnology. Dr. Muller stated, "I am delighted we have executed this license agreement. Brookwood has exceptional capabilities in particle technology, including scale-up and manufacturing. With this collaboration, we can accelerate the development of NLC lipid technology and expand its use into a broad range of clinical applications including oncology, central nervous system (CNS) and cardiovascular."

"NLC technology broadens the nanotechnologies that we can offer to customers in need of drug delivery solutions," stated Thomas R. Tice, Ph.D., vice president of research of Brookwood. "Many promising drug candidates do not reach commercialization because they will not dissolve in the stomach or intestinal tract. NLCs are designed to increase solubility of poorly soluble drugs, thus improving oral bioavailability. Additionally, injectable NLC formulations can time release drugs for up to 7 days."

About Nanotechnology

Nanotechnology, sometimes referred to as the science of the extremely small, has across-the-board economic and quality-of-life implications. A nanometer is one-billionth of a meter. Human hair is approximately 80,000 nanometers wide. Nanoscale materials are currently used in electronic, cosmetic, automotive and medical products. Many more products, future technologies and manufacturing techniques involving nanoscience are being researched and developed around the world.

About SurModics, Inc.

SurModics, Inc. is a leading provider of surface modification and drug delivery technologies to the healthcare industry. SurModics partners with the world's foremost medical device, pharmaceutical and life science companies to develop and commercialize innovative products that result in improved patient outcomes. Core offerings include: drug delivery technologies (coatings, microparticles, and implants); surface modification coating technologies that impart lubricity, prohealing, and biocompatibility capabilities; and components for in vitro diagnostic test kits and specialized surfaces for cell culture and microarrays. Collaborative efforts include a sustained drug delivery system in human trials for treatment of retinal disease and the drug delivery polymer matrix on the first-to-market drug-eluting coronary stent. SurModics is headquartered in Eden Prairie, Minnesota and its Brookwood Pharmaceuticals subsidiary is located in Birmingham, Alabama. For more information about the company, visit www.surmodics.com. The content of SurModics' website is not part of this release or part of any filings the company makes with the SEC.

Safe Harbor for Forward-Looking Statements

This press release contains forward-looking statements. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated, including the following: (1) realizing the full potential benefits of the company's agreement with Merck & Co., Inc. requires the development of new products and applications of technology; (2) costs or difficulties relating to the integration of the businesses of Brookwood Pharmaceuticals and BioFX Laboratories with SurModics' business may be greater than expected and may adversely affect the company's results of operations and financial condition; (3) developments in the regulatory environment, as well as market and economic conditions, and our reliance on third parties, may adversely affect our business operations and profitability, and the company's ability to achieve our fiscal 2008 corporate goals and to realize the potential of our pipeline; and (4) other factors identified under "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended September 30, 2007, and updated in our subsequent reports filed with the SEC. These reports are available in the Investors section of our website at www.surmodics.com and at the SEC website at www.sec.gov. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update them in light of new information or future events.

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