SurModics and Nexeon MedSystems to Collaborate on Development of Novel Stent System for Renal Artery Disease

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Agreement Represents Second Stent Development Collaboration Between SurModics and Nexeon MedSystems

EDEN PRAIRIE, Minn. & CHARLESTON, W. Va., Jan 27, 2009 (BUSINESS WIRE) -- SurModics, Inc. (Nasdaq: SRDX), a leading provider of drug delivery and surface modification technologies to the healthcare industry, and Nexeon MedSystems, Inc., a developer of medical devices for the treatment of cardiovascular and peripheral vascular disease, announced today that the companies have signed a licensing agreement to collaborate on development of a novel stent system for the treatment of renal artery disease.

This agreement is in addition to the prior one announced in July 2007 to develop a novel stent system for coronary artery disease, which is now in clinical trials. SurModics is also an equity investor in Nexeon MedSystems.

This novel stent system for the renal arteries will incorporate SurModics' proprietary Finale(TM) Prohealing Coating technology and Nexeon's bare metal KODIAK(TM) peripheral stent technology. Terms of the agreement were not disclosed.

"The positive synergy between SurModics and Nexeon that led to the success of our coronary stent project made this second collaboration agreement an intuitive next step," said Mark C. Bates, M.D., founder and CEO of Nexeon MedSystems. Dr. Bates has personally performed over 1400 renal stent procedures and had the successful results of his renal stent series, the SOCRATES study, published in three medical journals over the last three years. "This renal stent coating collaboration underscores Nexeon's commitment to bringing innovative alternatives to patients with peripheral vascular disease."

"We are excited to further our collaboration with Nexeon MedSystems in our second joint development agreement," said Bruce Barclay, president and CEO of SurModics. "Nexeon has demonstrated a strong capability of developing products and rapidly advancing them into clinical trials. We are encouraged that Nexeon is extending its portfolio of products that leverages our Finale prohealing technology beyond coronary stents into renal stents."

Atherosclerotic renal artery disease is the most common reversible cause of secondary hypertension, affecting over 2.5 million people in the United States. The condition can also cause atrophy of the affected kidney and even kidney failure.

Studies have shown that correction of renal artery stenosis with a stent can improve blood pressure and prevent further decline in renal function. This less invasive treatment has replaced renal bypass surgery at many institutions. However, one of the limitations of current renal stent technology is the potential for scar tissue to grow through the device and cause recalcitrant recurrence (restenosis). The solution for this problem has remained elusive.

SurModics' Finale Prohealing Coating technology utilizes a thin layer of natural coating designed to promote rapid population of normal vessel-lining cells (endothelialization) rather than scar tissue, resulting in a healthy, functional artery.

Nexeon's proprietary Inversion Point(TM) technology is the foundation of the company's stent families. When applied to cobalt alloys, Inversion Point technology allows stents with dramatically lower profiles without sacrificing other important front-line stent characteristics such as radial strength, vessel coverage, and visibility.

In October 2008 Nexeon announced the initiation of PROTEX I, a first-in-man trial designed to evaluate the safety of the prohealing PROTEX(TM) Coronary Stent System for the treatment of coronary artery disease. The PROTEX system integrates Nexeon's unique low-profile (0.86 mm) cobalt alloy stent platform with SurModics' FINALE prohealing extracellular matrix coating and seeks to address late stent thrombosis while also aiming to reduce restenosis. Further, the PROTEX Stent System may eliminate the need for long-term antiplatelet therapy, thereby decreasing costs and reducing bleeding risks to the patient.

About SurModics, Inc.

SurModics' vision is to extend and improve the lives of patients through technology innovation. The Company partners with the world's foremost medical device, pharmaceutical and life science companies to develop and commercialize innovative products that result in improved diagnosis and treatment for patients. Core offerings include: drug delivery technologies (coatings, microparticles, nanoparticles, 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. 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.

About Nexeon MedSystems

Nexeon MedSystems, Inc. is committed to saving and improving lives through the development of breakthrough therapies for cardiovascular disease. With proven medical device industry engineering talent, a strong intellectual property portfolio and the leadership of a veteran interventional cardiologist, Nexeon has created an extensive pipeline of products that promise to bring physician-led innovation to common clinical problems. Privately held, the company is based in Charleston, W. Va., with a research and development innovation center in Carlsbad, Calif. For more information please visit www.nexeonmedsystems.com.

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