SurModics Opens World-Class cGMP Facility for Manufacturing and Development in Birmingham, Alabama

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New Facility Supports Drug Delivery Customers in Pharmaceutical, Biotech, and Medical Device Industries

EDEN PRAIRIE, Minn., Jan 21, 2010 (BUSINESS WIRE) -- SurModics, Inc. (Nasdaq: SRDX), a leading provider of drug delivery and surface modification technologies to the healthcare industry, announced that it has opened its new world-class facility for manufacturing and development in Birmingham, Alabama. The opening of this facility represents the culmination of events that began in April 2008 when SurModics announced the acquisition of a new building including office and warehouse space. Over the past 21 months, SurModics has made a significant infrastructure investment to build a new facility for parenteral and drug coated device products.

The facility supports several recently announced partnerships, including one with Roche (SIX: RO, ROG; OTCQX: RHHBY) and Genentech, Inc., a wholly-owned member of the Roche Group, to develop and commercialize a sustained drug delivery formulation of Lucentis(R) (ranibizumab injection) and other formulations for the treatment of ophthalmic diseases. The facility also enhances SurModics' capabilities to support its customers and expand future growth, and allows the Company to consolidate its other Birmingham operations into one location.

Economic incentives provided by city, county and state government played a significant role in SurModics' decision to expand operations in Birmingham, Alabama. "This development is evidence of the Birmingham region's continued leadership in the pharmaceutical and biotech industry," said Alabama Governor Bob Riley, who attended the opening ceremony. "It also validates Alabama's role in helping home-grown businesses compete internationally. SurModics is a great example of a successful business model we need to see replicated."

"The creation of a world-class cGMP facility enhances our capabilities to service our current and future customers from feasibility to commercial sales, and is a critical element in realizing our future growth goals," said Bruce Barclay, president and CEO. "We continue to be focused on effectively executing our business plan and maintaining our vision of extending and improving the lives of patients through technology innovation."

The facility is designed to support multiple clinical and commercial products and includes 16,000 square feet of clean room production space. Each of the four clean room suites has independent air handling systems, enabling SurModics to accommodate multiple drug compounds in the same facility. Support utilities and equipment include a 6,000 gallon water-for-injection system, vial washer, autoclave and depyrogenation oven. The facility is also equipped with the latest state-of-the-art half-suit isolators for aseptic manufacturing processes, which are typically required to handle therapeutic proteins. Support infrastructure includes a 5,300 square foot quality control laboratory and a 2,400 square foot microbiology laboratory, which will be used to monitor the facility and to test and release products for clinical and commercial use. The total build out was approximately 90,000 square feet and also includes a 4,600 square foot engineering lab, which will be used to scale up and develop additional processes.

"Opening this facility is a tremendous step in our multi-year vision to commercialize important parenteral and coated drug delivery products," said Arthur J. Tipton, Ph.D., SurModics Vice President and President of SurModics Pharmaceuticals. "With several programs in clinical development, we believe the capability to manufacture commercial products represents a significant competitive advantage and will greatly assist our clients in bringing their products to market. In fact, many existing and prospective customers have already expressed strong interest in the capabilities of this facility and are gaining a clearer picture of our expanded suite of services. Our investment in this facility reduces risk for customer programs, can shorten time to market, and maximizes the opportunity for programs to reach the royalty-generating phase of our business model."

The facility will be used to manufacture pharmaceutical and drug coated device products for both clinical and commercial products throughout the SurModics organization. It was constructed to meet the highest standards of aseptic manufacturing and, in particular, to handle the dosage forms, including microparticles, nanoparticles, liposomes, and implants, needed for extended-release delivery of a range of drug classes including small molecules, peptides, proteins, and antibodies.

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 SurModics 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.

SOURCE: SurModics, Inc.

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