

FOR IMMEDIATE RELEASE

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**ALIMERA SCIENCES CLOSES \$30 MILLION IN SERIES C
FINANCING, INCREASING STAKE IN MEDIDUR™ FA**

ATLANTA, March 18, 2008—Alimera Sciences today announced that it has closed a Series C financing round of \$30 million with all five of the company's existing venture capital firms exercising the right to participate at their full pro rata share.

The proceeds from the Series C will enable Alimera to, as previously announced, acquire a majority stake in Medidur™ FA, the company's Phase III investigative treatment for diabetic macular edema (DME), from development partner pSivida Ltd (NASDAQ:PSDV, ASX:PSD, Xetra:PSI) and fund the remaining development obligations for the product.

Under the new agreement, Alimera will assume pSivida's Medidur FA development responsibilities and increase its share of future profits from 50 to 80 percent. For this increased equity in Medidur FA, Alimera has paid pSivida \$12 million in cash and has issued a \$15 million note (which would accrue interest of up to \$6 million over the life of the note) and will make an additional \$25 million milestone payment upon FDA approval of the product. Alimera Sciences will also assume pSivida's remaining development obligations.

"Alimera is fortunate to have received continued support from our investors who share our confidence in the potential Medidur FA can bring to the many sufferers of DME," said Dan Myers, President and CEO of Alimera Sciences.

In connection with this acquisition, Alimera will complete the licensing of the Medidur technology for use with NADPH oxidase inhibitors recently obtained from Emory University. Alimera is pursuing a treatment for dry AMD with these compounds.

"Alimera will now also have solidified access to the Medidur delivery platform for our announced NADPH oxidase inhibitors for the treatment of dry age-related macular degeneration (AMD)" said Myers.

Diabetic retinopathy (DR), a complication of diabetes mellitus, is the leading cause of blindness in the working-age population of developed countries. At any

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time during progression of diabetic retinopathy, patients can develop DME which involves retinal thickening of the macular area. In the United States, as many as 200,000 people are diagnosed with DME each year and an estimated 1,000,000 people suffer from DME. Currently, there are no FDA approved drug treatments for DME.

About Alimera Sciences Inc.

Alimera Sciences Inc. is singularly focused on the development and commercialization of prescription ophthalmology pharmaceuticals. Founded by an executive team with extensive development and revenue growth expertise, Alimera Sciences' products are focused on improving the delivery of therapeutic agents to enhance patients' lives and strengthen physicians' ability to manage ocular conditions.

Alimera completed enrollment in October 2007 of its 956-patient Phase III clinical trial of fluocinolone acetonide in the Medidur™ drug delivery system for the treatment of diabetic macular edema. Alimera has also entered into an exclusive worldwide agreement with Emory University to explore oxidative stress management -- specifically the reduction of reactive oxygen species (ROS) -- as a treatment for ophthalmic diseases. The agreement gives Alimera the exclusive option to license compounds which are NADPH (nicotinamide adenine dinucleotide phosphate reduced form) oxidase inhibitors as potential treatments for conditions such as the dry form of age-related macular degeneration (AMD), particularly the late stage of this condition known as geographic atrophy. Alimera retains the right to use the Medidur delivery system for two of these compounds. For more information, please visit www.alimerasciences.com.

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