THE NEW SURMODICS
LEADING PERIPHERAL VASCULAR DEVICE INNOVATION

Gary Maharaj
President and CEO

Andy LaFrence
Vice President of Finance, Information Systems, and CFO

MAY 2017
Some of the statements made during this presentation may be considered forward-looking statements. Statements that are not historical or current facts, including statements about beliefs and expectations regarding our performance in the near- and long-term, including our revenue, earnings and cash flow expectations for fiscal 2017, our fiscal 2017 priorities, our strategy to become a provider of whole-product solutions, including our SurVeil drug-coated balloon and other proprietary products being developed, 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 (1) our ability to successfully develop, obtain regulatory approval for, and commercialize our SurVeil drug-coated balloon product; (2) our reliance on third parties (including our customers and licensees) and their failure to successfully develop, obtain regulatory approval for, market and sell products incorporating our technologies; (3) our ability to successfully identify, acquire, and integrate target companies, and achieve expected benefits from acquisitions that are consummated; (4) possible adverse market conditions and possible adverse impacts on our cash flows, and (5) the 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, 2016, 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](http://www.surmodics.com).
Whole-Product Solutions
Designs, develops, manufactures differentiated products for uptake and distribution by key medical device customers

New Product Innovations
Well-stocked R&D pipeline with multiple new product launches planned over next 5 years

Experienced Leadership Team
Passionate, entrepreneurial, disciplined and experienced management team

Strong Balance Sheet
Attractive cash flows to fund growth strategy with $46.3 million of cash and investments as of March 31, 2017

Leverageable Platform
Strong cash flow generation from core businesses and leverageable platform

THE NEW SURMODICS
OUR BUSINESS FOCUS

SURFACE TECHNOLOGIES

Leveraging science and expertise to offer world-class coatings and drug delivery

- Serene® Hydrophilic Coating

WHOLE-PRODUCT SOLUTIONS

Developing highly differentiated vascular device solutions

- Xtreme™ Catheter
- SurVeil™ Drug Coated Balloon
- Surmodics PTA Balloon Catheters

IN VITRO DIAGNOSTICS

Providing critical components for in vitro diagnostic tests and microarrays

© 2017 Surmodics, Inc. CONFIDENTIAL. All rights reserved.
CAUTION SurVeil™ Drug-Coated Balloon is an investigational device.
Limited by Federal (United States) law to investigational use.
**MISSION:** To improve the treatment and detection of disease.

**VALUE PROPOSITION:**
We are an innovator – with the technology, design capability and agility of a startup and the operational excellence, manufacturing and process engineering to create sustainable margins for long-term growth and profitability.
INVESTMENT THESIS

1. DRIVE CORE REVENUE
   - Continue to generate maximum revenue growth from our core medical device and in vitro diagnostics businesses

2. INCREASE R&D INVESTMENT
   - Execute medical device whole-product solutions provider strategy via organic R&D and operational excellence

3. NEW PRODUCT INNOVATIONS
   - Well-stocked R&D pipeline leads to multiple differentiated product launches and uptake by customers

4. INCREASE SHAREHOLDER VALUE
   - Optimize strategic investments for long-term value creation, with the short-term generation of earnings = BALANCE
THE MARKET NEED

FOCUSED ON PERIPHERAL VASCULAR

PATIENTS

202 MILLION
patients worldwide living with Peripheral Artery Disease (PAD)

OUTCOMES

>3.5 million patients with CRITICAL LIMB ISCHEMIA (CLI) by 2020

33% 20% AMPUTATION DIE IN 1 YEAR

CUSTOMERS

INCREASED GROWTH ROIC

REDUCED RISK
- TECHNOLOGY
- CLINICAL
- REGULATORY
TOTAL MARKET OPPORTUNITIES

$2 Billion

*Demonstration of capabilities only.

*Atmospheric Pressure (ATM), Rated Burst Pressure (RBP)
Surmodics designs, develops, manufactures and maintains its product innovations through the entire product lifecycle. Customers receive a fully developed and de-risked product solution with demonstrated clinical effectiveness and secured regulatory approvals.
## COMPETITIVE ADVANTAGE

<table>
<thead>
<tr>
<th>STRATEGICS</th>
<th>OEMs</th>
<th>START-UPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTERNAL R&amp;D</td>
<td>DESIGN SERVICES</td>
<td>TECHNOLOGY STARTUPS</td>
</tr>
<tr>
<td><strong>LIMITATIONS</strong></td>
<td><strong>LIMITATIONS</strong></td>
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</tr>
<tr>
<td>▪ Efforts focused on key strategic interests</td>
<td>▪ Design to spec services</td>
<td>▪ Limited capabilities</td>
</tr>
<tr>
<td>▪ Likely slow progress due to competing priorities</td>
<td>▪ Limited technology capability</td>
<td>▪ Limited resources</td>
</tr>
<tr>
<td><strong>SOLUTION</strong></td>
<td><strong>SOLUTION</strong></td>
<td><strong>SOLUTION</strong></td>
</tr>
<tr>
<td>▪ Ability to work like a start-up and move quickly</td>
<td>▪ Independent problem solving</td>
<td>▪ Focused on specific technology solution</td>
</tr>
<tr>
<td>▪ Focused on broader market needs and unsolved problems</td>
<td>▪ Fully staffed, in-house drug delivery and coatings technology</td>
<td>▪ Post-acquisition brain-drain</td>
</tr>
<tr>
<td>▪ Comprehensive capabilities</td>
<td>▪ Well-resourced</td>
<td>▪ Ability to identify broad spectrum of market needs</td>
</tr>
</tbody>
</table>
| ▪ Complete product lifecycle support | ▪ | ▪
# Medical Device Business Model Evolution

## Relevance

<table>
<thead>
<tr>
<th>Past</th>
<th>Previous</th>
<th>Current</th>
<th>Future</th>
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</thead>
<tbody>
<tr>
<td>Technology Enabler</td>
<td>Technology Enabler + Manufacturing</td>
<td>Device Developer</td>
<td>Design, Develop &amp; Manufacturing</td>
</tr>
</tbody>
</table>

### Ideas / Needs
- Customer-Driven
- Customer-Driven
- Customer-Driven
- Clinically-Driven

### Technology Capabilities
- Coatings Technology
- Coatings & Contract Services
- Whole-Product Solutions
- Design, Develop & Produce

### Clinical / Regulatory
- Master File Reference Data
- Regulatory Support
- Assist in Regulatory Filings
- Regulatory Cleared Device

### Value
- Royalty / License Model
- Royalty / License + Services
- Royalty / License + Device
- Manufactured Product

### Shareholder Value
- $
- $$
- $$$
- $$$$
• Proprietary drug / excipient coating provides increased drug effect with lower drug dosage
• Paclitaxel drug dose (2.0 µg/mm²) provides wider therapeutic window which creates higher margin of safety
• Improved coating consistency and durability protect against distal embolization from particulates
• U.S. Early Feasibility Study (EFS) enrollment completed
• Planning to initiate the next phase of clinical study to obtain data for US and OUS regulatory approvals

“Some may see Surmodics’ decision to initiate human trials on their drug-coated balloon in the U.S. as a bold move. Those of us who have followed the development of this product are confident in its potential given its performance in pre-clinical studies.”

— Renu Virmani, MD
HIGHLY DIFFERENTIATED BALLOON CATHETERS

- Highest-pressure conventional catheters on the market
- Provide optimal deliverability, trackability and conformability
- Broad range of sizes for various clinical applications
- Xtreme™ technology utilizes proprietary coiled/braided shaft construction
- Ultra-thin walled delivery technology with unsurpassed flexibility, kink-resistance, torque control and radial strength
- Control every step of the process to produce high-quality, reliable balloon catheters under rigorous testing

State-of-the-art facility with capacity for balloon catheter design, development and high-volume commercial manufacture
PRODUCT MILESTONES

FY 2017 GOALS

- Initiate clinical trials for SurVeil™ DCB
- Obtain regulatory clearance of .014” and .018” balloon catheters
- Obtain regulatory clearance of first microcatheter
- Complete manufacturing scale-up at Irish facility

FY 2018 – FY 2020

- Complete BTK DCB preclinical development; demonstrate early clinical safety & effectiveness
- Assess clinical viability of AV access drug coated balloon
- Obtain regulatory clearances on at least eight new-to-the-world vascular devices in areas of unmet clinical needs
SURMODICS TALENT

1 in 3 employees
is a scientist, engineer, or manufacturing specialist

15 percent
of employees have advanced degrees

8 years
is the average employee tenure

335 patents
U.S. and International patents held as of Sept. 2016

41 patents
Average number of patents issued to SRDX annually
OUR ADVISORS

CLINICAL & SCIENTIFIC ADVISORS

Ken Rosenfield, MD  
Chair Advisory Board — Interventional Cardiology  
Massachusetts General Hospital

Laura Mauri, MD, MSc  
Clinical Research Advisor — Interventional Cardiology  
Brigham and Women’s Hospital; HCRI

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Ohio Health Research

Mike Dake, MD  
Clinical Advisor — Interventional Radiology  
Stanford Health Care

Chris White, MD, FACC, FAHA, FSCAI, FESC  
Clinical Advisor — Interventional Cardiology  
Ochsner Medical Center

Michael Jaff, DO  
Clinical Advisor — Vascular Medicine  
Newton Wellesley Hospital

Renu Virmani, MD, FACC  
Clinical Research Advisor — Cardiovascular Pathologist  
CVPath
FINANCIAL PERFORMANCE

QUARTERLY REVENUE (MILLIONS)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue (Millions)</th>
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<tbody>
<tr>
<td>Q3 2016</td>
<td>$20.0</td>
</tr>
<tr>
<td>Q4 2016</td>
<td>$18.2</td>
</tr>
<tr>
<td>Q1 2017</td>
<td>$17.8</td>
</tr>
<tr>
<td>Q2 2017</td>
<td>$17.5</td>
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</tbody>
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ANNUAL REVENUE (MILLIONS)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (Millions)</th>
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<tbody>
<tr>
<td>2014</td>
<td>$57.4</td>
</tr>
<tr>
<td>2015</td>
<td>$61.9</td>
</tr>
<tr>
<td>2016</td>
<td>$71.4</td>
</tr>
<tr>
<td>2017E</td>
<td>$65.0 – $68.0</td>
</tr>
</tbody>
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MISSION: To improve the treatment and detection of disease.

Strong balance sheet and attractive cash flows to fund growth strategy
- $46.3 million of cash/investments as of March 31, 2017
- Operating cash flow of $25.2 million and adjusted EBITDA of $26.5 million in fiscal 2016

MEDICAL DEVICES

25% CORE BUSINESS REVENUE

IN VITRO DIAGNOSTICS

Growth 4% 7% 16%

Growth (4%) 11% 14%

† Includes revenue from Creagh Medical and NorMedix
2017 GUIDANCE

2017 Financial Guidance

Total Revenue: $65 million to $68 million
Diluted Earnings (Loss) per Share: $(0.02) to $0.08
Non-GAAP Earnings per Share: $0.15 to $0.25

Long Term Objectives

Capital allocation in fiscal 2017 to invest in research and development is consistent with execution of our whole-product solutions strategy
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INVESTOR RELATIONS
For additional inquiries, please contact:
Andy LaFrence • 952-500-7062