



PPD Issues 2010 Financial Guidance

Highlights:

- Single-digit net revenue growth targeted in 2010
- Strong cash flow delivery expected in 2010
- Compound partnering business spin-off should be completed in mid-2010

WILMINGTON, N.C. (January 19, 2010) - PPD, Inc. (Nasdaq: PPD) today reported its projected 2010 financial guidance.

PPD anticipates that net revenue for the full year 2010 will be in the range of \$1.310 to \$1.430 billion, representing single-digit growth over 2009. The company expects diluted earnings per share for the full year 2010 to be in the range of \$1.00 to \$1.12. The quarterly 2010 diluted earnings per share should be in the following ranges: Q1 - \$0.13 to \$0.15; Q2 - \$0.15 to \$0.17; Q3 - \$0.32 to \$0.36; and Q4 - \$0.40 to \$0.44.

The following table shows the full year 2010 net revenue and diluted earnings per share guidance by segment and total company:

	FY 2010 Guidance Range
Net revenue*	
Development	\$1,307 - \$1,427
Discovery sciences	3 - 3
Total company	\$1,310 - \$1,430
EPS	
Development	\$1.18 - \$1.30
Discovery sciences	(0.18) - (0.18)
Total company	\$1.00 - \$1.12

*Net revenue in millions, excluding reimbursed out-of-pocket expenses.

As previously announced, PPD plans to spin off its compound partnering business from its core contract research organization, or CRO, business. The company is currently taking the steps necessary to complete the spin-off, and it expects the transaction to be complete in mid-2010. Therefore, guidance for the discovery sciences segment includes only the activities of the compound partnering business in the first and second quarters of 2010.

PPD anticipates that cash flow from operations for the full year 2010 will be in the range of \$150 to \$200 million. Projected capital expenditures for the full year 2010 should be in the range of \$75 to \$85 million. These expenditures will be primarily for facility expansions and improvements, as well as investments in information technology and new laboratory equipment.

"We have entered 2010 with clear objectives to restore growth in our business and to create long-term value for our shareholders," said David Grange, chief executive officer of PPD. "Strengthening our business models, establishing innovative partnerships, and enhancing our global capacity remain key priorities for us in 2010. As we continue to align our business for success, we will continue to invest strategically in our global future. The investments we plan to make indicate our intent to be recognized as the CRO of choice and as a valuable partner for our clients."

Fred Eshelman, executive chairman of PPD, added, "We are energized by the opportunities ahead and the changing landscape of pharma and biotech R&D. We are entering high growth areas, looking for unique niches and accumulating high level scientific and medical talent to increase the value proposition and move away from commoditization. PPD is solidly positioned in our industry in terms of balance sheet and financial strength to execute our strategy."

Net revenue is the most directly comparable GAAP financial measure to net revenue excluding reimbursed out-of-pocket expenses. Although net revenue excluding reimbursed out-of-pocket expenses is not superior to or a substitute for GAAP net

revenue, PPD excludes reimbursed out-of-pocket expenses from its forecasted net revenue because they are difficult to accurately predict and they do not affect operating income, net income or earnings per share. PPD further believes this non-GAAP financial information is useful to investors because it more accurately reflects the net revenue that will be generated by PPD's services, and because it provides information for period-to-period comparisons.

PPD will conduct a live conference call and audio webcast tomorrow, January 20, 2010, at 9 a.m. ET to discuss its 2010 financial guidance and some of the underlying bases and assumptions for that guidance. A Q&A session will follow. All interested parties can access the webcast through the Presentations & Events link in the Investors section of the PPD Web site at <http://www.ppd.com>. The webcast will be archived shortly after the call for on-demand replay. The conference call will be broadcast live over the Internet, and the live call may be accessed via the following direct dial numbers:

Participant dial-in: +1 877 644 0692 (U.S./Canada)
+1 973 200 3387 (International)
Conference ID: 43388770

PPD is a leading global contract research organization, celebrating 25 years of providing discovery, development and post-approval services as well as compound partnering programs. Our clients and partners include pharmaceutical, biotechnology, medical device, academic and government organizations. With offices in 40 countries and more than 10,500 professionals worldwide, PPD applies innovative technologies, therapeutic expertise and a commitment to quality to help its clients and partners maximize returns on their R&D investments and accelerate the delivery of safe and effective therapeutics to patients. For more information, visit our Web site at <http://www.ppd.com>.

Except for historical information, all of the statements, expectations and assumptions contained in this news release, including the projections of net revenue, earnings, cash flow and capital spending for 2010, are forward-looking statements that involve a number of risks and uncertainties. Although PPD attempts to be accurate in making these forward-looking statements, it is possible that future circumstances might differ from the assumptions on which such statements are based. In addition, other important factors which could cause actual results to differ materially include the following: economic conditions and outsourcing trends in the pharmaceutical, biotechnology and medical device industries and academic and government-sponsored research sectors; overall global economic conditions; success in sales growth; loss of and delay in large contracts; higher-than-expected cancellation rates; competition within the outsourcing industry; rapid technological advances that make our products and services less competitive; risks associated with acquisitions and investments, such as integration and impairments; risks associated with and dependence on collaborative relationships; the ability to attract, integrate and retain key personnel; risks regarding the proposed compound partnering spin-off, including its tax treatment; and the other risk factors set forth from time to time in the SEC filings for PPD, copies of which are available free of charge upon request from the PPD investor relations department.

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