



## **PPD and VirtualScopics Expand Strategic Alliance for Medical Imaging Services**

### **Allowing companies to make faster, more confident decisions about their compounds**

**WILMINGTON, N.C., and ROCHESTER, N.Y.**, (January 26, 2012) - Pharmaceutical Product Development, Inc. and VirtualScopics, Inc. (Nasdaq: VSCP) today announced they have expanded their successful one-year strategic alliance in clinical and medical imaging services across multiple therapeutic areas to now include oncology, central nervous system, cardiovascular, general medicine and medical devices.

The companies deliver integrated, customized clinical and medical imaging technologies using an innovative, patented algorithm-based approach to image processing and biomarker measurement. As a result, biopharmaceutical companies are able to make faster, more confident decisions about the status of their compounds from early phase through post-approval.

"Medical imaging plays a critical role in advancing drug development, and this alliance strengthens our global research and development services across several large disease areas," said Paul Colvin, executive vice president of global clinical development for PPD. "Through our strategic alliance with VirtualScopics, we are able to provide clients with more advanced imaging data via an integrated solution so they can make important development decisions related to patient safety and eligibility protocols, drug efficacy and study endpoints."

Jeff Markin, president and CEO of VirtualScopics, added, "Today's announcement signifies a very visible milestone in our partnership with PPD. Sponsors across the industry had become accustomed to the complexities and inefficiencies of managing the broader clinical aspects and medical imaging components of clinical trials separately. This alliance has shown that there are very clear and quantifiable benefits of integrating these pieces together in a seamless fashion. For example, a sponsor's overall study can now be managed through one point of contact, resulting in reduced oversight by the sponsor and, through process and IT integration, reduced study cost. We are very pleased that, through this expansion of the alliance, these benefits will now be offered to PPD's clients globally across all of their therapeutic areas."

The alliance between PPD and VirtualScopics was established in October 2010 and initially focused on oncology drug development. Medical imaging has played a large role in deciding whether to advance oncology compounds, particularly as pharmaceutical companies and service providers faced immediate challenges in managing studies with increasing complexity and reduced timelines.

#### **About PPD**

PPD is a leading global contract research organization providing drug discovery, development and lifecycle management services. Our clients and partners include pharmaceutical, biotechnology, medical device, academic and government organizations. With offices in 44 countries and more than 11,000 professionals worldwide, PPD applies innovative technologies, therapeutic expertise and a commitment to quality to help clients and partners accelerate the delivery of safe and effective therapeutics and maximize the returns on their R&D investments. For more information, visit [www.ppd.com](http://www.ppd.com).

#### **About VirtualScopics, Inc.**

VirtualScopics, Inc. is a leading provider of imaging solutions to accelerate drug and medical device development. VirtualScopics has developed a robust software platform for analysis and modeling of both structural and functional medical images. In combination with VirtualScopics' industry-leading experience and expertise in advanced imaging biomarker measurement, this platform provides a uniquely clear window into the biological activity of drugs and devices in clinical trial patients, allowing sponsors to make better decisions faster. For more information about VirtualScopics, visit [www.virtualscopics.com](http://www.virtualscopics.com).

#### **Forward-Looking Statements**

*Except for historical information, all of the statements, expectations and assumptions, including statements, expectations and assumptions about the strategic alliance expansion between PPD and VirtualScopics in medical imaging, contained in this news release 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 and could cause actual results to differ materially from the forward-looking statements. Other important factors which could cause future results to differ materially include the following: risks associated with and dependence on strategic relationships; competition in the outsourcing industry; PPD's ability to win new business; rapid technological advances that make our services less competitive; overall global economic conditions; economic conditions in the*

*pharmaceutical, biotechnology and government-sponsored research sectors; research and development spending in the pharmaceutical, biotechnology and government-sponsored research sectors; outsourcing trends in the pharmaceutical, biotechnology and government-sponsored research sectors; consolidation in pharmaceutical and biotechnology industries; loss, delay or modification of large contracts; higher-than-expected cancellation rates; the rate of conversion of backlog into revenue; actual operating performance; fluctuations in currency exchange rates; the ability to attract, integrate and retain key personnel, including a new CEO; risks associated with acquisitions and investments; risks associated with fixed price contracts and cost overruns; compliance with drug development regulations; changes in the regulation of the drug development process; international economic and political risks; and the ability to control SG&A spending. PPD assumes no obligation and expressly disclaims any duty to update these forward-looking statements in the future, except as required by applicable law. These forward-looking statements should not be relied upon as representing PPD's estimates or views as of any date subsequent to the date hereof.*

The statements contained in this press release that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended, and are intended to be covered by the safe harbors created thereby. These forward-looking statements include, but are not limited to, statements regarding the backlog and new customer awards and/or statements preceded by, followed by or that include the words "believes," "could," "expects," "anticipates," "estimates," "intends," "plans," "projects," "seeks," or similar expressions. Forward-looking statements deal with the Company's current plans, intentions, beliefs and expectations. Investors are cautioned that all forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Many of these risks and uncertainties are discussed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2010 filed with the Securities and Exchange Commission (the "SEC"), and in any subsequent reports filed with the SEC, all of which are available at the SEC's website at [www.sec.gov](http://www.sec.gov). These include without limitation: the risk of cancellation or delay of customer contracts or specifically as it relates to awards of contracts currently under negotiation, the risk that they may not get signed. Other risks include the company's dependence on its largest customers and risks of contract performance. All forward-looking statements speak only as of the date of this press release and the Company undertakes no obligation to update such forward-looking statements.

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