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Psychemedics Corporation Marks 25th Anniversary Milestone
Hair Testing Pioneer and Leader Celebrates 25 Years of Innovation

Acton, Massachusetts, March 12, 2012 - Psychemedics Corporation (NASDAQ:PMD) announced that this year marks the 25 year anniversary celebration of the corporation, the world's leading drug testing company using hair for the detection of drugs of abuse. Psychemedics, which started commercial operations in 1987, pioneered the use of hair testing for drugs of abuse and has grown to become the global leader in the industry.

Psychemedics made history by developing the first commercially feasible hair test for drugs of abuse, and has been successfully serving clients for twenty-five years. After ten years of prior research on thousands of subjects proved that drugs deposited in the hair can be measured, Psychemedics developed patents and a proprietary method of getting the drugs out of the hair. Psychemedics' proprietary technology is now trusted by Fortune 500 companies, major police forces, schools, parents, and organizations all over the world.

Earlier this year the company announced that it received its seventh patent dedicated to liquefying hair to release drug analytes. Like the first patent, this new patent is fundamental to all hair analysis drug testing and helps set Psychemedics apart from all other hair testing technologies. It is the only hair testing lab to continue to invest in patentable technologies to improve the science of hair testing and is dedicated to improving the drug testing industry. The corporation continues to expand its international presence and now receives drug samples from six continents.

Psychemedics' record of innovation includes being the:

- 1st lab to develop and patent the most effective process for liquification of hair to release drugs of abuse
- 1st lab to develop a system of wash procedures to remove and account for external contamination
- 1st lab to utilize tandem mass spectrometry (MS/MS) in workplace testing and to utilize the more accurate GC/MS/MS or LC/MS/MS on positive results for marijuana, cocaine, opiates and methamphetamine
- 1st lab to test for enantiomers of methamphetamine (D & L isomer) in hair to distinguish illegal drugs from Vicks Inhaler

- 1st lab to develop testing of Ecstasy (MDMA) in hair
- 1st lab to obtain FDA clearance of hair assays for drugs of abuse, and the only lab to have clearance on all 5 drug classes (and the subcategories within them), not limited to head hair
- 1st lab to receive College of American Pathologists (CAP) accreditation for drug testing including hair

Recognizing the extraordinary growth and exceptional commitment Psychemedics has made to the industry, Psychemedics Chairman and CEO Ray Kubacki acknowledged all those who have helped pave the way in making Psychemedics a world class organization.

“The key to our success has been a strong, steady commitment to developing and marketing the highest quality drug testing technology available anywhere in the world. To our customers, associates, partners, and everyone who has contributed to our success, thank you.”

While the Company is proud to celebrate its history and significant achievements over the past 25 years, it looks to the future for even greater success.

“Beyond celebrating Psychemedics’ longevity and tremendous accomplishments, we are equally excited about the company’s future. We have achieved a lot in the past 25 years, but we are just getting started,” said Kubacki.

***About Psychemedics** – Psychemedics (NASDAQ: PMD) is the world's leading drug testing company using hair for the detection of drugs of abuse. Psychemedics has been successfully operating for 25 years and thousands of corporations worldwide currently rely on Psychemedics’ proprietary hair analysis technology for their pre-employment and employee drug screening. Psychemedics' clients include over 10% of the Fortune 500, some of the largest police departments in America, six Federal Reserve Banks, and schools. For more information, visit the Psychemedics website at www.psychemedics.com.*

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