

FOR IMMEDIATE RELEASE

Contact: Raymond C. Kubacki, Chairman, President and CEO
(978) 206-8220

Psychemedics Awarded Patent Fundamental To Hair Analysis Drug Testing

The world's largest drug testing company using hair analysis received its seventh United States Patent dedicated to liquefying hair to release drug analytes.

Acton, Massachusetts, January 24, 2012 - Psychemedics Corporation (NASDAQ:PMD) , hair testing pioneer and global leader for 25 years, announced today that the United States Patent Office issued a seventh patent, US No. 8,084,215, to the company. This patent focuses on liquefying hair and releasing drugs trapped in the hair without destroying the drugs. The new patented method can be used with a broad range of immunoassay screen techniques, mass spectrometry methods, and chromatographic procedures.

Raymond C. Kubacki, Chairman and Chief Executive Officer, said, "We are pleased to have received this patent which is fundamental to all hair analysis drug testing. This patent covers the efficient digestion of hair and release of the drugs without destroying the drugs---getting virtually 100% of the drug out of the hair. This is fundamental to hair analysis drug testing because if you cannot get the drugs out of the hair, the drugs cannot be measured." Kubacki continued, "Our ability to successfully release drug analytes from hair enables us to accurately identify more drug users, setting Psychemedics apart from all other hair testing technologies."

Kubacki added, "Psychemedics Corporation has, for 25 years, offered the most effective hair testing technology based upon scientifically validated drug testing methods. Receiving this patent demonstrates our on-going commitment to achieving the best possible test to accurately identify the greatest number of drug users."

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.

Cautionary Statement for purposes of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995: From time to time, information provided by Psychemedics may contain forward-looking information that involves risks and uncertainties. In particular, statements contained in this release that are not historical facts (including but not limited to statements concerning growth, earnings, profit margins, earnings per share, revenues, dividends, future business, new accounts, customer base, market share, test volume sales and marketing strategies, technological advantages and intellectual property protection) may be "forward looking" statements. Actual results may differ from those stated in any forward-looking statements. Factors that may cause such differences include but are not limited to risks associated with the expansion of the Company's sales and marketing network, development of markets for new products and services offered, the economic health of principal customers of the Company, government regulation, including but not limited to FDA regulations, competition and general economic conditions and other factors disclosed in the Company's filings with the Securities and Exchange Commission.