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FOR IMMEDIATE RELEASE

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**VIRTUALSCOPICS AWARDED RECORD LEVEL OF NEW
CONTRACTS IN 2007**

*New contract awards total \$17 million
Exceeds comparable 2006 amount by nearly 80%*

ROCHESTER, N.Y. – January 23, 2008 - VirtualScopics, Inc. (NASDAQ: VSCP), a leading developer of image-based solutions to the pharmaceutical, biotechnology and medical device industries, today announced a record level of new contract awards in 2007 totaling approximately \$17 million. This includes \$10.8 million in signed contracts plus approximately \$6 million in awarded projects that are currently under negotiation. The total awards and contract signings for 2007 exceeded the comparable amount in 2006 by 78 percent.

“We are extremely pleased to have achieved a record level of new contracts and awards in 2007. We believe these new awards continue to demonstrate the strength of the demand for our services in the industry” said Rosemary Shull, vice president of business development for VirtualScopics.

“Included in the contacts awarded are three Phase III studies which is a significant milestone for the company.” stated Jeff Markin, president and chief executive officer of VirtualScopics. He added, “In 2007, we focused on our fundamentals, we built a solid operational infrastructure to support later stage international clinical trials, we raised a sufficient amount of cash and doubled our sales force late in the year. We believe these efforts, in addition to the growth we’re experiencing in new contact awards, will position us very well as we move into 2008 and beyond.”

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.

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Forward-Looking Statements

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 expected benefits of the Company's investment in infrastructure and new customer contract signings in 2007 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-KSB for the fiscal year ended December 31, 2006 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. 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.