VIDA Diagnostics Announces the Purchase of Quantitative Imaging of Iowa (QI2)

Acquisition strengthens VIDA's leadership position in quantitative pulmonary image analysis

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IOWA CITY, IA - VIDA Diagnostics, Inc. a leading developer of quantitative imaging software for the advanced analysis of pulmonary diseases, today announced it has completed the acquisition of Quantitative Imaging of Iowa (QI2), Inc. QI2 is an imaging services company specializing in quantitative imaging incorporation in clinical and pre-clinical trials.

VIDA and QI2 have partnered for over four years executing clinical trials which have championed the validation of quantitative endpoints for the effective measure of therapeutic response. These trials have incorporated quantitative imaging as primary and secondary endpoints to evaluate device and pharmaceutical therapies.

"This agreement strengthens VIDA's position in the quantitative imaging and clinical trials markets." said Susan Wood, President and CEO of VIDA Diagnostics. "By combining two, early-phase University of Iowa technology spinoff companies which have extensive expertise in quantitative pulmonary imaging, clinical trial development and execution, we increase successful transitioning of quantitative imaging endpoints into routine clinical practice. This merger truly highlights University of Iowa's lung imaging strength on a worldwide scale."

Edwin van Beek, co-founder and former CEO of QI2, agrees: "The acquisition merges like-minded businesses, with a complimentary range of expertise and services, and the requirement to consolidate services and infrastructure for appropriate execution of large international multicenter trials. The acquisition of QI2 positions VIDA as a single company to lead the strategy and the execution of pulmonary clinical trials."

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About VIDA Diagnostics, Inc.
VIDA Diagnostics is a leader in quantitative pulmonary image analysis for the diagnosis and treatment of pulmonary diseases. VIDA Diagnostics develops and commercializes pulmonary applications, establishing quantitative pulmonary imaging in routine clinical practice. The FDA-cleared Pulmonary Workstation 2.0 (PW2) is the leading lung analysis tool for COPD, emphysema and asthma, establishing objective, quantitative measures for diagnosis, interventional therapies and therapeutic response assessment.

Participating in the emerging pulmonary device market that is expected to grow to nearly $3.8 billion by 2011, VIDA’s vision is to establish lung quantitative CT methods as the standard of care for diagnosis and staging of chronic lung disease. Founded by four University of Iowa faculty members, Eric Hoffman, Ph.D., Geoffrey McLennan, M.D., Ph.D., Joseph Reinhardt, Ph.D. and, Milan Sonka, Ph.D., VIDA Diagnostics is based on research associated with the UI’s Iowa Comprehensive Lung Imaging Center directed by
Dr. Hoffman and on core technology licensed from the UI Research Foundation. For more information on VIDA Diagnostics, visit: www.vidadiagnostics.com.

About Quantitative Imaging of Iowa (QI2), Inc.
QI2 was founded by two faculty members (Edwin van Beek MD, PhD and Eric Hoffman PhD) together with Heather Baumhauer, BA in response to the growing requirement for imaging services in clinical trials. The company was an extension of the State of Iowa’s funding for a strategic medical imaging platform as identified in the Batelle report. While the company’s primary focus has been on pulmonary imaging research trials it has managed the imaging portion of trials with other foci as well, including bone mineral density measures. Within 2 years of inception, QI2 had gained nearly $1 million in contracts.