

Press Release

iCAD and Viatronix Announce Product Integration and Distribution Agreement

Developer of “Virtual Colonoscopy” Technology to Provide Enhanced Identification of Colon Polyps with iCAD’s Computer Aided-Detection

NASHUA, NH – December 6, 2006 – iCAD, Inc. (Nasdaq: iCAD), an industry-leading provider of Computer-Aided Detection (CAD) solutions for the early identification of cancer, today announced that the company has entered into a product integration and distribution agreement with Viatronix, a leading innovator and developer of diagnostic 3D imaging software. Specifically, Viatronix will incorporate iCAD’s CAD solutions with its virtual colonoscopy technology, to enhance the early detection and identification of polyps, which can be precursors to colon cancer.

Under the agreement, Viatronix will offer iCAD’s Computed Tomography (CT) Colon CAD software for the identification of potential polyps in CT Colonography (CTC) examinations in conjunction with their V3D System for “virtual colonoscopy.” V3D-Colon allows physicians to interactively view the colon reconstructed from a CT scan, providing visualization of the inner surface that includes polyps and lesions. CT Colon from iCAD uses sophisticated image processing software to automatically identify polyps in CTC images. By integrating iCAD’s solution, Viatronix will assist physicians in improving the accuracy, consistency and workflow during the reading process.

“iCAD is actively identifying opportunities to leverage the benefits of CAD where early detection of disease plays an important role in treatment. With advanced screening, colon polyps can be found and removed before they ever turn into cancer,” said Ken Ferry, Chief Executive Officer of iCAD. “Viatronix’s technology offers an opportunity to increase the acceptance of colorectal cancer screening, and thus we feel this partnership has enormous potential in offering CAD solutions to our customers in a manner that fits with their preferred reading environment. We believe that CAD for polyp detection will become an integral part of interpreting CTC exams.”

According to the American Cancer Society, the death rates from colorectal cancer have been declining for the past 15 years. One reason for the decline is the increase in colorectal cancer screening. However, in spite of this, recent studies show that fewer than 40% of the people who should be screened do so on a regular basis. There are many reasons for this, but among the most prominent is that many people are uncomfortable with some of the tests themselves, especially colonoscopy. Unlike the conventional approach, Viatronix's V3D-Colon virtual colonoscopy requires no sedation, is easy to use, safe and non-invasive for patients. In addition, this patient-friendly alternative is cost effective and clinically proven to be effective in detecting colorectal cancer.

“The Viatronix-iCAD partnership will allow us to deliver complete solutions to our customers,” said Zaffar Hayat, President of Viatronix. “We believe that CAD is going to be a key component of CTC screening. We are pleased to partner with iCAD, an established leader with the depth and expertise needed to deliver successful CAD solutions.”

- More -

iCAD's CT Colon CAD software is pending regulatory review and approval by the US Food and Drug Administration (FDA).

All intended use statements are pending approval from the FDA.

About Viatronix

Viatronix is a leading innovator and developer of 2D/3D medical imaging and diagnostic software. Our software enables physicians to interactively view vital organs and anatomical structures within the human body from data acquired by standard medical imaging equipment in minimally or non-invasive methods. The 2D digital data acquired from imaging devices is automatically post processed using the company's proprietary software techniques and provides 3D diagnostic quality images for the physician. The company's first product, V3D-Colon for "virtual colonoscopy" allows physicians to interactively view the colon reconstructed from a CT scan, providing visualization of the inner surface that includes polyps and lesions. The company's V3D-Explorer offers a robust and user-friendly workstation platform that views and reconstructs data in 2D/3D for virtually any organ in the body. V3D-Calcium Scoring aids physicians in determining the amount of calcified plaque accumulation in the coronary arteries. V3D-Vascular is breakthrough software that permits rapid segmentation and visualization of complex arterial structures using 3D volume rendering, maximum intensity projection and simulated x-ray views. Viatronix, through application of the V3D technology, is developing additional innovative products that will be useful in early detection of other diseases, treatment planning, intervention and follow up evaluation. Viatronix, Inc. is located in Stony Brook, NY. For further information, call toll free 1-866-887-4636 or log on to: www.viatronix.com.

About iCAD, Inc.

iCAD, Inc. (NASDAQ: iCAD) is an industry-leading provider of Computer-Aided Detection (CAD) solutions that enable healthcare professionals to better serve patients by identifying pathologies and pinpointing cancer earlier. iCAD offers a comprehensive range of high-performance, upgradeable CAD systems for the high, mid and low volume mammography markets. iCAD is entrusted with the task of early cancer detection by over one thousand women's healthcare centers worldwide. For more information, call +1 877 iCADnow or visit www.icadmed.com.

For iCAD Investor Relations, contact Kevin McGrath of Cameron Associates
at 212-245-4577 or via email at kevin@cameronassoc.com

For iCAD Public Relations, contact Wendy Ryan of Schwartz Communications
at 781-684-0770 or via e-mail at icad@schwartz-pr.com

###