SIMULATIONS PLUS INC
Form DEF 14A
December 29, 2011

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant [X]
Filed by a party other than the Registrant [_]

Check the appropriate box:

[_] Preliminary Proxy Statement
[_] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
[X] Definitive Proxy Statement
[_] Definitive Additional Material
[_] Soliciting Material under §240.14a-12

Simulations Plus, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.
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1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

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4) Proposed maximum aggregate value of transaction:

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1) Amount previously paid:
2) Form, Schedule or Registration Statement No.:
3) Filing Party:
4) Date Filed:

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To be held February 17, 2012

The Annual Meeting of Shareholders ("Meeting") of Simulations Plus, Inc. (the "Company"), a California Corporation, will be held on February 17, 2012, at 2:00 p.m., Pacific Time, at 42505 10th Street West, Lancaster, California 93534, for the following purposes:

1. Proposal No. 1: To elect to the Board of Directors five (5) directors, to serve until the next Annual Meeting of Shareholders of the Company or until their successors are elected and qualified, subject to prior death, resignation or removal.

2. Proposal No. 2: To ratify the appointment of Rose, Snyder and Jacobs as our independent registered public accounting firm for the Company for the fiscal year ending August 31, 2012.

3. To consider and transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

All shareholders are cordially invited to attend the Meeting, although only shareholders of record at the close of business on December 15, 2011, will be entitled to notice of and to vote at the Meeting. A list of shareholders entitled to vote at the Meeting will be open to inspection by the shareholders at the Company's principal office, 42505 10th Street West, Lancaster, California 93534, for a period of 10 days prior to the Meeting and at the Meeting itself.

Shares can be voted at the Meeting only if the holder is present in person or represented by proxy. We urge you to date and sign the enclosed proxy and return it in the accompanying envelope promptly so that your shares may be voted in accordance with your wishes and the presence of a quorum may be assured. We encourage you to do so even if you plan to attend the Meeting in person. The prompt return of your signed proxy, regardless of the number of shares you hold, will aid the Company in reducing the expense of additional proxy solicitation. The giving of such proxy does not affect your right to vote in person in the event you attend the Meeting.

Important Notice Regarding the Availability of
Proxy Materials for the Annual Meeting of Shareholders
to be Held on February 17, 2012.

The proxy statement and our annual report to shareholders,
which includes our Annual Report on Form 10-K for the year ended Aug. 31, 2011,
will be available at www.simulations-plus.com in early February 2012.

By Order of the Board of Directors

/s/ Virginia Woltosz
Virginia Woltosz
Secretary
Lancaster, California
January 16, 2012

YOUR PROXY

PLEASE SIGN AND RETURN YOUR PROXY PROMPTLY IN THE ENCLOSED POSTPAID ENVELOPE. SHOULD YOU ATTEND THE MEETING, YOU MAY VOTE IN PERSON EVEN THOUGH YOU HAVE GIVEN A PROXY. THE PROMPT RETURN OF YOUR PROXY WILL BE OF GREAT HELP IN PREPARATION FOR THE MEETING.

SIMULATIONS PLUS, INC.
42505 10th STREET WEST, LANCASTER, CALIFORNIA 93534-7059
(661) 723-7723

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Simulations Plus, Inc.
42505 10th Street West
Lancaster, CA 93534

PROXY STATEMENT
FOR THE ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON FEBRUARY 17, 2012

QUESTIONS AND ANSWERS ABOUT THESE PROXY MATERIALS AND VOTING

Why am I receiving these materials?
Simulations Plus, Inc. (“we”, “us”, “Simulations Plus” or the “Company”) sent you this proxy statement (“Proxy Statement”) a the enclosed proxy card because our Board of Directors (the “Board”) is soliciting your proxy to vote at the 2012 annual meeting of Shareholders (“Meeting”) to be held on February 17, 2012 at 2:00 p.m. Pacific Time, at the Company’s office located at 42505 10th Street West, Lancaster, California 93534.

What am I voting on?
There are two matters scheduled for a vote at the Meeting:

Proposal No. 1 – To elect to the Board of Directors five (5) directors, to serve until the next Meeting of Shareholders of the Company or until their successors are elected and qualified, subject to prior death, resignation or removal.

Proposal No. 2 – To ratify the appointment of Rose, Snyder and Jacobs (“RSJ”) as our independent registered public accounting firm for the Company for the fiscal year ending August 31, 2012.

Who can vote at the annual Meeting?
Only shareholders of record at the close of business on December 15, 2011, will be entitled to vote at the Meeting. The Company's Common Stock is its only class of voting securities. As of December 15, 2011, the Company had issued and outstanding 15,572,943 shares of Common Stock of record.

Am I a Shareholder of record for purpose of the Meeting?
If, on December 15, 2011, your shares were registered directly in your name with our transfer agent, Integrity Stock Transfer, then you are Shareholder of record for purposes of the annual meeting.

What if my shares are held in an account at a brokerage firm, bank or dealer?
If, on December 15, 2011, your shares were held in an account at a “street name” and these proxy materials are being forwarded to you by the organization, the organization holding your account is considered the Shareholder of record for purposes of voting at the annual meeting. As a beneficial owner, you have the right to direct that organization on how to vote the shares in your account.

How Do I vote?
With respect to the election of directors, you may either vote “for” any or all of the nominees proposed by the Board or you may abstain from voting for any or all of the nominees. For each of the other matters to be voted on, you may vote “for” or “against” or abstain from voting altogether. Whether you are a Shareholder of record or the beneficial owner of shares held in “street name,” the procedures for voting are fairly straightforward, as described below:

Shareholders of Record: Shares Registered in Your Name
If you are a Shareholder of record, you may vote in person at Meeting or vote by proxy using the enclosed proxy card. To vote in person, you need only attend the annual meeting, where you will be given a ballot to vote on each of the proposals. To vote using the proxy card, simply complete, sign and date the enclosed proxy card and return it promptly in the envelope provided. So long as you return your signed proxy card to us before the Meeting, your shares will be voted as you have directed on the card. We request that all Shareholders voting by proxy return their completed proxy cards to us by no later than February 7, 2012.

Beneficial Owner: Shares Held in "Street Name"
If you are a beneficial owner of shares held in "street name," you should have received a proxy card and voting instructions with these proxy materials from the organization holding your account. Simply complete and mail the proxy card to ensure that your vote is counted. Alternatively, you may vote in person at the Meeting. However, to vote in person, you must obtain a valid proxy from the organization holding your account and present it to the inspector of elections at the Meeting. Please refer to the instructions from that organization included with these proxy materials if you wish to obtain a proxy.

Regardless of how your shares are held and whether or not you plan to attend the Meeting, we encourage you to vote by proxy to ensure that your vote is counted. Please note that you may still attend the Meeting and vote in person even if you have already voted by proxy.

If my shares are held in "street name" by a broker or other nominee, will my broker or nominee vote my shares for me?
If your shares are held in street name and you do not instruct your broker or other nominee on how to vote your shares, your broker or other nominee, in its discretion, may either leave your shares unvoted or vote your shares on routine matters. The election of directors is considered a non-routine matter. Consequently, without your voting instructions, your broker or other nominee cannot vote your shares on this proposal. These unvoted shares, called "broker non-votes," refer to: (i) shares held by brokers who have not received voting instructions from their clients and who do not have discretionary authority to vote on non-routine matters, or (ii) shares for which the broker did not exercise discretionary authority to vote on a particular matter. The proposal to ratify the selection of Rose, Snyder, Jacobs ("RSJ") as our independent registered public accounting firm for the fiscal year ending August 31, 2012 is considered a routine matter. Therefore, your broker or other nominee will be able to vote on this proposal even if it does not receive instructions from you, so long as it holds your shares in its name. To the extent your broker or other nominee votes your shares on your behalf on this proposal, your shares also will be counted as present for the purpose of determining a quorum. A broker non-vote will not be considered shares voting or as votes cast with respect to any matter presented at the Meeting. As a result, a broker non-vote will not have any effect on the proposals presented at the Meeting.

How are votes counted?
Votes will be counted by the Corporate secretary who will separately count "for" and (with respect to proposals other than the election of directors) "against" votes, abstentions and "broker non-votes". Abstentions and broker non-votes will be counted towards the presence or absence of a quorum but will not be counted towards the affirmative vote total for any proposal.

How many votes are needed to approve each proposal?
The number of votes needed to approve each proposal is as follows:

Proposal No. 1: The election of the directors contemplated by Proposal No. 1 will be decided by a plurality of votes cast. Accordingly, the five directors receiving the highest number of votes will be elected and abstentions and broker non-votes will have no effect on the outcome of the vote.

Proposal No. 2: The ratification of the selection of Rose, Snyder and Jacobs contemplated by Proposal No. 2 must receive a “for” vote from the holders of a majority of the shares of our common stock present and entitled to vote either in person or by proxy at the annual meeting. Abstentions will have the same effect as “against” votes, and broker non-votes will have no effect.

How many votes do I have?
Each shareholder of record as of December 15, 2011, is entitled to cast one vote for each share of our common stock held on each matter to come before the Meeting, except that shareholders may have cumulative voting rights with respect to the election of directors.

Cumulative voting allows a shareholder to cast a number of votes equal to the number of directors to be elected, which is five (5), multiplied by the number of votes held in the shareholder's name on December 15, 2011. This total number of votes may be cast for one nominee or may be distributed among as many nominees as the shareholder desires. Under California law, no shareholder can cumulate votes unless, prior to voting at the Meeting, such shareholder has given notice of his or her intention to cumulate his or her votes at the Meeting. If any shareholder properly gives such notice, then all shareholders may cumulate their votes for candidates in nomination. Our Board does not, at this time, intend to give such notice or to cumulate the votes it may hold pursuant to the proxies solicited herein unless the required notice by a shareholder is given, in which event votes represented by proxies delivered pursuant to this Proxy Statement may be cumulated at the discretion of the proxy holders, in accordance with the recommendation of our Board.

What is the quorum requirement?
A quorum of Shareholders is necessary to hold a valid meeting. A quorum will be present if at least a majority of the outstanding shares are present either in person or by proxy at the Meeting. On the record date, there were 15,572,943 shares outstanding and entitled to vote. Accordingly, 7,786,472 shares must be present either in person or by proxy at the Meeting in order to establish a proper quorum to enable us to conduct a vote on each of the proposals at the Meeting.

Your shares will be counted towards the quorum only if you submit a valid proxy or vote in person at the Meeting. Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, a majority of the votes present either in person or by proxy at the Meeting may adjourn the meeting to another date.

What does it mean if I receive more than one proxy card?
If you receive more than one proxy card, then your shares are registered in more than one name or are registered in different accounts. Please complete, sign and return each proxy card to ensure that all of your shares are voted at the Meeting.

What if I return a proxy card but do not make specific choices?
If you return a signed and dated proxy card without marking any voting selections, all of your shares will be voted “for” the election of the nominees for director and “for” the other proposals described in this Proxy Statement. If any other matter is properly presented at the meeting, your proxy (one of the individuals named on your proxy card) will vote your shares using his best judgment.

Can I change my vote after submitting my proxy?
You can change your vote with respect to any proposal by revoking your proxy at any time prior to the commencement of voting with respect to that proposal at the Meeting. You may revoke your proxy in one of three ways:

- You may submit another properly completed proxy card with a later date. Please note that we request that all Shareholders voting by proxy return their completed proxy cards to us by no later than February 7, 2012 which is 10 days prior to the Meeting.

- You may send a written notice that you are revoking your proxy to our Secretary (Attn: Renee Bouche, Simulations Plus, Inc. 42505 10th Street West, Lancaster, CA 93534). To properly revoke your proxy via

written notice, this notice must be received by us no later than the close of business on Tuesday, February 7, 2012.

- You may attend the Meeting and vote in person. Bear in mind that simply attending the Meeting will not, by itself, revoke your proxy. In addition, please recall that if you are a beneficial owner of shares held in “street name” and wish to vote in person at the Meeting, you must obtain a valid proxy from the organization holding your account and present it to the inspector of elections at the Meeting.

Following the commencement of voting with respect to each proposal, you may not revoke your proxy or otherwise change your vote with respect to each such proposal.

How can I find out the results of the voting at the Meeting?
Preliminary voting results are expected to be announced at the Meeting. Final voting results will be disclosed in a Current Report on Form 8-K, which we will file with the U.S. Securities and Exchange Commission (the “SEC”) within four (4) business days after the Meeting.

Who is paying for this proxy solicitation?
We will pay for the entire cost of soliciting proxies. In addition to these mailed proxy materials, our directors and employees may also solicit proxies in person, by telephone or by other means of communication. Directors and employees will not be paid any additional compensation for soliciting proxies. We may also reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

When are shareholder proposals due for next year’s Meeting?
Proposals of shareholders of the Company that are intended to be presented by such shareholders at the Company's next Meeting of Shareholders for the fiscal year ending August 31, 2012, must be received by the Company no later than January 16, 2012, in order to be considered for inclusion in the proxy statement and form of proxy relating to that meeting.

PROPOSAL No. 1: ELECTION OF DIRECTORS

Nomination of Directors

The Nominating Committee is charged with making recommendations to the Board regarding qualified candidates to serve as directors. The committee’s goal is to assemble a Board with the skills and characteristics that, taken as a whole, will assure a strong Board with experience and expertise in all aspects of corporate governance. Accordingly, Nominating Committee believes that candidates for director should have certain minimum qualifications, including personal integrity, strength of character, an inquiring and independent mind, practical wisdom and mature judgment. In evaluating director nominees, the Nominating Committee considers the following factors:

(1) The appropriate size of the Board,
(2) Our needs with respect to the particular talents and experience of its directors, and
(3) The knowledge, skills and experience of nominees, including experience in technology, business, finance, administration or public service.

Other than the foregoing, there are no stated minimum criteria for director nominees, although the Governance and Nominating Committee may also consider such other factors as it deems to be in our best interests and those of our Shareholders. The Governance and Nominating Committee does, however, believe it appropriate for at least one members of the Board to meet the criteria for an “audit committee financial expert” as defined by SEC rules, and for a majority of the members of the Board to meet the definition of an “independent director” under NASDAQ listing standards. The Governance and Nominating Committee also believes it is appropriate for our Chief Executive Officer and our Corporate Secretary to participate as members of the Board.

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The Nominating Committee identifies nominees by first evaluating the current members of the Board willing to continue in service. Current members of the Board with skills and experience that are relevant to our business and who are willing to continue in service are considered for renomination, but the committee at all times seeks to balance the value of continuity of service by existing members of the Board with that of obtaining a new perspective. If any member of the Board does not wish to continue in service, the Nominating Committee's policy is to not renominate that member for reelection. The Nominating Committee identifies the desired skills and experience of a new nominee for the criteria above, and then uses its network of contacts to compile a list of candidates.

We do not have a formal policy concerning Shareholder recommendations of director candidates to the Nominating Committee. The absence of such a policy does not mean, however, that such recommendations will not be considered. To date, we have not received any recommendations from Shareholders requesting the Nominating Committee to consider a candidate for inclusion among the committee's slate of nominees in our proxy statement. Shareholders wishing to make such a recommendation of a director candidate may do so by sending a written notice to the Nominating Committee, Attn: Chairman, Simulations Plus, Inc., 42505 10th Street West, Lancaster, CA 93534, naming the proposed candidate and providing detailed biographical and contact information for such proposed candidate.

Information Concerning Directors

NAME	AGE	POSITION WITH THE COMPANY	ELECTED DIRECTOR SINCE
Walter S. Woltosz	66	Chairman of the Board, Chief Executive Officer and President of the Company	1996
Virginia E. Woltosz	60	Secretary and Director of the Company	1996
Dr. David Z. D'Argenio	62	Director	1997
Dr. Richard R. Weiss	78	Director	1997
Harold W. Rosenberger	71	Director	2007

WALTER S. WOLTOSZ is a co-founder of the Company and has served as its Chief Executive Officer and President and as Chairman of the Board of Directors since its incorporation in July 1996. Walter S. Woltosz is the husband of Virginia E. Woltosz.

VIRGINIA E. WOLTOSZ is a co-founder of the Company and has served as its Senior Vice President and Secretary since its incorporation in July 1996 until January 31, 2003. Mrs. Woltosz retired from the position of Senior Vice President as of January 31, 2003, but remains as Secretary and Treasurer of Simulations Plus. Virginia E. Woltosz is the wife of Walter S. Woltosz.

DR. DAVID Z. D'ARGENIO has served as a Director of the Company since June 1997. He is currently Professor of Biomedical Engineering at the University of Southern California ("USC"), and has been on the faculty at USC since 1979. He has also served since 1985 as the Co-Director of the Biomedical Simulations Resource Project at USC, a project funded by the National Institutes of Health since 1985.

DR. RICHARD R. WEISS has served as a Director of the Company since June 1997. From October 1994 to the present, Dr. Weiss has acted as a consultant to a number of aerospace companies through his own consulting entity, Richard R. Weiss Consulting Services. From June 1993 through July 1994, Dr. Weiss was employed by the U.S. Department of Defense as its Deputy Director, Space Launch & Technology.

HAROLD W. ROSENBERGER has served as a Director of the Company since November 2007. Mr. Rosenberger has been a career banker, holding various senior and executive positions in banking since 1963. From August 1997 to present, Mr. Rosenberger has been Senior Regional Vice President of American Security Bank. Prior to becoming an independent Director of the Company, Mr. Rosenberger acted as a member of the audit committee for the Antelope Valley Hospital.

Vote Required; Board Recommendation
The Board recommends that you vote all of your shares "for" the election to the Board of the nominees described in this Proposal No. 1.

PROPOSAL No. 2: RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Background
The Audit Committee of the Board has selected Rose, Snyder, Jacobs ("RSJ") as our independent registered public accounting firm for the fiscal year ending August 31, 2012, and has further directed us to submit the selection of RSJ as our independent registered public accounting firm for ratification by the Shareholders at the Meeting. Neither our governing documents nor any applicable laws require Shareholder ratification of the selection of RSJ as our independent registered public accounting firm. However, the Audit Committee is submitting the selection of RSJ to the Shareholders for ratification as a matter of good corporate practice. If the Shareholders fail to ratify the selection, the Audit Committee will reconsider whether or not to retain RSJ. Even if the selection is ratified however, the Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if it determines that such a change would be in our best interests and those of our Shareholders.

Independent Registered Public Accounting Firm Fee Information
In connection with the audit of our financial statements for the year ended August 31, 2011, we entered into an engagement agreement with RSJ which set forth the terms by which RSJ has performed audit services for us. That agreement is subject to alternative dispute resolution procedures and an exclusion of punitive damages.

The following table sets forth the aggregate fees billed by RSJ for the services indicated for each of the last two fiscal years:

	Fiscal Year Ended August 31, 2011	Fiscal Year Ended August 31, 2010
Audit Fees (1)	$77,875	$84,745
Audit-Related Fees	-	-
Tax Fees	-	-
All Other Fees	-	-
Total Fees	$77,875	$84,745

(1) Includes fees for (i) the audit of our annual financial statements for the fiscal years ended August 31, 2011 and 2010 included in our annual reports on Form 10-K, (ii) the review of our interim period financial statements for fiscal years 2011 and 2010 included in our quarterly reports on Form 10-Q, and (iii) related services that are normally provided in connection with regulatory filings or engagements.

Audit Committee Policy Regarding Preapproval of Audit and Permissible Nonaudit Services of Our Independent Registered Public Accounting Firm
The Audit Committee has adopted policies and procedures for the preapproval of all audit and nonaudit services to be rendered by our independent registered public accounting firm. Under the policies and procedures, the Audit Committee generally preapproves specified services in defined categories up to specified amounts. Preapproval may also be given as part of the Audit Committee's approval of the scope of the engagement of the independent registered public accounting firm or on a case-by-case basis for specific tasks before engagement. The Audit Committee has

delegated the preapproval of services to the chairman of the committee who is required to report each preapproval to the full Audit Committee no later than its next meeting. One hundred (100) percent of Audit Fees and Audit-Related Fees were approved by the Audit Committee.

Vote Required; Board Recommendation

To be approved, this Proposal No. 2 must receive a "for" vote from the holders of a majority of the shares of common stock present and entitled to vote either in person or by proxy at the Meeting. Abstentions will have the same effect as votes "against" Proposal No. 2; broker non-votes will have no effect. The Board recommends a vote "for" this Proposal No. 2 to ratify the selection by the Audit Committee of RSJ as our independent registered public accounting firm for the fiscal year ending August 31, 2012.

Representatives of RSJ are not expected to be present at the Meeting. Accordingly, RSJ will not have an opportunity to make a statement or be available to respond to questions at the Meeting.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Security Ownership

The following table sets forth information as of December 15, 2011, regarding the beneficial ownership of our common stock by (a) each person known to our Board to own beneficially 5% or more of our common stock, (b) each director of the Company, (c) the Named Executive Officers (as defined below in the Summary Compensation Table), and (d) all of our directors and executive officers as a group. Information with respect to beneficial ownership is based solely on a review of our capital stock transfer records and on publicly available filings made with SEC by or on behalf of the Shareholders listed below.

The percent of class is calculated assuming 15,572,943 shares of our common stock (net of treasury shares) were outstanding as of December 15, 2011. Beneficial ownership is determined in accordance with the rules of the SEC which generally attribute beneficial ownership of securities to persons who possess sole or shared voting or investment power with respect to those securities and for such persons includes shares of our common stock issuable to such persons pursuant to the exercise of stock options, warrants or other securities that are exercisable or convertible into shares of our common stock within 60 days of December 15, 2011. Unless otherwise indicated, the persons or entities identified in this table have sole voting and investment power with respect to all shares shown as beneficially owned by them.

Beneficial owner (1), (2)	Amount and Nature of Beneficial Ownership	Percent of Class
Walter S. and Virginia E. Woltosz (3)	6,542,906	41.26%
Momoko Beran (4)	461,381	2.91%
Jeffrey A. Dahlen (5)	333,200	2.10%
Dr. David Z. D'Argenio (6)	47,812	*
Dr. Richard R. Weiss (7)	38,812	*
H. Wayne Rosenberger (8)	7,400	*
All directors and officers as a group	7,431,511	46.86%

* Less than 1%

(1) Such persons have sole voting and investment power with respect to all shares of Common Stock shown as being beneficially owned by them, subject to community property laws, where applicable, and the information contained in the footnotes to this table.

(2) The address of each director and executive officer named is c/o the Company, 42505 Tenth Street West, Lancaster, California 93534-7059.

(3) Own an aggregate of 6,464,906 common stock, plus 78,000 shares of common stock underlying an option exercisable within the 60 days of December 15, 2011.

(4) Owns 381,381 shares of common stock, plus 80,000 shares of common stock underlying an option exercisable within the 60 days of the date of December 15, 2011.

(5) Owns 262,200 shares of common stock, plus 71,000 shares of common stock underlying an option exercisable within the 60 days of December 15, 2011.

(6) Owns 23,412 shares of common stock, plus 24,400 shares of common stock underlying an option exercisable within the 60 days of December 15, 2011.

(7) Owns 14,412 shares of common stock, plus 24,400 shares of common stock underlying an option exercisable within the 60 days of December 15, 2011.

(8) Owns 7,400 shares of common stock underlying an option exercisable within the 60 days of December 15, 2011.

Section 16(a) Beneficial Ownership Reporting Compliance
Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires the Company's directors and executive officers and beneficial holders of more than 10% of the Company's Common Stock to file with the Commission initial reports of ownership and reports of changes in ownership of the Company's equity securities.

To our knowledge, based solely on a review of the copies of such reports furnished to us and written representations that no other reports were required during the fiscal year ended August 31, 2011, all Section 16(a) filing requirements applicable to our officers, directors and 10% beneficial owners were complied with, with the exception of two Form 4s which were filed late by each of Dr. D'Argenio and Dr. Weiss covering 1 transaction each.

BOARD MATTERS AND CORPORATE GOVERNANCE

Information Regarding the Board and Its Committees
The Board met three times during the fiscal year ended August 31, 2011. Each member of the Board attended 75% or more of the aggregate number of meetings of the Board and of the committees of the Board on which he or she served that was held during the period for which he or she was a director or committee member, respectively.

The Board has three committees: its Audit Committee ("Audit Committee"), Compensation Committee ("Compensation Committee"), and its Governance and Nominating Committee ("Nominating Committee"). The following table provides meeting information for fiscal year 2011 and current membership for each of the committees of the Board:

Name	Audit Committee		Compensation Committee		Nominating Committee	
Dr. David D'Argenio	X		X	*	X	*
Dr. Richard Weiss	X		X		X	
H. Wayne Rosenberger	X	**	X		X	

* Committee Chairperson
** Audit Committee Financial Expert and Committee Chairperson

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Below is a description of each committee of the Board. The Board has determined that each member of each committee, and each member of the Board, except for Walter S. Woltosz and Virginia E. Woltosz, is "independent" within the meaning of the applicable listing standards of the NASDAQ Stock Market ("NASDAQ"), as well as applicable SEC rules and regulations and that each member is free of any relationship that would interfere with his individual exercise of independent judgment with regard to the Company.

Audit Committee

The Company's Audit Committee has been established in accordance with Section 3(a)(58)(4) of the Exchange Act and bears direct responsibility for the appointment and termination, compensation and oversight of the work of our independent registered public accounting firm, who reports directly to the Audit Committee. The Audit Committee operates pursuant to a charter that is available upon a written or oral request to: Renee Bouche, Simulations Plus, Inc., at 42505 10th Street West, Lancaster, CA 93534, or call (661) 723-7723. The Audit Committee has received written disclosures and the letter from our independent registered public accounting firm pursuant to the applicable requirements of Public Company Accounting Oversight Board (PCAOB) regarding the independent auditor's communications with the committee concerning independence and the committee has discussed with the independent accountant the independent accountant's independence. The committee also reviews and discusses with our management and independent registered public accounting firm the financial statements and disclosures in our quarterly financial press releases and SEC filings. Committee members periodically meet separately with our management and independent registered public accounting firm to discuss issues and concerns, and the committee has established procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or audit matters, in a confidential manner.

In performing its responsibilities, the committee has reviewed and discussed with management and independent auditors the audited financial statements in the Company's Annual Report on Form 10-K for the year ended August 31, 2011. The committee has also discussed with the independent registered public accounting firm matters required to be discussed by the Statement on Auditing Standards No. 61, as amended (Codification of Statements on Auditing Standards, AU 380), as adopted by the PCAOB in Rule 3200T. Based on the reviews and discussions referred above, the Audit Committee unanimously recommended to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K for the year ended August 31, 2011.

The members of the Audit Committee are Mr. H. Wayne Rosenberger, Dr. David D'Argenio, and Dr. Richard Weiss. Mr. Rosenberger serves as chairman of the Audit Committee and the Board has determined that he qualifies as an "audit committee financial expert" in accordance with applicable SEC rules and as "independent" under the applicable NASDAQ listing standards. The Audit Committee met three times during the fiscal year ended August 31, 2011.

Compensation Committee

The Compensation Committee administers our exceptive compensation program and is responsible for establishing, implementing and monitoring adherence to our philosophy with respect to executive compensation. The Compensation Committee does not have a charter.

The Compensation Committee met one time during the fiscal year ended August 31, 2011.

Nominating Committee

The Nominating Committee makes recommendations to the Board regarding candidates for election to the Board, as well as the composition and size of the Board and its committees and qualifications for membership. In connection with performing their duties, the members of the Nominating Committee are fully empowered to engage one or more search firms to identify potential director candidates. The committee is also charged with establishing the appointment of new directors, committee structure and membership, director compensation and chief executive officer succession planning. The Nominating Committee does not have a charter.

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The members of the Nominating Committee are Dr. Richard Weiss, Dr. David D'Argenio, and Mr. H. Wayne Rosenberger. Dr. David D'Argenio serves as chairman of the Nominating Committee.

The Nominating Committee met once during the fiscal year ended August 31, 2011.

Director Compensation

The Directors' stipends are currently $5,000 and 4,000 shares of stock options per person per year for their services. In addition to their stipends, the Company pays $1000 per person per meeting. Mileage expense to attend those meetings is reimbursed at the Internal Revenue Service defined rate for business use, except for the Directors who are local residents.

Name of Directors	Fiscal Year	Fees earned or paid in cash ($) (a)	Option Awards ($) (b)	All other compensation ($) (c)	Total ($)
Dr. David Z. D'Argenio	2011	9,000	8,437	243	17,680
	2010	9,000	6,737	335	16,072
Dr. Richard R. Weiss	2011	9,000	8,437	0	17,437
	2010	9,000	6,737	0	15,737
Harold W. Rosenberger	2011	9,000	8,437	0	17,437
	2010	8,000	6,737	0	11,116

(a) The Directors' stipends are $5,000 per year for fiscal years 2011 and 2010, and $1,000 per meeting.

(b) Amount represents the stock-based compensation expense recorded by us in fiscal 2011 and 2010 measured using the Black-Scholes option pricing model at the grant date based on the fair value of the option awards.

(c) Mileage expense to attend meeting is reimbursed at the rate set by Internal Revenue Service for business use, except for the Directors who are local residents.

Certain Relationships and Related Transactions

Transactions with Related Persons. We have not entered into any transactions with related persons since the beginning of fiscal year 2011 and we are not currently considering any proposed transactions with related persons.

Material Proceedings

Currently there are no material proceedings to which any director, officer or affiliate of the Company, any owner of record or beneficially of more than five percent of the voting securities of the Company, or any associate of any such director, officer, affiliate of the Company or security holder is an adverse party to the Company or has a material interest adverse to the Company.

EXECUTIVE COMPENSATION AND OTHER INFORMATION

Compensation Discussion and Analysis

The purpose of the Company's compensation program is to attract and retain talented and dedicated professionals to manage and execute the Company's strategic plans and tactical operations. Although the Company's Named Executive Officer salaries have been and remain significantly lower than those of similar public companies, management and the board of directors believe that the award of options has fairly rewarded loyal, long-term employees who have contributed to the Company's growth and financial success.

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The goal of our Named Executive Officer compensation program is the same as our goal for operating the Company - to create long-term value for our shareholders. Toward this goal, we have designed and implemented our compensation programs for our named executives to reward them for sustained financial and operating performance and leadership excellence, to align their interests with those of our shareholders and to encourage them to remain with the Company for long and productive careers. Most of our compensation elements simultaneously fulfill one or more of our performance, alignment and retention objectives. These elements consist of salary and annual bonus, equity incentive compensation, and 401(k) matching retirement benefits. In deciding on the type and amount of compensation for each executive, we focus on both current pay and the opportunity for future compensation. We combine the compensation elements for each executive in a manner we believe optimizes the executive's contribution to the Company.

Determining Compensation

We rely on our judgment in making compensation decisions, after reviewing the performance of the Company and carefully evaluating an executive's performance during the year against established goals, leadership qualities, operational performance, business responsibilities, and career with the Company, current compensation arrangements and long-term potential to enhance shareholder value.

The CEO's compensation is determined by the Compensation Committee under Employment and Other Compensation Agreements. The salaries of all other officers are determined by the CEO and the Compensation Committee together. Option grants are recommended by the CEO and CFO and approved by the board of directors.

The CEO's bonus had been determined from the original employment agreement at the time of our initial public offering in 1997 and carried forward in subsequent employment agreements through the end of fiscal year 2007. Beginning on September 1, 2007 (fiscal year 2008) the CEO's employment contract was renewed for a period of two years without an annual bonus, at his request and with the agreement of the Compensation Committee. Effective September 1, 2009, the CEO’s employment contract was renewed for another two years by the Compensation Committee with an annual bonus of up to 10% of his annual salary. Effective September 1, 2011, the CEO’s employment contract was renewed for another two years by the Compensation Committee with an annual bonus of up to 10% of his annual salary, and is included in the Company’s 10K as an exhibit.

Bonuses for all other employees are determined through a calculation of two factors, one for longevity and one for performance, with the greater emphasis on performance. Supervisors provide an evaluation of each employee in five areas: attendance, attitude, productivity, skill level with respect to the position they occupy, and contribution to the Company's profitability. A scoring system is used and bonuses are awarded based on this system and the total budget for bonuses as determined by the CEO and CFO with the approval of the board of directors.

The Company provides 401(k) matching up to 4% of employees' salaries or wages up to the IRS maximum allowable, regardless of their position within the Company.

The Company provides cell phones to the Named Executive Officers and other employees for business communication purposes. However, the Company allows the personal use of cell phone usage as long as it does not exceed the Company’s allowable minutes and text messages. In the event the personal usage exceeds the allowable, the employees are financially responsible for the excess. There are no other perquisites or other benefits of any kind for any officer or any other employee or director of the Company.

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Employment and Other Compensation Agreements

The Compensation Committee renewed its employment agreement with Walter Woltosz commencing September 1, 2011 for two years. The agreement provided for; 1) a base salary of $300,000 per year, 2) options to purchase 50 shares of Common Stock for each $1,000 of net income before taxes at the end of each fiscal year (up to a maximum of 120,000 options over the term – to be adjusted for stock split or reverse split) over the term of agreement, and 3) Bonus not to exceed 10% of salary, or $30,000 per year. The specific amount of the bonus will be determined by the Compensation Committee. Mr. Woltosz was entitled to such health insurance and other benefits that are not inconsistent with that which we customarily provide to our other management employees and to reimbursement of customary, ordinary and necessary business expenses incurred in connection with the rendering of services to the Company. The agreement also provides that we may terminate the agreement without cause upon 30 days written notice, and that our only obligation to Mr. Woltosz would be for a payment equal to the greater of (i) 12 months of salary or (ii) the remainder of the term of the employment agreement from the date of notice of termination. Further, the agreement provides that we may terminate the agreement for cause (as defined) and that our only obligation to Mr. Woltosz would be limited to the payment of Mr. Woltosz' salary and benefits through and until the effective date of any such termination.

As part of the agreement with the original underwriter and as partial compensation for the sale of Words+ to Simulations Plus in 1996, commencing with our fiscal year ending 1997 and for each fiscal year thereafter, Virginia Woltosz is entitled to receive bonuses not to exceed $60,000, equal to 5% of our net annual income before taxes. The bonus for fiscal year 2010 was paid on December 16, 2010 and the bonus for fiscal year 2011 was paid on August 15, 2011.

Compensation Committee Report

The Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis provided above based on such renew, has recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

Compensation Committee
David D'Argenio (Chair)
Richard Weiss
Harold Rosenberger

Compensation Committee Interlocks and Insider Participation

During fiscal year 2011, the Compensation Committee consisted of David D'Argenio, Richard Weiss, and H. Wayne Rosenberger. All members of the Compensation Committee were independent directors, and no member has ever served as an officer or employee of the Company or any of its subsidiaries or has any relationships with the Company or any of its subsidiaries requiring disclosure under Item 404 of Regulation S-K. The compensation Committee members have no interlocking relationships requiring disclosure under Item 407(e) (4) (iii) of Regulation S-K.

Executive Officers who are not also Directors

NAME	AGE	POSITION WITH THE COMPANY	OFFICER SINCE
Momoko A. Beran	59	Chief Financial Officer of the Company and Words+, Inc.	1996
Jeffrey A. Dahlen	50	President of Words+, Inc.	2003

MOMOKO A. BERAN joined Words+ in June 1993 as Director of Accounting and was named the Company's Chief Financial Officer in July 1996. Prior to joining Words+, Ms. Beran had been Financial Controller for AB Component Systems Inc., which had its headquarters in the U.K. Since February 1, 2003, Ms. Beran has also been the Company's Director of Human Resources and Director of Facilities and Equipment.

JEFFREY A. DAHLEN rejoined the Company in April 2003 as Vice President of Research and Development for Words+ after five years with iAT, a software consulting firm he founded based in Pasadena, California. Mr. Dahlen was promoted to President of Words+, Inc. in April 2004. He is a graduate of Stanford University in Electrical Engineering and has 20 years' experience in both software and hardware design, which includes development of extremely high speed processing hardware with the Jet Propulsion Laboratory at the California Institute of Technology, and over 10 years of software and hardware design and development at Words+, initially joining the company in 1986. In a subsequent event, Mr. Dahlen's employment with the Company was terminated on November 30 with the sale of the Company's former Words+ subsidiary to the Prentke Romich Company of Wooster, Ohio.

Summary Table of Named Executive Compensation

The following table sets forth certain information concerning compensation paid or accrued for the fiscal years ended August 31, 2011 and 2010 by the Company to or for the benefit of the Company's CEO/President, Chief Financial Officer, Vice President, Sales and Marketing, and President of our Words+, Inc. -subsidiary (the "named executive officers"). No other executive officers of the Company received total annual compensation for the fiscal year ended August 31, 2011 or 2010 that exceeded $100,000.

Name and Principal Position	Fiscal Year	Salary ($)	Bonus ($) (a)	Option Awards ($) (b)	All other compen-sation ($) (c)	Total ($)
Walter S. Woltosz	2011	275,000	25,000	32,988	0	332,988
Chief Executive Officer	2010	275,000	0	188,310 *	0	463,310 *
Momoko A. Beran	2011	160,000	14,581	0	6,400	180,981
Chief Financial Officer	2010	143,125	12,466	0	5,725	161,316
Jeffrey A. Dahlen (2)	2011	102,233	1,496	0	4,089	107,818
President, Words+, Inc., subsidiary	2010	101,267	625	0	4,051	105,943

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* Per his employment agreement, Mr. Woltosz received 202,666 options to purchase stock. However, this issuance of grants conflicts with the 2007 Option Plan, thus he agreed to return 102,666 options in order to comply with the 2007 Stock Option Plan. This amount reflects the original issued value in full, and not the net result after the cancellation of 102,666 options, which was after the end of this reporting period.

(2) Mr. Jeffrey Dahlen committed to 80% of full-time base, and compensation is prorated based on his commitment.

(a) Amount represents bonus earned during the applicable year.

(b) Amount represents the stock-based compensation expense recorded by us in fiscal 2011 measured using the Black-Scholes option pricing model at the grant date based on the fair value of the option award.

(c) Amount represents Company matching for 401(k) Plan.

Grants of Plan-Based Awards

The following table discloses information about option grants to the Named Executive Officers during the fiscal year ended August 31, 2011

Name	Grant Date	All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards	Grant Date Fair Value of Stock and Option Awards
Walter Woltosz	11/30/10	20,000(1)	$ 1.62	$ 32,988(2)
Total		202,666		$ 188,309.95

(1) Per his employment agreement, Mr. Woltosz received 20,000 options to purchase stock.

(2) The amounts disclosed in the "Grant Date Fair Value of Stock and Option Awards" column are equal to the aggregate grant date fair value of stock option awards computed in accordance with FASB ASC Topic 718. A discussion of the assumptions used in calculating the grant date fair value is set forth in Note 5 to the consolidated financial statements included in our Form 10-K.

Outstanding Equity Awards at Fiscal Year-End

The following table provides a summary of all outstanding equity awards for named officers at the end of fiscal year 2011.

Name	Option Awards					Stock Awards			
	Number of Securities Underlying Unexercised Options (Exercisable) (a)	Number of Securities Underlying Unexercised Options (Un exercisable)	Equity Incentive Plan Awards: Securities Underlying Unexercised Unearned Options	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested	Equity Incentive Plan Awards: Number of Unearned Shares, Units or other Rights That Have Not Vested	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or other Rights That Have Not Vested
Walter Woltosz	0	20,000	0	$ 3.27	11/30/2015	0	$ 0.00	0	$ 0.00
	40,000	60,000	0	$ 1.62	12/16/2014	0	$ 0.00	0	$ 0.00
Total	40,000	80,000	0			0	$ 0.00	0	$ 0.00
Jeff Dahlen	400	600	0	$ 1.00	4/7/2019	0	$ 0.00	0	$ 0.00
	65,000	0	0	$ 1.15	4/16/2014	0	$ 0.00	0	$ 0.00
	3,000	2,000	0	$ 3.02	1/21/2018	0	$ 0.00	0	$ 0.00
Total	68,400	2,600	0			0	$ 0.00	0	$ 0.00
Momoko Beran	12,000	18,000	0	$ 1.00	4/7/2019	0	$ 0.00	0	$ 0.00

	20,000	0	0	$ 1.11	6/22/2015	0	$ 0.00	0	$ 0.00
	40,000	0	0	$ 1.13	7/20/2016	0	$ 0.00	0	$ 0.00
	6,000	4,000	0	$ 3.02	1/21/2018	0	$ 0.00	0	$ 0.00
Total	78,000	22,000	0			0	$ 0.00	0	$ 0.00
Grand Total	186,400	104,600	0			0	$ 0.00	0	$ 0.00

(a) Stock options vest over 5 years – 20% vesting on each anniversary of the date of grant, with a 10-year term, except for the option of Mr. Woltosz. His options vest over 3 years – 40%, 30%, and 30%, with 5-year term.

Option Exercised and Stock Vested

The following table sets forth information for the Named Executive Officers for the fiscal year ended August 31, 2011 regarding exercises of stock options and stock awards vested.

Name	Options Exercised and Stock Vested			
	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (a)	Value Realized on Exercise	Number of Shares Acquired on Vesting	Value Realized on Vesting
Walter Woltosz	18,063	$ 57,000	0	$ 0.00
Virginia Woltosz	18,063	$ 57,000	0	$ 0.00
Momoko Beran	190,000	$ 504,420	0	$ 0.00
Total	180,000	$ 618,420	0	$ 0.00

(a) The value realized represents the difference between the aggregate closing price of the shares on the date of exercise less the aggregate exercise price paid.

Equity Compensation Plan Information

The following table provides a summary of Equity Compensation Plan Information at August 31, 2011.

Equity Compensation Plan Information (1)

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	1,036,636	$ 1.46	412,000
Equity compensation plans not approved by security holders	0	0	0
Total	1,036,636		412,000

(1) The Company is authorized to issue stock options under the following compensation arrangement:

(i) 4,000 shares per year per person to Directors as a part of their annual stipends.

(ii) 50 shares for each $1,000 of net income before taxes at the end of each fiscal year (up to a maximum of 120,000 options) to the CEO over the term of the current employment agreement.

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HOUSEHOLDING OF PROXY MATERIALS

ANNUAL REPORT

THE COMPANY WILL PROVIDE, WITHOUT CHARGE, A COPY OF ITS ANNUAL REPORT ON FORM 10-K, INCLUDING FINANCIAL STATEMENTS AND RELATED FINANCIAL STATEMENT SCHEDULES, AS FILED WITH THE SEC, UPON WRITTEN OR ORAL REQUEST.

For documents relating to Simulations Plus, Inc., direct requests to:

Simulations Plus, Inc.
42505 10th Street West
Lancaster, CA 93534
(661) 723-7723
Attn: Renee Bouche

The SEC has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more shareholders sharing the same address by delivering a single proxy statement addressed to those shareholders. This process, which is commonly referred to as "householding," potentially means extra convenience for shareholders and cost savings for companies.

We have adopted householding for our shareholders who share an address. If you reside at the same address as another shareholder of Simulations Plus, Inc., and wish to receive a separate copy of the applicable materials, you may do so by making a written or oral request to: Renee Bouche, Simulations Plus, Inc., at 42505 10th Street West, Lancaster, CA 93534, or call (661) 723-7723. Upon your request, we will promptly deliver a separate copy to you.

Some brokers household proxy materials, delivering a single proxy statement or notice to multiple shareholders sharing an address unless contrary instructions have been received from the affected shareholders. Once you have received notice from your broker that they will be householding materials to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement or notice, please notify your broker directly.

Any shareholders who share the same address and currently receive multiple copies of our proxy statements and annual reports, as applicable, who wish to receive only one copy in the future may contact their bank, broker, or other holder of record, or Simulation Plus Inc. at the contact information listed above, to request information about householding.

SHAREHOLDER COMMUNICATIONS
Shareholders are encouraged to contact the company with any requests for information or to communicate with the board of directors via telephone, mail, or through our web site investor information request form at: http://www.simulations-plus.com/InvestorForm.aspx or through the general information request page: http://www.simulations-plus.com/contact.aspx.

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SHAREHOLDER PROPOSALS

Under certain circumstances, our shareholders are entitled to present proposals at shareholder meetings. Shareholders of the Company who intend to submit proposals, including proposals for director nominees, to the Company's shareholders at the 2013 Annual Meeting of Shareholders must submit such proposals to the Company no later than 120 calendar days before the date of the prior year this Proxy statement is released to shareholders (expected to be approximately September 19,), unless the date of the 2013 Annual Meeting of the Shareholders has been changed by more than 30 days from the date of the 2012 Annual Meeting of Shareholders, in which case the deadline is a reasonable time before we begin to print and send our proxy materials in order for them to be included in our proxy materials for such meeting. Proposals received by the Company after such date are considered untimely. Shareholder proposals should be directed to the attention of the Corporate Secretary of the Company, Virginia Woltosz, at 42505 10th Street West, Lancaster, California 93534. The submission by a shareholder of a proposal does not guarantee that it will be included in the proxy statement. Shareholder proposals are subject to certain regulations and requirements under the federal securities laws.

Shareholders who intend to submit proposals to the Company's shareholders at the 2013 Annual Meeting of Shareholders but intend to submit such proposals on their own, either from the floor or through their own proxy statement and proxy, must, in order for such matters to be voted upon by the Company's shareholders, give notice of such to the management of the Company by 45 calendar days before the date this Proxy Statement is released to shareholders for the prior year (expected to be approximately December 3, 2012), unless the date of the 2013 Annual Meeting of the Shareholders has been changed by more than 30 days from the date of the 2012 Annual Meeting of Shareholders, in which case the deadline is a reasonable time before we begin to print and send our Proxy materials. The persons named as proxies for the 2012 Annual Meeting of Shareholders will have discretionary authority to vote on any shareholder proposal not included in the Company's proxy materials for the meeting, unless the Company receives notice of the proposal within such 45-day period. If proper notice is received by that date, the proxy holders will not have discretionary voting authority except as provided in federal regulations governing shareholder proposals.”

OTHER MATTERS

The Board of Directors of the Company knows of no other matters to be presented at the Meeting other than those described above. However, if any other matters properly come before the meeting, it is intended that any shares voted by proxy will be voted in the discretion of the Board of Directors.

COMPANY STOCK PRICE PERFORMANCE

The stock price performance graph below is not required by the SEC and shall not be deemed to be incorporated by reference by any general statement incorporating by reference this Proxy Statement into any filing under the Securities Act of 1933, as amended, or under the Securities Exchange Act of 1934, as amended, except to the extent that the Company specifically incorporates this information by reference, and shall not otherwise be deemed soliciting material or filed under such Acts.

The graph below compares the cumulative total shareholder return on the Common Stock of the Company from the last day of the first month of trading of the Company's Common Stock from August 31, 2001 to August 31, 2011 with the cumulative total return on the Russell 2000 Index, and the S&P 600 Small Cap Index (assuming the investment of $100 in the Company's Common Stock and in each of the indices on August 31, 2001, and reinvestment of all dividends).

The graph above was plotted using the following data:

	Russell 2000		S&P 600		SLP	
31-Aug-01	$468.56	100.00	$223.04	100.00	$0.30	100.00
30-Aug-02	$390.96	83.44	$200.26	89.79	$0.38	126.67
29-Aug-03	$497.42	106.16	$243.43	109.14	$0.64	213.33
31-Aug-04	$547.93	116.94	$277.22	124.29	$0.82	273.33
31-Aug-05	$666.51	142.25	$347.42	155.77	$0.85	283.33
31-Aug-06	$720.53	153.78	$368.82	165.36	$1.10	366.67
31-Aug-07	$792.86	169.21	$417.61	187.24	$6.68	2,226.67
29-Aug-08	$739.50	157.82	$387.35	173.67	$1.81	603.33
31-Aug-09	$572.07	122.09	$302.22	135.50	$1.80	600.00
31-Aug-10	$602.06	128.49	$322.23	144.47	$2.46	820.00
31-Aug-11	$726.80	155.11	$396.70	177.86	$3.23	1,076.67

Proxy

Solicited by the Board of Directors of Simulations Plus, Inc. -- Meeting of Shareholders -- February 17, 2012

The undersigned hereby appoints Walter S. Woltosz and Momoko Beran, or either of them, attorneys and proxies for the undersigned, with full power of substitution, for and in the name, place and stead of the undersigned, to represent and vote, as designated below, all shares of stock of Simulations Plus, Inc., a California corporation, held of record by the undersigned on December 15, 2011, at the Meeting of the Shareholders to be held at 42505 10th Street West, Lancaster, California at 2:00 p.m. Pacific Standard Time on February 17, 2012, or at any adjournment or postponement of such meeting, in accordance with and as described in the Notice of Meeting of Shareholders and Proxy Statement. If no direction is given, this proxy will be voted FOR Proposals 1, 2 and 3 and in the discretion of the proxy as to such other matters as may properly come before the meeting.

[X] Please mark the votes as in this example.

The Board of Directors recommends a vote for Proposals 1 and 2.

1. Election of Directors
Nominees: Walter S. Woltosz, Virginia E. Woltosz, Dr. David Z. D'Argenio, Dr. Richard R. Weiss, and H. Wayne Rosenberger

FOR [_] WITHHELD [_]
FOR all nominees
except [ ] _____

2. Ratification of selection of Rose, Snyder and Jacobs CPA's as Independent Registered Public Accounting Firm

FOR [_] AGAINST [_] ABSTAIN [_]

The undersigned hereby revokes any proxy or proxies heretofore given to vote upon or act with respect to such stock and hereby ratifies all that the proxies, their substitutes, or any of them, may lawfully do by virtue hereof.

Please sign exactly as your name appears on the address label affixed hereto. If acting as attorney, executor, trustee or in other representative capacity, sign name and title.

Date:
Signature:
Signature if held jointly: