Diagnostic Specia

First Quarter **Report** 2008

DiaSorin

The Diagnostic Specialist

QUARTERLY REPORT
FIRST QUARTER OF 2008

Diasorin S.p.A.

Via Crescentino (no building No.)- 13040 Saluggia (VC) Tax I.D. and Vercelli Company Register No. 13144290155

Contents

Board of Directors, Board of Statutory Auditors and Independent Auditors

Board of Directors (elected on March 26, 2007)

Chairman	Gustavo Denegri
Executive Deputy Chairman	Antonio Boniolo
Chief Executive Officer	Carlo Rosa [1]
Directors	Giuseppe Alessandria [2] [3]
	Chen Menachem Even
	Enrico Mario Amo
	Ezio Garibaldi [2]
	Michele Denegri
	Franco Moscetti [2]

Board of Statutory Auditors

Chairman	Luigi Martino
Statutory Auditors	Bruno Marchina
	Vittorio Moro
Alternates	Alessandro Aimo Boot
	Maria Carla Bottini

Committees

Internal Control Committee	Ezio Garibaldi (Chairman)
	Franco Moscetti
	Enrico Mario Amo
Compensation Committee	Giuseppe Alessandria (Chairman)
	Ezio Garibaldi
	Michele Denegri
Nominating Committee	Franco Moscetti (Chairman)
	Giuseppe Alessandria
	Michele Denegri

Independent Auditors	Deloitte & Touche S.p.A.

(1) General Manager
(2) Independent Director
(3) Lead Independent Director

Consolidated Financial Highlights

(in thousands of euros)	**First quarter 2008**	**% of revenues**	**First quarter 2007**	**% of revenues**
Net revenues	56,638	100.0%	49,887	100.0%
EBITDA	19,191	33.9%	15,407	30.9%
Operating result (EBIT)	15,682	27.7%	11,924	23.9%
Net result	10,141	17.9%	6,763	13.6%
Adjusted EBITDA	19,191	33.9%	16,792	33.7%
Adjusted EBIT	15,682	27.7%	13,309	26.7%

(in thousands of euros)	**3/31/2008**	**12/31/2007**
Total assets	216,928	208,328
Net borrowings	6,524	12,131
Shareholders' equity	127,167	120,273

Report on Operations

1. Review of the Group's operating performance and financial position

1.1. Foreword

This Quarterly Report at March 31, 2008 was prepared in accordance with the provisions of Legislative Decree No. 58/1998, as amended, and with those of the Issuers' Regulations published by the Consob.

This Quarterly Report at March 31, 2008 is consistent with the requirements of the International Financial Reporting Standards (IFRS), as published by the International Accounting Standards Board ("IASB"), and was prepared in accordance with IAS 34 – Interim Financial Reporting.

With regard to the composition of gross profit, some of the items that were included in last year's computation have been reclassified in accordance with the presentation criteria adopted this year, which reflect a more accurate allocation of such items, consistent with sound management criteria.

This Quarterly Report was not audited.

1.2. The foreign exchange market

The exchange rates for the first quarter of 2008 show that the euro appreciated significantly versus the currencies that have an impact on the Group's operations. The table below provides a comparison between the exchange rates for the first quarter of 2008 and the same period last year (source: Italian Foreign Exchange Bureau):

Currency	First quarter 2008	First quarter 2007
U.S. dollar (USD)	1.4976	1.3106
Brazilian real (BRL)	2.6012	2.7633
British pound (GBP)	0.7570	0.6706
Swedish kronor (SEK)	9.3996	9.1894
Mexican peso (MXN)	16.1862	14.4429
Israeli shekel (ILS)	5.4322	5.5263

1.3. Operating performance

The results reported in the first quarter of 2008 confirm and strengthen the success of the strategy of geographic and technological expansion pursued by the Diasorin Group. In the first three months of 2008, the rate of revenue growth continued to accelerate compared with the same period last year and all of 2007. More specifically, first quarter revenues totaled 56.6 million euros in 2008, for a gain of 13.5% over the same period a year earlier. The increase was achieved despite the appreciation of the euro versus the other currencies used by the Diasorin Group, chief among them the U.S. dollar. If the data are restated at constant exchange rates (first quarter of 2007), revenues show an increase of 17.8%.

The positive results reported for the first three months of 2008 reflect the progress made in the Group's pursuit of both technological and geographic expansion. From a technology standpoint, the entire increase was the result of rising sales of CLIA technology products, which were up 34.2% during the quarter due to the steady expansion of the installed base of Liaison equipment. About 90 new machines were placed into service during the first quarter of 2008, roughly the same as in the first three months of 2007, for a total installed base of about 2,160 units at March 31, 2008. As of the same date, sales of CLIA technology reagents accounted for 56.6% of total revenues.

In terms of geographic distribution, the revenue growth was driven mainly by Italy and the United States, where the rates of revenue increase were 17.6% and 23.2%, respectively. The rest of Europe also contributed to the rise in consolidated revenues reporting solid double-digit gains.

All profitability indicators show a further improvement compared with the previous year. The consolidated operating result (EBIT) grew by 31.5%, rising from 11.9 million euros in 2007 to 15.7 million euros in 2008. EBITDA increased to 19.2 million euros, or 24.6% more than the 15.4 million euros earned in the first quarter of 2007. In the first quarter of 2007, the Group's Parent Company incurred nonrecurring expenses totaling 1.4 million euros in connection with the listing of its shares on the STAR Segment of the Milan Online Stock Exchange. Net of these charges, the consolidated operating result (EBIT) and EBITDA for the first quarter of 2007 would have amounted to 13.3 million euros and 16.8 million euros, respectively. When the restated data are compared, the year-over-year rate of increase is 17.8% for EBIT and 14.3% for EBITDA.

Lastly, the net result reported by the Diasorin Group rose by 49.9% to 10.1 million euros, up from 6.8 million euros in the first quarter of 2007.

CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	**First quarter 2008**	**First quarter 2007**
Net revenues	56,638	49,887
Cost of sales	(20,054)	(17,894)
Gross profit	**36,584**	**31,993**
	64.6%	*64.1%*
Sales and marketing expenses	(11,267)	(10,440)
Research and development costs	(3,089)	(2,561)
General and administrative expenses	(6,358)	(5,398)
	-36.6%	*-36.9%*
Other operating income (expenses)	(188)	(1,670)
nonrecurring amount	-	*(1,385)*
Operating result (EBIT)	**15,682**	**11,924**
	27.7%	*23.9%*
Net financial expense	579	(802)
Result before taxes	**16,261**	**11,122**
Income taxes	(6,120)	(4,359)
Net result	**10,141**	**6,763**
Basic earnings per share	**0.18**	**0.14**
Diluted earnings per share	**0.18**	**0.14**
EBITDA (1)	**19,191**	**15,407**
	33.9%	30.9%

(1) The Board of Directors defines EBITDA as the "operating result (EBIT)" before amortization of intangibles and depreciation of property, plant and equipment.

1.3.1. Net revenues

1.3.1.1. Breakdown of revenues by geographic region

The table below provides a breakdown of the consolidated revenues of the Diasorin Group by geographic region of destination:

(in thousands of euros)	First quarter 2008	First quarter 2007	% change
Italy	13,561	11,527	17.6%
Rest of Europe	21,008	18,716	12.2%
North America (United States and Canada)	12,683	10,297	23.2%
Rest of the world	9,386	9,347	0.4%
Total	**56,638**	**49,887**	**13.5%**

Italy

In the first quarter of 2008, the revenues generated in Italy totaled 13,561,000 euros, or 17.6% more than in the same period last year.

This improvement is due mostly to the optimization of the installed based of LIAISON equipment and to the resulting increase in demand for CLIA technology products, which accounted for 75.6% of total revenues for the period.

During the first three months of 2008, Italy contributed 23.9% of the Group's total revenues.

Rest of Europe

In the other European countries revenues were up 12.2%, rising from 18,716,000 in the first three months of 2007 to 21,008,000 euros in the same period this year.

The best sales gains were reported by the Group's subsidiaries in Belgium (+17.1%), the United Kingdom (+21.7% at current exchange rates, +6.3% using the same exchange rates as in the first quarter of 2007) and Sweden (+75.2%).

Among the countries where the Group operates indirectly through distributors, an impressive contribution came from the recent entry into the Russian market.

As a result of the growth described above, the rest of Europe (excluding the Italian market) generated 37.1% of the consolidated revenues of the Diasorin Group.

North America

Despite the negative impact of an unfavorable Euro/U.S. dollar exchange rate, the North American market continued to be one of the engines that is driving the growth of the Group's revenues.

Stated at current exchange rates, revenues show an increase of 23.2%, rising from 10,297,000 euros in the first quarter of 2007 to 12,683,000 euros in the same period this year. When the data are stated in the local currencies, unaffected by fluctuations in foreign exchange rates, revenues show an increase of 40.7% compared with the first three months of 2007.

Diasorin's success in the United States is largely the result of growing demand for vitamin D tests, the use of which is becoming increasingly popular following recent studies that extended its clinical use to oncology and to assessing the risk of cardiovascular diseases. Diasorin is the uncontested leader in the vitamin D market.

In the first quarter of 2008, North American sales contributed 22.4% of the Diasorin Group's total revenues.

Rest of the world

In markets other than Europe and North America, revenues were in line with those reported in the first three months of 2007, accounting for 16.6% of the Diasorin Group's total revenues.

Growth achieved in the regions in which the Group operates through independent distributors (Australia in particular) was offset by lower sales by the Brazilian subsidiary, attributable primarily to a delay in the award of an important public tender, which will start producing revenues in the second quarter.

The Israeli subsidiary turned in an impressive performance, boosting revenues by about 26 percentage points compared with the first three months of 2007, but business was relatively flat in China, following the outstanding performance reported in the fourth quarter of 2007, when the Group won a major contract that required bulk delivery of the products.

1.3.1.2. Breakdown of revenues by technology

Concurrently with its geographic expansion, the Group increased the revenues generated by the LIAISON closed platform.

The table below shows the percentage of consolidated revenues contributed by each technology in the first quarter of 2008 and 2007:

	% of revenues contributed	
	First quarter 2008	**First quarter 2007**
RIA	10.2	12.4
ELISA	21.8	30.0
CLIA	56.6	47.9
Equipment sales and other revenues	11.4	9.7
Total	**100.0**	**100.0**

In the first quarter of 2008, revenues generated by LIAISON products increased by 34.2% compared with the first three months of 2007.

In the first quarter of 2008, sales of products based on CLIA technology accounted for 56.6% of total revenues (8.7 percentage points more than in the same period last year). At March 31, 2008, about 2,160 automated LIAISON analyzers were installed at facilities operated by direct and indirect customers of the Group.

Lastly, in the first three months of 2008, equipment sales accounted for a larger share of total revenues than in the same period a year ago, due mainly to the market penetration strategy adopted in China.

1.3.2. Operating result (EBIT)

In the first quarter of 2008, the Group's gross profit was higher than in the same period last year, showing that the upward trend of previous periods is continuing. Specifically, the ratio of gross profit to total revenues improved from 64.1% in the last three months of 2007 to 64.6% in the same period this year.
The increase in the contribution provided to total revenues by LIAISON products (with higher margins than those based on the RIA and ELISA technologies) and a steady decrease in the impact of depreciation expense (both as a percentage of revenues and in absolute terms), made possible by optimizing sales to the installed base, continued to drive the improvement in profitability.
These positive developments were offset in part by higher royalty payments, due mainly to a change in the sales mix and the renewal of an important licensing agreement on more onerous terms that the previous year.
In addition, there was an increase in manufacturing waste, particularly at the U.S. production facility, attributable to a significant rise in output.
As a result of these factors, the gross profit increased to 36.6 million euros, or 14.4% more than the 32.0 million euros reported at March 31, 2007.
In the first quarter of 2008, operating expenses totaled 20.7 million euros, compared with 18.4 million euros in the same period a year ago. However, while up in absolute terms, their impact as a percentage of revenues shrank to 36.6 percentage points, down from 36.9 percentage points in the first three months of 2007.
The increase recorded in sales and marketing expenses was proportionally smaller than the gain in revenues. As a result, their ratio to revenues was lower by 1 percentage point compared with the first three months of 2007.
Research and development costs incurred in the first quarter of 2008 were equal to 5.5% of revenues, or 0.3 percentage points more than in the same period a year ago. New product development programs account for this increase.
The ratio of general and administrative expenses to revenues increased by 0.4 percentage points, due mainly to investments made at the corporate level to improve and strengthen the Group's governance and control system and to costs incurred for the reorganization of the UK subsidiary.

In the first quarter of 2008, consolidated EBIT totaled 15.7 million euros, an amount equal to 27.7% of revenues, up from 23.9% in the same period last year.
EBITDA grew to 19.2 million euros, or 33.9% of revenues, compared with 30.9% in the first three months of 2007.
If the data are restated to eliminate the impact of the share listing costs, the ratios of consolidated EBIT and EBITDA to revenues become 26.7% and 33.7%, respectively.

1.3.3. Financial income and expense

In the first quarter of 2008, income from financial transactions totaled 0.6 million euros, as against expense of 0.8 million euros in the same period a year ago. Net interest and other financial expense amounted to 1,078,000 euros (1,215,000 euros in the first three months of 2007), but the impact of foreign exchange differences on indebtedness denominated in U.S. dollars was positive by 1,657,000 euros (413,000 euros in the first quarter of 2007).

1.3.4. Result before taxes and net result

The first three months of 2008 ended with a result before taxes of 16.3 million euros and a tax liability of 6.1 million euros. The pretax amount was greater than in the same period in 2007, when it totaled 11.1 million euros, subject to a tax liability of 4.4 million euros.
The income tax burden decreased to 37.6%, compared with 39.2% in the first three months of 2007, due mainly to a reduction in the rates applied in Italy and Germany.
The consolidated net result for the first quarter of 2008 amounted to 10.1 million euros, up from 6.8 million euros in the same period in 2007.

1.4. Analysis of consolidated cash flow

The table below shows the highlights of the consolidated cash flow statement and the changes that occurred compared with the previous year:

(in thousands of euros)	First quarter 2008	First quarter 2007
Cash and cash equivalents at beginning of period	**8,367**	**8,718**
Net cash from operating activities	8,161	7,458
Cash used for investing activities	(2,684)	(3,856)
Cash from (used for) financing activities	(750)	(317)
Net change in cash and cash equivalents	***4,727***	***3,285***
Cash and cash equivalents at end of period	**13,094**	**12,003**

In the first quarter of 2008, the cash flow from operating activities amounted to 8,161,000 euros, compared with 7,458,000 euros in the same period last year. More specifically, trade receivables increased reflecting the growth in revenues and a slight deterioration in the time to collection during the first three months of 2008, compared with the same period in 2007. On the other hand, inventories, which in the first quarter of 2007 increased absorbing cash, held steady this year. Lastly, payments to strategic suppliers were higher than in the first three months of 2007, when an increase in payables was also the result of nonrecurring expenses incurred to list the Company's shares on the Stock Exchange.
Cash used in investing activities totaled 2,684,000 euros. The decrease compared with the first quarter of 2007 is the result of the following factors:

- A smaller number of systems was capitalized, with more systems being sold to distributors;
- The price paid for Liaison systems decreased;
- The amount capitalized as intangible assets, which consisted mainly of development and software costs, was lower than in the first three months of 2007, when it included capitalizations related to the implementation of the SAP R/3 system on a common Group platform.

The cash flow used for financing activities increased compared with the first quarter of 2007, reflecting the effect of translation differences on items denominated in foreign currencies and a reduction in the use of finance leases.
The opening quarter of 2008 ended with a positive change of 4,727,000 euros in the liquid assets available to the Group, which totaled 13,094,000 euros at March 31, 2008.

1.5. Analysis of consolidated net borrowings

(in thousands of euros)	At March 31, 2008	At December 31, 2007
Cash and cash equivalents	(13,094)	(8,367)
Liquid assets (a)	**(13,094)**	**(8,367)**
Current bank debt	2,933	3,001
Other current financial obligations	1,723	2,097
Current indebtedness (b)	**4,656**	**5,098**
Net current indebtedness (liquid assets) (d)=(a)+(b)	**(8,438)**	**(3,269)**
Non-current bank debt	12,156	12,575
Other non-current financial obligations	2,806	2,825
Non-current indebtedness (e)	**14,962**	**15,400**
Net borrowings (f)=(d)+(e)	**6,524**	**12,131**

Consolidated net borrowings totaled 6,524,000 euros at March 31, 2008. The decrease of 5,607,000 euros compared with December 31, 2007 is chiefly the result of the positive cash flow discussed on the preceding page.

2. Transactions with related parties

In the normal course of business, Diasorin S.p.A. engages on a regular basis in commercial and financial transactions with its subsidiaries, which are also Group companies. These transactions, which are executed on standard market terms, consist of the supply of goods and services, including administrative, information technology, personnel management, technical support and consulting services, which produce receivables and payables at the end of the year, and financing and cash management transactions, which produce income and expenses.

These transactions are eliminated in the consolidation process and, consequently, are not discussed in this section of the Report.

Transactions with Diasorin LTD, an unconsolidated Chinese subsidiary, at March 31, 2008 are summarized below:

- payables of 108,000 euros
- receivables of 21,000 euros
- costs totaling 240,000 euros for sales and technical support services provided to local distributors.

The Group provides additional benefits to a certain number of eligible employees of Diasorin S.p.A. and other Group companies through stock option plans. The costs recognized in the income statement in connection with these plans totaled 132,000 euros in the first quarter of 2008 (200,000 euros in the first three months of 2007).

The compensation payable to senior managers and eligible employees (key management) is consistent with standard market terms for compensation offered to employees with a similar status.

Employees are also awarded incentive payments tied to the achievement of corporate or personal targets and bonuses predicated on the achievement of a predetermined length of service.

3. Significant events occurring after March 31, 2008 and business outlook

Subsequent to the end of the first quarter of 2008, the operating performance of the Diasorin Group continued on a positive track, with revenues growing consistent with the trend that characterized the first three months of the year.

No significant events that would require disclosure occurred after March 31, 2008.

Consolidated financial statements of the Diasorin Group at March 31, 2008 and March 31, 2007

CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Note	First quarter 2008	First quarter 2007
Net revenues	(1)	56,638	49,887
Cost of sales	(2)	(20,054)	(17,894)
Gross Profit		**36,584**	**31,993**
Sales and marketing expenses	(3)	(11,267)	(10,440)
Research and development costs	(4)	(3,089)	(2,561)
General and administrative expenses	(5)	(6,358)	(5,398)
Other operating income (expenses)	(6)	(188)	(1,670)
nonrecurring amount		-	*(1,385)*
Operating result (EBIT)		**15,682**	**11,924**
Net financial income (expense)	(7)	579	(802)
Result before taxes		**16,261**	**11,122**
Income taxes	(8)	(6,120)	(4,359)
Net Result		**10,141**	**6,763**
Basic earnings per share	(9)	**0.18**	**0.14**
Diluted earnings per share	(9)	**0.18**	**0.14**

CONSOLIDATED BALANCE SHEET

(in thousands of euros)	**Note**	**3/31/2008**	**12/31/2007**
ASSETS			
Non-current assets			
Property, plant and equipment	(10)	32,348	33,946
Goodwill	(11)	48,055	48,055
Other intangibles	(11)	17,348	17,334
Equity investments		123	123
Deferred-tax assets		8,391	8,667
Other non-current assets		570	399
Total non-current assets		**106,835**	**108,524**
Current assets			
Inventories	(12)	34,864	35,485
Trade receivables	(13)	58,160	52,163
Other current assets		3,975	3,789
Cash and cash equivalents	(14)	13,094	8,367
Total current assets		**110,093**	**99,804**
TOTAL ASSETS		**216,928**	**208,328**

CONSOLIDATED BALANCE SHEET *(continued)*

(in thousands of euros)	Note	3/31/2008	12/31/2007
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Share capital		55,000	55,000
Additional paid-in capital		5,925	5,925
Statutory reserve		639	639
Other reserves		(5,913)	(2,666)
Retained earnings (Accumulated deficit)		61,375	36,156
Net result for the year		10,141	25,219
Total shareholders' equity		**127,167**	**120,273**
Non-current liabilities			
Long-term borrowings	(14)	14,962	15,400
Provisions for employee severance indemnities and other employee benefits	(15)	19,147	19,030
Deferred-tax liabilities		946	1,028
Other non-current liabilities	(16)	2,220	2,239
Total non-current liabilities		**37,275**	**37,697**
Current liabilities			
Trade payables		26,176	27,716
Other current liabilities		12,883	13,847
Income taxes payable		8,771	3,697
Current portion of long-term debt	(14)	4,656	5,098
Total current liabilities		**52,486**	**50,358**
Total liabilities		**89,761**	**88,055**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**216,928**	**208,328**

CONSOLIDATED CASH FLOW STATEMENT

(in thousands of euros)	First quarter 2008	First quarter 2007
Cash flow from operating activities		
Net result for the period	10,141	6,763
Adjustments for:		
- Income taxes	6,120	4,359
- Depreciation and amortization	3,509	3,483
- Financial expense	(579)	802
- Additions to/Utilizations of provisions and reserves	38	78
- (Gains)/Losses on sales of non-current assets	14	(60)
- Contributions to/Utilizations of provisions for employee severance indemnities and other employee benefits	(115)	334
- Changes in shareholders' equity reserves:		
- Stock option reserve	132	200
- Cumulative translation adjustment from operating activities	(77)	(45)
- Change in other non-current assets/liabilities	(143)	(282)
Cash flow from operating activities before changes in working capital	**19,040**	**15,632**
(Increase) Decrease in current receivables	(6,760)	(5,470)
(Increase) Decrease in inventories	41	(1,015)
Increase (Decrease) in trade payables	(1,337)	1,835
(Increase) Decrease in other current items	(939)	(2,156)
Cash from operating activities	**10,045**	**8,826**
Income taxes paid	(1,273)	(871)
Interest paid	(611)	(497)
Net cash from operating activities	**8,161**	**7,458**
Investments in intangibles	(611)	(1,122)
Investments in property, plant and equipment	(2,423)	(2,990)
Retirements	350	256
Cash used in investing activities	**(2,684)**	**(3,856)**
Repayment of loans	(164)	(228)
Repayment of other financial obligations	(589)	(744)
Proceeds from new borrowings	196	641
Share capital increase	(193)	14
Foreign exchange translation differences	**(750)**	**(317)**
Change in net cash and cash equivalents	**4,727**	**3,285**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**8,367**	**8,718**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**13,094**	**12,003**

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

(in thousands of euros)	Share capital	Additional paid-in capital	Statutory reserve	Cumulative translation reserve	Stock option reserve	Retained earnings (Accumulated deficit)	Net result for the year	Group interest in shareholders' equity
Shareholders' equity at 12/31/2006	**50,000**	**4,425**	**207**	**652**	**2,202**	**7,957**	**22,294**	**87,737**
Appropriation of previous year's profit			432			21,862	(22,294)	-
Share capital increase	5,000	1,500						6,500
Stock options and other changes					(2,078)	6,337		4,259
Translation adjustment				(3,442)				(3,442)
Net result for the period							25,219	25,219
Shareholders' equity at 12/31/2007	**55,000**	**5,925**	**639**	**(2,790)**	**124**	**36,156**	**25,219**	**120,273**
Appropriation of previous year's profit						25,219	(25,219)	-
Share capital increase								-
Tax benefit from U.S. stock options								-
Stock options and other changes					132			132
Translation adjustment				(3,379)				(3,379)
Net result for the period							10,141	10,141
Shareholders' equity at 3/31/2008	**55,000**	**5,925**	**639**	**(6,169)**	**256**	**61,375**	**10,141**	**127,167**

Notes to the Consolidated Financial Statements at March 31, 2008

GENERAL INFORMATION AND SCOPE OF CONSOLIDATION

General information

The Diasorin Group is specialized in the development, manufacture and distribution of products in the immunochemistry and infectious immunology product groups. These product classes can also be grouped into a single family called immunodiagnostics. Diasorin S.p.A., the Group's Parent Company, has its headquarters at Via Crescentino, in Saluggia (VC) 13040.

Principles for the preparation of the quarterly report

The consolidated quarterly report of the Diasorin Group at March 31, 2008 was prepared in accordance with the requirements of the relevant international accounting standard (IAS 34 – Interim Financial Reporting). These notes provide information in summary form, in order to avoid duplicating information published previously, as required by IAS 34. Specifically, these notes discuss only those components of the income statement and balance sheet the composition or change in amount of which require comment (due to the amount involved or the type of transaction or because an unusual transaction is involved) in order to understand the Group's operating performance, financial performance and financial position.

The accounting principles applied to prepare the consolidated quarterly report are consistent with those used for the annual consolidated financial statements at December 31, 2007, since it has been determined that the revisions and interpretations published by the IASB and applicable as of January 1, 2008 did not require any material changes in the accounting principles adopted by the Group the previous year.

When preparing interim financial statements, management is required to develop estimates and assumptions that affect the amounts shown for revenues, expenses, assets and liabilities in the financial statements and the disclosures provided with regard to contingent assets and liabilities on the date of the interim financial statements. If such estimates and assumptions, which were based on management's best projections, should differ from actual events, they will be modified appropriately when the relevant events produce the abovementioned differences.

Moreover, certain valuation processes, particularly the more complex processes such as determining whether the value of non-current assets has been impaired, are carried out fully only in connection with the preparation of the annual financial statements, when all the necessary information is available, except when there are impairment indicators that require an immediate evaluation of any impairment losses that may have occurred.

With regard to the composition of gross profit, some of the items that were included in last year's computation have been reclassified in accordance with the presentation criteria adopted this year, which reflect a more accurate allocation of such items, consistent with a sound management approach.

The Group engages in activities that, taken as a whole, are not subject to significant seasonal or cyclical shifts in revenue generation during the year.

The income tax liability is recognized using the best estimate of the weighted average tax rate projected for the entire year.

In this consolidated quarterly report, all amounts are in thousands of euros unless otherwise stated.

This quarterly report was not audited.

Scope of consolidation

The consolidated quarterly report includes the financial statements of Diasorin S.p.A., the Group's Parent Company, and those of its subsidiaries.

The scope of consolidation did not change compared with December 31, 2007.

Subsidiaries are companies over which the Group is able to exercise control, i.e., it has the power to, directly or indirectly, govern their operating and financial powers so as to obtain benefits from the results of their operations.

Subsidiaries are consolidated line by line from the date the Group obtains control until the moment when control ceases to exist. Dormant subsidiaries and subsidiaries that generate an insignificant volume of business are not consolidated. Their impact on the Group's total assets and liabilities, financial position and bottom-line result is not material.

A list of the subsidiaries included in the scope of consolidation, complete with information about head office locations and the percentage interest held by the Group, is provided in Annex I.

Other information

Disclosures about significant events occurring after the end of the quarter, the business outlook and transactions with related parties are provided in separate sections of this Report.

The table below lists the exchange rates used to translate into euros the data of companies that operate outside the euro zone:

	First quarter 2008		12/31/2007	First quarter 2007	
	Average	Actual	Actual	Average	Actual
U.S. dollar	1.4976	1.5812	1.4721	1.3106	1.3318
British pound	0.7570	0.7958	0.7333	0.6706	0.6798
Brazilian real	2.6012	2.7554	2.6108	2.7633	2.7158
Swedish kronor	9.3996	9.3970	9.4415	9.1894	9.3462
Mexican peso	16.1862	16.8983	16.0547	14.4429	14.6705
Israeli shekel	5.4322	5.6200	5.6651	5.5263	5.5365

Segment information at March 31, 2008 and March 31, 2007

	ITALY		EUROPE		UNITED STATES		REST OF THE WORLD		ELIMINATIONS		CONSOLIDATED	
(in thousands of euros)	**3/31/2007**	**3/31/2008**	**3/31/2007**	**3/31/2008**	**3/31/2007**	**3/31/2008**	**3/31/2007**	**3/31/2008**	**3/31/2007**	**3/31/2008**	**3/31/2007**	**3/31/2008**
INCOME STATEMENT												
Revenues from outsiders	17,349	20,319	15,996	17,951	11,747	14,302	4,795	4,318		(252)	49,887	56,638
Inter-segment revenues	11,374	11,612	2,146	2,811	2,223	2,353			(15,743)	(16,776)		
Total revenues	**28,723**	**31,931**	**18,142**	**20,762**	**13,970**	**16,655**	**4,795**	**4,318**	**(15,743)**	**(17,028)**	**49,887**	**56,638**
Segment result	**5,159**	**5,722**	**2,385**	**2,381**	**3,779**	**7,214**	**448**	**267**	**(1,501)**	**98**	**11,924**	**15,682**
Unallocated common costs												
EBIT											**11,924**	**15,682**
Other income (expense), net												
Financial income (expense)											(802)	579
Result before taxes											**11,122**	**16,261**
Income taxes											(4,359)	(6,120)
Net result											**6,763**	**10,141**
OTHER INFORMATION												
Amortization	(303)	(368)	(46)	(46)	(53)	(50)	(22)	(24)			(424)	(488)
Depreciation	(1,350)	(1,275)	(1,029)	(1,061)	(380)	(369)	(555)	(610)	255	294	(3,059)	(3,021)
Tot. amortiz. & deprec.	**(1,653)**	**(1,643)**	**(1,075)**	**(1,107)**	**(433)**	**(419)**	**(577)**	**(634)**	**255**	**294**	**(3,483)**	**(3,509)**

	ITALY		EUROPE		UNITED STATES		REST OF THE WORLD		ELIMINATIONS		CONSOLIDATED	
(in thousands of euros)	**12/31/2007**	**3/31/2008**	**12/31/2007**	**3/31/2008**	**12/31/2007**	**3/31/2008**	**12/31/2007**	**3/31/2008**	**12/31/2007**	**3/31/2008**	**12/31/2007**	**3/31/2008**
BALANCE SHEET												
Segment assets	105,280	108,928	56,956	59,371	61,351	64,998	15,342	14,638	(47,757)	(52,615)	191,172	195,320
Unallocated assets											17,156	21,608
Total assets	**105,280**	**108,928**	**56,956**	**59,371**	**61,351**	**64,998**	**15,342**	**14,638**	**(47,757)**	**(52,615)**	**208,328**	**216,928**
Segment liabilities	61,077	63,260	29,741	30,484	4,925	4,587	7,951	7,936	(40,861)	(45,841)	62,833	60,426
Unallocated liabilities											25,222	29,335
Shareholders' equity											120,273	127,167
Total liabilities and shareholders' equity	**61,077**	**63,260**	**29,741**	**30,484**	**4,925**	**4,587**	**7,951**	**7,936**	**(40,861)**	**(45,841)**	**208,328**	**216,928**

COMPONENTS OF THE FINANCIAL STATEMENTS AND MAIN CHANGES DURING THE PERIOD

CONSOLIDATED INCOME STATEMENT

The notes to the consolidated income statement are provided below. More detailed information about the components of the income statement is provided in the Report on Operations.

1. Net revenues

Net revenues, which are generated mainly through the sale of diagnostic kits, totaled 56,638,000 euros in the first quarter of 2008, for a gain of 13.5% compared with the same period in 2007. Revenues for the first three months of 2008 include equipment rentals and technical support fees totaling 1,208,000 euros, up from 949,000 euros in the same period a year ago.

2. Cost of sales

In the first quarter of 2008, the cost of sales amounted to 20,054,000 euros, compared with 17,894,000 euros in the three months ended March 31, 2007. The cost of sales for the first quarter of 2008 includes 1,524,000 euros paid for royalties (1,122,000 euros in the same period in 2007) and 1,209,000 euros in costs incurred to distribute products to end customers (853,000 euros in the first three months of 2007). Cost of sales also reflects the depreciation expense attributable to medical equipment held by customers (2,216,000 euros in the first quarter of 2008, compared with 2,372,000 euros in the corresponding period a year ago).

3. Sales and marketing expenses

Sales and marketing expenses increased to 11,267,000 euros in the first quarter of 2008, up from 10,440,000 euros in the same period last year. This item consists mainly of marketing costs incurred to promote and distribute Diasorin products, costs attributable to the direct and indirect sales force and the cost of the technical support offered together with the Group-owned equipment provided to customers in accordance with gratuitous loan contracts.

4. Research and development costs

They included all of the research and development outlays (including the costs incurred to register the products offered for sale and meet quality requirements) that were not capitalized (2,959,000 euros, compared with 2,438,000 euros in the first three months of 2007) and 130,000 euros in amortization of capitalized development costs (123,000 euros in the first quarter of 2007). During the first quarter of 2008, the Group capitalized new development costs amounting to 527,000 euros, compared with 805,000 euros in the same period a year ago.

5. General and administrative expenses

General and administrative expenses, which totaled 6,358,000 euros in the first quarter of 2008 (5,398,000 euros in the first three months of 2007), include expenses incurred for corporate management activities, Group administration, finance and control, information technology, corporate organization, and insurance.

6. Other operating income (expenses)

Net other operating income totaled 188,000 euros (net other operating expense of 1,670,000 euros in the first quarter of 2007). This item includes operating income and expenses that cannot be attributed to transactions executed in the normal course of business that involve the sale of goods (i.e., gains on the disposal of assets, government grants, insurance settlements) and other operating expenses that cannot be allocated to specific functional areas (i.e., losses on the disposal of assets, out-of-period charges, indirect taxes and fees, additions to the provisions for risks).
In the first quarter of 2007, this item included 1,385,000 euros in costs incurred to list the Company's shares on the online stock exchange.

7. Net financial income (expense)

The table below provides a breakdown of financial income and expense:

	First quarter 2008	First quarter 2007
Interest and other financial expense	(1,140)	(1,288)
Interest and other financial income	62	73
Net translation adjustment	1,657	413
Net financial income (expense)	**579**	**(802)**

In the first quarter of 2008, net financial income totaled 579,000 euros, as against net financial expense of 802,000 euros in the same period in 2007. Interest and other financial expense includes 224,000 euros in interest on loans (514,000 euros in the first three months of 2007), 505,000 euros in fees on factoring transactions (379,000 euros in the first quarter of 2007) and 223,000 euros in service costs on employee benefit plans (220,000 euros in the first three months of 2007).

8. Income taxes

The income tax expense recognized in the income statement for the first quarter of 2008 amounted to 6,120,000 euros, equal to 37.6% of income before taxes. In the same period in 2007, the tax expense was 4,359,000 euros, for a tax rate of 39.2%.

9. Earnings per share

Basic earnings per share, which were computed by dividing the Group's interest in net result by the average number of shares outstanding, amounted to 0.14 euros in the first quarter of 2007, compared with 0.18 euros in the same period last year.

CONSOLIDATED BALANCE SHEET

10. Property, plant and equipment

The table below shows the changes that occurred in this account as of March 31, 2008:

(in thousands of euros)	Net carrying value at December 31, 2007	Additions	Depreciation	Translation adjustment	Retirements and other changes	Net carrying value at December 31, 2008
Land and buildings	9,269	96	(176)	(213)		8,976
Plant and machinery	7,114	518	(629)	(126)	(4)	6,873
Equipment held by outsiders	16,930	1,798	(2,216)	(294)	(355)	15,863
Other property, plant and equipment	633	11		(3)	(5)	636
Total prop., plant and equipment	**33,946**	**2,423**	**(3,021)**	**(636)**	**(364)**	**32,348**

11. Intangible assets

The table below provides a breakdown of intangible assets at March 31, 2008:

(in thousands of euros)	Net carrying value at December 31, 2007	Additions	Amortization	Translation adjustment	Net carrying value at December 31, 2008
Goodwill	48,055				48,055
Development costs	8,693	527	(130)	(66)	9,024
Other intangibles	8,641	84	(358)	(43)	8,324
Total intangible assets	**65,389**	**611**	**(488)**	**(109)**	**65,403**

Additions to development costs reflect the investments made in the project for the new Liaison XL, analyzer, which amounted to 378,000 euros in the first quarter of 2008.

12. Inventories

A breakdown of inventories at March 31, 2008 and a comparison with the data at December 31, 2007 is as follows:

	3/31/2008			12/31/2007		
(in thousands of euros)	Gross amount	Provisions for write-downs	Net amount	Gross amount	Provisions for write-downs	Net amount
Raw materials and supplies	11,426	(1,163)	10,263	11,783	(1,195)	10,588
Work in progress	16,371	(1,444)	14,927	15,726	(1,380)	14,346
Finished goods	10,774	(1,100)	9,674	11,698	(1,147)	10,551
Total	**38,571**	**(3,707)**	**34,864**	**39,207**	**(3,722)**	**35,485**

13. Trade receivables

Trade receivables totaled 58,160,000 euros at March 31, 2008. As of the same date, the allowance for doubtful accounts amounted to 5,813,000 euros.

(in thousands of euros)	3/31/2008	12/31/2007
Opening balance	**5,938**	**5,934**
Additions for the period	46	571
Utilizations/Reversals during the period	-	(697)
Translation adjustment and other changes	(171)	130
Closing balance	**5,813**	**5,938**

14. Long-term borrowings

At March 31, 2008, long-term borrowings totaled 14,962,000 euros, net of a current portion amounting to 4,656,000 euros. A breakdown is provided below (amounts in thousands of euros):

Lender	Currency	Current portion	Non-current portion	Amount due after 5 years	Total
Interbanca 2006 USD	USD	1,666	6,647		8,313
	Amount in EUR	1,055	4,202		5,257
Interbanca 2006 Euro	EUR	1,536	6,093		7,629
IMI - Ministry of Educ., Univ. and Res.	EUR		978	652	978
CRT Unicredit	EUR	342	883		1,225
Finance leases	EUR	1,546	2,806		4,352
Factoring	EUR	177			177
Total		**4,656**	**14,962**	**652**	**19,618**

The table below lists the financing facilities that were outstanding at March 31, 2008 and the changes that occurred during the year (in thousands of euros):

Lender	Balance at 12/31/07	New loans during the period	Repayments during the period	Translation adjustments	Amortized cost effect	Balance at 3/31/08
Interbanca 2006 USD	5,645			(390)	2	5,257
Interbanca 2006 Euro	7,627				2	7,629
IMI - Ministry of Educ., Univ. and Res.	945				33	978
CRT Unicredit	1,359		(164)		30	1,225
Finance leases	4,745	196	(589)			4,352
Factoring	177					177
Total	**20,498**	**196**	**(753)**	**(390)**	**67**	**19,618**

15. Provisions for employee severance indemnities and other employee benefits

The provisions for employee severance indemnities and other employee benefits totaled 19,147,000 euros at March 31, 2008. The table that follows shows the changes that occurred in these provisions during the first three months of 2008:

(in thousands of euros)	**Defined-benefit plans**	**Other benefits**	**Total employee benefits**
Balance at December 31, 2007	**18,062**	**968**	**19,030**
Financial expense/(income)	215	8	223
Actuarial losses/(gains)		15	15
Additions for employee benefit costs	23	15	38
Contributions/Benefits paid	(150)	(18)	(168)
Translation adjustment and other changes	9		9
Balance at March 31, 2008	**18,159**	**988**	**19,147**

16. Other non-current liabilities

Other non-current liabilities, which amounted to 2,220,000 euros at March 31, 2008, include provisions for risks and charges, which cover pending and contingent disputes, and the provisions for supplemental benefits owed to sales agents.

The table below shows the changes that occurred in these provisions in the first quarter of 2008 and provides a comparison with the same period last year:

(in thousands of euros)	**3/31/2008**	**12/31/2007**
Opening balance	**2,239**	**2,819**
Additions for the year	30	688
Utilizations/Reversals for the year		(1,353)
Translation adjustment and other changes	(49)	85
Ending balance	**2,220**	**2,239**

Annex I:
List of equity investments

Company	Head office location	Currency	Share capital	Par value per share or partnership interest	% interest held directly	No. of shares or partnership interests held
Diasorin S.A.	Brussels (Belgium)	EUR	1,674,000	6,696	99.99%	249
Diasorin Ltda	São Paulo (Brazil)	BRL	10,011,893	1	99.99%	10,011,892
Diasorin S.A.	Antony (France)	EUR	960,000	15	99.99%	62,494
Diasorin S.A.	Madrid (Spain)	EUR	1,453,687	6	99.99%	241,877
Diasorin Ltd	Wokingham (Great Britain)	GBP	500	1	100.00%	500
Diasorin Inc.	Stillwater (United States)	USD	1	0.01	100.00%	100
Diasorin SAdeCV	Mexico City (Mexico)	MXN	100,000	1	99.99%	99,999
Diasorin GmbH	Dietzenbach (Germany)	EUR	275,000	1	100.00%	1
Diasorin AB	Bromma (Sweden)	SEK	5,000,000	100	100.00%	50,000
Diasorin Ltd	Rosh Haayin (Israel)	ILS	100	1	100.00%	100
Equity investments valued at cost						
Diasorin Ltd	Shanghai (China)	EUR	120,000	1	80.00%	96,000
Byk Sangtec Diagnostica Unterstuetzungskasse GmbH	Dietzenbach (Germany)	EUR	25,565	1	100%	
Equity investments in other companies						
Consorzio Sobedia	Saluggia (Italy)	EUR	5,000		20.00%	1

Declaration in accordance with the second subsection of Art. 154-*bis*, Part IV, Title III, Second Paragraph, Section V-bis, of Legislative Decree No. 58 of February 24, 1998: "Uniform Law on Financial Intermediation Enacted Pursuant to Articles 8 and 21 of Law No. 52 of February 6, 1996"

I, the undersigned, Andrea Senaldi, Officer Responsible for the preparation of corporate financial reports of Diasorin S.p.A.

ATTEST

as required by the second subsection of Art. 154-*bis*, Part IV, Title III, Second Paragraph, Section V-*bis*, of Legislative Decree No. 58 of February 24, 1998, that, to the best of my knowledge, the financial information included in the present document corresponds to book of accounts and bookkeeping entries of the Company.

Andrea Senaldi
Officer Responsible for
the preparation of
corporate financial reports
DIASORIN S.p.A.

The Diagnostic Specialist

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