DiaSorin The Diagnostic Specialist

Press Release

DIASORIN S.P.A., THE BOARD OF DIRECTORS APPROVES THE RESULTS FOR THE FIRST HALF OF 2010: RECORD REVENUES IN THE SECOND QUARTER AND A FURTHER GAIN IN PROFITABILITY.

Financial highlights for the second quarter of 2010

- Consolidated net revenues rise to 100.5 million euros, or 26.5% more than the 79.5 million euros reported in the second quarter of 2009 (+21.4% at constant exchange rates);
- EBITDA[1] grow to 42.3 million euros, up 25.1% compared with 33.8 million euros in the second quarter of 2009;
- EBIT increase to 37.4 million euros, for a gain of 26.7% compared with 29.5 million euros in the second quarter of 2009;
- Consolidated net profit totals 23.5 million euros, compared with 23.9 million euros in the second quarter of 2009 (up 23.0% when stated net of nonrecurring items).

Financial highlights for the first half of 2010

- Consolidated net revenues rise to 187.2 million euros, or 24.1% more than the 150.9 million euros reported in the first half of 2009 (+22.3% at constant exchange rates);
- EBITDA[1] grow to 78.4 million euros, up 26.1% compared with 62.2 million euros in the first half of 2009;
- EBIT increase to 68.9 million euros, for a gain of 27.8% compared with 53.9 million euros in the first half of 2009;
- Consolidated net profit grows to 43.0 million euros, or 15.9% more than in the first half of 2009 (up 26.6% when stated net of nonrecurring items);
- Consolidated net borrowings total 12.3 million euros, as against a positive net financial position of 11.2 million euros at December 31, 2009.

[1] The Company defines EBITDA as the "result from operations" before amortization of intangibles and depreciation of property, plant and equipment. EBITDA, which the Company uses to monitor and assess the Group's operating performance, are not recognized as an accounting tool in the IFRSs and, consequently, should not be viewed as an alternative gauge to assess the Group's operating performance. Because the composition of EBITDA is not governed by the reference accounting principles, the computation criterion used by the Group could be different from the criterion used by other operators and/or groups and, consequently, may not be comparable.

Saluggia, August 6, 2010 – The Board of Directors of DiaSorin S.p.A., a company that operates in the global market for in vitro diagnostics, meeting under the chairmanship of Gustavo Denegri, approved the Semiannual Financial Report at June 30, 2010 presented by Carlo Rosa, the Company's Chief Executive Officer.

Key events occurring in the second quarter of 2010

On June 1, 2010, the Company completed the acquisition of the MUREX® product line from the Abbott Group. The MUREX® product line, which is based on the ELISA technology, consists essentially of products for the diagnosis of HIV, HCV and HBV infections. It is important to keep in mind that the data for the first month of activity of the newly acquired operations were not consolidated, as line-by-line consolidation will begin in the third quarter. Moreover, because of the short period of time between the date of acquisition and June 30, 2010, the process of valuing the assets and liabilities of the acquired business operations could not be completed. Consequently, the full amount of the excess acquisition price paid over the book values of the acquired assets was provisionally recognized as Goodwill, as allowed by IFRS 3 Revised.

During the second quarter, work continued in preparation for the launch of the new LIAISON XL system platform, including, more specifically, selecting the customers at whose facilities the usability tests will be performed. With regard to new products developed specifically for the new platform, the Company was awarded the CE Mark for the LIAISON HIV product and filed with the relevant authority an application to obtain the CE Mark for the LIAISON HCV and HBV products.

Highlights of the consolidated income statement and balance sheet for the second quarter of 2010 and the first half of 2010

At June 30, 2010, the Group reported for the first time quarterly revenues in excess of 100 million euros and cumulative revenues for the first six months that were sharply higher, compared with the amount at June 30, 2009.

Even when the data are restated net of the positive impact of the euro's loss of value versus the Group's main currencies (U.S. dollar and Brazilian real), reported results show sharply and steadily rising **revenues:** sales were up 26.5% in the second quarter (+21.4% at constant exchange rates) and 24.1% in the first half of the year (+22.3% at constant exchange rates), reaching a total of 187.2 million euros (up from 150.9 million euros at June 30, 2009).

The factors driving this performance include:

- the steady expansion of the base of installed LIAISON systems, which increased by about 162 units during the second quarter (315 in the first half), reaching 3,290 units at June 30, 2010;

- growing sales of CLIA products, which in the second quarter increased by 37.8% compared with the same period last year, for a cumulative gain of 37.1% in the first half of 2010;
- the continuing success of Vitamin D testing products;

The increase in revenues translated into a proportionally larger improvement in the Group's profitability: the second quarter of 2010 ended with a **gross profit** of 72.6 million euros (72.2% of revenues), for a gain of 29.0% compared with the figure for the same period in 2009 (56.3 million euros, equal to 70.8% of revenues). As a result, the gross profit for the first half of 2010 grew to 134.6 million euros, or 26.8% more than in the first six months of 2009, and was equal to 71.9% of revenues, up from 70.4% at June 30, 2009.

Second quarter **EBIT** totaled 37.4 million euros in 2010, for an improvement of 26.7 percentage points compared with 2009, for a ratio of EBIT to revenues of 37.2% compared with 37.1% in 2009; as a result, cumulative EBIT for the first half of 2010 rose 27.8% to 68.9 million euros, or 36.8% of revenues (35.7% in the first six months of 2009).

EBITDA for the second quarter of 2010 amounted to 42.3 million euros, for a gain of 25.1% compared with 2009. The ratio of EBITDA to revenues was thus equal to 42.1%, about the same as the previous year. Cumulative EBITDA for the first half of 2010 grew by 26.1%, compared with the same period in 2009, totaling 78.4 million euros, or 41.9% of revenues (up from 41.2% in the first six months of 2009).

However, it is worth noting that the operating expenses recognized in the second quarter of 2010 included 2.1 million euros in tax withholdings non deductible levied on the extraordinary intra-Group dividends that were used to finance the acquisition of the Murex product line. Other extraordinary nonrecurring charges booked in the first half of 2010 included 1.6 million euros paid to legal and tax counsel in connection with the abovementioned acquisition. The impact of these extraordinary cost items was cushioned only marginally by a reduction in the percentage impact of operating expenses, which decreased from 33.5% to 31.2% in the second quarter and from 34.3% to 32.0% in the first half of 2010.
Obviously, both indicators of operating profitability were affected by the charges discussed above. Net the effect of these charges, the ratio of EBIT and EBITDA to revenues would have been, respectively, 39.4% and 44.2% for the second quarter of 2010 and 38.5% and 43.6% for the first half of 2010.

The primary reasons for this significant improvement in profitability include:

- the rising contribution provided to total Group sales by products based on CLIA technology, which accounted for 68.3% of total revenues at June 30, 2010 (up from 61.8% in the same period a year ago);
- the growing percentage of revenues represented by sales of specialty tests, particularly the LIAISON VITAMIN D – Total test, which provide a better margin than other products in the LIAISON portfolio;
- a reduction in the impact of depreciation expense made possible by maximizing sales on the installed base;

- a reduced percentage impact of operating expenses.

Turning to the Group's **financial performance,** net financial income amounted to 689,000 euros in the second quarter of 2010, compared with net financial income of 2.3 million euros in the same period in 2009. Cumulative net financial expense totaled 539,000 euros at June 30, 2010, compared with net financial expense of 1.3 million euros in the first half of 2009. The difference between the two quarters is due mainly to the different accounting treatment of currency translation differences on the debt exposure denominated in U.S. dollars: following the adoption of an official foreign exchange risk management policy, the Group now applies the hedge accounting principles required by IAS 39, recognizing translation differences directly in equity.

Financial expense included 772,000 euros for the measurement at fair value of U.S. dollar forward contracts executed by the Group's Parent Company to hedge projected future cash flows.

In the second quarter of 2010, net financial income included the recognition of foreign exchange gains of 2.1 million euros related to the collection by DiaSorin S.p.A. of a dividend distributed by the U.S. subsidiary.

Lastly, the **net profit** amounted to 23.5 million euros in the second quarter of 2010 (23.9 million euros in the same period last year) and rose to 43.0 million euros for the first half of the year for a gain of 15.9% compared with the same period last year.

However, it must be pointed out in the second quarter of 2009 the tax expense reflected the benefit generated when the Group's Parent Company paid the substitute tax required to redeem goodwill, as allowed under the Decree Law of November 29, 2008, and concurrently recognized the corresponding deferred-tax assets.

If the 2009 net profit is restated net of the extraordinary impact of the redemption of goodwill and the adoption of net investment hedge accounting, the amount against which the net profit for the second quarter of 2010 would be compared would be 19.1 million euros, for a year-over-year gain of 23%.

Basic **earnings per share** increased from 0.67 euros in the first half of 2009 to 0.78 euros (0.77 euros diluted) in the first six months of 2010.

Net borrowings amounted to 12.3 million euros at June 30, 2010, as against a positive net financial position of 11.2 million euros at December 31, 2009.

During the second quarter of 2010, a strong cash flow from operations was offset by substantial cash outflows due mainly to the distribution of dividends (11.0 million euros) and the payment of the initial consideration for the Murex transaction (US$49.9 million).

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)	Second quarter			First half		
	2010	**2009**	**% change**	**2010**	**2009**	**% change**
Europe and Africa	46,537	41,844	11.2%	89,575	81,363	10.1%
Central and South America	7,044	4,647	51.6%	12,392	9,154	35.4%
Asia/Pacific	7,721	5,670	36.2%	14,161	11,018	28.5%
North America	39,234	27,340	43.5%	71,084	49,335	44.1%
Total	**100,536**	**79,501**	**26.5%**	**187,212**	**150,870**	**24.1%**

Europe and Africa

The revenues generated in Europe and Africa increased by 11.2% to 46.5 million euros in the second quarter of 2010 and by 10.1% to 89.6 million euros in the first half of the year (+9.2% at constant exchange rates).

While the growth rates achieved in the Italian market, which has reached a high level of saturation, were modest, but still greater than the market average, in the rest of the region, the French and Israeli subsidiaries performed particularly well, reporting revenue gains of 30.2% and 27.6%, respectively.

North America

The revenues booked in the North American market continued to show remarkable growth in the second quarter of 2010, even when the data are restated net of the positive effect of the lower value of the euro versus the U.S. dollar. Specifically, second quarter revenues totaled 39.2 million euros, for a gain of 43.5 percentage points (+35.2% at constant exchange rates).

At June 30, 2010, cumulative revenues generated in this region totaled 71.1 million euros, or 44.1% more than in the same period last year (+43.4% at constant exchange rates).

Revenues generated in the North American market, driven by sales of the test to measure Vitamin D levels (LIAISON Vitamin D Total), the expansion of the installed base and growth in the rest of the LIAISON menu, contributed to the Group's overall growth at rates that were significantly above average, as this region continues to be DiaSorin's most important market.

In Canada, where the local distributor was replaced with a direct sales organization slightly more than a year ago, sales were also up, with revenues doubling compared with the first half of 2009.

As a result of these developments, sales generated in North America in the first half of 2010 accounted for 38.0% of the DiaSorin Group's total revenues (up from 32.7% in 2009).

Latin America

The revenues booked in the Latin American market, which reflect the positive effect of the lower value of the euro versus the Brazilian real, increased by 51.6% in the second quarter (+29.0% at constant exchange rates) and 35.4% in the first half (+17.5% at constant exchange rates).

The main reason for this positive performance is the revenue growth achieved in markets where the Group does not have a direct presence, operating instead through independent distributors. Specifically, sales made through this channel in Latin America tripled in the first half of 2010, thanks to an increase in the number of distributors in strategic countries. In addition, the Mexican subsidiary reported outstanding results, increasing its revenues for the first half of the year by 26.6% at current exchange rates and 15.4% at constant exchange rates.

Asia/Pacific

In the Asia/Pacific region, revenues totaled 7.7 million euros in the second quarter of 2010, for a gain of 36.2 percentage points compared with the same period in 2009 (+33.8% at constant exchange rates).

At June 30, 2010, the region's cumulative revenues amounted to 14.2 million euros, or 28.4% more than in the first half of 2009.

The Chinese subsidiary is continuing on its growth track, installing new LIAISON systems and enjoying the resulting increase in sales of CLIA technology products. The indirect sales network also performed well, with strong sales of Vitamin D tests in Australia and higher revenues generated in the Middle East and Southeast Asia.

Breakdown of revenues by technology

Revenues generated by the LIAISON platform continued to increase reflecting the impact of a steadily growing installed base and the Group's geographic expansion.

The table that follows shows the percentage of the Group's consolidated revenues contributed by each technology in the second quarter and first half of 2010 and 2009:

	2nd quarter 2010	2nd quarter 2009	1st half 2010	1st half 2009
% of revenues contributed				
RIA	5.7%	8.0%	5.9%	8.2%
ELISA	16.1%	19.9%	16.3%	21.1%
CLIA	68.6%	62.9%	68.3%	61.8%
Equipment sales and other revenues	9.6%	9.2%	9.5%	8.9%
Total	**100%**	**100%**	**100%**	**100%**

In the first half of 2010, the revenues generated by LIAISON products increased by 37.1% compared with the same period in 2009.

Sales of CLIA technology products accounted for 68.3% of total Group revenues at June 30, 2010, up from 61.8% a year earlier. At June 30, 2010, about 3,290 automated LIAISON analyzers were installed at facilities operated by direct and indirect customers of the Group, for an increase of about 315 units compared with the installed base at December 31, 2009. About 162 new units were installed in the second quarter of 2010.

Significant events occurring after June 30, 2010 and business outlook

The following significant events occurred after June 30, 2010:

- DiaSorin Australia, a company established in the second quarter of 2010, purchased from the current distributor the distribution rights for Australia and New Zealand, effective August 1, 2010;
- On July 7, 2010, DiaSorin S.p.A. announced that it had reached an exclusive agreement with Meridian Inc, a U.S. company, for the development of a panel of tests for infectious gastrointestinal diseases based on a technology provided by Meridian and their distribution on a global scale. The tests will be made available on the fully automated LIAISON and LIAISON XL platforms;
- On July 19, 2010 the Board of Directors resolved to increase the Company's share capital by up to 1,000,000 euros in par value, through the issuance of up to 1,000,000 common shares which would be offered for consideration, through subscription, to the 2007-2012 stock options Plan beneficiaries.

The DiaSorin Group continued to report positive operating results after June 30, 2010.

The data for the beginning of the third quarter, on a comparable scope of operations, confirm that the growth trend in revenues reported in the first half of the year is continuing.

In view of the strong rate of revenue growth, the favorable trend in the exchange rates for the euro versus the Group's main currencies and the continuing success of the LIAISON Vitamin D - TOTAL test in the global market, management believes that it should revise upward its earlier expectations and project revenue growth in the region of 20% for the current year, with all profitability indicators showing proportionately larger rates of increase.

Based on early results, management believes that the Murex product line could contribute an additional 15-20 million euros to the Group's revenues in 2010.
Furthermore, based on first half Liaison placements rate, management believes that full year installments could exceed 500 units.

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Andrea Alberto Senaldi, the Officer Responsible for the preparation of corporate financial reports of DiaSorin S.p.A., in accordance with the second subsection of art. 154-*bis*, part IV, title III, second paragraph, section V-*bis*, of Legislative Decree February 24, 1998, no. 58, declares that, to the best of his knowledge, the financial information included in the present document corresponds to book of accounts and book-keeping entries of the Company.

About DiaSorin

DiaSorin S.p.A., an international player in the market for in vitro diagnostics, develops, produces and markets reagent kits for clinical laboratory diagnostics. The DiaSorin Group is comprised of 23 companies based in Europe, North, Central and South America, Africa and Asia. It has about 1,500 employees, including more than 110 research and development specialists, and operates six manufacturing and research facilities in Saluggia (Vercelli, Italy), Dietzenbach (Germany), Stillwater (USA), Dublin (Ireland), Dartford (UK) and Johannesburg (SA). The last two were part of the Murex business operations, recently acquired from the Abbott Group. Thanks to its direct sales organization and an international network of over 80 independent distributors, the Group is present in more than 60 countries, offering a broad array of high quality products that includes comprehensive lines for each of the clinical segments in which the Group operates: infectious and viral diseases, management of bone and calcium related diseases, thyroid pathologies, oncology and fertility testing.

For additional information, please visit our website: www.DiaSorin.it

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CONSOLIDATED INCOME STATEMENT

	2nd quarter(2)		1st half	
(in thousands of euros)	**2010**	**2009**	**2010**	**2009**
Sales and service revenues	100,536	79,501	187,212	150,870
Cost of sales	(27,927)	(23,235)	(52,567)	(44,717)
Gross profit	**72,609**	**56,266**	**134,645**	**106,153**
	72.2%	*70.8%*	*71.9%*	*70.4%*
Sales and marketing expenses	(17,559)	(14,639)	(33,000)	(28,138)
Research and development costs	(4,615)	(3,874)	(8,657)	(7,657)
General and administrative expenses	(9,201)	(8,146)	(18,214)	(15,928)
Total operating expenses	(31,375)	(26,659)	(59,871)	(51,723)
	(31.2%)	*(33.5%)*	*(32.0%)*	*(34.3%)*
Other operating income (expenses)	(3,816)	(85)	(5,834)	(503)
nonrecurring amount	*(628)*	-	*(1,635)*	-
EBIT	**37,418**	**29,522**	**68,940**	**53,927**
	37.2%	*37.1%*	*36.8%*	*35.7%*
Net financial income (expense)	689	2,341	(539)	(1,299)
Profit before taxes	**38,107**	**31,863**	**68,401**	**52,628**
Income taxes	(14,647)	(7,933)	(25,423)	(15,537)
Net profit	**23,460**	**23,930**	**42,978**	**37,091**
Basic earnings per share	**0.43**	**0.43**	**0.78**	**0.67**
Diluted earnings per share	**0.42**	**0.43**	**0.77**	**0.67**
EBITDA (1)	**42,283**	**33,794**	**78,392**	**62,170**
	42.1%	*42.5%*	*41.9%*	*41.2%*

(1) The Company defines EBITDA as the "result from operations" before amortization of intangibles and depreciation of property, plant and equipment. EBITDA, which the Company uses to monitor and assess the Group's operating performance, are not recognized as an accounting tool in the IFRSs and, consequently, should not be viewed as an alternative gauge to assess the Group's operating performance. Because the composition of the EBITDA is not governed by the reference accounting principles, the computation criterion used by the Group could be different from the criterion used by other operators and/or groups and, consequently, may not be comparable.

(2) Unaudited data.

CONSOLIDATED BALANCE SHEET

(in thousands of euros)	*6/30/10*	*12/31/09*
ASSETS		
Non-current assets		
Property, plant and equipment	53,618	41,963
Goodwill	87,599	59,333
Other intangibles	37,392	36,673
Equity investments	3,721	123
Deferred-tax assets	20,478	18,910
Other non-current assets	1,531	462
Total non-current assets	**204,339**	**157,464**
Current assets		
Inventories	66,846	50,331
Trade receivables	95,946	75,868
Other current assets	6,546	5,359
Cash and cash equivalents	24,801	47,885
Total current assets	**194,139**	**179,443**
TOTAL ASSETS	398,478	336,907
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	55,000	55,000
Additional paid-in capital	5,925	5,925
Statutory reserve	4,519	2,427
Other reserves	13,727	(455)
Retained earnings (Loss carryforward)	141,938	84,911
Net profit for the period	42,978	70,047
Total shareholders' equity	*264,087*	*217,855*
Non-current liabilities		
Long-term borrowings	26,793	27,862
Provisions for severance indemnities and other employee benefits	20,208	19,837
Deferred-tax liabilities	1,596	2,492
Other non-current liabilities	3,843	3,019
Total non-current liabilities	*52,440*	*53,210*
Current liabilities		
Trade payables	34,524	29,778
Other current liabilities	25,666	17,370
Income taxes payable	11,412	9,902
Current portion of long-term debt	10,349	8,792
Total current liabilities	*81,951*	*65,842*
Total liabilities	134,391	119,052
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	398,478	336,907

CONSOLIDATED CASH FLOW STATEMENT

	2nd quarter(1)		*1st half*	
(in thousands of euros)	*2010*	*2009*	*2010*	*2009*
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**69,308**	**25,201**	**47,885**	**16,790**
Net cash from operating activities	15,193	7,813	40,356	25,875
Cash used in investing activities	(6,636)	(6,103)	(12,487)	(14,941)
Cash used in financing activities	(12,016)	(474)	(9,905)	(1,287)
Business combinations	(41,048)	-	(41,048)	-
Change in net cash and cash equivalents	***(44,507)***	***1,236***	***(23,084)***	***9,647***
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**24,801**	**26,437**	**24,801**	**26,437**

(1) Unaudited data.