The Diagnostic Specialist

Press Release

DIASORIN S.P.A., THE BOARD OF DIRECTORS APPROVES THE RESULTS FOR THE FIRST QUARTER OF 2011: REVENUE GROWTH AND COST CONTAINMENT CONTRIBUTE TO FURTHER GAINS IN PROFITABILITY

Financial highlights for the first quarter of 2011

- Consolidated net revenues rise to 111.4 million euros, or 28.5% more than the 86.7 million euros reported in the first quarter of 2010;
- EBITDA[1] grow to 50.0 million euros, up 38.4% compared with 36.1 million euros in the first three months of 2010;
- EBIT increase to 43.5 million euros, for a gain of 37.9% compared with 31.5 million euros in the first quarter of 2010;
- Consolidated net profit jumps to 28.5 million euros, or 45.9% more than in the first three months of 2010;
- Positive net financial position of 31.2 million euros at March 31, 2011, compared with 33.1 million euros at December 31, 2010.

[1] The Company's 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.

Saluggia, May 13, 2011 – 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 Interim Report on Operations for the first quarter of 2011 presented by Carlo Rosa, the Company's Chief Executive Officer.

Key events of the first quarter of 2011

In the first quarter of 2011, DiaSorin entered into a commercial agreement with Sonic Healthcare Limited for the use of Group products at all the diagnostic centers operated by this Australian company, which, as an international leader in diagnostic services, can boast a global presence thanks to a network of company-owned laboratories in the United States, Australia, New Zealand, Germany, Switzerland, Belgium, the United Kingdom and Ireland.

Also in the first quarter of 2011, DiaSorin received the approval of the U.S. Food and Drug Administration (FDA) to market the Liaison XL system in the United States. This new system will be available on the American market by the end of the second quarter of 2011 and will be offered to some large commercial laboratories that handle the bulk of the growing demand for diagnostic tests, including, in particular, tests to determine Vitamin D levels.

Highlights of the consolidated income statement and financial position in the first quarter of 2011

The revenues booked by the DiaSorin Group in the first quarter of 2011 show that the positive trend of previous years is continuing. This achievement, combined with the effect of a proportionally smaller rise in operating expenses, produced further gains in the main profitability benchmarks.

In the first quarter of 2011, the DiaSorin Group reported revenues of 111.4 million euros, for a gain of 28.5 percentage points compared with the same period in 2010 (26.9% at constant exchange rates).
The revenues generated by the Murex business operations totaled 8.3 million euros, slightly less than anticipated, mainly due to the current crisis in North Africa and the delay in the award of some

significant public tenders. Net of the revenues from the Murex product line, the revenue growth is 18.9% (17.3% at constant exchange rates).
The impact of changes in exchange rates on the Group's revenues reflects a decline in the value of the euro versus all of the other currencies used by the Group, with the largest differences occurring for the Brazilian real, the Swedish kronor and the U.S. dollar.
Higher sales of products based on CLIA technology, which increased by 26.7% thanks to the success of tests for Vitamin D and infectious diseases, and the continuous expansion of the base of installed LIAISON systems, which grew by 133 units during the quarter, rising from about 3,641 units at the end of 2010 to about 3,774 units at March 31, 2011.

The improvement in revenues was reflected proportionally in the **gross profit,** which totaled 79.8 million euros in the first quarter of 2011, or 28.7% more than in the same period last year, and was equal to 71.7% of revenues, in line with the level achieved in 2010.

While the gross profit held steady at last year's level, the operating margins posted further gains in the first quarter of 2011, as the positive effect of the constantly rising contribution provided to total revenues by products available on CLIA technology and the success of Vitamin D tests was magnified by a substantial reduction in the impact of operating expenses as a percentage of total revenues. Specifically, while the percentage of revenues absorbed by research and development costs remained constant in the first quarter of 2011, general and administrative expenses absorbed a smaller percentage of the Group's revenues. As a result, **EBIT** for the first quarter of the year grew by 37.9%, rising from 31.5 million euros in 2010 to 43.5 million euros in 2011, and the ratio of EBIT to revenues improved to 39.0% (36.4% in 2010). **EBITDA** increased from 36.1 million euros in the first three months of 2010 to 50.0 million euros in the same period in 2011, for a gain of 38.4%, bringing the ratio of EBITDA to revenues to 44.9% (41.7% in 2010).
However, it is worth mentioning that in the first quarter of 2010 the Group incurred non-recurring charges for legal and administrative expenses related to the Murex acquisition. When the income statement data are restated without these charges, amounting to about 1 million euros, the 2010 data used as a basis for comparison with the 2011 EBIT-to-revenue and EBITDA-to-revenue ratios become 37.5% and 42.8%, respectively.
With regard to the Group's **financial performance,** net financial income amounted to 1.7 million euros in the first quarter of 2011, as against net financial expense of 1.2 million euros in the same period in 2010. The difference between the two periods is due mainly to the measurement at fair value of forward contracts to sell U.S. dollars, which amounted to 812 thousand euros.

Lastly, the consolidated **net profit** at March 31, 2011 totaled 28.5 million euros, for a gain of 45.9% compared with the 19.5 million euros earned in the same period last year. Basic **earnings per share** for the first quarter of 2011 improved to 0.51 euros (0.35 euros in 2010).

At March 31, 2011, the **net financial position** was positive by 31.2 million euros, compared with a positive balance of 33.1 million euros at December 31, 2010.
With regard to the cash flow generated by the Group, whose available liquid assets were down 4.4 million euros at the end of the quarter, it is worth mentioning the main events that absorbed cash flow, which included purchases of treasury shares totaling 25.1 million euros, the payment of the second installment for the purchase of business operations in Australia amounting to 2.5 million euros and tax payments of 6.7 million euros, consisting mainly of the income taxes owed by the U.S. and South African subsidiaries and the income taxes withheld on dividends received by DiaSorin S.p.A.

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. Because of the logistics flows that resulted from the need to use Abbott branches for distribution in some areas, it was not possible to provide an accurate breakdown of the corresponding revenues by geographic region of destination. Consequently, the comments about sales and service revenue by geographic region refer only to DiaSorin's business activities:

(in thousands of euros)	**First quarter**		
	2011	**2010**	**% change**
Europe and Africa	49,029	43,038	13.9%
Central and South America	8,756	5,348	63.7%
Asia Pacific	9,609	6,440	49.2%
North America	35,706	31,850	12.1%
Total without Murex	**103,100**	**86,676**	**18.9%**
Murex	8,303	-	
Grand total	**111,403**	**86,676**	**28.5%**

Europe and Africa

In the first quarter of 2011, the revenues generated in Europe and Africa totaled 49.0 million euros, for an increase of 13.9% compared with the revenues booked in the same period last year, benefitting to a limited extent from the loss of value of the euros versus the Swedish kronor and the Israeli shekel.
The French and German subsidiaries were the best performers, increasing their revenues by 33.0% and 23.9%, respectively.

North America

In the first three months of 2011, revenues from the North American market totaled 35.7 million euros, or 12.1% more than in the same period last year (+10.9% at constant exchange rates).

At March 31, 2011, revenues booked in North America accounted for 34.6% of total Group revenues (excluding the Murex business operations). This percentage was slightly lower than in 2010 (36.7%) due to the growing contribution provided by revenues generated in Central and South America and Asia Pacific.

Central and South America

The Group's performance in the Central and South America sales region is particularly noteworthy, as revenues grew to 3.4 million euros, for a gain of 63.7 percentage points compared with the same period last year. This improvement reflects in part the positive impact of an increase in the value of the Brazilian real versus the euro. At constant exchange rate, revenues for this region increased by 53.1%.
This revenue growth was driven by higher sales by the Brazilian subsidiary, which submitted the winning offer in an important public call for tenders involving ELISA technology products and benefitted from a considerable volume increase in CLIA technology business, and by the higher sales generated by the Mexican subsidiary, which reported a gain of 48.7% compared with the previous year (+39.0% at constant exchange rates).
Sales to distributors were also up strongly, increasing by 31.8% compared with 2010.

Asia Pacific

The revenues booked in the Asian markets totaled 9.6 million euros in the first quarter of 2011, for a gain of 49.2 percentage points compared with the first three months of 2010 (+47.5% at constant exchange rates).
Net of the Murex business, sales in the Chinese market grew by 46.4% compared with the previous year, thanks to an expansion of the installed base of LIAISON systems and the resulting increase in revenues generated by CLIA technology products.
Lastly, sales booked in the Asia Pacific region during the first quarter of 2011 by the network of third-party distributors, when viewed net of the revenues booked in Australia (converted to direct distribution in July 2010), show an increase of 35.3%.

Breakdown of revenues by technology

The table that follows shows the percentage of the Group's consolidated revenues contributed by each technology in the first quarter of 2011 and 2010. In order to maintain comparability with the previous year, the data in the breakdown of revenues by technology do not include sales of Murex products, which are based exclusively on ELISA technology. Had the revenues from these products been included in the breakdown by technology, the percentage of annual revenues contributed by ELISA products would have been 19.7%.

	First quarter 2011	*First quarter 2010*
	% of revenues contributed	
RIA	4.7%	6.2%
ELISA	13.2%	16.4%
CLIA	72.4%	67.9%
Equipment sales and other revenues	9.7%	9.5%
Total	**100%**	**100%**

In the first quarter of 2011, the revenues generated by CLIA products increased by 26.7% compared with the same period last year, accounting for 72.4% of total revenues from DiaSorin businesses (67.9% in 2010). At March 31, 2011, about 3,774 automated LIAISON analyzers were installed at facilities operated by direct and indirect customers of the Group, for an increase of 133 units compared with the installed base at December 31, 2010. It must be mentioned that, during the first three months of 2010, a significant portion of system deliveries scheduled for March was deferred to the following quarter.

Significant events occurring after March 31, 20111 and business outlook for the balance of 2011

Subsequent to the end of the quarter, the Group announced that it entered into an agreement with Precision System Science Co. Ltd, a Japanese company, to develop an analyzer for the molecular diagnostic tests that its Irish subsidiary Biotrin International Ltd is developing in the clinical area of infectious diseases using the LAMP (Loop Mediated Isothermal Amplification) technology.

In addition, DiaSorin recently announced that it signed a five-year agreement with Laboratory Corporation of America Holdings (LabCorp®), a U.S. company, for the supply of the new LIAISON XL analyzer, together with an FDA-approved Vitamin D level determination test (Liaison 25 OH Vitamin D) and a series of tests in the clinical area of infectious diseases.

In view of first quarter 2011 results, as the expected performance of the DiaSorin Group in 2011 is concerned projections previously released are confirmed: revenues to reach an amount ranging between 465 million euros and 475 million euros, for an overall growth rate of more than 15%, and the installed base to expand by more than 600 units during the course of the year.

An increase in operating results proportionately larger than the growth in revenues should enable the Group to report EBITDA in the neighborhood of 200 million euros.

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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.

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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 22 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

(in thousands of euros)	***3/31/2011****	***3/31/2010****
Sales and service revenues	111,403	86,676
Cost of sales	(31,567)	(24,640)
Gross profit	**79,836**	**62,036**
	71.7%	*71.6%*
Sales and marketing expenses	(18,489)	(15,441)
Research and development costs	(5,216)	(4,042)
General and administrative expenses	(10,691)	(9,013)
Total operating expenses	(34,396)	(28,496)
	(30.9%)	*(32.9%)*
Other operating income (expense)	(1,976)	(2,018)
nonrecurring amount	-	*(1,006)*
EBIT	**43,464**	**31,522**
Net financial income (expense)	1,682	(1,228)
Profit before taxes	**45,146**	**30,294**
Income taxes	(16,663)	(10,776)
Net profit	**28,483**	**19,518**
Basic earnings per share	**0.51**	**0.35**
Diluted earnings per share	**0.51**	**0.35**
EBITDA (1)	**49,971**	**36,109**

(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.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of euros)	***3/31/11****	***12/31/10***
ASSETS		
Non-current assets		
Property, plant and equipment	55,453	57,551
Goodwill	64,228	65,402
Other intangibles	59,596	61,462
Equity investments	27	27
Deferred-tax assets	19,534	19,656
Other non-current assets	623	544
Total non-current assets	*199,461*	*204,642*
Current assets		
Inventories	69,272	68,311
Trade receivables	112,836	106,411
Other financial assets	1,108	296
Other current assets	6,398	5,575
Cash and cash equivalents	57,950	62,392
Total current assets	*247,564*	242,985
TOTAL ASSETS	**447,025**	**447,627**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	55,698	55,693
Additional paid-in capital	13,744	13,684
Statutory reserve	4,519	4,519
Other reserves	(23,726)	8,076
Retained earnings (Loss carryforward)	233,964	143,546
Net profit for the period	28,483	90,418
Total shareholders' equity	*312,682*	*315,936*
Non-current liabilities		
Long-term borrowings	19,488	20,799
Provisions for employee severance indemnities and other employee benefits	20,841	20,692
Deferred-tax liabilities	2,648	2,328
Other non-current liabilities	3,949	5,179
Total non-current liabilities	*46,926*	*48,998*
Current liabilities		
Trade payables	36,920	40,515
Other current liabilities	21,547	23,544
Income taxes payable	20,598	9,812
Current portion of long-term debt	8,352	8,822
Total current liabilities	*87,417*	*82,693*
TOTAL LIABILITIES	**134,343**	**131,691**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**447,025**	**447,627**

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)	***First quarter of***	
	2011*	***2010****
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**62,392**	**47,885**
Net cash from operating activities	27,635	25,163
Cash used in financing activities	(27,852)	2,111
Cash used in investing activities	(4,225)	(5,851)
Change in net cash and cash equivalents	***(4,442)***	***21,423***
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**57,950**	**69,308**