DiaSorin The Diagnostic Specialist

Press Release

DIASORIN S.P.A., THE BOARD OF DIRECTORS APPROVES THE RESULTS FOR THE FOURTH QUARTER OF 2009: RISING REVENUES AND GROWING MARGINS CONFIRM THE POSITIVE RESULTS OF PREVIOUS QUARTERS.

Financial highlights for the fourth quarter of 2009

- Consolidated net revenues rise to 79.1 million euros, or 15.5% more than the 68.5 million euros reported in the fourth quarter of 2008;
- EBITDA[1] grow to 30.7 million euros, up 28.3% compared with 23.9 million euros in the fourth quarter of 2008;
- EBIT rise to 26.1 million euros, for a gain of 33.5% compared with 19.6 million euros in the fourth quarter of 2008;
- Consolidated net profit reaches 15.8 million euros, or 56.1% more than in the fourth quarter of 2008.

Preliminary full-year results for 2009

- Consolidated net revenues rise to 304.1 million euros, or 24.3% more than the 244.6 million euros reported in 2008;
- EBITDA[1] grow to 122.6 million euros, up 43.2% compared with 85.6 million euros in 2008;
- EBIT rise to 105.4 million euros, for a gain of 49.0% compared with 70.8 million euros in 2008;
- Consolidated net profit reaches 69.8 million euros, or 86.3% more than in 2008.

[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, February 12, 2010 – The Board of Directors of Diasorin S.p.A., a company that operates in the global market of in vitro diagnostics, meeting under the chairmanship of Gustavo Denegri, approved the interim report on operations for the fourth quarter of 2009 presented by Carlo Rosa, the Company's Chief Executive Officer.

Highlights of the consolidated income statement and balance sheet for the fourth quarter of 2009 and the year ended December 31, 2009

Diasorin Group, confirming the outstanding performance of the first nine months of the year, reported significant increases both in revenues and profit margins in the closing quarter of 2009 too, even compared with a challenging fourth quarter of 2008.

Group revenues rose to 79.1 million euros, or 15.5% more than in the fourth quarter of 2008 (+18.9% at constant exchange rates), bringing revenue for the full year to 304.1 million euros, up 24.3% compared with 2008 (+23.0% at constant exchange rates).

This positive performance is the result of the following factors:

- a further expansion of the base of installed LIAISON equipment, which increased in line with the Company's historical average rate in the fourth quarter of 2009, reaching 2,975 units at December 31, 2009, up from 2,510 units at the end of 2008 (465 new systems installed in 2009);
- strong sales of CLIA products, which posted gains of 31.1% for the fourth quarter of 2009 and 37.9% for all of 2009;
- the positive impact of the recently adopted strategy of geographic expansion (Israel, Czech Republic, Canada and China);
- steadily growing demand for tests to measure Vitamin D levels both in the American market and in the main European markets;
- sales of Biotrin products, which contributed 3 percentage points to the growth of Group revenues in 2009.

In the fourth quarter of 2009, the increase in revenues again translated into a proportionally larger improvement in the main indicators of the Group's profitability, consolidating the outstanding results achieved in the first nine months of the year: the fourth quarter ended with a **gross profit** of 55.9 million euros (70.7% of revenues), for a gain of 23.2% compared with 45.4 million euros for the same period in 2008 (66.3% of revenues). As a result, the gross profit for the year ended December 31, 2009 grew to 213.6 million euros, or 33.0% more than in 2008, and was equal to 70.2% of revenues, up from 65.7% at the end of 2008.

Fourth quarter **EBIT** totaled 26.1 million euros in 2009, for an improvement of 33.5 percentage points compared with 2008, causing the ratio of EBIT to revenues to improve from 28.6% in 2008 to 33.0% in 2009. Consequently, cumulative EBIT at December 31, 2009 increased by 49.0%, reaching 105.4 million euros, equal to 34.7% of revenues, up from 28.9% in 2008.

EBITDA for the fourth quarter of 2009 amounted to 30.7 million euros, for a gain of 28.3% compared with 2008. As a result, the ratio of EBITDA to revenues improved by about 4 percentage points, rising from 34.9% in the fourth quarter of 2008 to 38.8% in the fourth quarter of 2009, and cumulative EBITDA for the 12 months ended December 31, 2009 grew by 43.2% compared with 2008, totaling 122.6 million euros, or 40.3% revenues, up from 35.0% in 2008.

The primary reasons for the Group's improved profitability include:

- the rising contribution provided to total revenues by products based on CLIA technology;
- the growing percentage of revenues represented by sales of the LIAISON VITAMIN D – Total test, which provides a better margin than other products in the LIAISON portfolio;
- a reduction in the impact of depreciation expense on revenues made possible by maximizing sales on the installed base;
- revenue growth that was proportionally larger than the increase in operating expenses, causing the ratio of operating expenses to revenues to decrease to 34.7% at the end of 2009, down from 36.1% in 2008. It is also worth noting that, in the fourth quarter, this ratio was adversely affected by non-recurring general and administrative expenses consisting of legal expenses and costs incurred to build up the IT network sufficiently to support the growth currently enjoyed by the Group.

Turning to the Group's **financial performance,** net financial expense amounted to 1.3 million euros in the fourth quarter of 2009, compared with net financial expense of 3.6 million euros in the same period the previous year. As a result, net financial expense totaled 2.7 million euros in 2009, down from 10.9 million euros in the 12 months ended December 31, 2008.

As was the case in previous quarter, the decrease in net financial expense is due exclusively to the different exchange rates prevailing in 2008 and 2009 and to their impact on the Group's indebtedness in foreign currency, which was negative by 584,000 euros in the fourth quarter of 2009 and negative by 2.4 million euros in the same period in 2008. For the year as a whole, the Group reported a net foreign exchange translation gain of 656,000 euros in 2009, as against a net foreign exchange translation loss of 6.3 million euros in 2008.

The currency translation differences recognized on the Group's foreign currency exposure are related mainly to indebtedness denominated in U.S. dollars contracted by the Parent Company in connection with the Biotrin acquisition in 2008. While currency translation differences have an accounting impact on the net profit for the period, the corresponding charge is recognized for valuation purposes and does not entail a cash outlay. This is because the Group's financial policy is designed to match the strong cash flow in foreign currency generated by the expansion of the U.S. operations with indebtedness in the same currency, thus balancing over time cash inflows and outflows.

Interest and other financial expense for the fourth quarter and the full year totaled 724,000 euros and 2.6 million euros, respectively, compared with 1.3 million euros and 4.1 million euros, respectively, in 2008.

Lastly, the fourth quarter of 2009 ended with a **net profit** of 15.8 million euros, up from 10.1 million euros in the same period the previous year. As a result, the cumulative amount for the full year grew to 69.8 million euros in 2009, compared with 37.5 million euros in 2008.

However, the following factors should be taken into account:

- in the third quarter of 2009, the Group's Parent Company benefited from the effect resulting from the payment of a substitute tax on the restatement of differences recognized upon transition to the IFRSs (as allowed under Article 15, Sections 1-9, of Decree Law No. 185 of November 29, 2008), amounting to 691,000 euros, and the concurrent reversal of deferred-tax liabilities totaling 1.7 million euros;
- in the second quarter, as allowed under Article 15, Section 10, of Decree Law No. 185 of November 29, 2008, the Group's Parent Company paid the substitute tax required to redeem goodwill, amounting to 3.6 million euros, and concurrently recognized deferred-tax assets of 7.1 million euros.

Basic **earnings per share** (1.27 euros at December 31, 2009, compared with 0.68 euros at December 31, 2008) were computed by dividing the Group's interest in net profit by the number of shares outstanding (55 million).

The **net financial position** was positive by 11.2 million euros at December 31, 2009, as against net borrowings 19.8 million euros at December 31, 2008. This improvement is mainly the result of the cash flow generated by the Group, which held liquid assets totaling 47.9 million euros at December 31, 2009, up from 16.8 million euros at the end of 2008. In addition, in the fourth quarter of 2009, the Group repaid a portion (US$ 4.3 million) of the loan it received in connection with the Biotrin acquisition and the outstanding balance of 689,000 euros owed on a credit line provided by Interbanca in 2009.

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)	Fourth quarter			Full year		
	2009	2008	Change	2009	2008	Change
Italy	14,203	12,539	13.3%	56,313	51,523	9.3%
Rest of Europe	25,677	22,732	13.0%	96,607	86,293	12.0%
North America (U.S.A., Canada)	26,494	20,022	32.3%	101,912	62,350	63.5%
Rest of the world	12,730	13,203	-3.6%	49,297	44,446	10.9%
Total	**79,104**	**68,496**	**15.5%**	**304,129**	**244,612**	**24.3%**

Italy

Having absorbed the seasonal weakness normally associated with the third quarter, the revenues booked in Italy in the last three months of 2009 totaled 14.2 million euros, or 13.3% more than in the same period last year. As a result, the revenues generated in all of 2009 in the Italian market, with an installed base of about 705 LIAISON systems, increased by 9.3%, accounting for 18.5% of the Group's revenues.

Rest of Europe

In the rest of Europe, Group revenues were up 13.0% (13.5% at constant exchange rates) in the fourth quarter of 2009, growing at a faster rate than in the first nine months of the year. This gain was driven by strong sales in established markets, such as France and Germany, where revenues were up 24.1% and 13.9%, respectively, compared with the last three months of 2008. This positive performance was offset in part by a slowdown caused by a continuation of negative economic conditions in some countries — specifically, Greece, Turkey and Russia, where Diasorin operates through independent distributors.

Despite this, the revenues generated in Europe (excluding Italy) increased by 12.0% in 2009, accounting for 31.8% of Group's total revenues, compared with 35.3% in 2008.

North America

In North America, the Group's sales performance in the last three months of 2009 was consistent with the outstanding results achieved earlier in the year. Fourth quarter revenues totaled 26.5 million euros in 2009, or 32.3% more (+44.4% at constant exchange rates) than in the same period the previous year. As a result, cumulative year-end revenues increased by 63.5% (+55.0% at constant exchange rates) to 101.9 million euros.

This positive performance reflects the impact of the following factors:

a) steady growth in the demand for the Vitamin D test and increasing demand for products that became recently available on the LIAISON platform; in the quarter just ended, mixed-menu systems (Vitamin D and infectious diseases) accounted for about 50% of new installations;

b) further expansion of the installed base of LIAISON systems;

c) the contribution provided by Biotrin products, which helped drive 2009 revenue expansion in the North American market to the tune of 4.6 percentage points, at current exchange rates, aided by a positive translation effect of 0.4 percentage points.

In the 12 months ended December 31, 2009, sales generated in North America accounted for 33.5% of the Group's total revenues (up from 25.5% in 2008), contributing 66.5 percentage points to the overall growth of the Diasorin Group.

Rest of the world

In the remaining markets, Group revenues were down by 3.6 percentage points in the fourth quarter of 2009 compared with the same period the previous year. More specifically, the sales reported by the Brazilian subsidiary were adversely affected by the non-renewal of a major order placed by the local Ministry of Health in 2008. However, important commercial initiatives that will provide fresh momentum for the Group's growth in this market, particularly with LIAISON platform products, were launched in the last three months of 2009.

Nevertheless, cumulative year-end revenues increased by 10.9% in 2009, accounting for 16.2% of total revenues.

The Israeli subsidiary continued to produce outstanding results, with revenues growing by 88.3 percentage points in 2009 (+95.9% at constant exchange rates). However, it is worth noting that the acquisition of the business operations of a local distributor, which are being incorporated into the Group according to plan, accounts for about 38% of the increase.

In the regions where the Group does not have a direct sales organization, operating instead through independent distributors, revenues were up 7.6% in the fourth quarter of 2009, driven mainly by rising sales in the Australian market. In the last three months of 2009, the Group began to implement projects to establish direct distribution organizations in Latin America, focusing in particular on Colombia and Venezuela.

Lastly, in the Chinese market, where the installed based of LIAISON systems reached 182 units, cumulative sales for the 12 months ended December 31, 2009 increased by 28.4% compared with 2008. This rate of growth confirms China's potential as a future strategic market for the Group and is the reason why the Chinese subsidiary was converted from a service company into a commercial company in the fourth quarter of 2009.

Breakdown of revenues by technology

Concurrently with its geographic expansion, the Group continued to increase the revenues generated by the LIAISON closed technology platform.

The table below shows the percentage of consolidated revenues contributed by each technology:

	Fourth quarter		Full year	
	2009	2008	2009	2008
	% of revenues contributed			
RIA	6.7%	8.7%	7.7%	9.3%
ELISA	17.4%	23.6%	19.5%	23.0%
CLIA	66.1%	58.3%	63.6%	57.4%
Equipment sales and other revenues	9.8%	9.4%	9.2%	10.3%
Total	100.0%	100.0%	100.0%	100.0%

In the fourth quarter of 2009, the revenues generated by LIAISON products increased by 31.1 percentage points compared with the same period in 2008.

As a result, sales of CLIA technology products accounted for 66.1% of total Group revenues at December 31, 2009 (up from 58.3% at the end of 2008). At December 31, 2009, a total of 2,975 automated LIAISON analyzers were installed at facilities operated by direct and indirect customers of the Group.

Significant events occurring after December 31, 2009 and business outlook

In the early months of 2010, Diasorin China and Diasorin Belgium's Dutch subsidiary began direct distribution in their target markets.
No other significant events requiring disclosure occurred after the end of the fourth quarter.

The operating performance of the Diasorin Group remained positive after December 31, 2009 and revenues continued to grow in line with expectations.

Therefore, the Company believes that in 2010 revenues could grow more than 10% (year on year), supported by more then 400 new installments, and operating profitability could improve more then proportionally.

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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 bookkeeping 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 20 companies based in Europe, the United States, Central and South America and Asia. It has more than 1,100 employees, including about 110 research and development specialists, and operates four manufacturing and research facilities in Saluggia (Vercelli, Italy), Dietzenbach (Germany), Stillwater (USA) and Dublin (Ireland). 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 it 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

	Fourth quarter	
(in thousands of euros)	***2009***	***2008***
Sales and service revenues	79,104	68,496
Cost of sales	(23,195)	(23,105)
Gross profit	**55,909**	**45,391**
	70.7%	*66.3%*
Sales and marketing expenses	(15,694)	(12,790)
Research and development costs	(4,727)	(4,073)
General and administrative expenses	(9,059)	(7,705)
Total operating expenses	(29,480)	(24,568)
	-37.3%	*-35.9%*
Other operating income (expense)	(297)	(1,251)
EBIT	**26,132**	**19,572**
	33.0%	*28.6%*
Net financial income (expense)	(1,280)	(3,560)
Profit before taxes	**24,852**	**16,012**
Income taxes	(9,042)	(5,886)
Net profit	**15,810**	**10,126**
Basic earnings per share	**0.29**	**0.18**
Diluted earnings per share	**0.28**	**0.18**
EBITDA (1)	**30,684**	**23,915**
	38.8%	*34.9%*

(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 INCOME STATEMENT

	Full year	
(in thousands of euros)	*2009**	*2008*
Sales and service revenues	304,129	244,612
Cost of sales	(90,493)	(84,010)
Gross profit	**213,636**	**160,602**
	70.2%	*65.7%*
Sales and marketing expenses	(56,913)	(47,478)
Research and development costs	(16,120)	(13,835)
General and administrative expenses	(32,360)	(27,111)
Total operating expenses	(105,393)	(88,424)
	-34.7%	*-36.1%*
Other operating income (expense)	(2,793)	(1,388)
EBIT	**105,450**	**70,790**
	34.7%	*28.9%*
Net financial income (expense)	(2,705)	(10,903)
Profit before taxes	**102,745**	**59,887**
Income taxes	(32,973)	(22,428)
Net profit	**69,772**	**37,459**
Basic earnings per share	**1.27**	**0.68**
Diluted earnings per share	**1.26**	**0.68**
EBITDA (1)	**122,635**	**85,618**
	40.3%	*35.0%*

* Unaudited data.

(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 BALANCE SHEET

(in thousands of euros)	*12/31/09**	*12/31/08*
ASSETS		
Non-current assets		
Property, plant and equipment	41,963	35,446
Goodwill	59,892	59,892
Other intangibles	36,684	33,413
Equity investments	123	276
Deferred-tax assets	17,564	9,844
Other non-current assets	463	273
Total non-current assets	156,689	139,144
Current assets		
Inventories	50,356	41,443
Trade receivables	75,868	62,708
Other current assets	5,195	4,632
Cash and cash equivalents	47,885	16,790
Total current assets	179,304	125,573
TOTAL ASSETS	**335,993**	**264,717**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	55,000	55,000
Additional paid-in capital	5,925	5,925
Statutory reserve	2,427	1,140
Other reserves	232	(751)
Retained earnings (Loss carryforward)	84,801	55,374
Net profit for the period	69,772	37,459
Total shareholders' equity	**218,157**	**154,147**
Non-current liabilities		
Long-term borrowings	27,862	31,238
Provisions for employee severance indemnities and other employee benefits	19,849	19,306
Deferred-tax liabilities	2,495	1,997
Other non-current liabilities	3,019	1,594
Total non-current liabilities	**53,225**	54,135
Current liabilities		
Trade payables	29,686	28,780
Other current liabilities	17,333	16,166
Income taxes payable	8,800	6,174
Current portion of long-term debt	8,792	5,315
Total current liabilities	64,611	56,435
Total liabilities	**117,836**	**110,570**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**335,993**	**264,717**
Net financial position	**(11,231)**	**19,763**

*Unaudited data.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Fourth quarter		*Full year*	
(in thousands of euros)	*2009*	*2008*	*2009*	*2008*
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	***40,571***	***21,628***	***16,790***	***8,367***
Net cash from operating activities	17,826	15,369	64,217	47,779
Cash used in investing activities	(6,638)	(9,220)	(26,791)	(40,845)
Cash used in financing activities	**(3,874)**	**(10,987)**	**(6,331)**	**262**
Contribution provided by new acquisitions	*-*	*-*	*-*	*1,227*
Change in net cash and cash equivalents	7,314	(4,838)	31,095	8,423
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**47,885**	**16,790**	**47,885**	**16,790**

*Unaudited data.