DiaSorin The Diagnostic Specialist

Press Release

DIASORIN S.P.A., THE BOARD OF DIRECTORS APPROVES THE FULL YEAR RESULTS FOR 2008: FURTHER GAINS IN REVENUES AND PROFITABILITY.

2008 Full-year Financial Highlights

- Consolidated net revenues rise to 244.6 million euros, 20.9% more than the 202.3 million euros reported in 2007 (+24.0% at constant exchange rates);
- EBITDA[1] grow to 85.6 million euros, up 42.7% compared with 60 million euros in 2007 (64 million euros net of nonrecurring expense/income);
- EBIT increase to 70.8 million euros, for a gain of 53.6% compared with 46.1 million euros in 2007 (50.1 million euros net of nonrecurring expense/income);
- Consolidated net profit jumps to 37.5 million euros, or 48.5% more than in 2007;
- Consolidated net borrowings total 19.8 million euros, compared with 12.1 million euros at December 31, 2007;
- The Board of Directors agreed to submit a motion to the Shareholders' Meeting convened for April 28, 2009, on the first calling, and April 30, 2009, on the second calling, recommending the distribution of a dividend in the amount of 0.12 euros per share, with coupon record date of June 15, 2009 and payment date of June 18, 2009.

[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, March 19, 2009 – 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 a draft of the 2008 Annual Report and the Consolidated Financial Statements presented by Carlo Rosa, the Company's Chief Executive Officer.

Highlights of the 2008 consolidated income statement and balance sheet

Even while confronted with a macroeconomic scenario as complex and challenging as the one that characterized 2008, Diasorin continued to successfully implement its strategy, further strengthening its competitive position in the global market for in vitro diagnostics, as shown by the excellent operating and financial results it is reporting.

Specifically, the Group's continued growth was driven by the following factors:

1) market share increases in all of the areas with direct distribution and expansion into markets where the sales networks operated by independent distributors have been replaced by Company-operated sales networks;
2) broadening of the menu of LIAISON products with the launch of new specialty tests in very promising clinical segments;
3) continued expansion of the base of equipment installed at customer facilities;
4) acquisition of Biotrin, an Irish company with a global leadership position in the diagnosis of maternal-fetal infections caused by Parvovirus.

In 2008, the revenues reported by the Diasorin Group totaled 244.6 million euros, compared with 202.3 million euros in 2007. The year-over-year increase of 20.9% is equal to about four times the average growth rate of the global market for in vitro diagnostics, estimated at about 5% a year. Moreover, the overall revenue gain reported in 2008 reflects the negative impact of a rising euro exchange rate versus other currencies used by the Group, particularly the U.S. dollar. When stated at constant exchange rates (2007 average rates), the 2008 revenues are 24% higher than in 2007.

The Group's revenue growth continued to be driven almost exclusively by rising sales of LIAISON products (based on CLIA technology), which were up 36.8% in 2008, accounting for 57.4% of total revenues (50.7% in 2007). The main reasons for this achievement are a larger installed base of LIAISON systems, which reached around 2,510 units at the end of 2008, and the availability of an ever expanding and increasingly specialized range of tests (more than 80), which enabled the Group to gain market share. Specifically, three new tests obtained the CE mark and five tests received FDA clereance in 2008.

The Group's performance at the operating level was marked by a further, significant improvement in profitability: **gross profit,** which rose from 129.3 million euros in 2007 to 160.6 million euros in 2008 (+24.2%), was equal to 65.7% of revenues, up from 63.9% in 2007; consolidated **EBITDA** increased from 60 million euros in 2007 to 85.6 million euros in 2008 (+42.7%), causing their ratio to revenues to improve to 35% in 2008 (29.7% in 2007); and Group **EBIT,** which jumped from 46.1 million euros in 2007 to 70.8 million euros in 2008 (+53.6%), were equal to 28.9% of revenues, up from 22.8% in 2007.
However, if these profitability indicators are restated to eliminate the impact of the 2007 nonrecurring items, the consolidated EBIT and EBITDA reported in 2008 show gains of 41.4% and 33.8%, respectively, compared with the previous year. This is because nonrecurring expense and income recognized in 2007 included costs of 4.5 million euros incurred to list the Company's shares and a gain of 0.5 million euros generated by the impact of the reform of the severance benefit system on the corresponding provision carried by the Group's Parent Company on its balance sheet.

The primary reasons for the Group's improved profitability include: the steadily increasing contribution provided to total revenues by products based on the closed technology platform (CLIA), which deliver greater value added to customers and, consequently, can be priced more attractively; within the CLIA technology, growing sales of the LIAISON VITAMIN D – Total test, which provides a better margin than other products in the LIAISON portfolio; and a reduction in the impact of depreciation expense, which fell from 3.1% to 2.5% of revenues, which reflects both a higher utilization of the installed equipment base and a steady reduction over time of the price paid for new systems and the resulting retirement of systems purchased at higher prices in earlier years from the pool of depreciable equipment.

Operating expenses totaled 88.4 million euros in 2008. While this amount is higher than the figure reported the previous year, the ratio of operating expenses to revenues was lower than in 2007, decreasing to 36.1%. More specifically, expenses incurred to develop new products and for research programs carried out to assess the future application potential of the LAMP technology increased in absolute terms. General and administrative expense were also up in absolute terms, but their ratio to revenues declined (1.1% of revenues less than in 2007), and the ratio of sales and marketing expenses to revenues decreased by 2.2 percentage points in 2008.

It is also worth noting that the acquisition of Biotrin was a factor that contributed to the revenue increase and improved profitability reported by the Group. Biotrin is the world leader in the diagnosis of maternal-fetal infections caused by Parvovirus, in terms both of its commercial presence, with a market share estimated at 60%, and of the patent protection that its products enjoy in the United States and Europe. Biotrin's results, which are consolidated as of July 9, 2008, contributed 2.4 percentage points to the Diasorin Group's overall growth in 2008.

The main development concerning the Group's **financial performance** in 2008 was the increase in net financial expense, which amounted to 10.9 million euros, up from 3.3 million euros in 2007. Negative currency translation differences on financial assets and liabilities denominated in currencies other than the euro account for most of these charges. Net currency translation differences were negative by 6.3 million euros in 2008, as against a net positive difference of 1.5 million euros in 2007.

The negative 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. While currency translation differences have an 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 U.S. dollars generated by the expansion of the U.S. operations with indebtedness in the same currency, thus balancing cash inflows and outflows. The existence of timing differences between cash flow generation and changes in debt exposure during periods of sudden fluctuations in exchange rates, as was the case in the second half of 2008, affects the income statement in the manner described above.

The consolidated **net profit** for the year ended December 31, 2008 amounted to 37.5 million euros, up from 25.2 million euros the previous year. Earnings per share were 0.68 euros in 2008 (0.49 euros in 2007).

The Group's Parent Company reported an annual net profit of 25.7 million euros at December 31, 2008, compared with 10 million euros a year earlier.

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)	2008	2007	Change
Italy	51,523	45,679	12.8%
Rest of Europe	86,293	75,380	14.5%
North America	62,350	45,595	36.7%
Rest of the world	44,446	35,670	24.6%
Total	244,612	202,324	20.9%

Italy

Even in a country such as Italy, where Diasorin has an established commercial presence, the significant size of the installed base, which reached 669 units in 2008, enabled the Company to report double-digit revenue growth (+12.8%), for an increase of 5.8 million euros.

As a result of the strong growth achieved in the North American market and the success of the Group's strategy of geographic expansion, the Italian market, while still growing, accounted for a smaller percentage of consolidated revenues, providing a contribution that decreased from 22.6% in 2007 to 21.1% in 2008.

Rest of Europe

In the other European markets, the growth rate was about the same as in 2007 (+14.5%), with revenues increasing by 10.9 million euros.

Among the European subsidiaries, the best performances were recorded in the Nordic region, where revenues increased much faster than the Group's average (+78.7%). In Great Britain, the revenues reported in 2008 reflect the negative impact of the appreciation of the euro versus the British pound. Restated at constant exchange rates (2007 average rates), revenues show an increase of 22.6%. More than satisfactory growth rates were also reported by the French and Belgian subsidiaries, which increased revenues by 16.4% and 15.1%, respectively.

As a result of the improvements described above, the contribution provided by the rest of Europe to the Group's consolidated revenues held at 35.3%.

North America

North America, where growth was driven by sales of test to determine Vitamin D levels (LIAISON VIT D), became the single most important market for the Group in 2008. At the end of 2008, annual revenues had risen to 62.4 million euros, for a gain of 36.7% compared with the previous year (+46.4% at constant exchange rates).

North American revenues were also boosted by sales of Biotrin products, which generated revenues of 2.1 million euros in the United States during the second half of 2008 and contributed 4.7 percentage points to the region's overall revenue increase.

In 2008, sales in the North American market contributed 25.5% of the Group's total revenues (up from 22.5% in 2007).

Rest of the world

In markets other than Europe and North America, Group revenues were up 24.6% overall compared with the previous year.
Significant performances were reported by subsidiaries in Mexico, where revenues increased by 30.9% (+42.4% at constant exchange rates), and in Israel, where revenues rose 51.3%, as the Group regained distribution rights for ELISA products from a local distributor.

In markets where the Group does not have a direct presence, operating instead through independent distributors, revenues were up 26.2% compared with the previous year.

In China, where Diasorin has been operating through a joint venture with a local partner since 2006, revenues totaled 5.2 million euros in 2008, for a gain of 22.2% compared with the previous year, and the installed LIAISON base grew to 127 units.

Breakdown of revenues by technology

Concurrently with its geographic expansion, the Group continued to increase the revenues generated by the LIAISON closed platform, thanks to the positive impact of a broader menu of available products and a steady expansion of the base of installed systems.

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

	2008	2007
	% of revenues contributed	
RIA	9.3%	11.6%
ELISA	23.0%	27.0%
CLIA	57.4%	50.7%
Equipment sales and other revenues	10.3%	10.7%
Total	100.0%	100.0%

In 2008, the revenues generated by LIAISON products increased by 36.8% compared with the previous year, accounting for 57.4% of total revenues (50.7% in 2007). At December 31, 2008, about 2,510 automated LIAISON analyzers were installed at facilities operated by direct and indirect customers of the Group.

At December 31, 2008, the average annual revenues per system was about 61,300 euros, up from 54,900 euros at the end of the previous year, reflecting the positive impact of a steady optimization of the installed base and the high yield of systems used for Vitamin D testing.

During 2008, Diasorin launched three new LIAISON specialty products that obtained the CE mark. In addition, having successfully completed the application process with the relevant U.S. regulatory agency (FDA), it received clereance to market in the United States five new products, which completed the infectious diseases panel available in that market and helped further differentiate the LIAISON product line from the products of its competitors.

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Key events of 2008

On July 9, 2008, Diasorin entered into an agreement to buy the Biotrin Group, which is based in Ireland.

Biotrin was founded in 1992 in Dublin, where its research, production and marketing operations are located. It has about 70 employees at a facility registered with the FDA in the United States and, over the past ten years, has gained a global leadership position in the diagnosis of Parvovirus infections. Through this acquisition, which is consistent with its current strategic guidelines, Diasorin made further progress in implementing the growth plan that it announced in connection with the listing of its shares, expanded its portfolio of products and strengthened its leadership position in specialty products for in vitro diagnostics.

The Diasorin Group consolidates Biotrin's financial results as of July 9, 2008, which is the acquisition's closing date. The consolidation process that began at the operating level immediately after that date succeeded in streamlining the Group's structure and, wherever possible, brought the activities engaged in selling Biotrin products within the direct sales organization of the Diasorin Group.

Also in 2008, Diasorin entered into a development and licensing agreement with Advanced Life Science Institute Inc. (ALSI), a Japanese company, for the development of an innovative diagnostic test for the Hepatitis B virus. The test that Diasorin intends to develop and market worldwide (except for Japan) in 2010 will be able to detect the presence in the patient's bloodstream of the Hepatitis B surface antigen (HBsAg), irrespective of the occurrence of mutations. The new test will place in the hands of physicians a safe and reliable diagnostic tool that will reduce significantly the risk of failing to detect a disease and thus the risk of making it irreversible.

Other activities carried out in 2008 consistent with the Group's strategy of geographic expansion included the establishment of branches in Austria (Diasorin Austria Gmbh) in July, Canada (Diasorin Canada Inc.) in August, and the Czech Republic (Diasorin Czech S.r.o.) in December.

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The Board of Directors agreed to convene a Shareholders' Meeting for April 28, 2009, on the first calling, and April 30, 2009, on the second calling, to approve the Annual Report and vote on a motion recommending the distribution of a dividend in the amount of 0.12 euros per share, with coupon record date of June 15, 2009 and payment date of June 18, 2009.

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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. Diasorin Group comprises 16 companies based in Europe, the United States, Central and South America and Asia. It has more than 1,000 employees, including 90 research and development specialists, and operates four manufacturing and research facilities in Saluggia (Vercelli, Italy), Dietzenbach (Germany) and 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 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.com

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INCOME STATEMENT OF DIASORIN S.P.A.

(in thousands of euros)	2008	2007
Sales and service revenues	129,354	117,104
Cost of sales	(65,883)	(57,627)
non-recurring amount	*-*	*216*
Gross profit	**63,471**	**59,477**
	49.1%	*50.8%*
Sales and marketing expenses	(17,187)	(15,907)
Research and development costs	(9,107)	(7,789)
General and administrative expenses	(13,824)	(13,533)
Total operating expenses	**(40,118)**	**(37,229)**
non-recurring amount	*-*	*299*
Other operating (expenses) and income	(170)	(3,632)
non-recurring amount	*-*	*(4,508)*
EBIT	**23,183**	**18,616**
	17.9%	*15.9%*
Financial income/(expense)	8,538	(2,343)
Profit before taxes	**31,721**	**16,273**
Income taxes	(5,984)	(6,236)
Net profit	**25,737**	**10,037**
EBITDA(1)	**29,805**	**25,080**

(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.

BALANCE SHEET OF DIASORIN S.P.A.

(in thousands of euros)	12/31/08	12/31/07
ASSETS		
Non-current assets		
Property, plant and equipment	14,503	13,288
Goodwill	27,591	27,591
Other intangibles	15,486	15,256
Equity investments	75,660	52,052
Deferred-tax assets	3,387	2,853
Other non-current assets	4,679	-
Total non-current assets	*141,306*	*111,040*
Current assets		
Inventories	26,188	23,219
Trade receivables	26,691	26,129
Trade receivables owed by Group companies	6,448	4,901
Loans receivable from Group companies	13,449	9,952
Other current assets	3,184	2,239
Cash and cash equivalents	6,933	3,834
Total current assets	*82,893*	*70,274*
TOTAL ASSETS	224,199	181,314
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	55,000	55,000
Additional paid-in capital	5,925	5,925
Statutory reserve	1,140	639
Other reserves	560	97
Retained earnings/(Loss carryforward)	22,900	18,864
Net profit for the year	25,737	10,037
Total shareholders' equity	111,262	90,562
Non-current liabilities		
Long-term borrowings	29,645	13,592
Provisions for employee severance indemnities and other employee benefits	5,708	5,961
Other non-current liabilities	774	1,301
Total non-current liabilities	*36,127*	*20,854*
Current liabilities		
Trade payables	22,281	23,363
Trade payables owed to Group companies	3,278	3,161
Short-term borrowings	4,164	3,714
Current portion of long-term debt	36,362	29,994
Other current liabilities	8,115	7,249
Income taxes payable	2,610	2,417
Total current liabilities	*76,810*	*69,898*
TOTAL LIABILITIES	112,937	90,752
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	224,199	181,314

CASH FLOW STATEMENT OF DIASORIN S.P.A.

(in thousands of euros)	2008	2007
Cash and cash equivalents at January 1	3,834	3,350
Net cash from operating activities	12,908	11,656
Cash used in investing activities	(31,683)	(8,730)
Cash used in financing activities	21,874	(2,442)
Change in net cash and cash equivalents	3,099	484
Cash and cash equivalents at December 31	6,933	3,834

CONSOLIDATED INCOME STATEMENT

	2008		2007		
(in thousands of euros)		as a % of revenues		as a % of revenues	pro forma(*)
Sales and service revenues	244,612	100.0%	202,324	100.0%	206,367
Cost of sales	(84,010)	(34.3%)	(73,017)	(36.1%)	(73,827)
Gross profit	**160,602**	**65.7%**	**129,307**	**63.9%**	**132,540**
Sales and marketing expenses	(47,478)	(19.4%)	(43,665)	(21.6%)	(44,195)
Research and development costs	(13,835)	(5.7%)	(11,151)	(5.5%)	(11,600)
General and administrative expenses	(27,111)	(11.1%)	(24,675)	(12.2%)	(25,567)
Total operating expenses	**(88,424)**	**(36.1%)**	**(79,491)**	**(39.3%)**	**(81,362)**
Other operating (expenses) and income	(1,388)	(0.6%)	(3,740)	(1.8%)	(3,602)
non-recurring amount	-	-	*(4,508)*	*(2.2%)*	*(4,508)*
EBIT	**70,790**	**28.9%**	**46,076**	**22.8%**	**47,576**
Financial income/(expense)	(10,903)	(4.5%)	(3,266)	(1.6%)	(3,441)
Profit before taxes	**59,887**	**24.5%**	**42,810**	**21.2%**	**44,135**
Income taxes	(22,428)	(9.2%)	(17,591)	(8.7%)	(17,768)
Net profit	**37,459**	**15.3%**	**25,219**	**12.5%**	**26,367**
EBITDA*(1)*	**85,618**	**35.0%**	**60,012**	**29.7%**	**61,519**

* 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 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.

CONSOLIDATED BALANCE SHEET

(in thousands of euros)	*12/31/08*	*12/31/07*
ASSETS		
Non-current assets		
Property, plant and equipment	35,446	33,946
Goodwill	59,892	48,055
Other intangibles	33,413	17,334
Equity investments	276	123
Deferred-tax assets	9,844	8,667
Other non-current assets	273	399
Total non-current assets	*139,144*	*108,524*
Current assets		
Inventories	41,443	35,485
Trade receivables	62,708	52,163
Other current assets	4,632	3,789
Cash and cash equivalents	16,790	8,367
Total current assets	*125,573*	*99,804*
TOTAL ASSETS	264,717	208,328
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	55,000	55,000
Additional paid-in capital	5,925	5,925
Statutory reserve	1,140	639
Other reserves	(751)	(2,666)
Retained earnings/(Loss carryforward)	55,374	36,156
Net profit for the year	37,459	25,219
Total shareholders' equity	154,147	120,273
Non-current liabilities		
Long-term borrowings	31,238	15,400
Provisions for employee severance indemnities and other employee benefits	19,306	19,030
Deferred-tax liabilities	1,997	1,028
Other non-current liabilities	1,594	2,239
Total non-current liabilities	*54,135*	*37,697*
Current liabilities		
Trade payables	28,780	27,716
Other current liabilities	16,166	13,847
Income taxes payable	6,174	3,697
Current portion of long-term debt	5,315	5,098
Total current liabilities	*56,435*	*50,358*
Total liabilities	110,570	88,055
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	264,717	208,328

CONSOLIDATED CASH FLOW STATEMENT

(in thousands of euros)	*2008*	*2007*
CASH AND CASH EQUIVALENTS AT JANUARY 1	8,367	8,718
Net cash from operating activities	47,779	30,348
Cash used in investing activities	(40,845)	(15,552)
Cash used in financing activities	262	(15,147)
Cash contributed by acquisitions	1,227	-
Change in net cash and cash equivalents	*8,423*	*(351)*
CASH AND CASH EQUIVALENTS AT DECEMBER 31	16,790	8,367