



Quidel Reports Third Quarter Earnings

October 26, 2000

SAN DIEGO, Oct. 26 /PRNewswire/ -- Quidel Corporation (Nasdaq: QDEL) announced today its financial results for the third quarter ended September 30, 2000. The net loss for the quarter was \$4.5 million, or \$.18 per share, on net sales of \$10.5 million, compared to a net loss of \$2.4 million or \$.10 per share, on net sales of \$11.6 million for the quarter ended September 30, 1999. As previously announced, the Company's quarterly results in 2000 were impacted by a reduction of distributor orders in July and August.

The net loss for the nine months ended September 30, 2000 was \$3.3 million, or \$.13 per share, compared to a net income of \$5.5 million, or \$.23 per share for the nine months ended September 30, 1999.

"As previously disclosed, Quidel's third quarter earnings were lower than expected," said Andre de Bruin, Quidel Vice Chairman, President and Chief Executive Officer. "This, however, in no way compromises our long-term vision for the Company to build a franchise in women's health diagnostics using innovative technology."

Earlier this month Quidel announced that the U.S. Food and Drug Administration (FDA) had granted a CLIA waiver for the Company's QuickVue(R) Influenza Test. Receiving a CLIA waiver for the QuickVue(R) Influenza Test in time for this winter's flu season is very exciting news for Quidel Corporation.

In August, Quidel announced the market introduction of its new QuickVue(R) UrinChek? 10+ SG urine test strips in the United States. Quidel had also previously announced that it had received premarket approval (PMA) from the U.S. Food and Drug Administration (FDA) to market the QUS(TM)-2 Calcaneal Ultrasonometer which measures bone density in the treatment of osteoporosis.

Quidel Corporation discovers, develops, manufactures and markets point-of-care, rapid diagnostic tests for detection of medical conditions and illnesses. These products provide accurate, rapid and cost-effective diagnostic information for acute and chronic conditions that affect women's health throughout the phases of their lives including reproductive status, pregnancy management and osteoporosis. Quidel also provides point-of-care diagnostics for infectious diseases, including influenza A and B, strep throat, H. pylori infection, chlamydia and infectious mononucleosis. Quidel's products are sold to healthcare professionals for use in physicians' offices, clinical laboratories and pharmacies, and to consumers through organizations that provide private label, store brand products. These tests provide diagnostic information to enable rapid treatment and improve health outcomes, lower costs, and increase patient satisfaction.

This press release contains forward-looking statements regarding Quidel's future activities within the meaning of the federal securities laws. These forward-looking statements involve material risks and uncertainties. Many possible factors could affect the future results and performance of Quidel's products, such that actual results and performance may differ materially. If Quidel's products fail to perform as expected, or if there is lower consumer demand for these products than expected, Quidel's financial condition and operating results may be materially and adversely affected. Quidel's financial condition and operating results may also be materially and adversely affected by a number of other factors, including, without limitation, seasonality, adverse changes in competitive and economic conditions, actions by the Company's distributors, manufacturing and production delays or difficulties and adverse actions or delays in product reviews by the FDA. Please see the discussion of these and other factors in Quidel's annual reports on Form 10-K and subsequent quarterly reports on Form 10-Q. For more information, please visit Quidel's web site at <http://www.quidel.com>.

QUIDEL CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS (in thousands) (unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2000	1999	2000	1999
Net Sales	\$ 10,465	\$ 11,584	\$ 49,497	\$ 35,454
Cost of Sales	6,954	6,374	25,976	18,909
Gross profit	3,511	5,210	23,521	16,545
Research and development	2,583	2,250	5,872	5,514
Sales & marketing	4,009	3,685	13,152	9,175
General and administrative	1,807	1,612	5,944	4,231
Acquired in-process research and development	--	820	--	820
Amortization of intangibles	433	228	1,498	474

Total operating expenses	8,832	8,595	26,466	20,214
Loss from operations	(5,321)	(3,385)	(2,945)	(3,669)
Research contract, license and royalty income	(201)	(619)	(840)	(2,599)
Interest expense	301	107	899	422
Interest income	(58)	(132)	(69)	(397)
Other	4	--	364	--
Total other (income) expense	46	(644)	354	(2,574)
Loss before income taxes	(5,367)	(2,741)	(3,299)	(1,095)
Income tax (benefit) expense	(827)	323	0	6,575
Net earnings (loss)	\$ (4,540)	\$ (2,418)	\$ (3,299)	\$ 5,480
Net earnings (loss) per share - basic and diluted	\$ (0.18)	\$ (0.10)	\$ (0.13)	\$ 0.23
Pre-Tax loss per share - basic and diluted	\$ (0.22)	\$ (0.11)	\$ (0.13)	\$ (0.05)
Shares used in basic and diluted per share calculation	24,833	23,857	24,833	23,857
EBITDA	\$ (3,460)	\$ (1,396)	\$ 2,441	\$ 1,980
EBITDA per share - basic and diluted	(0.14)	(0.06)	0.10	0.08
Gross Profit as a % of Net Sales	34%	45%	48%	47%
R & D as a % of Net Sales	25%	19%	12%	16%
Sales & Marketing as a % of Net Sales	38%	32%	27%	26%
G & A as a % of Net Sales	17%	14%	12%	12%
Balance sheet data	30-Sep-00	31-Dec-99	30-Sep-99	
Cash and cash equivalents	\$ 3,902	\$ 4,672	\$ 7,132	
Working capital	12,901	12,483	8,675	
Total assets	62,741	68,040	59,207	
Long term obligations	10,376	11,429	2,914	
Stockholders' Equity	43,072	43,755	42,841	

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