

Orchid Cellmark Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
Three months and six months ended June 30, 2008 and 2007
(In thousands, except per share data)
(Unaudited)

	<u>Three months ended</u> <u>June 30,</u>		<u>Six months ended</u> <u>June 30,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenues:				
Service revenues	\$ 15,164	\$ 15,694	\$ 29,559	\$ 29,589
Other revenues	60	38	192	175
Total revenues	<u>15,224</u>	<u>15,732</u>	<u>29,751</u>	<u>29,764</u>
Operating expenses:				
Cost of service revenues	10,223	10,206	20,659	19,725
Research and development	206	289	426	568
Marketing and sales	1,551	1,513	3,123	2,997
General and administrative	4,359	3,980	9,051	7,916
Amortization of intangible assets	477	445	955	890
Total operating expenses	<u>16,816</u>	<u>16,433</u>	<u>34,214</u>	<u>32,096</u>
Operating loss	(1,592)	(701)	(4,463)	(2,332)
Other income (expense), net	368	309	719	516
Loss before income tax expense	(1,224)	(392)	(3,744)	(1,816)
Income tax expense (benefit)	(3)	353	(249)	612
Net loss	<u>\$ (1,221)</u>	<u>\$ (745)</u>	<u>\$ (3,495)</u>	<u>\$ (2,428)</u>
Basic and diluted net loss per share	<u>\$ (0.04)</u>	<u>\$ (0.03)</u>	<u>\$ (0.12)</u>	<u>\$ (0.08)</u>
Shares used in computing basic and diluted net loss per share:	<u>29,935</u>	<u>29,322</u>	<u>29,935</u>	<u>29,321</u>

Orchid Cellmark Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
June 30, 2008 and December 31, 2007

(In thousands)

(Unaudited)

	<u>June 30, 2008</u>	<u>December 31, 2007</u>
<u>Assets:</u>		
Current assets		
Cash and cash equivalents	\$ 17,254	\$ 20,918
Accounts receivable, net	11,297	9,516
Inventory	1,766	1,443
Prepays and other current assets	1,890	2,151
Total current assets	<u>32,207</u>	<u>34,028</u>
Fixed assets, net	6,703	7,440
Goodwill	9,664	9,519
Other intangibles, net	8,736	9,694
Restricted cash	-	958
Other assets	502	490
Total assets	<u><u>\$ 57,812</u></u>	<u><u>\$ 62,129</u></u>
<u>Liabilities and Stockholders' Equity:</u>		
Current liabilities		
Accounts payable	\$ 1,681	\$ 2,027
Accrued expenses and other current liabilities	4,705	4,611
Income taxes payable	-	543
Short-term debt and current portion of long-term debt	451	428
Deferred revenue	991	964
Total current liabilities	<u>7,828</u>	<u>8,573</u>
Other liabilities	471	1,123
Total liabilities	<u>8,299</u>	<u>9,696</u>
Total stockholders' equity	<u>49,513</u>	<u>52,433</u>
Total liabilities and stockholders' equity	<u><u>\$ 57,812</u></u>	<u><u>\$ 62,129</u></u>