

## Digirad Begins Diversification Initiative

### Targeted OEM Sales of Digirad Proprietary Solid-State Technology to Expand Distribution Beyond Cardiology Marketplace; Initial Technology Development Agreement Signed With Leading Medical Imaging Company

POWAY, CA, Aug 19, 2010 (MARKETWIRE via COMTEX News Network) -- Digirad Corporation (NASDAQ: DRAD), a leading provider of diagnostic imaging products, and personnel and equipment leasing services with its roots in cardiovascular imaging, today announced the launch of a key initiative to expand the distribution of its proprietary, solid-state technology through strategic OEM relationships. Digirad seeks partners with broad distribution capabilities and significant share in specialized healthcare market segments.

To this end, Digirad has signed its first technology development agreement with a leading medical imaging company, the name of which will not be disclosed, for competitive and commercial reasons, until a product launch is more imminent.

"We expect to leverage our existing intellectual property and significantly broaden our market opportunities," said Digirad President and CEO Todd Clyde. "We believe that solutions such as our solid-state detectors will come to dominate the landscape in nuclear medicine and beyond, and will be the catalyst for a whole new generation of fully-integrated, digital hybrid imagers for various applications."

Digirad's latest generation of solid-state detectors are far lighter than conventional detector designs enabling systems to be portable and easily serviced. Solid-state detectors offer major enhancements in performance, such as superior energy resolution and high count rate capabilities. The detectors can be used for both gamma and x-ray detection making them ideally suited for use in hybrid systems such as SPECT/CT and MRI/SPECT.

Clyde added, "Our strategic OEM initiative is an important part of our long-term strategy to not only diversify, but to convert the gamma camera industry from using vacuum tube technology to Digirad's solid-state technology."

About Digirad Corporation Digirad is a leading developer and manufacturer of medical diagnostic imaging systems including solid-state gamma cameras for nuclear cardiology and general nuclear medicine applications. Digirad is also one of the largest national providers of in-office nuclear cardiology imaging and ultrasound services to physician practices, hospitals and imaging centers through its Digirad Imaging Solutions division. For more information, please visit [www.digirad.com](http://www.digirad.com).

Forward-Looking Statements This press release contains statements that are forward-looking statements as defined within the Private Securities Litigation Reform Act of 1995. These include statements regarding our ability to deliver value to customers, our expanded product and service offerings, including, the addition of new OEM customers, the use of our intellectual property to expand our market opportunities, and our ability to diversify into other markets. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the statements made, including the risks associated with changes in business conditions, technology, customers' business conditions, reimbursement, radiopharmaceutical shortages, economic outlook, operational policy or structure, acceptance and use of Digirad's camera systems and services, reliability, recalls, and other risks detailed in Digirad's filings with the U.S. Securities and Exchange Commission, including Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other reports. Readers are cautioned to not place undue reliance on these forward-looking statements, which speak only as of the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement, and Digirad undertakes no obligation to revise or update the forward-looking statements contained herein.

Investor Contact:

Matt Clawson  
Allen & Caron  
949-474-4300

Company Contact:

Todd Clyde  
Chief Executive Officer  
858-726-1600

SOURCE: Digirad

Copyright 2010 Marketwire, Inc., All rights reserved.

News Provided by COMTEX