

Luminex

www.luminexcorp.com



Luminex

ANNUAL REPORT 2010

Luminex is dedicated to our mission to impact the health, safety and quality of life for people around the world.

Leading. Innovating. Growing.
Multiplexed Solutions. For Life.

15 Years of Leadership, Innovation and Growth.

Since our founding in 1995, Luminex has pioneered the science of simultaneously detecting multiple substances in a single biological sample, commonly known as multiplexing. Today, xMAP® Technology is a leader in its class. From basic research to new laboratory tests and medicines, from agricultural science to bioterrorism initiatives, Luminex Corporation develops solutions that transform markets and improve lives by utilizing world-class innovation to deliver efficiency and productivity for our customers.



Letter to Shareholders



2010 was another record year of progress for Luminex. Leveraging our proprietary xMAP® Technology, we delivered record total revenue and executed on our strategic growth plan. Every day, our dedicated employees focus on our mission of making a positive impact on the health, safety and quality of life for people around the world.

Our commitment resulted in strong growth across our key revenue segments, consumables, royalties and instruments. We successfully launched our latest exciting instrument platform, MAGPIX®. Our consumables and royalties reached new highs driven by the continued development, expansion and market penetration of our partners. And we grew our installed base of instruments to 7,700, representing a market-leading position upon which to build future growth.

The Luminex Assay and Related Products Group made significant contributions to our success. Our xTAG® Respiratory Viral Panel led the market in 2010 and was honored with the prestigious Prix Galien award for scientific achievement. Our Cystic Fibrosis product line was also a growth driver for the company. We successfully acquired and integrated BSD, strengthening our product offerings and expanding our geographic footprint in the Asia Pacific region. In 2011, we look forward to more exciting products, including xTAG Gastrointestinal Pathogen Panel, NeoPlex4™ and the expansion of our Nucleic Acid assay product line in life science research.

The Luminex Technology and Strategic Partnerships Group grew aggressively in 2010. Led by our innovation and with continued investment from our partners, our most profitable line items, consumables and royalties, grew at 41% and 22% respectively. During 2010 we were particularly pleased to extend our partnership with our decade long partner One Lambda, the worldwide leader in advanced transplant diagnostics. Along with our partners, we drove our industry-leading installed base of multiplexing instruments, a key strategic asset to accelerate growth. Furthermore, the successful delivery of MAGPIX was

a major milestone for our company, as it will be instrumental to building future growth.

We were pleased to have been recognized again as one of America's fastest-growing companies by *Forbes* and by *Fortune*. This industry recognition is confirmation of the dedication of our employees and the highest commitment to excellence across our company.

We are proud of our achievements and confident that Luminex will continue on our growth trajectory. But we are not satisfied. The opportunities before us are significant, and the strategic advantages that we have provide us with the ability to seize these opportunities. We are determined to continue to deliver on our commitments to our customers, our partners, our employees and our shareholders by driving growth and building long-term value.

As we execute our strategic growth plan, we remain focused on delivering innovative and differentiated new platform and assay solutions that will improve quality and outcomes while also reducing healthcare costs. In addition, we expect to invest in and expand our commercial efforts, and to accelerate market penetration in our core international markets while we aggressively enter new ones.

Thank you for your investment in Luminex. We look forward to a bright future together as we deliver Multiplexed Solutions. For Life.

Sincerely,

Patrick J. Balthrop, Sr.
Chief Executive Officer and President

Performance Highlights

CONSUMABLE REVENUE GROWTH
Up 41 percent
2010 REVENUES REACHED A RECORD \$40.1 MILLION

ANNUAL GROSS PROFIT
Up \$15.1 million
GROSS PROFIT MARGIN FOR 2010 WAS 68 PERCENT

ASSAY REVENUE OF
\$32.2 million
RECORD SALES IN 2010

SYSTEM REVENUE
Up 7 percent
LUMINEX HAD SYSTEM REVENUE OF \$33.0 MILLION

CASH AND INVESTMENTS AT END OF 2010
\$123.9 million
LUMINEX HAS A STRONG BALANCE SHEET WITH MINIMAL CASH BURN

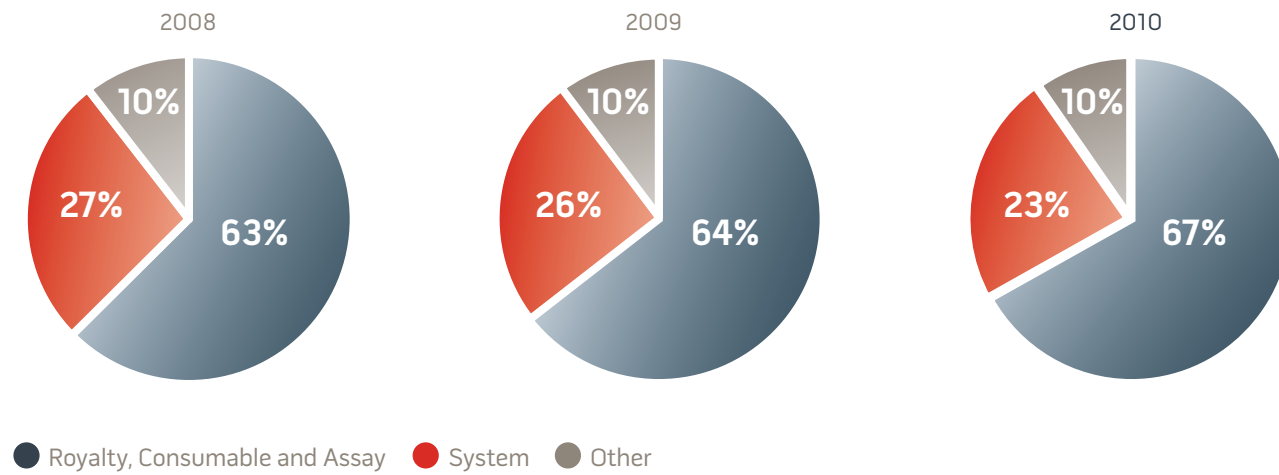
ROYALTY REVENUE GROWTH
Up 22 percent
ROYALTY REVENUES REACHED \$22.4 MILLION

SYSTEM PLACEMENTS
Up 14 percent
7,700 SYSTEMS SHIPPED THROUGH 2010

ANNUAL OPERATING MARGIN
Up 182 basis pts.
2010 OPERATING MARGIN EXPANDED TO 8%

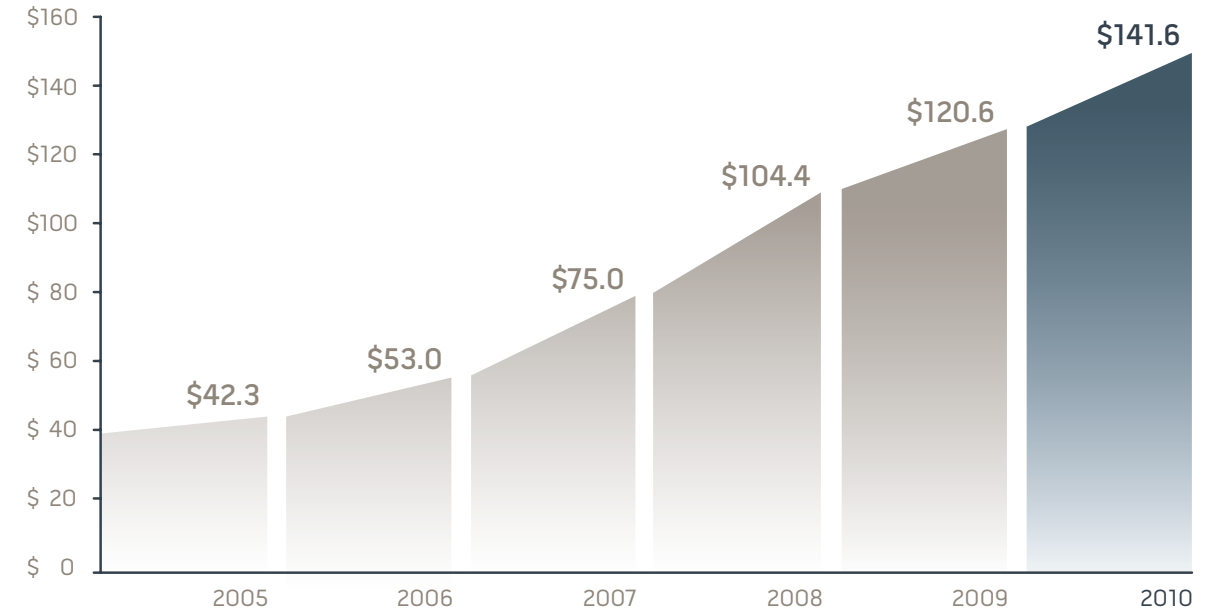
OVERALL ANNUAL REVENUE
Up 17 percent
2010 REVENUES WERE \$141.6 MILLION

Revenue Mix



Total Revenue (in millions)

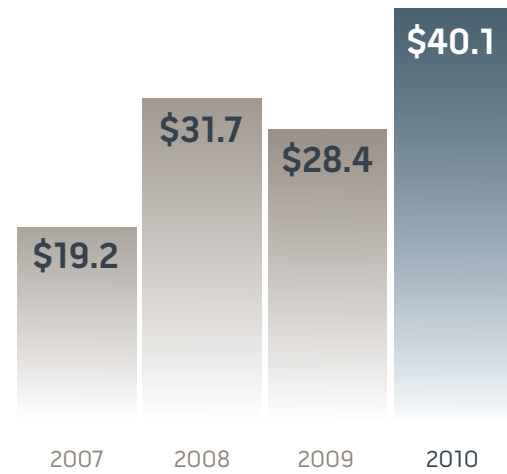
27% CAGR
2005-2010



Consumable Revenue

(in millions)

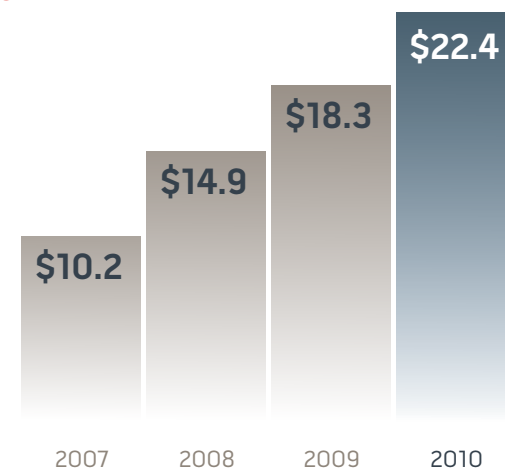
28% CAGR
2007-2010



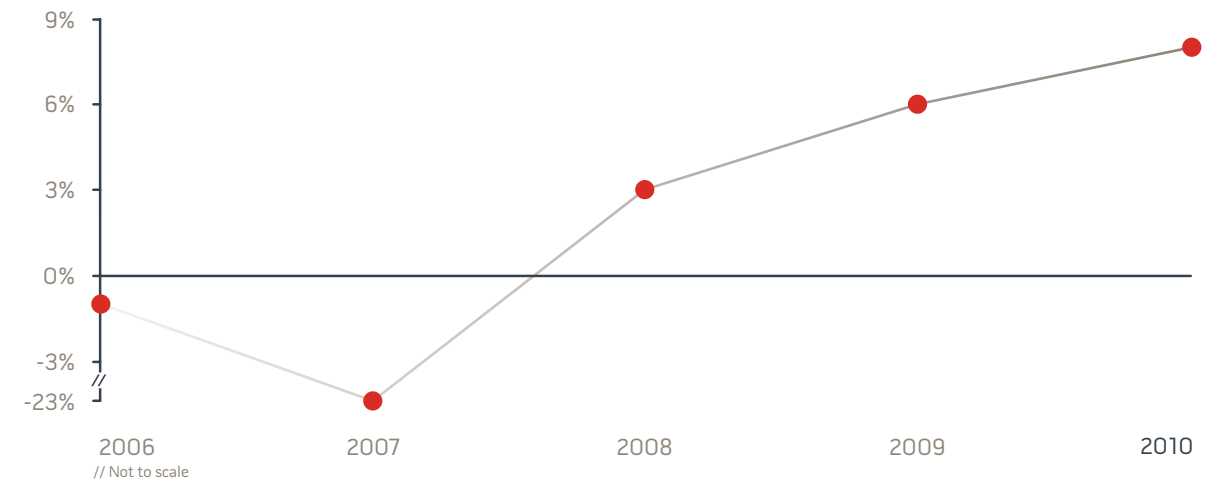
Royalty Revenue

(in millions)

30% CAGR
2007-2010



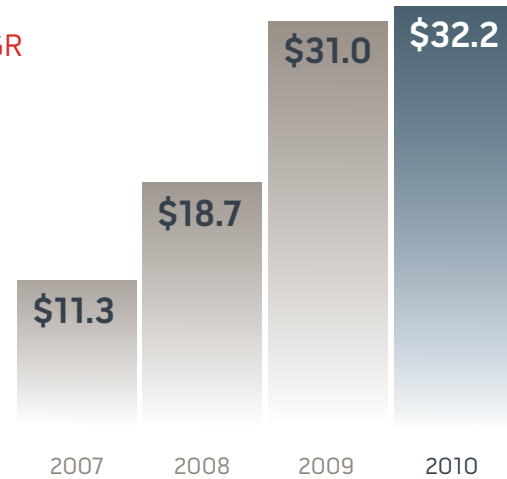
Operating Margin



Assay Revenue

(in millions)

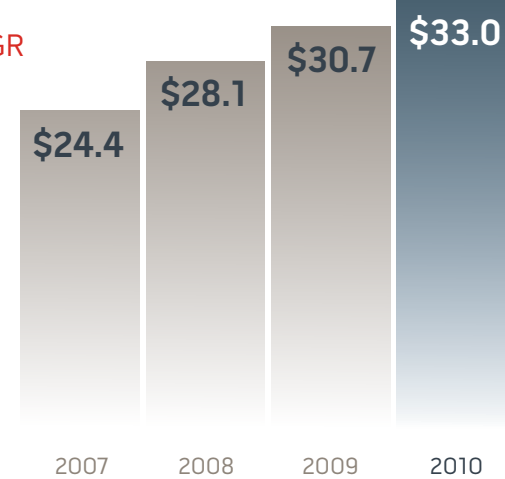
42% CAGR
2007-2010



System Revenue

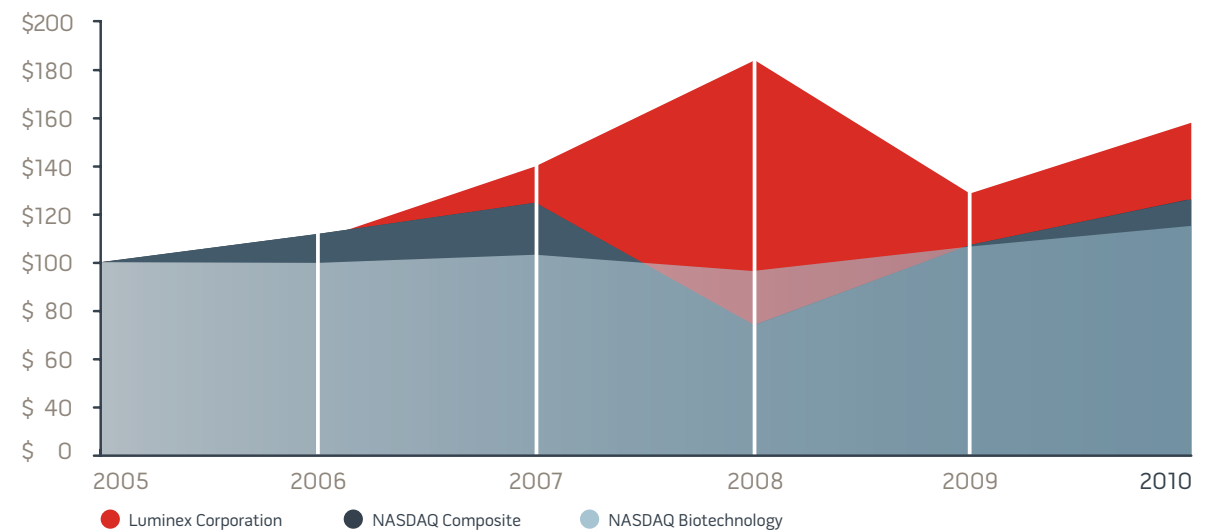
(in millions)

11% CAGR
2007-2010



Five Year Cumulative Total Return*

(among Luminex Corporation, the NASDAQ Composite Index and the NASDAQ Biotechnology Index)



*\$100 invested on 12/31/05 in stock or index, including reinvestment of dividends. Fiscal year ending December 31.

Innovation

Luminex is committed to driving ongoing innovation through our investment in research and development. In 2010, we made tremendous progress in advancing our product pipeline. We introduced our newest system, MAGPIX®, which broadens our system portfolio and opens new market segments. Based on Luminex's xMAP® Technology, the MAGPIX instrument is compact, robust and easy-to-use, making it attractive to laboratories and institutions with limited bench space and resources. The instrument provides fast, accurate and easily reproducible results that can advance research across many disease states by bringing a broad array of multiplexing applications to scientists.

The MAGPIX system uses an innovative detection mechanism that leverages our xMAP Technology. The new mechanism employs the use of advanced light-emitting diode (LED) technology to capture test results, making the system robust, flexible and cost-effective. MAGPIX saves vital time in the laboratory, produces faster results and requires less sample input than existing legacy technologies. Like other Luminex instruments, MAGPIX is versatile and flexible and can be used to analyze both nucleic acids and proteins.

MAGPIX's design and robust engineering make it ideal for customer applications. Luminex is pleased that our first commercial instrument was delivered to a scientific team at the Papua New Guinea Institute of Medical Research, where it is being used to advance critical malaria research. We are proud to be able to support dedicated scientists like these who are working to discover solutions to perplexing health threats around the globe.

To further support our instrument portfolio and our end users, we are actively engaged in both internal development programs and external automation projects. In 2010, we developed relationships with leading firms who are innovators in liquid handling to help our customers automate Luminex solutions.

In addition to our instrumentation initiatives, Luminex and our partners introduced new assays that broaden the scope and power of xMAP Technology. In August, we launched the broadest available FDA 510(k)-cleared assay to detect genetic mutations associated with cystic fibrosis (CF). The new xTAG® CF60 Kit v2 simultaneously determines whether a single blood sample has up to 60 of the more common disease-causing mutations, providing test results in just a few hours.

Building on our success in instruments, assays and technology, Luminex partners with market leaders that leverage our technology to discover innovative solutions that meet the needs of our customers around the globe. Our partner network extends from scientists seeking revolutionary discoveries, to those developing innovative clinical diagnostics, treatments, food safety assays and homeland security initiatives.

With our new partner High Throughput Genomics, Inc. (HTG), we co-developed and launched the qBead™ Gene Expression Assay. qBead is designed for researchers studying how genes are activated and suppressed in disease versus normal states. From this, they ascertain a better understanding of how such diseases develop, and can identify new targets for drug discovery. HTG's proprietary technology enables research on difficult-to-handle samples, including extensive tissue archives.

In the early part of the year, Luminex also established an exciting new technology partnership with Advanced Liquid Logic, LLC. This partnership leverages our proprietary technologies to co-develop products with the promise to improve quality and patient outcomes while reducing healthcare costs. Advanced Liquid Logic's patented technology for nano-liquid-handling, called digital microfluidics, enables highly flexible devices that can be configured with virtually any assay protocol.



CHUCK COLLINS, PH.D.
SENIOR DIRECTOR
ADVANCED TECHNOLOGY GROUP
LUMINEX CORPORATION

“Every day we are dedicated to innovating new products that enable scientists, academics and clinicians to advance their research with the end goal of improving lives for people around the world. MAGPIX is a great example of how our team addressed customer needs by developing a system that allows xMAP Technology to move into smaller labs and remote locations to better serve patients.”



SIMON SHENG
CHINA BUSINESS MANAGER
LUMINEX CORPORATION

“Our expansion into China and other key geographies throughout Asia Pacific, as well as an increasingly diverse portfolio of assays and instruments, has Luminex well positioned for accelerated growth. There is strong demand for our technology and many growth opportunities in the years ahead.”

“One Lambda and Luminex combined the power of Luminex’s xMAP® Technology with One Lambda’s expertise in HLA testing and organ transplantation to dramatically advance the care available to those undergoing transplants,” said George Ayoub, president and CEO of One Lambda. “Our partnership has significantly enhanced healthcare providers’ ability to care for organ transplant patients by delivering vital information that helps them to better match donors with recipients.”

— George Ayoub, CEO, One Lambda

Growth

In 2010, we successfully delivered across all elements of our strategic plan, growing our revenue and pipeline across assays, instruments and geographies. *Forbes* named Luminex Corporation one of the top 25 fastest-growing technology companies for the second consecutive year, while *Fortune* added us to its list of 100 fastest-growing companies across all industries. This recognition reflects our commitment to sustained growth.

Expansion into new markets is a key component of our growth plan. In 2010, we strengthened our presence in Asia, a growth market critical to the life sciences sector, growing our business in the People’s Republic of China and in Japan. With one of the highest growth rates in clinical laboratory equipment and reagent sales, China is Asia’s second-largest laboratory products market. Our xMAP Technology is currently used across China, with instruments found in leading research institutions and major medical centers nationwide.

We also expanded further in the Asia Pacific region through our acquisition of BSD Robotics, based in Brisbane, Australia. BSD’s specialization and leading position in robotic, dry sample automation for newborn screening and forensic applications places us squarely in strategic markets that we are set to enter more broadly with new assays and systems in 2011.

In addition to our geographic expansion, Luminex entered the dynamic field of personalized medicine, which seeks to provide more effective health care through individualized treatments that are tailored to a patient’s unique genetic profile. Launched in November, the in-vitro diagnostic assay, xTAG® CYP2D6 kit measures an enzyme that is involved in the metabolism of approximately one-fourth of all prescription drugs, from beta blockers to opioids.

Patients with these genetic variations are more likely to experience adverse drug reactions to medications acted upon by CYP2D6, putting them at increased risk of dangerous drug-induced side effects, interactions or therapeutic failure. Our new test, which received FDA 510(k) clearance from the U.S. Food and Drug Administration, can help physicians prescribe medications that will more effectively benefit patients through the knowledge of their 2D6 status.

We also continued to grow our core product lines. Increased awareness of respiratory viral testing due to the 2009 H1N1 outbreak persisted into 2010. We grew our xTAG Respiratory Viral Panel (RVP) customer base domestically and internationally, and are well positioned for the upcoming North American launch of our new RVP Fast assay.

Our partners also grew their core products from instrument placements to assay sales. The healthy double-digit growth we experienced in both royalties and consumables reflects our partners’ commitment to our platform.

We were delighted to renew our decade-long partnership with One Lambda, the leader in transplant science with their best-in-class HLA-typing and antibody detection assays. Our joint application of xMAP Technology has transformed transplantation diagnostics—making the process faster, more efficient and more accurate, which translates to more effective matching between organ donors and patient recipients.

Future growth in specialty markets is also strategically important over the long term. In 2010, Luminex continued our biothreat programs as well as initiatives in food safety. We look forward to continuing these relationships and reporting advances in these developmental programs in 2011.



The Prix Galien Award recognizes the technical, scientific and clinical research skills necessary to develop innovative medicines, and is considered equivalent to the Nobel Prize. Luminex's innovative xTAG® Respiratory Viral Panel (RVP) was named Best Medical Technology.

Looking Forward

While we recognize this year's achievements and progress, we are enthusiastic about the future. Our pipeline is robust and full of exciting new products with significant potential. We have a strong and expanding set of partners who are committed to our platform and working with us to grow synergistically. Our research and development activities continue to progress at a rapid pace.

A strategic initiative for us is the development of an assay panel targeting the most common gastrointestinal pathogens. Gastrointestinal (GI) disease, a major cause of morbidity and mortality worldwide, has multiple etiological causes (viruses, bacteria and parasites) that present with similar symptoms (e.g. diarrhea). Luminex's xTAG Gastrointestinal Pathogen Panel (GPP) has the potential to be a very high-impact assay in the diagnosis of these GI and diarrheal infections, which affect millions of people around the world each year and have a significant mortality rate. Accurate and timely diagnosis is a challenge to treating at-risk patients suffering from these diseases because depending upon the cause, treatment options vary, often delaying therapeutic intervention which, in turn, has serious consequences.

xTAG GPP is designed to detect multiple variants of bacteria, viruses, toxin genes, parasites and other disease-causing agents from a single sample within a few short hours. Currently available diagnostics for many of these analytes require lengthy cell culture or sequential testing, which can require days before

returning definitive results. xTAG GPP has the potential to shorten hospital stays, avert inappropriate use of antibiotics and dramatically reduce costs associated with GI infections. We currently plan to launch xTAG GPP in Europe in 2011.

We are extremely pleased with our progress in advancing our assay pipeline, not only in infectious disease but also in newborn screening. We expect to submit our NeoPlex4™ Assay for CE marking in the second half of 2011. While newborn screening (NBS) labs struggle to do more with less amid budget cuts and reduced levels of funding, NeoPlex4 will combine some of the most common analytes included in NBS panels into one test—consolidating work flows, increasing efficiencies and reducing costs. Additionally, given the very high volume of tests processed by these labs each day, we are committed to developing a solution that addresses the need for automation. To that end, we signed an agreement with Tecan Group, the recognized leader in laboratory automation, to co-develop a sample-to-result system for NeoPlex4 users, which we expect to be ready in time for launch.

Finally, our organization comprises a group of talented people who are committed to making a difference with our customers, partners and, most of all, patients. By maintaining our focus on innovation and addressing previously unmet clinical research and customer needs, we will continue to thrive as an organization, lead in the market, grow our business and innovate new solutions to improve human health.



DR. ARUNDHATI RAO, MD, PH.D.
ASSOCIATE PROFESSOR
AND SECTION CHIEF OF MOLECULAR PATHOLOGY
SCOTT & WHITE HEALTHCARE

“Respiratory disorders affect millions of people each year and can be caused by a variety of different viruses. They often require multiple sequential tests for accurate diagnosis. The xTAG Respiratory Viral Panel enables us to look at 12 different viruses simultaneously with a significantly shortened turn-around time. In addition to improving patient outcomes with accurate therapy because of the rapidly available diagnosis, we can get new insights into the epidemiology of respiratory diseases.”

Corporate Officers and Vice Presidents

Patrick J. Balthrop, Sr. Chief Executive Officer and President	Amy L. Altman, Ph.D. Vice President Biodefense
Russell W. Bradley Vice President Business Development and Strategic Planning	Steven Back Vice President Manufacturing and Quality Surveillance
Jeremy Bridge-Cook, Ph.D. Senior Vice President Assay Group	Thomas J. Copa Vice President Life Science Research and Food Safety
Harriss T. Currie Chief Financial Officer Vice President Treasurer	Andrew D. Ewing Vice President Partner and Operations Development
Timothy R. Dehne Vice President Systems Research and Development	Gregory J. Gosch Vice President Immunodiagnosics
Michael F. Pintek Senior Vice President Operations	Nancy Kronic, Ph.D. Vice President Luminex Molecular Diagnostics
David S. Reiter Vice President General Counsel and Corporate Secretary	Darin S. Leigh Vice President Commercial Operations
	Oliver H. Meek Vice President Quality Assurance and Regulatory Affairs

Board of Directors

G. Walter Loewenbaum, II (1) Chief Executive Officer and Chairman of the Board, Mumboe Corp. Chairman of the Board, 3D Systems Corporation	Jim D. Kever (2) Member, Voyent Partners, LLC Director, 3D Systems Corporation Director, Emdeon, Inc. Director, Tyson Foods, Inc.
Patrick J. Balthrop, Sr. (1) (5) Chief Executive Officer and President	Kevin M. McNamara (3) Retired Executive Vice President, Chief Financial Officer and Treasurer of HealthSprings, Inc. Director, Tyson Foods, Inc.
Robert J. Cresci (3) (4) Managing Director, Pecks Management Partners Ltd. Director, ContinuCare Corporation Director, j2 Global Communications, Inc.	Edward A. Ogunro, Ph.D. (4) (5) Retired Senior Vice President, R&D and Medical Affairs and Chief Scientific Officer, Hospira, Inc.
Thomas W. Erickson (1) (3) Retired Senior Advisor to New Mountain Capital, LLC Chairman of the Board, Inmar, Inc. Director, American Renal Holdings, Inc.	Gerard Vaillant (2) (5) Retired Company Group Chairman, Johnson & Johnson Chairman, Safeorthopedics Director, Tecan AG
Fred C. Goad, Jr. (2) (4) Member, Voyent Partners, Inc.	(1) Member of the Executive Committee (2) Member of the Compensation Committee (3) Member of the Audit Committee (4) Member of the Nominating and Corporate Governance Committee (5) Member of the Strategy and Development Committee
Jay B. Johnston (2) (5) Retired Corporate Vice President for Diagnostic Assays and Systems, Abbott Laboratories Chairman of the Board, QuesTek Innovations, LLC	

Independent Registered Public Accountants

Ernst & Young LLP
Austin, Texas

Annual Meeting of Stockholders

The annual meeting of stockholders will be held on Thursday, May 19, 2011,
at 10:00 a.m. local time at the Austin Airport Hilton, Austin, Texas.

Transfer Agent and Registrar

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Jersey City, New Jersey 07310
1.866.635.6965

Form 10-K/Investor Contact

A copy of the Company's Annual Report on Form 10-K, filed with the Securities
and Exchange Commission, may be obtained from the Company at no charge.
Requests for the Annual Report on Form 10-K and other investor information should
be directed to Investor Relations at the Company's corporate office or
www.luminexcorp.com or by e-mail to: investor@luminexcorp.com

Cautionary Note Regarding

Forward-Looking Statements

This report contains forward-looking statements
(all statements other than those made solely with
respect to historical fact) under the Private Securities
Litigation Reform Act of 1995. These forward-looking
statements, including statements regarding our
future financial position, business strategy, new
products, assay sales, budgets, liquidity, cash flows,
projected costs, litigation costs, including the costs
or impact of any litigation settlements or orders,
regulatory approvals or the impact of any laws or
regulations applicable to us, and plans and objectives
of management for future operations, are subject to
known and unknown risks and uncertainties (some of
which are beyond the Company's control) that could
cause actual results to differ materially and adversely
from those anticipated in the forward-looking
statements. See the Company's 10-K filing for
more detailed disclosure regarding forward-looking
statements and associated risks and uncertainties.

Luminex Locations

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