



DIGIRAD CORPORATION RESPONDING TO WILDFIRE EMERGENCY

Offices Closed Since Monday, Expected to Reopen Later in Week

Poway, Calif. – October 24, 2007 – Digirad Corporation (Nasdaq: DRAD), a leading provider of medical diagnostic imaging systems and services to physicians' offices, hospitals and imaging centers, today reported that on Monday it closed its headquarters and manufacturing plant in Poway but plans to reopen as soon as the wildfires are under control and the area is cleared by fire officials.

Digirad Chief Executive Mark Casner remarked: "The safety of our employees is our primary concern, and, given the widespread nature of these fires and their close proximity to our offices in Poway, we voluntarily closed our facilities on Monday and plan to reopen as soon as it is safe to do so. We can report that the factory itself is intact and not currently impacted by any of the fires, but anticipate some mild disruption in customer service, particularly as it relates to parts distribution. However, we expect to have a small crew on site on Wednesday to meet any immediate needs. The decentralized structure of our field services team is helping to minimize the disruptions to the usual flow of services to our customers and partners, and we do not expect this temporary closure to have any meaningful impact on either our production or delivery of cameras.

"While no disaster plan could anticipate the severity of these fires, our preparedness should allow us to return to normal in short order." Casner added, "It has been the character and commitment of our employees that have contributed the most to the Company's ability to respond to this emergency and, in turn, quickly and effectively adjust to the situation to minimize any impact to our customers. Most importantly to those directly and personally impacted by the fires, our thoughts and prayers go out to you."

Third-Quarter Financial Results

At present, Digirad management intends to report third-quarter financial results, as previously scheduled, on Thursday, October 25, and hold its quarterly conference call at 8 a.m. Pacific (11 a.m. Eastern). A simultaneous web cast of the call may be accessed online from the Events & Presentations link on the Investor Relations page at www.digirad.com; an archived replay of the webcast will be available within 15 minutes of the end of the conference call. A telephone replay of the call will be available at (800) 406-7325 or (303) 590-3030, conference ID #3793192, from approximately 2 p.m. EDT. The telephone replay will be available until 11:59 pm EDT on October 27.

About Digirad Corporation

Digirad provides diagnostic nuclear and ultrasound imaging systems and services to physicians' offices, hospitals and imaging centers for cardiac, vascular, and general imaging applications. Digirad's Cardius XPO line of nuclear imaging cameras use patented solid-state technology and unique multi (single, dual, triple) head design for superior performance and advanced features for sharper digital images, faster processing, compact size, lighter weight for portability, ability to handle patients up to 500 pounds, and improved patient comfort compared to standard nuclear cameras. Digirad's 2020tc general-purpose nuclear imager has a small footprint and may also be configured for fixed or mobile use to supplement primary imaging. Digirad's installed base of equipment exceeds 450 systems; in addition, a mobile fleet of more than 120 nuclear and ultrasound imaging systems is being used in 22 states, primarily in the eastern, midwestern and southwestern United States. For more information, please visit www.digirad.com. Digirad®, Digirad Imaging Solutions®, and Cardius® are registered trademarks of Digirad Corporation.

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