

June 9, 2011



Enzo Biochem Reports Improved Third Quarter Results

Enzo Clinical Labs Achieves Sharply Increased Operating Results and Margins on 28% Increase in Revenues; Enzo Life Sciences Operating Income Up 31%

NEW YORK--(BUSINESS WIRE)-- Enzo Biochem, Inc. (NYSE:ENZ) today reported operating results for the three months ended April 30, 2011, including:

- EBITDA (earnings before interest, taxes, depreciation and amortization, a non-GAAP measure) improvement of 73%, or \$2.4 million;
- A 9% increase in total revenues, reflecting a 28% increase in Enzo Clinical Lab revenues for the period;
- Improved margins at both Enzo Labs and Enzo Life Sciences, resulting in a 17% increase in gross profits;
- A 54% reduction, or \$2.5 million improvement, in the quarter's net loss as compared to a year ago;

"As our third quarter results reflect, our efforts to date to better integrate our Clinical Lab and Life Sciences activities, increase market share, reduce costs and enhance productivity are starting to yield very tangible results," said Barry Weiner, President. "These achievements are being realized as we continue to position Enzo for the new and increasing shifts in medical diagnostics to personalized medicine and gene-based, or molecular testing, in addition to the development of our own laboratory developed tests and realize the planned benefits from our cost management plan."

Third Quarter Operating Results

Total revenues increased to \$25.8 million, up from \$23.7 million in the preceding January 2011 quarter and from \$23.8 million in the corresponding year-ago period. Product revenues were up almost 7% sequentially, though down a slight 1% year over year, while Clinical Lab revenues at \$13.8 million, increased 12.5% and 28%, respectively. Royalty and licensing fee income, based on current payments received, declined to \$1.1 million, from \$1.2 million and \$1.9 million sequentially and year-over-year, respectively. Reduced product sales is indicative of the Company's program to increase direct sales and rationalize certain distribution business, while the Clinical Labs business benefited from organic growth as well as the previously announced major new payer contract, which also has enabled Enzo to tap into a wider network of physicians not previously serviced.

As a result, gross profit improved to \$12.4 million, from \$10.5 million a year ago, a 17% improvement (and \$10.3 million sequentially), with the gross margin at 48%, compared to 44% year over year. Selling, general and administrative expenses, as a percentage of total revenues, improved to 42%, from 50% a year ago, although, in other expenses, the

Company incurred higher legal costs and an increased provision for uncollectible accounts receivables, the latter due principally to the increased revenues at Enzo Clinical Labs activity. The net loss for the period declined to (\$2.1) million, or (\$0.05) per diluted share, down from a net loss a year ago of (\$4.6) million or (\$0.12) per diluted share and a net loss in the preceding January 2011 quarter of (\$5.7) million, or (\$0.15) per diluted share. EBITDA loss for the period improved to (\$0.9) million as compared to (\$3.3) million in the year ago period, a 73% improvement. Enzo's finances, as of April 30, 2011, remained strong and highly liquid, with cash and cash equivalents and short term investments over \$27.5 million, and working capital of \$37.2 million.

Year to Date Operating Results

For the nine months ended April 30, 2011, total revenues increased 4%, to \$75.2 million, from \$72.1 million a year ago, including an 18% increase in Clinical Lab revenues. Gross margin increased 4%, to \$36.2 million, from \$34.7 million, a year ago, with gross profit margin equal to 48% for both periods. Operating expenses, excluding the prior year legal settlement, as a percentage of total revenues, improved to 60%, from 65% a year ago, with SG&A alone improving 7%, to 44%, from 51% a year ago. The net loss was reduced by \$7.8 million to (\$8.9) million or (\$.23) per diluted share. Adjusting for the legal settlement in 2010, the net loss improved by \$4.1 million or \$.11 per diluted share. EBITDA, after the adjustment for the settlement, improved by \$4.2 million.

Segment Quarter Results

Enzo Clinical Labs, as noted, logged strong third quarter revenue gains, the result of organic growth, reflective of increased clients and test offerings and the new payer contract, which has increased access to physicians not previously served. Working jointly with Enzo Life Sciences, Enzo Clinical Labs, is increasingly focused on the development of in-house diagnostic tests, plus the addition of esoteric tests and the marketing of its personal diagnostic services. Revenues increased 28%, to \$13.8 million, a record quarter. The gross margin increased to \$5.5 million, or 40% of revenues, compared to \$2.9 million, or 27%, a year ago, due not only to the leverage from increased volume but also from reduced overhead and process improvements that favorably impacted costs. SG&A was up slightly, in part due to increased sales commissions from a broader sales force that is now operative, although as a percentage of revenues, it declined to 33% from 41% a year ago. The Clinical Labs' operating loss was just \$70,000, as compared to a year-ago loss of (\$2.2) million.

Enzo Life Sciences posted operating income of \$0.9 million, up from \$0.7 million in the year ago period, despite a 1% decline in product sales to \$10.9 million. Royalty and licensing fee income, based on current payments received, declined to \$1.1 million, from \$1.9 million year-over-year. Despite the reduction in revenues, the improvement in operating income reflects a more profitable product line-up and the benefits from the on-going cost improvement and business integration program, impacting staffing levels and realignment of facilities and R&D, all designed to achieve greater efficiencies and profitability.

Conference Call

The Company will conduct a conference call on June 10, 2011 at 8:30 AM ET. The call can be accessed by dialing 1-888-459-5609. International callers can dial 1-973-321-1024. Please reference PIN number 72843756. Interested parties may also listen over the Internet

at <http://phx.corporate-ir.net/playerlink.zhtml?c=94391&s=wm&e=4126722>. To listen to the live call on the Internet, please go to the web site at least fifteen minutes early to register, download and install any necessary audio software. For those who cannot listen to the live broadcast, a replay will be available approximately two hours after the end of the live call, through midnight (ET) on June 24, 2011. The replay of the conference call can be accessed by dialing 1-800-642-1687, and when prompted, use PIN number 72843756. International callers can dial 1-706-645-9291, using the same PIN number.

NON-GAAP Financial Measures

To comply with Regulation G promulgated pursuant to the Sarbanes-Oxley Act, Enzo Biochem attached to this news release and will post to the Company's investor relations web site (www.enzo.com) any reconciliation of differences between non-GAAP financial information that may be required in connection with issuing the Company's quarterly financial results.

The Company uses EBITDA, as a measure of performance to demonstrate earnings exclusive of interest, taxes, depreciation and amortization. The Company manages its business based on its operating cash flows. The Company, in its daily management of its business affairs and analysis of its monthly, quarterly and annual performance, makes its decisions based on cash flows, not on the amortization of assets obtained through historical activities. The Company, in managing its current and future affairs, cannot affect the amortization of the intangible assets to any material degree, and therefore uses EBITDA as its primary management guide. Since an outside investor may base its evaluation of the Company's performance based on the Company's net loss not its cash flows, there is a limitation to the EBITDA measurement. EBITDA is not, and should not be considered, an alternative to net loss, loss from operations, or any other measure for determining operating performance of liquidity, as determined under accounting principles generally accepted in the United States (GAAP). The most directly comparable GAAP reference in the Company's case is the removal of interest, taxes, depreciation and amortization.

About Enzo Biochem

Enzo Biochem, Inc., is a growth-oriented integrated life sciences and biotechnology company focused on harnessing biological process to develop research tools, diagnostics and therapeutics, and serves as a provider of test services, including esoteric tests, to the medical community. Since our founding in 1976, our strategic focus has been on the development of enabling technologies in the life sciences field. Enzo Life Sciences develops, produces and markets proprietary labeling and detection products for gene sequencing, genetic analysis and immunological research, among others. Its catalog of over 30,000 products serves the molecular biology, drug discovery and pathology research markets worldwide. Enzo Clinical Labs provides laboratory services for a growing roster of physicians in the New York Metropolitan area, Eastern Pennsylvania and New Jersey. Its tests include, in addition to routine tests, capabilities for detecting molecular infection disease, molecular oncology, autoimmune disorders and genetics. Enzo Clinical Labs also provides clinical diagnostic services that allow Enzo to capitalize on its extensive advanced molecular and cytogenetic capabilities and the broader trends in predictive and personalized diagnostics. Enzo Therapeutics is a biopharmaceutical venture that has developed multiple novel approaches in the areas of gastrointestinal, infectious, ophthalmic and metabolic diseases. It has focused its efforts on developing treatment regimens for diseases and conditions for

which current treatment options are ineffective, costly, and/or cause unwanted side effects. In the course of the company's research and development activities, Enzo has also developed a substantial portfolio of intellectual property asset with patent coverage across a number of key technologies

Except for historical information, the matters discussed in this news release may be considered "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements include declarations regarding the intent, belief or current expectations of the Company and its management, including those related to cash flow, gross margins, revenues, and expenses are dependent on a number of factors outside of the control of the company including, inter alia, the markets for the Company's products and services, costs of goods and services, other expenses, government regulations, litigations, and general business conditions. See Risk Factors in the Company's Form 10-K for the fiscal year ended July 31, 2010. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties that could materially affect actual results. The Company disclaims any obligations to update any forward-looking statement as a result of developments occurring after the date of this press release.

ENZO BIOCHEM, INC.

(in thousands, except per share data)

Selected operations data:	Three months ended		Nine months ended	
	April 30, 2011		April 30, 2011	
	(unaudited)		(unaudited)	
	2011	2010	2011	2010
Product revenues	\$10,935	\$11,089	\$31,356	\$32,599
Royalty and license fee income	1,083	1,894	5,380	7,044
Clinical laboratory services	13,809	10,805	38,477	32,494
Total revenues	\$25,827	\$23,788	\$75,213	\$72,137
Gross profit	\$12,364	\$10,531	\$36,172	\$34,743
Gross profit %	48%	44%	48%	48%
Loss before income tax provision	(\$2,002)	(\$4,399)	(\$8,621)	(\$16,504)
Provision for income taxes (A)	108	177	316	216
Net loss	(\$2,110)	(\$4,576)	(\$8,937)	(\$16,720)
Basic and diluted loss per share	(\$0.05)	(\$0.12)	(\$0.23)	(\$0.44)

Weighted average shares outstanding - basic and diluted	38,478	38,095	38,279	37,950
Reconciliation of GAAP Net Loss to EBITDA (loss), as adjusted:				
Net loss	(\$2,110)	(\$4,576)	(\$8,937)	(\$16,720)
Depreciation and amortization	1,084	1,038	3,271	3,224
Interest expense (income)	(2)	(3)	(10)	(13)
Provision for income taxes	108	177	316	216
EBITDA (loss) (B)	(\$920)	(\$3,364)	(\$5,360)	(\$13,293)
Adjustment for litigation settlement to former officer and related legal costs				3,698
EBITDA (loss), as adjusted (C)	(\$920)	(\$3,364)	(\$5,360)	(\$9,595)

Notes:

A- All periods reflect effective tax rates below the statutory rate due to inability to recognize future tax benefits.

B- EBITDA is a non-GAAP measure, as described in the attached press release

C- EBITDA, adjusted for litigation settlement to former officer and related legal costs

Selected balance sheet data:

	April 30, 2011	July 31, 2010
Cash and cash equivalents and short term investments	\$27,517	\$33,566
Working capital	\$37,201	\$42,181
Stockholders' equity	\$91,647	\$97,016
Total assets	\$110,275	\$115,245

Source: Enzo Biochem, Inc.