
Item 1. Financial Statements

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This Quarterly Report on Form 10-Q contains “forward-looking statements,” as that term is defined under the Private Securities Litigation Reform Act of 1995, or PSLRA, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements about our expectations, beliefs or intentions regarding our product development efforts, business, financial condition, results of operations, strategies or prospects. You can identify forward-looking statements by the fact that these statements do not relate strictly to historical or current matters. Rather, forward-looking statements relate to anticipated or expected events, activities, trends or results as of the date they are made. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties that could cause our actual results to differ materially from any future results expressed or implied by the forward-looking statements. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements. These factors include those described below and in “Item 1A-Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2009, and described from time to time in our reports filed with the Securities and Exchange Commission. Except as required by law, we do not undertake any obligation to update forward-looking statements. We intend that all forward-looking statements be subject to the safe-harbor provisions of the PSLRA. These forward-looking statements are only predictions and reflect our views as of the date they are made with respect to future events and financial performance.

Risks and uncertainties, the occurrence of which could adversely affect our business, include the following:

We have a history of operating losses and we do not expect to become profitable in the near future.

Our technologies are in an early stage of development and are unproven.

Our drug research and development activities may not result in commercially viable products.

The results of previous clinical trials may not be predictive of future results, and our current and planned clinical trials may not satisfy the requirements of the FDA or other non-U.S. regulatory authorities.

We will require substantial additional funding, which may not be available to us on acceptable terms, or at all.

We expect to finance future cash needs primarily through public or private offerings, debt financings or strategic collaborations, which may dilute your stockholdings in the Company.

If our competitors develop and market products that are more effective, safer or less expensive than our future product candidates, our commercial opportunities will be negatively impacted.

The regulatory approval process is expensive, time consuming and uncertain and may prevent us or our collaboration partners from obtaining approvals for the commercialization of some or all of our product candidates.

Failure to recruit and enroll patients for clinical trials may cause the development of our product candidates to be delayed.

Even if we obtain regulatory approvals for our product candidates, the terms of approvals and ongoing regulation of our products may limit how we manufacture and market our product candidates, which could materially impair our ability to generate anticipated revenues.

We may not meet regulatory quality standards applicable to our manufacturing and quality processes.

Even if we receive regulatory approval to market our product candidates, the market may not be receptive to our products.

If we fail to attract and retain key management and scientific personnel, we may be unable to successfully develop or commercialize our product candidates.



(unaudited)
(in thousands, except share data)

	For the three months ended September 30,		For the nine months ended September 30,	
	2010	2009 (restated, Refer to Note 12)	2010	2009 (restated, Refer to Note 12)
Revenue	\$ 7,599	\$ 1,501	\$ 22,976	\$ 6,149
Cost of goods sold, excluding amortization of intangible assets	<u>5,255</u>	<u>1,055</u>	<u>15,633</u>	<u>4,380</u>
Gross margin, excluding amortization of intangible assets	2,344	446	7,343	1,769
Operating expenses				
Selling, general and administrative	6,017	3,089	15,904	9,272
Research and development	2,098	2,805	5,001	10,962
Other operating expenses, principally amortization of intangible assets	<u>973</u>	<u>406</u>	<u>2,775</u>	<u>1,218</u>
Total operating expenses	<u>9,088</u>	<u>6,300</u>	<u>23,680</u>	<u>21,452</u>
Operating loss	(6,744)	(5,854)	(16,337)	(19,683)
Other income (expense), net	<u>(320)</u>	<u>(458)</u>	<u>(1,050)</u>	<u>(1,402)</u>
Loss before income taxes and investment loss	(7,064)	(6,312)	(17,387)	(21,085)
Income tax provision (benefit)	<u>82</u>	<u>(23)</u>	<u>183</u>	<u>(161)</u>
Loss before investment loss in investee	(7,146)	(6,289)	(17,570)	(20,924)
Loss from investment in investee	<u>(208)</u>	<u>(65)</u>	<u>(683)</u>	<u>(103)</u>
Net loss	(7,354)	(6,354)	(18,253)	(21,027)
Preferred stock dividend	<u>(656)</u>	<u>(3,944)</u>	<u>(1,979)</u>	<u>(4,060)</u>
Net loss attributable to common shareholders	<u>\$ (8,010)</u>	<u>\$ (10,298)</u>	<u>\$ (20,232)</u>	<u>\$ (25,087)</u>
Loss per common share, basic and diluted	<u>\$ (0.03)</u>	<u>\$ (0.04)</u>	<u>\$ (0.08)</u>	<u>\$ (0.11)</u>
Weighted average number of common shares outstanding, basic and diluted	255,307,381	252,986,149	255,007, XXXX	é

We are a specialty healthcare company involved in the discovery, development, and commercialization of pharmaceutical products, medical devices, vaccines, diagnostic technologies, and imaging systems. Initially focused on the treatment and management of ophthalmic diseases, we have since expanded into other areas of major unmet medical need. We are a Delaware corporation, headquartered in Miami, Florida.

Basis of presentation. The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. In the opinion of management, all adjustments (consisting of only normal recurring adjustments) considered necessary to present fairly the Company's results of operations, financial position and cash flows have been made. The results of operations and cash flows for the three and nine months ended September 30, 2010, are not necessarily indicative of the results of operations and cash flows that may be reported for the remainder of 2010 or for future periods. The interim condensed consolidated financial statements should be read in conjunction with the Consolidated Financial Statements and the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2009.

Principles of consolidation. The accompanying unaudited condensed consolidated financial statements include the accounts of OPKO Health, Inc. and our wholly-owned subsidiaries. All significant intercompany accounts and transactions are eliminated in consolidation.

Use of estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Comprehensive loss. Our comprehensive loss for the three and nine months ended September 30, 2010 includes net loss for the three and nine months and the cumulative translation adjustment, net of taxes of \$0.8 million and \$2.3 million, respectively, for the translation of the results of our subsidiaries in Chile and Mexico. Comprehensive loss for the three and nine months ended September 30, 2009 is comprised entirely of our net loss.

Revenue recognition. Generally, we recognize revenue from product sales when goods are shipped and title and risk of loss transfer to our customers. Certain of our instrumentation products are sold directly to end-users and require that we deliver, install and train the staff at the end-users' facility. As a result, we do not recognize revenue until the product is delivered, installed and training has o r c

amount of allowance for doubtful accounts at September 30, 2010 and December 31, 2009, was \$1.1 million and \$0.4 million, respectively.

Segment reporting. Our chief operating d

amendment, entities may be able to separate multiple-deliverable arrangements in more circumstances than under existing accounting guidance. This guidance amends the requirement to establish the fair value of undelivered products and services based on objective evidence and instead provides for separate revenue recognition based upon management's best estimate of the selling price for an undelivered item when there is no other means to determine the fair value of that undelivered item. The existing guidance previously required that the fair value of the undelivered item reflect the price of the item either sold in a separate transaction between unrelated third parties or the price charged for each item when the item is sold separately by the vendor. If the fair value of all of the elements in the arrangement was not determinable, then revenue was deferred until all of the items were delivered or fair value was determined. This amendment will be effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. Early adoption and retrospective application is also permitted. We have not adopted this guidance early and are currently evaluating the potential effect of the adoption of this amendment on our results of operations and financial condition.

Basic loss per share is computed by dividing our net loss attributable to common shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share is computed by dividing our net loss attributable to common shareholders by the weighted average number of shares outstanding and the impact of all dilutive potential common shares, primarily stock options. The dilutive impact of stock options and warrants are determined by applying the "treasury stock" method.

A total of 20,968,349 and 20,998,353 potential common shares have been excluded from the calculation of net loss per share for the three months ended September 30, 2010 and 2009, respectively, because their inclusion would be anti-dilutive. A total of 20,067,981 and 17,154,864 potential common shares have been excluded from the calculation of net loss per share for the nine months ended September 30, 2010 and 2009, respectively, because their inclusion would be anti-dilutive. As of September 30, 2010, the holders of our Series A Preferred Stock and Series D Preferred Stock could convert their Preferred Shares into approximately 1,026,656 and 13,069,888 shares of our Common Stock, respectively.

(in thousands)	September 30, 2010	December 31, 2009
Accounts receivable, net:		
Accounts receivable	\$ 14,589	\$ 9,118
Less allowance for doubtful accounts	(1,101)	(351)
	<u>\$ 13,488</u>	<u>\$ 8,767</u>
Inventories, net:		
Raw materials (including components for instrumentation)	\$ 4,060	\$ 3,764
Work-in process	1,085	1,365
Finished products	9,248	5,632
Less provision for inventory reserve	(525)	(241)
	<u>\$ 13,868</u>	<u>\$ 10,520</u>
Intangible assets, net:		
Customer relationships	\$ 7,527	\$ 7,259
Technology	4,597	4,597
Product registrations	4,090	3,829
Tradename	651	578
Covenants not to compete	365	317
Other	7	7
Less amortization	(6,659)	(3,865)
	<u>\$ 10,578</u>	<u>\$ 12,722</u>

The change in value of the intangible assets reflects the foreign currency fluctuation between the Chilean peso and the US dollar at September 30, 2010 and December 31, 2009.

On February 17, 2010, we acquired Exakta-OPKO, a privately-owned Mexican company, engaged in the manufacture, marketing and distribution of ophthalmic and other pharmaceutical products for government and private markets since 1957. Pursuant to a purchase agreement we acquired all of the outstanding stock of Exakta-OPKO and real property owned by an affiliate of Exakta-OPKO for a total aggregate purchase price of \$3.5 million, of which an aggregate of \$1.5 million was paid in cash and \$2.0 million was paid in shares of our Common Stock, par value \$.01. In September 2010, we reduced the consideration paid to the Sellers by \$0.1 million as Exakta-OPKO's working capital was below the agreed upon minimum. The number of shares to be issued was determined by the average closing price of the Company's Common Stock as reported on the NYSE Amex for the ten trading days ending on February 12, 2010. A total of 1,372,428 shares of OPKO Common Stock were issued in the transaction which were valued at \$2.0 million due to trading restrictions. A portion of the proceeds will remain in escrow for a period of time to satisfy indemnification claims.

On October 1, 2009, we entered into a definitive agreement to acquire OPKO Chile, a privately-owned Chilean company engaged in the representation, importation, commercialization and distribution of pharmaceutical products, over-the-counter products and medical devices for government, private and institutional markets in Chile. Pursuant to a stock purchase agreement with OPKO Chile and its shareholders, Farmacias Ahumada S.A., FASA Chile S.A., and Laboratorios Volta S.A., we acquired all of the outstanding stock of OPKO Chile in exchange for \$16 million in cash. The transaction closed on October 7, 2009.

Effective September 21, 2009, we entered into an agreement pursuant to which we invested \$2.5 million in cash in Cocrystal Discovery, Inc., a privately held biopharmaceutical company ("Cocrystal") in exchange for 1,701,723 shares of Cocrystal's Convertible Series A Preferred Stock. As of September 30, 2010, we own approximately 16% of Cocrystal's outstanding stock.

~~We have determined that Cocrystal has insufficient resources to carry out its principal activities without additional subordinated financial support. As such, Cocrystal meets the definition of a variable interest entity ("VIE"). In order to determine the primary beneficiary of the variable interest entity ("VIE"), we evaluated the related party group to identify who had the most significant power to control Cocrystal. Members of The Frost Group, LLC (the "Frost Group") own approximately 4,422,967 shares, representing 42% of Cocrystal's outstanding stock on an as converted basis, including 4,152,386 held by the Frost Gamma Investments Trust (the "Gamma Trust"). The Frost Group members include a trust controlled by Dr. Frost, who is our Chief Executive Officer and Chairman of the Board of Directors, Dr. Jane H. Hsiao, who is the Vice Chairman of the Board of Directors and Chief Technical Officer, Steven D. Rubin who is Executive Vice President - Administration and a director of the Company and Rao Uppaluri who is our Chief Financial Officer. Dr. Frost, Mr. Rubin, and Dr. Hsiao currently serve on the Board of Directors of Cocrystal and represent 50% of its board. In addition, the Gamma~~

The outstanding contracts at September 30, 2010, have been recorded at fair value, and their maturity details are as follows:

(in thousands) Days until maturity	Contract value	Fair value at September 30, 2010	Unrealized gain (loss)
0 to 30	\$ 786	\$ 842	\$ 56
31 to 60	461	484	23
61 to 90	1,471	1,560	89
91 to 120	214	228	14
121 to 180	2,181	2,338	157
More than 180	2,915	3,196	281
Total	<u>\$ 8,028</u>	<u>\$ 8,648</u>	<u>\$ 620</u>

On July 20, 2010, we entered into a use agreement for approximately 1,100 square feet of space in Jupiter, Florida to house our molecular diagnostics operations from The Scripps Research Ins p Ins

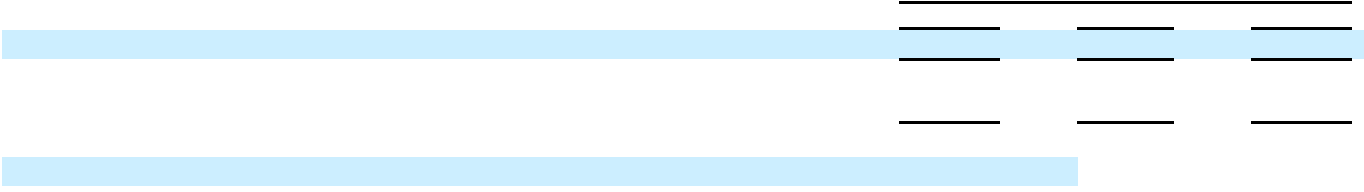
On May 6, 2008, we completed the acquisition of Vidus Ocular, Inc., or Vidus. Pursuant to a Securities Purchase Agreement with Vidus, each of its stockholders, and the holders of convertible promissory notes issued by Vidus, we acquired all of the outstanding stock and convertible debt of Vidus in exchange for (i) the issuance and delivery at closing of 658,080 shares of our common stock (the "Closing Shares"); (ii) the issuance of 488,420 shares of our common stock to be held in escrow pending the occurrence of certain development milestones (the "Milestone Shares"); and (iii) the issuance of options to acquire 200,000 shares of our common stock. Additionally, in the event that the stock price for our common stock at the time of receipt of approval or clearance by the U.S. Food & Drug Administration of a pre-market notification 510(k) relating to the Aquashunt™ is not at or above a specified price, we will be obligated to issue an additional 413,850 shares of our common stock.

We have a potential obligation of approximately \$0.3 million related to a put option held by an employee. Refer to Note 6.

We expect to incur losses from operations for the foreseeable future. We expect to incur substantial research and development expenses, including expenses related to the hiring of personnel and additional clinical trials. We expect that selling, general and administrative expenses will also increase as we expand our sales, marketing and administrative staff and add infrastructure. We intend to finance additional research and development projects, clinical trials and our future operations with a combination of private placements, payments from potential strategic research and development, licensing and/or marketing arrangements, public offerings, debt financing and revenues from future product sales, if any. There can be no assurance, however, that additional capital will be available to us on acceptable terms, or at all.

We are a party to other litigation in the ordinary course of business. We do not believe that any such other litigation will have a material adverse effect on our business, financial condition or results of operations.

We currently manage our operations in two reportable segments, pharmaceutical and instrumentation segments. The pharmaceutical segment consists of two operating segments, our (i) pharmaceutical research and development segment which is focused on the research and development of pharmaceutical products, diagnostic tests and vaccines, and (ii) the pharmaceutical operations we acquired in Chile and Mexico through the acquisition of OPKO Chile and Exakta-OPKO. The instrumentation segment consists of ophthalmic instrumentation products and the activities related to the research, development, manufacture and commercialization of those products. There are no inter-segment sales. We evaluate the performance of each segment based on operating profit or loss. There is no inter-segment allocation of interest expense and income taxes.



administrative expenses primarily reflects the increase in selling expenses related to our pharmaceutical business. Selling, general and administrative expenses during the three months ended September 30, 2010 and 2009, primarily include personnel expenses, including equity-based compensation expense of \$1.2 million and \$0.8 million, respectively, and professional fees.

Research and development expense. Research and development expense during the three months ended September 30, 2010 and 2009, was \$2.1 million and \$2.8 million, respectively. The decrease for the three months ended September 30, 2010, primarily reflects decreased equity-based compensation expense and professional fees, partially offset by increased activities related to our rolapitant and molecular diagnostics development programs. Research and development expenses during the three months ended September 30, 2010, includes equity-based compensation expense of \$0.2 million, compared to \$1.0 million for the 2009 period.

Other operating expenses. Other operating expenses for the three months ended September 30, 2010, as compared to the three months ended September 30, 2009, increased by \$0.6 million primarily as a result of the amortization of the intangible assets recorded as part of the acquisition of OPKO Chile and also includes amortization of intangible assets recorded as part of the acquisitions of OTI and Exakta-OPKO. The 2009 period only includes the amortization expense of the intangible assets acquired from OTI.

Other income and expenses, net. Other income and expense, net was \$0.3 million for the three months ended September 30, 2010 compared to other income and expense, net of \$0.5 million for the comparable 2009 period. Other income primarily consists of interest earned on our cash and cash equivalents and other expense primarily includes foreign currency expense during the 2010 period. Other expense during the 2009 period primarily reflects the interest incurred on our line of credit with The Frost Group LLC (the “Frost Group”). On June 2, 2010, we repaid all amounts outstanding on the Frost Group line of credit including \$12 million in principal and \$4.1 million in interest. We have the ability to redraw funds under the line of credit until its expiration in January 2011. The Frost Group members include a trust controlled by Dr. Frost, who is the Company’s Chief Executive Officer and Chairman of the board of directors, Dr. Jane H. Hsiao, who is the Vice Chairman of the board of directors and Chief Technical Officer, Steven D. Rubin who is Executive Vice President — Administration and a director of the Company and Rao Uppaluri who is the Chief Financial Officer of the Company.

Income taxes. For the three months ended September 30, 2010, our income tax provision reflects the income tax payable in Chile, partially offset by our refundable Canadian provincial tax credit. This credit relates to research and development expenses incurred at our OTI locations. The income tax benefit for the three months ended September 30, 2009, reflect only the refundable Canadian provincial tax credit.

Revenue. Revenue for the nine months ended September 30, 2010, was \$23.0 million, compared to \$6.1 million for the comparable 2009 period. The increase in revenue during the first nine months of 2010 is primarily due to revenue from our OPKO Chile and Exakta-OPKO pharmaceutical businesses in Chile and Mexico. We acquired OPKO Chile in October 2009 and Exakta-OPKO in February 2010. As a result, the 2009 period reflects revenue only from our instrumentation business, which increased slightly during 2010.

Gross margin. Gross margin for the nine months ended September 30, 2010, was \$7.3 million compared to \$1.8 million for the comparable period of 2009. Gross margin for the nine months ended September 30, 2010, increased from the 2009 period primarily as a result of the gross margin generated by our pharmaceutical business.

Selling, general and administrative expense. Selling, general and administrative expense for the nine months ended September 30, 2010, was \$15.9 million compared to \$9.3 million of expense for the comparable period of 2009. The increase in selling, general and administrative expenses primarily reflects the increase in selling expenses related to our pharmaceutical business, as well as professional fees. Selling, general and administrative expenses during the first nine months of 2010 and 2009, primarily include personnel expenses, including equity-based compensation expense of \$3.4 million and \$2.3 million, respectively, and professional fees.

Research and development expense. Research and development expense during the nine months ended September 30, 2010 and 2009, was \$5.0 million and \$11.0 million, respectively. The decrease for the nine months ended September 30, 2010, primarily reflects the inclusion during the 2009 period of the cost of the Phase III clinical trial for bevasiranib until March 6, 2009, when the trial was shut down. The 2009 period includes the shutdown costs of the trial, including transitioning patients from the trial onto the standard of care therapy. The shutdown costs also include the cost of analyzing the data collected and performing statistical analysis.

Level 2 measurements. The new disclosures are required of all entities that are required to provide disclosures about recurring and nonrecurring fair value measurements. This amendment was effective as of January 1, 2010, with an exception for the gross presentation of Level 3 rollforward information, which is required for annual reporting periods beginning after December 15, 2010, and for interim reporting periods within those years. The adoption of the remaining provisions of this amendment is not expected to have a material impact on our financial statement disclosures.

In October 2009, the FASB issued an amendment to the accounting for multiple-deliverable revenue arrangements. This amendment provides guidance on determining whether multiple deliverables exist, how the arrangements should be separated and how the consideration paid should be allocated. As a result of this amendment, entities may be able to separate multiple-deliverable arrangements in more circumstances than under existing accounting guidance. This guidance amends the requirement to establish the fair value of undelivered products and services based on objective evidence and instead provides for separate revenue recognition based upon management's best estimate of the selling price for an undelivered item when there is no other means to determine the fair value of that undelivered item. The existing guidance previously required that the fair value of the undelivered item reflect the price of the item either sold in a separate transaction between unrelated third parties or the price charged for each item when the item is sold separately by the vendor. If the fair value of all of the elements in the arrangement was not determinable, then revenue was deferred until all of the items were delivered or fair value was determined. This amendment will be effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. Early adoption and retrospective application is also permitted. We have not adopted this guidance early and are currently evaluating the potential effect of the adoption of this amendment on our results of operations and financial condition.

Except as set forth below, there have been no material changes from the risk factors as previously disclosed in the Item 1A of the Company Annual Report on Form 10-K for the year ended December 31, 2009.

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Exhibit 31.2 Certification by Rao Uppaluri, Chief Financial Officer, pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended September 30, 2010.

Exhibit 32.1 Certification by Phillip Frost, Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended September 30, 2010.

Exhibit 32.2 Certification by Rao Uppaluri, Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended September 30, 2010.

+ Certain confidential material contained in the document has been omitted and filed separately with the Securities and Exchange Commission.

- (1) Filed with the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 2, 2007, and incorporated herein by reference.
- (2) Filed with the Company's Current Report on Form 8-A filed with the Securities and Exchange Commission on June 11, 2007, and incorporated herein by reference.
- (3) Filed with the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2008 and incorporated herein by reference.
- (4) Filed with the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 8, 2008 for the Company's three-month period ended June 30, 2008, and incorporated herein by reference.
- (5) Filed with the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 10, 2010 for the Company's three-month period ended March 31, 2010, and incorporated herein by reference.

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: November 9, 2010

/s/ Adam Logal

Adam Logal
Executive Director of Finance,
Chief Accounting Officer and Treasurer

I, Phillip Frost, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q of OPKO Health, Inc.;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2010

/s/ Phillip Frost

Phillip Frost, M.D.
Chief Executive Officer

Pursuant to 18 U.S.C. Section 1350, as adopted by the Commission on 11/1/01

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant section 906 of the Sarbanes-Oxley Act of 2002, I, Rao Uppaluri, Chief Financial Officer of OPKO Health, Inc. (the "Company"), hereby certify that:

The Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2010 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 9, 2010

/s/ Rao Uppaluri

Rao Uppaluri

Chief Financial Officer