UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13a-16 OR 15d-16 OF THE

SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2010

Commission File Number 0-28564

QIAGEN N.V.

Spoorstraat 50

5911 KJ Venlo

The Netherlands

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F x Form 40-F ¨

Indicate by check mark whether the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ¨

Indicate by check mark whether the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ¨

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ¨ No x

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- .

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QIAGEN N.V.

Form 6-K

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OTHER INFORMATION

For the three month period ended March 31, 2010, QIAGEN N.V. prepared its quarterly report under United States Generally Accepted Accounting Principles (U.S. GAAP). This quarterly report is furnished herewith as Exhibit 99.1 and incorporated by reference herein.

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SIGNATURES

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.

QIAGEN N.V.

BY: /s/ ROLAND SACKERS
Roland Sackers
Chief Financial Officer

Date: May 14, 2010

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EXHIBIT INDEX

Exhibit No.	Exhibit
99.1	U.S. GAAP Quarterly Report for the Period Ended March 31, 2010

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Exhibit 99.1

QIAGEN N.V. AND SUBSIDIARIES

U.S. GAAP QUARTERLY REPORT FOR THE PERIOD ENDED MARCH 31, 2010

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QIAGEN N.V. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)

	March 31, 2010 (unaudited)	December 31, 2009
Assets		
Current Assets:		
Cash and cash equivalents	**$ 794,770**	$ 825,557
Short-term investments, stated at market value	**94,000**	40,000
Accounts receivable, net of allowance for doubtful accounts of $3,528 and $3,402 in 2010 and 2009, respectively	**190,220**	193,737
Income taxes receivable	**12,706**	12,907
Inventories, net	**125,118**	130,851
Prepaid expenses and other	**86,819**	96,893
Deferred income taxes	**27,978**	33,525
Total current assets	**1,331,611**	1,333,470
Long-Term Assets:		
Property, plant and equipment, net	**312,424**	317,467
Goodwill	**1,328,160**	1,337,064
Intangible assets, net of accumulated amortization of $239,324 and $219,731 in 2010 and 2009, respectively	**745,800**	752,296
Deferred income taxes	**28,142**	26,387
Other assets	**34,062**	29,780
Total long-term assets	**2,448,588**	2,462,994
Total assets	**$ 3,780,199**	$ 3,796,464

The accompanying notes are an integral part of these condensed consolidated financial statements.

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QIAGEN N.V. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except par value)

	March 31, 2010 (unaudited)	December 31, 2009
Liabilities and Shareholders Equity		
Current Liabilities:		
Accounts payable	**$ 45,572**	$ 43,775
Accrued and other liabilities (of which $9,927 and $6,296 due to related parties in 2010 and 2009, respectively, see Note 17)	**209,479**	248,699
Income taxes payable	**12,212**	10,727
Current portion of long-term debt	**50,000**	50,000
Current portion of capital lease obligations	**3,380**	3,417
Deferred income taxes	**17,497**	18,912
Total current liabilities	**338,140**	375,530
Long-Term Liabilities:		
Long-term debt (of which $445,000 in 2010 and 2009 due to related parties, see Note 8)	**870,000**	870,000
Capital lease obligations, net of current portion	**26,818**	27,554
Deferred income taxes	**209,115**	212,690
Other	**25,061**	19,521
Total long-term liabilities	**1,130,994**	1,129,765
Commitments and Contingencies (see Note 15)		
Shareholders Equity:		
Preference shares, 0.01 EUR par value, authorized 450,000 shares, no shares issued and outstanding		
Financing preference shares, 0.01 EUR par value, authorized 40,000 shares, no shares issued and outstanding		
Common Shares, 0.01 EUR par value, authorized 410,000 shares, issued and outstanding 232,384 and 232,074 shares in 2010 and 2009, respectively	**2,715**	2,711
Additional paid-in capital	**1,629,486**	1,622,733
Retained earnings	**648,593**	615,579
Accumulated other comprehensive income	**30,271**	50,146
Total shareholders equity	**2,311,065**	2,291,169
Total liabilities and shareholders equity	**$ 3,780,199**	$ 3,796,464

The accompanying notes are an integral part of these condensed consolidated financial statements.

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QIAGEN N.V. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share data)

	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
	(unaudited)	
Net sales	**$ 264,364**	$ 220,933
Cost of sales	**91,152**	74,484
Gross profit	**173,212**	146,449
Operating Expenses:		
Research and development	**31,597**	25,643
Sales and marketing	**64,436**	56,098
General and administrative, integration and other	**26,340**	23,788
Acquisition-related intangible amortization	**6,158**	3,891
Total operating expenses	**128,531**	109,420
Income from operations	**44,681**	37,029
Other Income (Expense):		
Interest income	**689**	1,185
Interest expense	**(6,254)**	(7,431)
Other income, net	**2,235**	1,781
Total other expense	**(3,330)**	(4,465)
Income before provision for income taxes	**41,351**	32,564
Provision for income taxes	**8,337**	7,880
Net income	**$ 33,014**	$ 24,684
Basic net income per common share	**$ 0.14**	$ 0.12
Diluted net income per common share	**$ 0.14**	$ 0.12

The accompanying notes are an integral part of these condensed consolidated financial statements.

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QIAGEN N.V. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

	Three Months Ended March 31, 2010 (unaudited)	Three Months Ended March 31, 2009 (unaudited)
Cash Flows From Operating Activities:		
Net income	**$ 33,014**	$ 24,684
Adjustments to reconcile net income to net cash provided by operating activities, net of effects of businesses acquired:		
Depreciation and amortization	**12,711**	10,462
Amortization of purchased intangible assets	**21,230**	16,904
Share-based compensation:		
Share-based compensation expense	**2,581**	2,188
Excess tax benefits from share-based compensation	**(817)**	(573)
Deferred income taxes	**(4,501)**	(3,559)
Other	**145**	1,488
Net changes in operating assets and liabilities:		
Accounts receivable	**293**	(4,946)
Inventories	**1,261**	(5,066)
Accounts payable	**2,386**	(9,586)
Accrued and other liabilities	**(31,240)**	(11,006)
Other	**(7,509)**	(7,216)
Net cash provided by operating activities	**29,554**	13,774
Cash Flows From Investing Activities:		
Purchases of property, plant and equipment	**(17,208)**	(9,927)
Proceeds from sale of equipment	**1,039**	15
Purchases of intangible assets	**(6,315)**	(1,759)
Purchases of short-term investments	**(54,000)**	
Proceeds from sale of investment in privately held company	**14,927**	
Cash paid for acquisitions, net of cash acquired	**(16,418)**	(2,349)
Net cash used in investing activities	**(77,975)**	(14,020)
Cash Flows From Financing Activities:		
Principal payments on capital leases	**(880)**	(734)
Proceeds from subscription receivables	**114**	113
Excess tax benefits from share-based compensation	**817**	573
Issuance of common shares	**3,245**	4,750
Other financing activities	**(1,253)**	(89)
Net cash provided by financing activities	**2,043**	4,613
Effect of exchange rate changes on cash and cash equivalents	**15,591**	(644)
Net (decrease) increase in cash and cash equivalents	**(30,787)**	3,723
Cash and cash equivalents, beginning of period	**825,557**	333,313

Cash and cash equivalents, end of period	**$ 794,770**	$ 337,036

The accompanying notes are an integral part of these condensed consolidated financial statements.

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QIAGEN N.V. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

1. Basis of Presentation

The condensed consolidated financial statements include the accounts of QIAGEN N.V. (the Company), a company incorporated in The Netherlands, and its wholly-owned subsidiaries that are not considered variable interest entities. All significant intercompany accounts and transactions have been eliminated. All amounts are presented in U.S. dollars, unless otherwise indicated. Investments in companies where the Company exercises significant influence over the operations but does not have control, and where the Company is not the primary beneficiary, are accounted for using the equity method. All other investments are accounted for under the cost method.

In the opinion of management and subject to the year-end audit, the accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP) for interim financial information and generally in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to the Securities and Exchange Commission (SEC) rules and regulations. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary for a fair presentation have been included.

In connection with recent acquisitions and internal restructurings, the Company has determined it operates as one operating segment in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 280, *Segment Reporting*. The Company s chief operating decision maker (CODM) makes decisions based on the Company as a whole. In addition, the Company shares the common basis of organization and types of products and services which derive revenues and consistent product margins. Accordingly, the Company operates and makes decisions as one reporting unit.

The results of operations for an interim period are not necessarily indicative of results that may be expected for any other interim period or for the full year. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company s Annual Report on Form 20-F for the year ended December 31, 2009.

2. Recent Accounting Pronouncements

Adoption of New Accounting Standards

In January 2010, the Financial Accounting Standards Board (FASB) has issued Accounting Standards Update (ASU) No. 2010-06, *Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements*. This ASU requires some new disclosures and clarifies some existing disclosure requirements about fair value measurement. The FASB s objective is to improve these disclosures and, thus, increase the transparency in financial reporting. Specifically, ASU 2010-06 amends Codification Subtopic 820-10 to now require a reporting entity to disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and describe the reasons for the transfers; and in the reconciliation for fair value measurements using significant unobservable inputs, a reporting entity should present separately information about purchases, sales, issuances, and settlements. In addition, ASU 2010-06 clarifies the requirements of existing disclosures. For purposes of reporting fair value measurement for each class of assets and liabilities, a reporting entity needs to use judgment in determining the appropriate classes of assets and liabilities; and a reporting entity should provide disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements. ASU 2010-06 is effective for interim and annual reporting periods beginning after December 15, 2009. The Company adopted these updates in 2010 without any impact.

In February 2010, the FASB has issued ASU 2010-10, *Consolidation (Topic 810): Amendments for Certain Investment Funds.* The amendments in the ASU defer the effective date of certain amendments to the consolidation requirements of ASC Topic 810, *Consolidation,* resulting from the issuance of FASB Accounting Standard No. 167, *Amendments to FASB Interpretation 46(R).* Specifically, the amendments to the consolidation requirements of Topic 810 resulting from the issuance of Statement 167 are deferred for a reporting entity s interest in an entity that has all the attributes of an investment company; or for which it is industry practice to apply measurement principles for financial reporting purposes that are consistent with those followed by investment companies. The ASU does not defer the disclosure requirements in the Statement 167 amendments to Topic 810. The amendments in this ASU are effective as of the beginning of a reporting entity s first annual period that begins after November 15, 2009, and for interim periods within that first annual reporting period. Early application is not permitted. The

Company adopted these updates in 2010 without any impact.

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QIAGEN N.V. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(unaudited)

In February 2010, the FASB issued ASU No. 2010-09, *Subsequent Events (Topic 855): Amendments to Certain Recognition and Disclosure Requirements*. The amendments in the ASU remove the requirement to disclose a date through which subsequent events have been evaluated in both issued and revised financial statements. Revised financial statements include financial statements revised as a result of either correction of an error or retrospective application of U.S. GAAP. The guidance in the ASU is effective immediately for all financial statements that have not yet been issued or have not yet become available to be issued, except for guidance related to the date through which conduit bond obligors should evaluate subsequent events (i.e., the date the financial statements were issued). The Company adopted these updates in 2010 without any impact.

In February 2010, the FASB issued ASU No. 2010-08, *Technical Corrections to Various Topics*. The ASU is the result of the FASB s review of its standards to determine if any provisions are outdated, contain inconsistencies, or need clarifications to reflect the FASB s original intent. The FASB believes the amendments do not fundamentally change U.S. GAAP. However, certain clarifications on embedded derivatives and hedging (Subtopic 815-15) may cause a change in the application of that Subtopic and special transition provisions are provided for those amendments. The ASU contains various effective dates. The clarifications of the guidance on embedded derivatives and hedging (Subtopic 815-15) are effective for fiscal years beginning after December 15, 2009. The amendments to the guidance on accounting for income taxes in a reorganization (Subtopic 852-740) apply to reorganizations for which the date of the reorganization is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. All other amendments are effective as of the first reporting period (including interim periods) beginning after the date this ASU was issued. The Company adopted the update in 2010 without any impact.

Recently Issued Accounting Standards

In April 2010, the FASB issued ASU No. 2010-17, *Revenue Recognition - Milestone Method (Topic 605): Milestone Method of Revenue Recognition*. The ASU codifies the consensus reached in Emerging Issues Task Force Issue No. 08-9, *Milestone Method of Revenue Recognition.* The amendments provide guidance on defining a milestone and determining when it may be appropriate to apply the milestone method of revenue recognition for research or development transactions. Consideration that is contingent on achievement of a milestone in its entirety may be recognized as revenue in the period in which the milestone is achieved only if the milestone is judged to meet certain criteria to be considered substantive. Milestones should be considered substantive in their entirety and may not be bifurcated. An arrangement may contain both substantive and nonsubstantive milestones, and each milestone should be evaluated individually to determine if it is substantive. The amendments in the ASU are effective on a prospective basis for milestones achieved in fiscal years, and interim periods within those years, beginning on or after June 15, 2010. Early adoption is permitted. If a vendor elects early adoption and the period of adoption is not the beginning of the entity s fiscal year, the entity should apply the amendments retrospectively from the beginning of the year of adoption. The Company is evaluating the effect that adoption of this update will have, if any, on the consolidated financial position and results of operations.

In April 2010, the FASB issued ASU No. 2010-12, *Income Taxes (Topic 740).* This Update codifies an SEC Staff Announcement relating to accounting for the Health Care and Education Reconciliation Act of 2010 and the Patient Protection and Affordable Care Act. On March 30, 2010, the U.S. President signed the Health Care and Education Reconciliation Act of 2010, which is a reconciliation bill that amends the Patient Protection and Affordable Care Act that was signed by the President on March 23, 2010 (collectively, the Acts). Questions had arisen about the effect, if any, of the two different signing dates. The SEC has concluded that the two Acts, when taken together, represent the current health care reforms as passed by U.S. Congress and signed by the U.S. President and therefore would not object to the view that the two Acts should be considered together for accounting purposes. As a result of the Acts, a 2.3% excise tax will be imposed on the sale, including leases, of any taxable medical devices by the manufacturer, producer or importer of such devices. A taxable medical device is any FDA regulated device intended for human use. The excise tax will apply to the sales of all taxable medical devices occurring in the U.S. after December 31, 2012. While the Company continues to evaluate the impact of the Acts, at the present time, the Company expects a net positive impact from the legislation due to the expected increase in net sales resulting from increased health coverage, which will be partially offset by the excise tax.

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QIAGEN N.V. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(unaudited)

In October 2009, the FASB issued new authoritative guidance regarding *Revenue Recognition Multiple Deliverable Revenue Arrangements.* This update provides amendments for separating consideration in multiple deliverable arrangements and removes the objective-and-reliable-evidence-of-fair-value criterion from the separation criteria used to determine whether an arrangement involving multiple deliverables contains more than one unit of accounting, replaces references to fair value with selling price to distinguish from the fair value measurements required under the *Fair Value Measurements and Disclosures* guidance, provides a hierarchy that entities must use to estimate the selling price, eliminates the use of the residual method for allocation, and expands the ongoing disclosure requirements. This update is effective for the Company beginning January 1, 2011. The Company is evaluating the effect that adoption of this update will have, if any, on the consolidated financial position and results of operations.

3. Share-Based Payments

The Company issues share-based awards under the QIAGEN N.V. Amended and Restated 2005 Stock Plan. The Company had approximately 14.9 million common shares reserved and available for issuance under this Plan at March 31, 2010. In connection with the acquisition of Digene Corporation in the third quarter of 2007, the Company assumed three additional equity incentive plans. No new grants will be made under these plans, and a total of 5.0 million common shares of the Company had been reserved for issuances under these plans of which 0.4 million shares remain reserved and available for issuance as of March 31, 2010.

Stock Options

Generally, granted stock options vest over a three-year period. To date, the exercise price of all granted options has been set at the closing market price on the grant date or a premium above the closing market price on the grant date. The Company utilizes the Black-Scholes-Merton valuation model for estimating the fair value of its granted stock options. The Company estimates the forfeiture rate based on historical forfeiture experience. For the three-month period ended March 31, 2010, the estimated weighted average forfeiture rate was 7.4%. During the three-month periods ended March 31, 2010 and 2009, the Company granted options to purchase 263,460 and 288,972 common shares, respectively. Following are the weighted average assumptions used in valuing the stock options granted to employees during the three-month periods ended March 31, 2010 and 2009:

	Three Months Ended March 31,	
	2010	**2009**
Stock price volatility	**30.74%**	41.92%
Risk-free interest rate	**2.46%**	2.02%
Expected life (in years)	**5.21**	5.16
Dividend rate	**0%**	0%

A summary of the status of the Company s employee stock options as of March 31, 2010 and changes during the three months then ended is presented below:

Stock Options	**Number of Shares**	**Weighted Average Exercise Price**	**Weighted Average Contractual Term**	**Aggregate Intrinsic Value (Thousands)**
Outstanding at December 31, 2009	**8,281,559**	**$ 14.743**		
Granted	**263,460**	**$ 22.241**		

Exercised	**(260,089)**	**$**	**12.474**			
Forfeited and cancelled	**(164,903)**	**$**	**24.566**			
Outstanding at March 31, 2010	**8,120,027**	**$**	**14.859**	**4.09**	**$**	**74,031**
Exercisable at March 31, 2010	**7,264,443**	**$**	**14.321**	**3.50**	**$**	**70,982**
Vested and expected to vest at March 31, 2010	**8,071,508**	**$**	**14.839**	**4.06**	**$**	**73,799**

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QIAGEN N.V. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(unaudited)

The weighted average grant-date fair value of options granted during the three months ended March 31, 2010 and 2009 was $6.85 and $6.32, respectively. For the three months ended March 31, 2010 and 2009, options to purchase 260,089 and 436,836 common shares, respectively, were exercised. The total intrinsic value of options exercised during the three months ended March 31, 2010 and 2009 was $2.6 million and $2.7 million, respectively.

The unrecognized share-based compensation expense related to employee stock option awards was approximately $4.4 million as of March 31, 2010 and is expected to be recognized over a weighted average period of approximately 2.04 years.

Restricted Stock Units

Restricted stock units represent rights to receive common shares at a future date. There is no exercise price and no monetary payment is required for receipt of restricted stock units or the shares issued in settlement of the award. Generally, restricted stock units vest over a ten-year period. The fair market value at the time of the grant is amortized to expense on a ratable basis over the period of vesting. The fair market value is determined based on the number of restricted stock units granted and the market value of the Company s shares on the grant date. Pre-vesting forfeitures were estimated to be approximately 5.6 % for the three months ended March 31, 2010. At March 31, 2010, there was $50.8 million remaining in unrecognized compensation cost related to these awards, which is expected to be recognized over a weighted average period of 8.69 years. The weighted average grant date fair value of restricted stock units granted during the first quarter of 2010 was $21.81.

A summary of the Company s restricted stock units as of March 31, 2010 is presented below:

Restricted Stock Units	Restricted Stock Units	Weighted Average Contractual Term	Aggregate Intrinsic Value (Thousands)
Outstanding at December 31, 2009	**3,039,157**		
Granted	**796,120**		
Released	**(49,629)**		
Forfeited and cancelled	**2,628**		
Outstanding at March 31, 2010	**3,788,276**	**3.52**	**$ 87,092**
Vested and expected to vest at March 31, 2010	**3,227,416**	**3.51**	**$ 74,198**

Compensation Expense

Total share-based compensation expense for the three months ended March 31, 2010 and 2009 is comprised of the following:

Compensation Expense (in thousands)	Three Months Ended March 31, 2010	2009
Cost of sales	**$ 175**	$ 209
Research and development	**367**	440

Sales and marketing	**522**	530
General and administrative, integration and other	**1,517**	1,009
Share-based compensation expense before taxes	**2,581**	2,188
Less: income tax benefit	**742**	685
Net share-based compensation expense	**$ 1,839**	$ 1,503

No compensation cost was capitalized in inventory in 2010 or 2009 as the amounts were not material.

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QIAGEN N.V. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(unaudited)

4. Net Income Per Common Share

Net income per common share for the three months ended March 31, 2010 and 2009 is based on the weighted average number of common shares outstanding and the dilutive effect of stock options outstanding.

The following schedule summarizes the information used to compute net income per common share:

(in thousands)	Three Months Ended March 31, 2010	2009
Weighted average number of common shares used to compute basic net income per common share	**232,208**	198,106
Dilutive effect of warrants	**6,536**	2,765
Dilutive effect of stock options and restricted stock units	**3,180**	2,297
Weighted average number of common shares used to compute diluted net income per common share	**241,924**	203,168
Outstanding options and awards having no dilutive effect, not included in above calculation	**990**	3,601
Outstanding warrants having no dilutive effect, not included in above calculation	**19,931**	23,702

5. Acquisitions

2010 Acquisition

In January 2010, the Company acquired 100% of the shares of ESE GmbH, a privately held developer and manufacturer of UV and fluorescence optical measurement devices. ESE is based in Stockach, Germany. ESE has pioneered the development and manufacturing of optical measurement systems for medical and industrial applications. The systems utilize unique, high-performance and award-winning fluorescence detection technologies integrated into compact modules. The Company has demonstrated that ESE s fluorescence detection systems can be used to measure signals generated by the Company s existing testing technologies, including the HDA and tHDA isothermal assay systems.

Upon closing of the transaction, an upfront payment of $13.5 million was paid to the sellers, and an amount of $2.9 million is retained in an escrow account to cover any claims for breach of any of representations, warranties or indemnities. Furthermore, the Share Purchase Agreement provides for potential milestone payments depending on the accomplishment of revenue targets for the years 2011 to 2013 in the total amount of $4.4 million.

6. Investments and Variable Interest Entities

Investments The Company has made strategic investments in certain companies that are accounted for using the equity or cost method of accounting. The method of accounting for an investment depends on the extent of the Company s influence. The Company monitors changes in circumstances that may require a reassessment of the level of influence. The Company periodically reviews the carrying value of these investments for impairment, considering factors such as the most recent stock transactions and book values from the financial statements. The fair value of cost-method investments is estimated when there are identified events or changes in circumstances that may have an impact on the fair value of the investment.

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QIAGEN N.V. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(unaudited)

Variable Interest Entities FASB ASC Topic 810 requires a company to consolidate a variable interest entity if it is designated as the primary beneficiary of that entity even if the company does not have a majority of voting interests. A variable interest entity is generally defined as an entity with insufficient equity to finance its activities or where the owners of the entity lack the risk and rewards of ownership. The Company has a 50% interest in a joint venture company, PreAnalytiX GmbH, for which the Company is not the primary beneficiary. Thus, the investment is accounted for under the equity method. PreAnalytiX was formed to develop, manufacture and market integrated systems for the collection, stabilization and purification of nucleic acids for molecular diagnostic testing. At present, the Company s maximum exposure to loss as a result of its involvement with PreAnalytiX is limited to the Company s share of losses from the equity method investment itself.

The Company also has 100% interest in two entities established for the purpose of issuing convertible debt. These entities are discussed in Note 8 below.

7. Derivatives and Hedging and Fair Value Measurements

Derivatives and Hedging

In the ordinary course of business, the Company uses derivative instruments, including swaps, forwards and/or options, to manage potential losses from foreign currency exposures and variable rate debt. The principal objective of such derivative instruments is to minimize the risks and/or costs associated with global financial and operating activities. The Company does not utilize derivative or other financial instruments for trading or other speculative purposes. The Company recognizes all derivatives as either assets or liabilities on the balance sheet, measures those instruments at fair value and recognizes the change in fair value in earnings in the period of change, unless the derivative qualifies as an effective hedge that offsets certain exposures.

As of March 31, 2010, all derivatives that qualify for hedge accounting are cash-flow hedges. For derivative instruments that are designated and qualify as a cash flow hedge, the effective portion of the gain or loss on the derivative is reported as a component of other comprehensive income (see Note 13) and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. Gains and losses on the derivative representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in current earnings. In 2010, the Company did not record any hedge ineffectiveness related to any cash-flow hedges in income (expense) and did not discontinue any cash-flow hedges. Derivatives, including those that are not designated as hedges, are classified in the operating section of the consolidated statements of cash flows, in the same category as the related consolidated balance sheet account.

Foreign Currency Derivatives

As a globally active enterprise, the Company is subject to risks associated with fluctuations in foreign currencies in its ordinary operations. This includes foreign currency-denominated receivables, payables, debt, and other balance sheet positions. The Company manages balance sheet exposure on a group-wide basis primarily using foreign exchange forward contracts and cross-currency swaps.

The Company has foreign currency forward contracts with an aggregate notional amount of $44.0 million, which have been entered into in connection with the notes payable to QIAGEN Finance (see Note 8) and which qualify for hedge accounting as cash- flow hedges. The Company has determined that no ineffectiveness exists related to these derivatives. However, the differences between spot and forward rates were excluded from the assessment of hedge effectiveness and included in interest income or expense as they effectively constitute the difference in the interest rates of the respective currency pairs. The contracts mature in July 2011 and had fair market values at March 31, 2010 and December 31, 2009 of approximately $3.1 million and $5.7 million, respectively, which are included in other long-term liabilities in the accompanying consolidated balance sheets.

In addition, the Company was party to cross-currency swaps which have been entered into in connection with the notes payable to Euro Finance (see Note 8) and which qualified as cash-flow hedges with a notional amount of $120.0 million, which mature in November 2012 and had fair market values of $7.6 million and $16.7 million at March 31, 2010 and December 31, 2009, respectively, which are included in other long-term liabilities in the accompanying consolidated balance sheets.

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QIAGEN N.V. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(unaudited)

Undesignated Derivative Instruments

The Company is party to various foreign exchange forward and swap arrangements which had, at March 31, 2010, an aggregate notional value of approximately $198.5 million and fair values of $1.1 million and $0.5 million, which are included in other assets and other liabilities, respectively, and which expire at various dates through June 2010. The transactions have been entered into to offset the effects from short-term balance sheet exposure to foreign currency exchange risk. Changes in the fair value of these arrangements have been recognized in other income, net.

The Company was party to various foreign exchange forward and swap arrangements which had, at December 31, 2009, an aggregate notional value of approximately $200.1 million and fair values of $0.9 million and $7.7 million, which are included in other assets and other liabilities, respectively, and which expired at various dates through March 2010. The transactions have been used to offset the effects from short-term balance sheet exposure to foreign currency exchange risk. Changes in the fair value of these arrangements have been recognized in other income, net.

Interest Rate Derivatives

The Company uses interest rate derivative contracts on certain borrowing transactions to hedge fluctuating interest rates. The Company has entered into interest rate swaps in which it agrees to exchange, at specified intervals, the difference between fixed and floating interest amounts calculated by reference to an agreed-upon notional principal amount. During 2008, the Company entered into interest rate swaps, which effectively fix the variable interest rates on $200.0 million of the Company s variable rate debt and qualify for hedge accounting as cash-flow hedges. The Company has determined that no ineffectiveness exists related to these swaps. The swaps mature in October 2010 and 2011, and as of March 31, 2010 had an aggregate fair value of $5.8 million, of which $1.5 million is recorded in accrued and other liabilities and $4.3 million is recorded in other long-term liabilities in the accompanying consolidated balance sheet. As of December 31, 2009, these swaps had an aggregate fair value of $6.3 million, of which $2.1 million is recorded in accrued and other liabilities and $4.2 million is recorded in other long-term liabilities in the accompanying consolidated balance sheet.

Fair Values of Derivative Instruments

The following table summarizes the fair value amounts of derivative instruments reported in the consolidated balance sheets as of March 31, 2010 and December 31, 2009:

	Derivatives in Asset Positions Fair value		Derivatives in Liability Positions Fair value	
(in thousands)	**3/31/2010**	**12/31/2009**	**3/31/2010**	**12/31/2009**
Derivative instruments designated as hedges				
Interest rate contracts	$	$	$ (5,801)	$ (6,274)
Foreign exchange contracts			(10,639)	(22,495)
Total derivative instruments designated as hedges	$	$	$ (16,440)	$ (28,769)
Undesignated derivative instruments				
Foreign exchange contracts	$ 1,130	$ 947	$ (453)	$ (7,690)

Total derivative instruments	$ 1,130	$ 947	$ (16,893)	$ (36,459)

In the accompanying consolidated balance sheets, derivative instruments designated as hedges are included in other long-term liabilities, and undesignated derivative instruments are included in prepaid and other assets and accrued and other liabilities.

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QIAGEN N.V. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(unaudited)

Gains and Losses on Derivative Instruments

The following tables summarize the locations and gains on the Company s derivative instruments for the three-month periods ended March 31, 2010 and 2009:

March 31, 2010 (in thousands)	Gain/(loss) recognized in AOCI	Location of (gain) loss in income statement	(Gain) loss reclassified from AOCI into income	Gain recognized in income
Cash-flow hedges				
Interest rate contracts	$ 473	Interest expense	$	n/a
Foreign exchange contracts	10,274	Other income, net	(10,201)	n/a
Total	$ 10,747		$ (10,201)	n/a
Undesignated derivative instruments				
Foreign exchange contracts	n/a	Other income, net	n/a	$ 8,178

March 31, 2009 (in thousands)	Gain/(loss) recognized in AOCI	Location of (gain) loss in income statement	(Gain) loss reclassified from AOCI into income	Gain recognized in income
Cash-flow hedges				
Interest rate contracts	$ (1,593)	Interest expense	$	n/a
Foreign exchange contracts	975	Other income, net	(3,628)	n/a
Total	$ (618)		$ (3,628)	n/a
Undesignated derivative instruments				
Foreign exchange contracts	n/a	Other income, net	n/a	$ 40

The amounts noted in the table above for accumulated other comprehensive income (AOCI) do not include any adjustment for the impact of deferred income taxes.

Fair Value Measurements

The Company s assets and liabilities are measured at fair value according to a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows:

Level 1. Observable inputs, such as quoted prices in active markets;

Level 2. Inputs, other than the quoted price in active markets, that are observable either directly or indirectly; and

Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company s assets and liabilities measured at fair value on a recurring basis consist of short-term investments, which are classified in Level 1 of the fair value hierarchy, and derivative contracts used to hedge currency and interest rate risk, which are classified in Level 2 of the fair value hierarchy and are shown in the table above. In determining fair value for derivative contracts, the Company applies a market approach, using quoted active market prices relevant to the particular contract under valuation, giving consideration to the credit risk of both the respective counterparty to the contract and the Company. To determine the Company s credit risk we estimated the Company s credit rating by benchmarking the price of outstanding debt to publicly-available comparable data from rated companies. Using the estimated rating, the Company s credit risk was quantified by reference to publicly-traded debt with a corresponding rating.

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QIAGEN N.V. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(unaudited)

The following table presents the Company s fair value hierarchy for its financial assets and liabilities measured at fair value on a recurring basis as of March 31, 2010 and December 31, 2009:

	As of March 31, 2010				As of December 31, 2009			
(in thousands)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Short-term investments	**$ 94,000**	**$**	**$**	**$ 94,000**	$ 40,000	$	$	$ 40,000
Foreign exchange contracts		**1,130**		**1,130**		947		947
	$ 94,000	**$ 1,130**	**$**	**$ 95,130**	$ 40,000	$ 947	$	$ 40,947
Liabilities:								
Foreign exchange contracts	**$**	**$ 11,092**	**$**	**$ 11,092**	$	$ 30,185	$	$ 30,185
Interest rate contracts		**5,801**		**5,801**		6,274		6,274
	$	**$ 16,893**	**$**	**$ 16,893**	$	$ 36,459	$	$ 36,459

The carrying values of financial instruments, including cash and equivalents, accounts receivable, accounts payable and other accrued liabilities, approximate