



Alere Files Form 10-K, Reports Fourth Quarter and Full Year 2016 Financial Results

WALTHAM, Mass., June 5, 2017 – Alere Inc. (NYSE: ALR), a global leader in rapid diagnostic tests, today announced that it has filed its Form 10-K and reported its financial results for the fourth quarter and full year ended December 31, 2016.

Full Year 2016 Results

- Revenue for the full year 2016 was \$2.38 billion, a 3% decrease compared to \$2.46 billion in the prior year period.
- Non-GAAP organic growth for the full year 2016 was +0.3% or +2.5% excluding Arriva*.
- Strong performance in Infectious Disease led by international growth on a constant currency basis included double-digit growth in Latin America, Asia Pacific and Africa. Patient self-testing also achieved double-digit growth in 2016.
- Negative impact of foreign currency exchange was \$41 million in 2016.
- GAAP loss from continuing operations was \$(137) million, or \$(1.83) per diluted share, for the full year 2016, compared to \$(15) million, or \$(0.43) per diluted share in the prior year period.
- Non-GAAP adjusted EBITDA of \$347 million for the full year 2016, a 30% decrease compared to \$495 million in the prior year period. The decrease was primarily due to approximately \$135 million in merger-related costs, audit and legal fees related to ongoing investigations and legal settlements, as detailed in the Supplemental Financial Information table.

*During the period from November 4, 2016 to December 31, 2016, the Company furnished \$9.8 million of Arriva products and services that were subject to the CMS revocation to customers but did not recognize any revenue for such products and services because they were not eligible for reimbursement by CMS at the time the Company furnished them.

“Alere delivered solid 2016 results by maintaining our discipline and staying focused on core business growth as a leader in point-of-care diagnostics. Excluding extraordinary costs and the impact of foreign currency exchange and divestitures, our operating earnings in 2016 were roughly in line with 2015,” said Namal Nawana, CEO of Alere. “We successfully accelerated growth in our global Infectious Disease business in 2016, achieving near double-digit sales growth driven by the success of the Alere i molecular platform with an expanded menu of three assays. In addition, we continued to invest in global operations and infrastructure to strengthen the enterprise. We have seen a strong start to 2017 in each of our global business units and look forward to reporting our progress in the first quarter results.”

Revenue (in millions)	FY2016	FY2015	% Change
Cardiometabolic Disease	\$ 622	\$ 704	(12%)
Infectious Disease	776	710	9%
Toxicology	609	618	(2%)
Other	140	192	(27%)
Consumer Diagnostics	74	85	(13%)
Other Non-reportable*	143	129	10%
License and Royalty	12	17	(29%)
Total	\$ 2,376	\$ 2,456	(3%)

*Patient self-testing has been reclassified into a separate reporting segment called "Other Non-reportable."

Fourth Quarter 2016 Results

- Total revenue was \$597 million, a 3% decrease compared to \$617 million in the prior year period.
- Global influenza sales were \$39 million in the fourth quarter of 2016, a 60% increase compared to \$24 million in the prior year period.
- Non-GAAP organic growth during the fourth quarter of 2016 was -0.9%, or +3.7% excluding Arriva.
- Negative impact of foreign currency exchange was \$8 million in the fourth quarter of 2016.
- GAAP loss from continuing operations during the fourth quarter of 2016 was \$(114) million, or \$(1.38) per diluted share, compared to \$(22) million, or \$(0.31) per diluted share in the prior year period.
- Non-GAAP adjusted EBITDA was \$82 million in the fourth quarter of 2016, a 10% decrease compared to \$91 million in the prior year period. The decrease was primarily due to higher costs as detailed in the Supplemental Financial Information table.

Revenue (in millions)	Fourth Quarter 2016	Fourth Quarter 2015	% Change
Cardiometabolic Disease	\$ 144	\$ 180	(20%)
Infectious Disease	212	189	12%
Toxicology	148	150	(1%)
Other	38	45	(15%)
Consumer Diagnostics	18	20	(11%)
Other Non-reportable*	34	31	11%
License and Royalty	4	3	30%
Total	\$ 597	\$ 617	(3%)

*Patient self-testing has been reclassified into a separate reporting segment called "Other Non-reportable."

Non-GAAP Information

To supplement the financial measures prepared in accordance with U.S. GAAP, the Company uses Non-GAAP adjusted EBITDA and Non-GAAP organic growth, which are non-GAAP financial measures. The reconciliations of Non-GAAP adjusted EBITDA to net income (loss) from continuing operations and Non-GAAP organic growth to revenue, the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP, are shown in the table in this press release. The Company believes Non-GAAP adjusted EBITDA and Non-GAAP organic growth are useful to investors because these metrics are commonly used by investors to assess the unleveraged, pre-tax financial performance and operating results of ongoing business operations. The Company's management also uses Non-GAAP adjusted EBITDA and Non-GAAP organic growth because the Company's management also believes that these are useful measures to evaluate the financial performance of the Company based on operational factors. It should also be noted that not all companies calculate Non-GAAP adjusted EBITDA and Non-GAAP organic growth in the same manner and, accordingly, these measures presented in this press release may not be comparable to similar measures used by other companies.

Conference Call

As announced on February 1, 2016, Alere entered into a definitive agreement under which Abbott will acquire Alere, which definitive agreement was amended on April 12, 2017. The transaction is expected to close by the end of the third quarter of 2017, subject to the approval of Alere shareholders and the satisfaction of certain customary closing conditions, including applicable regulatory approvals. Due to the pending transaction, Alere will no longer hold conference calls to discuss its quarterly financial results.

Cautionary Statement Regarding Forward-Looking Statements

This communication contains 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. Readers can identify these statements by forward-looking words such as "preliminary," "may," "could," "should," "would," "intend," "will," "expect," "anticipate," "believe," "estimate," "can," "continue" or similar words. A number of important factors could cause actual results of Alere and its subsidiaries to differ materially from those indicated by such forward-looking statements. These factors include, but are not limited to, (i) the risk that the proposed merger with Abbott Laboratories ("Abbott") may not be completed in a timely manner or at all; (ii) the failure to receive, on a timely basis or otherwise, the required approval of the proposed merger with Abbott by Alere's stockholders, (iii) the possibility that competing offers or acquisition proposals for Alere will be made; (iv) the possibility that any or all of the various conditions to the consummation of the merger may not be satisfied or waived, including the failure to receive any required regulatory approvals from any applicable governmental entities (or any conditions, limitations or restrictions placed on such approvals); (v) the occurrence of any event, change or other circumstance that could give rise to the termination of the Agreement and Plan of Merger, as amended (the "Merger Agreement") among Alere and Abbott pursuant to which Abbott will acquire Alere, including in circumstances which would require Alere to pay a termination fee or other expenses; (vi) the effect of the announcement or pendency of the transactions contemplated by the Merger Agreement on Alere's ability to retain

and hire key personnel, its ability to maintain relationships with its customers, suppliers and others with whom it does business, or its operating results and business generally; (vii) risks related to diverting management's attention from Alere's ongoing business operations; (viii) the risk that stockholder litigation in connection with the transactions contemplated by the Merger Agreement may result in significant costs of defense, indemnification and liability, (ix) the risk that the previously announced review of certain aspects of revenue recognition is not completed in a timely manner or the scope of such review expands, (x) the risk that the failure by Alere to file its Form 10-K for the fiscal year ended December 31, 2016 and Form 10-Q for the fiscal quarter ended in March 31, 2017 in a timely manner could lead to the acceleration of the maturity of certain of Alere's indebtedness, (xi) the possibility that the previously announced review of certain aspects of revenue recognition uncovers an additional error or errors in revenue recognition or other financial information which require additional adjustments which may be material, or material weaknesses in the Company's internal controls over financial reporting, (xii) the risk that the Company experiences an acceleration of amounts due under its senior secured credit facility due to the restatement, any circumstances described in Alere's Current Report on Form 8-K as filed on April 17, 2017, Current Report on Form 8-K as filed on May 22, 2017 or the failure to timely file the Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2017, (xiii) risks relating to the ongoing investigations by the United States Securities and Exchange Commission (the "SEC") and the United States Department of Justice, (xiv) the risk that these or other risk factors impact the expected timing of the filing of the Form 10-K for the fiscal year ended December 31, 2016 and Form 10-Q for the fiscal quarter ended in March 31, 2017, and (xv) the risk factors detailed in Part I, Item 1A, "Risk Factors," of our Annual Report on Form 10-K for the fiscal year ended December 31, 2016 (as filed with the SEC on June 5, 2017) and other risk factors identified herein or from time to time in our periodic filings with the SEC. Readers should carefully review these risk factors, and should not place undue reliance on our forward-looking statements. These forward-looking statements are based on information, plans and estimates at the date of this communication. The Company undertakes no obligation to update any forward-looking statements to reflect changes in underlying assumptions or factors, new information, future events or other changes.

About Alere

Alere believes that when diagnosing and monitoring health conditions, **Knowing now matters.**[™] Alere delivers reliable and actionable information by providing rapid diagnostic tests, enhancing clinical and economic healthcare outcomes globally. Headquartered in Waltham, Mass., Alere focuses on rapid diagnostics for cardiometabolic disease, infectious disease and toxicology. For more information on Alere, please visit www.alere.com.

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