



## Alere Reports First Quarter 2016 Financial Results

**WALTHAM, Mass., August 17, 2016** – Alere Inc. (NYSE: ALR), a global leader in rapid diagnostic tests, today announced that it has filed its Form 10-Q and reported its financial results for the first quarter ended March 31, 2016.

Revenue for the first quarter of 2016 was \$578 million, a 6% decrease compared to \$613 million in the prior year period. The year-over-year decrease in revenue was primarily due to the negative impact of \$17 million in foreign currency exchange, a \$14 million decrease in BBI revenue, which was divested in November 2015, and a \$6 million decrease in pain management revenue. These revenue decreases were partially offset by increased Alere i sales and the acquisition of U.S. Diagnostics. Global influenza sales were \$27 million during the first quarter of 2016, including U.S. influenza sales of \$20 million, of which \$12 million was Alere i sales. Organic growth during the first quarter of 2016 was -1.0%. Excluding U.S. influenza and pain management, organic growth was 0.2%.

Net income (loss) from continuing operations during the first quarter of 2016 was \$(10) million, or \$(0.18) per basic and diluted share, compared to \$(6) million, or \$(0.14) per basic and diluted share in the prior year period. On a Non-GAAP basis, the Company reported Non-GAAP adjusted EBITDA of \$109 million in the first quarter of 2016, compared to \$135 million in the prior year period. The year-over-year decline was driven primarily by incremental expenses related to the pending merger with Abbott, higher legal expenses associated with ongoing government investigations, and lower margins due to primarily to product sales mix and volume.

“Our first quarter 2016 earnings were in line with our budget, which anticipated a weaker than average 2015-2016 flu season,” said Namal Nawana, CEO of Alere. “Despite the weaker respiratory season, we’re pleased to report that Alere i continued to grow its market presence, generating record revenue during the first quarter of 2016. Based on our current business outlook, we expect improved organic revenue growth in the second quarter and second half of 2016.”

<b>Revenue (in millions)</b>	<b>First Quarter 2016</b>	<b>First Quarter 2015</b>	<b>% Change</b>
Cardiometabolic Disease	\$ 195	\$ 201	(3%)
Infectious Disease	183	185	(1%)
Toxicology	147	149	(1%)
Other	33	51	(35%)
Consumer Diagnostics	17	22	(21%)
License and Royalty	3	5	(42%)
<b>Total</b>	<b>\$ 578</b>	<b>\$ 613</b>	<b>(6%)</b>

The Company is seeking an amendment to its secured credit agreement that, if approved, will provide an extension of the date by which the Company will file its second quarter 2016 financial statements under the secured credit agreement to September 13, 2016. The Company currently plans to file its second quarter 2016 Form 10-Q by September 13, 2016, and expects to pay approximately \$3 million in fees to obtain the amendment.

#### **Non-GAAP Information**

To supplement the financial measures prepared in accordance with U.S. GAAP, the Company uses Non-GAAP adjusted EBITDA and organic growth, which are non-GAAP financial measures. The reconciliations of Non-GAAP adjusted EBITDA to net income (loss) from continuing operations and organic growth to revenue, the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP, is shown in the table in this press release. The Company believes Non-GAAP adjusted EBITDA and 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 organic growth because the Company's management also believes that these are useful measures to evaluate operating performance and cash flows of the Company based on operational factors. It should also be noted that not all companies calculate Non-GAAP adjusted EBITDA and 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 for \$56 per common share. 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

“may,” “could,” “should,” “would,” “intend,” “will,” “expect,” “anticipate,” “believe,” “estimate,” “continue,” “goal,” “can” or similar words. For example, forward-looking statements include statements regarding: the Company’s expectation of improved organic revenue growth in the second quarter and second half of 2016, the Company’s expectation that it will enter into an amendment to its secured credit agreement that will provide an extension of the date by which the Company must file its June 30, 2016 financial statements to September 13, 2016, the anticipated fees in connection with such amendment and the Company plans to file its second quarter 2016 Form 10-Q by September 13, 2016. A number of important factors could cause actual results of the Company 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 (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 Alere fails to file its future Quarterly Reports on Form 10-Q in a timely manner which could, among other things, lead to the acceleration of the maturity of certain of Alere’s indebtedness; (x) the possibility that any analysis of revenue recognition for future or past periods uncovers an error or misstatements in revenue recognition which require adjustment which may be material; or material weaknesses in the Company’s internal controls over financial reporting; (xi) risks relating to the ongoing investigations by the SEC and the United States Department of Justice; (xiii) the risk that these or other risk factors impact the expected timing of the filing of the Quarterly Report on Form 10-Q for the first and second quarter of 2016; and (xiv) 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, 2015 (as filed with the SEC on August 8, 2016) 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 report. 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.**<sup>™</sup> 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](http://www.alere.com).

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