



Alere Reports Second Quarter 2016 Financial Results

WALTHAM, Mass., September 6, 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 second quarter ended June 30, 2016.

Revenue for the second quarter of 2016 was \$611 million, a 2% decrease compared to \$623 million in the prior year period. The year-over-year decrease in revenue was primarily due to a \$16 million decrease in BBI revenue, which was divested in November 2015, a \$10 million decrease in revenue in our mail order diabetes business and the negative impact of \$10 million in foreign currency exchange. These revenue decreases were partially offset by revenue increases of \$17 million in infectious disease product sales, \$5 million in revenue associated with the acquisition of US Diagnostics and \$4 million in patient self-testing revenue. Organic growth during the second quarter of 2016 was 2%.

Net income (loss) from continuing operations during the second quarter of 2016 was \$(35) million, or \$(0.46) per basic and diluted share, compared to \$15 million, or \$0.11 per basic and diluted share in the prior year period. On a non-GAAP basis, the Company reported non-GAAP adjusted EBITDA of \$89 million in the second quarter of 2016, compared to \$134 million in the prior year period. The year-over-year decline was driven primarily by \$27 million in merger and legal expenses, \$6 million in net foreign exchange losses compared to a \$3 million gain in the prior year period and a \$4 million increase in restructuring costs.

“With the filing of our second quarter 2016 Form 10-Q, we are now current in our financial filings and are on track to report our third quarter 2016 results within the normal time frame,” said Namal Nawana, CEO of Alere. “We are pleased with the quarter-over-quarter improvement in revenue and organic growth in each of our three global business units. Our second quarter 2016 earnings were impacted by incremental costs associated with our pending merger and higher legal fees. In the second half of 2016, we will continue to execute on the performance improvement initiatives that we began earlier this year to drive both near-term and longer-term organic growth and profitability.”

Revenue (in millions)	Second Quarter 2016	Second Quarter 2015	% Change
Cardiometabolic Disease	\$ 204	\$ 212	(4%)
Infectious Disease	190	173	10%
Toxicology	158	157	-
Other	36	51	(29%)
Consumer Diagnostics	20	25	(20%)
License and Royalty	3	5	(56%)
Total	\$ 611	\$ 623	(2%)

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 is on track to report its third quarter 2016 results within the normal time frame; and in the second half of 2016, the Company will continue to execute on the performance improvement initiatives that it began earlier this year to drive both near-term and longer-term organic growth and profitability. 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 third 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.™** 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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