

Contact: Doug Guarino  
Jon Russell

Director of Corporate Relations  
Vice President of Finance

781-647-3900

**ALERE INC. ANNOUNCES  
FIRST QUARTER 2014 RESULTS**

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**WALTHAM, MA...April 29, 2014...Alere Inc.** (NYSE: **ALR**), a global leader in enabling individuals to take charge of their health at home through the merger of rapid diagnostics and health information solutions, today announced its financial results for the quarter ended March 31, 2014.

Ron Zwanziger, Chairman, Chief Executive Officer and President of Alere said, “Despite a difficult quarter from a revenue perspective, principally related to weak U.S. influenza sales and a larger-than-expected reduction in U.S. healthcare utilization which primarily impacted our U.S. infectious disease revenue, we are pleased to have delivered adjusted earnings per diluted share in excess of our prior year’s results. This was achieved in part through careful expense controls. Strong free cash flow generated during the quarter enabled us to reduce our net debt to adjusted EBITDA ratio during the quarter, again demonstrating our commitment to delivering continuing shareholder value.”

**Financial results for the first quarter of 2014:**

- Net revenue of \$716.6 million for the first quarter of 2014, compared to \$739.2 million for the first quarter of 2013. Non-GAAP adjusted net revenue was \$717.0 million for the first quarter of 2014, compared to \$739.9 million for the first quarter of 2013.
- Net loss of \$11.5 million attributable to common stockholders of Alere Inc., and respective net loss per diluted common share of \$0.14, for the first quarter of 2014, compared to net income of \$7.2 million attributable to common stockholders of Alere Inc., and respective net income per diluted common share of \$0.09, for the first quarter of 2013.
- Non-GAAP adjusted net income per diluted common share of \$0.55 for the first quarter of 2014, compared to non-GAAP adjusted net income per diluted common share of \$0.53 for the first quarter of 2013.
- Net product and services revenue from our Professional Diagnostics segment was \$561.3 million in the first quarter of 2014, compared to net product and services revenue of \$578.6 million in the first quarter of 2013. Non-GAAP adjusted net product and services revenue from our Professional Diagnostics segment was \$561.8 million in the first quarter of 2014, compared to non-GAAP adjusted net product and services revenue of \$579.3 million in the first quarter of 2013. Recent Professional Diagnostics acquisitions contributed \$21.5 million of incremental net revenue, compared to the first quarter of 2013, offset by a \$6.4 million decrease in net revenue related to our 2013 disposition of Spinreact.

- U.S. influenza, meter-based Triage products and mail-order diabetes revenues were \$7.3 million, \$22.9 million and \$32.3 million, respectively, for the first quarter of 2014 compared to \$34.3 million, \$21.6 million and \$33.2 million, respectively, for the first quarter of 2013. Lower influenza revenues reflect the relatively short 2013-2014 flu season, which we noted in our fourth quarter 2013 earnings call. Meter-based Triage products revenue increased from the prior year for the first time since our supply issues began in the second quarter of 2012, reflecting increased revenues from sales of our BNP, Cardiac Panel and D-dimer products. Despite an increase in patients served from 282,000 at the end of the first quarter of 2013 to 769,000 as of March 31, 2014, mail-order diabetes revenues declined slightly, as a result of lower reimbursement rates that became effective on July 1, 2013.
- Excluding the impact of the change in U.S. influenza revenues and the impact on revenues from the U.S. meter-based Triage product sales, currency adjusted organic growth in our Professional Diagnostics segment was negative 1%. This growth rate was adversely impacted by the decrease in reimbursement rates that became effective on July 1, 2013 for our U.S. mail-order diabetes business. Excluding revenues from our U.S. mail-order diabetes business and considering the flu and Triage adjustments, the currency adjusted organic growth rate for the first quarter of 2014 was 4% for the remainder of our Professional Diagnostics segment.
- The 4% adjusted organic growth rate for our Professional Diagnostic segment for the first quarter of 2014, adjusted for the impact of the U.S. influenza, meter-based Triage products and mail-order diabetes revenues as noted above, reflects a 2% decrease in adjusted U.S. revenues, compared to the first quarter of 2013, offset by an 8% increase in adjusted net revenues from our international business. The 2% decrease in the U.S. business principally resulted from lower infectious disease revenues reflecting lower utilization levels during 2014 than during 2013.
- Net product and services revenue from our Health Information Solutions segment was \$123.7 million in the first quarter of 2014, compared to \$134.2 million in the first quarter of 2013 and \$130.0 million in the fourth quarter of 2013, as a result of the weak contracting season that we experienced during the second half of 2013.
- Gross margin was 49.0% of net revenue in the first quarter of 2014, compared to 49.3% in the first quarter of 2013. Non-GAAP adjusted gross margins, which exclude from cost of net revenue amortization of acquisition-related intangibles, stock-based compensation expense, restructuring charges, and non-cash charges associated with acquired inventory, was 51.5% of non-GAAP adjusted net revenue in the first quarter of 2014 compared to 52.1% in the first quarter of 2013. The lower gross margin in the current period principally reflects the lower U.S. influenza sales and reduced mail-order diabetes reimbursement rates noted above.
- Operating expenses consisting of research and development and selling, general and administrative expenses were \$325.3 million for the first quarter of 2014, compared to \$333.8 million for the first quarter of 2013. Non-GAAP adjusted operating expenses, which exclude amortization of

acquisition-related intangibles, restructuring charges, stock-based compensation expense, acquisition-related fair value and compensation-related contingent consideration charges and acquisition and disposition costs, were \$255.5 million for the first quarter of 2014, or 35.6% of non-GAAP adjusted net revenue, compared to \$257.3 million, or 34.8% of non-GAAP adjusted net revenue, for the first quarter of 2013.

- Free cash flow for the first quarter of 2014 was \$78.4 million, reflecting cash flow from operations of \$105.9 million, offset by capital expenditures of \$27.5 million. Free cash flow for the first quarter of 2013 was \$35.0 million, reflecting cash flow from operations of \$71.1 million, offset by capital expenditures of \$36.1 million.
- Non-GAAP EBITDA for the first quarter of 2014 was \$144.5 million, which reflects adjustments to add back non-interest related restructuring charges of \$7.2 million, \$0.3 million of acquisition-related costs and \$3.0 million of costs associated with potential business dispositions. Non-GAAP EBITDA for the first quarter of 2013 was \$153.3 million, which reflects adjustments to add back non-interest related restructuring charges of \$3.9 million and \$0.9 million of acquisition-related costs. Adjusted non-GAAP EBITDA, which reflects adjustments to add back restructuring, acquisition and disposition related and proxy costs, totaled \$661.0 million for the twelve-month period ended March 31, 2014, compared to \$619.5 million for the twelve-month period ended March 31, 2013.
- Debt, net of cash and restricted cash held to secure debt (“net debt”), was \$3.37 billion as of March 31, 2014, compared to net debt of \$3.53 billion as of March 31, 2013. Our net debt to adjusted non-GAAP EBITDA ratio was 5.1x as of March 31, 2014, compared to 5.7x as of March 31, 2013.

The Company’s GAAP results for the first quarter of 2014 exclude \$0.4 million of revenue associated with acquired software license contracts that are not recognized due to business combination accounting rules and include \$66.6 million of amortization, \$7.3 million of restructuring charges, \$5.7 million of stock-based compensation expense, \$0.3 million of acquisition-related costs recorded in accordance with ASC 805, *Business Combinations*, \$4.6 million of income recorded for fair value adjustments to acquisition-related contingent consideration, \$3.0 million of costs associated with potential business dispositions, \$0.4 million of interest expense recorded in connection with fees paid for certain debt modifications, \$0.4 million in compensation charges and \$0.1 million of related interest accretion associated with acquisition-related contingent consideration obligations. The Company’s GAAP results for the first quarter of 2013 exclude \$0.6 million of revenue associated with acquired software license contracts that are not recognized due to business combination accounting rules and include \$76.0 million of amortization, \$3.9 million of restructuring charges, \$4.1 million of stock-based compensation expense, \$0.9 million of acquisition-related costs recorded in accordance with ASC 805, *Business Combinations*, \$11.0 million of expense recorded for fair value adjustments to acquisition-related contingent consideration, \$1.0 million of interest expense recorded in connection with fees paid for

certain debt modifications, \$0.7 million in compensation charges associated with acquisition-related contingent consideration obligations, a \$0.5 million charge associated with the write-up to fair market value of inventory acquired in connection with the acquisition of Epocal Inc. and \$0.2 million of expense associated with the extinguishment of debt.

Detailed reconciliations of the non-GAAP financial measures presented in this release to the most directly comparable financial measures under GAAP, as well as a discussion regarding these non-GAAP financial measures, are included in the schedules to this press release.

The Company will host a conference call beginning at 8:30 a.m. (Eastern Time) today, April 29, 2014, to discuss these results, as well as other corporate matters. During the conference call, the Company may answer questions concerning business and financial developments and trends and other business and financial matters. The Company's responses to these questions, as well as other matters discussed during the conference call, may contain or constitute material information that has not been previously disclosed.

The conference call may be accessed by dialing (877) 443-4809 (domestic) or (412) 902-6615 (international) and asking for Alere Inc. A webcast of the call can also be accessed via the Alere website at <http://www.alere.com/us/en/about/investor-relations/events.html>, or directly through the following link: <http://www.videonewswire.com/event.asp?id=99047>.

A replay of the call will be available approximately one hour after the conclusion of the call and will remain available for a period of seven days following the call. The replay may be accessed by dialing (877) 344-7529 (domestic) or (412) 317-0088 (international) and entering replay code 10045124. The replay will also be available via online webcast at <http://www.videonewswire.com/event.asp?id=99047> or via the Alere website at <http://www.alere.com/us/en/about/investor-relations/events.html> for a period of 60 days following the call.

Additionally, reconciliations to non-GAAP financial measures not included in this press release that may be discussed during the call will also be available at the Alere website (<http://www.alere.com/us/en/about/investor-relations/events.html>) under the Earnings Calls and Releases section shortly before the conference call begins and will continue to be available on this website.

For more information about Alere, please visit our web site at <http://www.alere.com>.

By developing new capabilities in near-patient diagnosis, monitoring and health information solutions, Alere enables individuals to take charge of improving their health and quality of life at home. Alere's global leading products and services, as well as its new product development efforts, focus on infectious disease, toxicology, cardiology and diabetes. Alere is headquartered in Waltham, Massachusetts.

*Source: Alere Inc.*