



## Quest Diagnostics to Consolidate New England Laboratories

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### QUEST DIAGNOSTICS TO CONSOLIDATE NEW ENGLAND LABORATORIES

TETERBORO, N.J., OCTOBER 13, 1999

—Quest Diagnostics Incorporated (NYSE: DGX), the nation's leading provider of clinical testing information and services, today announced it will close its laboratory in Waltham, MA., at the end of this year.

The majority of testing currently performed in Waltham will be transferred to larger, more modern laboratories in Cambridge, MA., and Wallingford, CT. The transition will begin October 25. The Waltham laboratory, whose lease expires at the beginning of next year, is part of SmithKline Beecham Clinical Laboratories (SBCL), which Quest Diagnostics acquired in August. By the end of the year, these actions are expected to result in a net reduction of approximately 80 positions, or 8% of the total Boston-area workforce. Employees who are not offered positions or transfers will be offered severance benefits, including counseling services and outplacement assistance.

Quest Diagnostics will continue to provide high quality, reliable lab service to New England patients served by its physician, hospital, managed care and employer clients. For the majority of their patients, current customers and clients of the Waltham laboratory will benefit from the simplicity and convenience that will result from interfacing with a single laboratory. In addition, for the majority of their patients, customers also will be able to order from a more extensive local testing menu and will enjoy the benefits of direct access to Quest Diagnostics' Nichols Institute for specialized, or esoteric testing. Patients will gain expanded access to New England's most extensive network of patient service centers, locations where specimens are collected.

"As we continue the task of integrating our company, our number one priority is to improve value for our customers through enhanced quality and services," said Kenneth W. Freeman, Chairman and Chief Executive Officer of Quest Diagnostics. "Combining the people, policies and practices of Quest Diagnostics and SBCL will make our company more effective and successful and lead to greater opportunities in the future."

Quest Diagnostics is the nation's leading provider of diagnostic testing, information and services to physicians, hospitals, managed care organizations, employers and government agencies with annualized revenues of more than \$3 billion. The wide variety of tests performed on human tissue and fluids help doctors and hospitals diagnose, treat and monitor disease. Its Nichols Institute unit conducts research, specializes in esoteric testing using genetic screening and other advanced technologies, and manufactures and distributes diagnostic test kits and instruments. Quest Diagnostics is one of the leading providers of testing to support clinical trials of new pharmaceuticals worldwide. Quest Informatics collects and analyzes laboratory, pharmaceutical and other data to help large health care customers better manage the health of their patients. QuestNet is an innovative new product offering that provides network management services to large buyers of health care services. Additional company information can be found on the Internet at: [www.questdiagnostics.com](http://www.questdiagnostics.com).

The statements in this press release which are not historical facts or information may be forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause the outcome to be materially different. Certain of these risks and uncertainties are listed in the Quest Diagnostics Incorporated 1998 Form 10-K and subsequent filings.

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