



## **Quest Diagnostics Sets Purchase Price in Tender Offer and Consent Solicitation for its 10-3/4% Senior Subordinated Notes Due 2006**

June 30, 1999

### **QUEST DIAGNOSTICS SETS PURCHASE PRICE IN TENDER OFFER AND CONSENT SOLICITATION FOR ITS 10-3/4% SENIOR SUBORDINATED NOTES DUE 2006**

**TETERBORO, N.J., June 30, 1999** — Quest Diagnostics Incorporated (NYSE:DGX) announced today the Total Consideration to be paid for notes validly tendered pursuant to its offer to purchase for cash all of its outstanding \$150,000,000 10-3/4% Senior Subordinated Notes due 2006 (CUSIP No. 74834L AA 8). The tender offer is subject to the terms and conditions set forth in the Offer to Purchase and Consent Solicitation Statement dated May 25, 1999, and will expire at 5:00 p.m., New York City time on Thursday, July 1, 1999.

The Total Consideration to be paid for each validly tendered note was determined using the yield to December 15, 2001 (the earliest redemption date of the notes) of the 5-7/8% U.S. Treasury Note due November 30, 2001 (the "Reference Security"), plus a fixed spread of 62.5 basis points. The yield on the Reference Security, as calculated by Merrill Lynch & Co., at 2:00 p.m., New York City time, on Tuesday, June 29, 1999, was 5.718%. Accordingly, the Tender Offer Yield and the Total Consideration per \$1,000 principal amount of notes, are respectively 6.343% and \$1,144.17 (of which \$30.00 represents the consent payment of the notes.) The Tender Offer Consideration, which is payable to holders of Notes who tendered after the Consent Date, is equal to the Total Consideration less the consent payment, or \$1,114.17 per \$1,000 principal amount of notes. Payment for validly tendered notes is expected to be made on Friday, July 2, 1999.

As of June 28, 1999, approximately \$147,552,000 (98.4%) of the outstanding principal amount of the notes have been tendered.

Merrill Lynch & Co. is acting as Dealer Manager for the tender offer and consent solicitation. The Information Agent is Georgeson & Company, Inc. and the Depositary is The Bank of New York. Persons with questions regarding the tender offer and consent solicitation should contact Merrill Lynch & Co., Liability Management Group, at either 888-ML4-TNDR or 212-449-4194.

Quest Diagnostics is one of the nation's leading providers of diagnostic testing, information and services to physicians, hospitals, managed care organizations, employers and government agencies with 1998 revenues of \$1.5 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, performs clinical studies testing, and manufactures and distributes diagnostic test kits and instruments. Quest Informatics collects and analyzes laboratory, pharmaceutical and other data to help large healthcare customers identify and monitor patients who are at-risk for certain diseases. 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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