



S.E.D. Labs to be Acquired by Quest Diagnostics

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**--Transaction will provide innovation, resources and expanded access and connectivity for patients--
--Synergistic lab purchase to enable Quest Diagnostics to significantly increase its presence in New Mexico--**

ALBUQUERQUE, N.M. and MADISON, N.J., Jan. 3, 2012 /PRNewswire/ -- S.E.D. Medical Laboratories will soon become part of Quest Diagnostics Incorporated (NYSE: DGX), the world leader in diagnostic testing, information and services, through a definitive agreement signed today by Lovelace Health System and Quest Diagnostics. According to the agreement, Quest Diagnostics will acquire the assets of S.E.D. Medical Laboratories and manage in-patient labs for the four Lovelace hospitals, as well as serve Lovelace Health Plan members. Financial terms of the transaction, which is expected to be completed this month, were not disclosed.

Based in Albuquerque, New Mexico, S.E.D. Medical Laboratories is a nationally recognized full-service medical and federally certified drugs-of-abuse testing laboratory with a staff of 450. S.E.D. operates from a modern 50,000 square-foot facility with state-of-the-art equipment and cutting-edge technology. The acquisition agreement includes the transfer of the main offices and lab on Office Boulevard near I-25 and Jefferson, nine Patient Service Centers in Albuquerque and Rio Rancho and six additional locations across New Mexico.

"This agreement will provide S.E.D. and its medical and scientific staff with more access to innovation, new technology and capital resources," said Ron Stern, president and CEO of the Lovelace Health System. "Quest Diagnostics is a leading provider of diagnostic testing in the world. Its access to new technology will also help to further improve diagnosis, and Lovelace patients and health plan members will benefit from its experience and scale."

"This represents a commitment by Quest Diagnostics to the New Mexico healthcare community, and will significantly increase our presence in the state," said Catherine T. Doherty, Senior Vice President, Physician Services Business for Quest Diagnostics. "We look forward to joining together with S.E.D. Laboratories to serve Lovelace Health System and its patients and health plan members. In addition, this transaction will drive growth and is consistent with our stated approach to capital deployment."

Lovelace has invested more than \$8 million in S.E.D. since it acquired the lab from St. Joseph Healthcare System in late 2002 and combined it with the Lovelace lab network in early 2003. Among the large capital projects was the lab automation system put in place last fall.

About Lovelace

Lovelace Health System comprises a network of acute-care hospitals, a rehabilitation hospital, the Lovelace Health Plan offering access to a wide range of health care providers and specialists across New Mexico, S.E.D. Medical Laboratories, and retail pharmacy locations in Albuquerque, Rio Rancho and Santa Fe.

About Quest Diagnostics

Quest Diagnostics is the world's leading provider of diagnostic testing, information and services that patients and doctors need to make better healthcare decisions. The company offers the broadest access to diagnostic testing services through its network of laboratories and patient service centers, and provides interpretive consultation through its extensive medical and scientific staff. Quest Diagnostics is a pioneer in developing innovative diagnostic tests and advanced healthcare information technology solutions that help improve patient care. Additional company information is available at www.QuestDiagnostics.com or follow us at Facebook.com/QuestDiagnostics and Twitter.com/QuestDX.

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