



Quest Diagnostics Extends Expiration Date for Senior Subordinated Notes Tender Offer

August 10, 1999

QUEST DIAGNOSTICS EXTENDS EXPIRATION DATE FOR SENIOR SUBORDINATED NOTE TENDER OFFER

-- Company to Utilize Senior Credit Facilities to Close SBCL Acquisition Within Next Two Weeks --

-- Will Continue to Evaluate Financing Options for Tender Offer --

TETERBORO, N.J., August 10, 1999 — Quest Diagnostics Incorporated (NYSE:DGX) announced today that due to unsatisfactory market conditions it will not proceed with its planned offering of Senior Subordinated Notes due 2009, the proceeds of which would have been used to purchase all of the company's outstanding \$150,000,000 10-3/4% Senior Subordinated Notes due 2006. The company plans to utilize its fully committed senior credit facilities to complete its acquisition of SmithKline Beecham Clinical Laboratories (SBCL) within the next two weeks.

"After reviewing a range of financing options, we determined that the high-yield market is not as attractive as it had been earlier in the summer," said Kenneth W. Freeman, Chairman and Chief Executive Officer of Quest Diagnostics. "We are continuing to evaluate all of the financing alternatives available to us and will make a decision shortly on whether to complete the tender offer for our outstanding Senior Subordinated Notes."

The company will extend, from August 10, 1999, to 5:00 p.m. New York City time on August 26, 1999, the expiration date of its ongoing tender 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). In light of the extension, Quest Diagnostics did not determine the purchase price for the notes on Friday, August 6, 1999. If the offer is completed, holders who tender notes after the Consent Date and no later than 5:00 p.m. on August 26, 1999, will receive the tender offer consideration (but not the consent payment) specified in Quest Diagnostics' Offer to Purchase and Consent Solicitation Statement dated May 25, 1999. In accordance with the new expiration date, the price determination date for the notes will be 2:00 p.m., New York City time, on Tuesday, August 24, 1999. Payment for validly tendered notes is expected to be made on Friday, August 27, 1999. The offer remains subject to the company's obtaining adequate financing on terms satisfactory to the company to pay all amounts due under the tender offer.

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 212-449-4914.

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 health care customers better manage the health of their patients. Additional company information can be found on the Internet at: 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 with the SEC.

###

[TOP](#)