



Quest Diagnostics Sets Purchase Price in Tender Offer and Consent Solicitation for Unilab 12 3/4% Senior Subordinated Notes Due 2009

March 5, 2003

TETERBORO, N.J., Mar 5, 2003 /PRNewswire-FirstCall via COMTEX/ -- Quest Diagnostics Incorporated (NYSE: DGX) announced today the tender offer consideration and the total consideration to be paid for notes validly tendered in its cash tender offer for all of the outstanding \$100.8 million 12 3/4% Senior Subordinated Notes due 2009 of Unilab Corporation (Nasdaq: ULAB). The tender offer is subject to the terms and conditions set forth in the Offer to Purchase and Consent Solicitation Statement dated February 6, 2003, and will expire at 12:00 midnight, New York City time, on Thursday, March 6, 2003.

The total consideration to be paid for each validly tendered note was determined using the yield of the applicable reference security (i.e., the 1.875% U.S. Treasury Note due September 30, 2004), plus a fixed spread of 50 basis points. The yield on the applicable reference security, as calculated by Merrill Lynch & Co., at 2:00 p.m., New York City time, on Tuesday, March 4, 2003, was 1.34%. Accordingly, the tender offer yield and the total consideration per \$1,000 principal amount of notes, are 1.84% and \$1229.64, respectively. The tender offer consideration, which is payable to holders of notes who tender after the consent period, is equal to the total consideration less the consent payment of \$30.00, or \$1199.64 per \$1,000 principal amount of notes. Payment for validly tendered notes is expected to be made on Friday, March 7, 2003. As of 2:00 p.m. on March 4, 2003, 100% of the outstanding principal amount of the notes have been tendered.

Merrill Lynch & Co. is acting as Dealer Manager, Georgeson Shareholder Communications Inc. is the Information Agent and HSBC Bank USA is the Depository. 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. Questions concerning the procedures for tendering or requests for Offer to Purchase and Consent Solicitation Statement material should contact the Information Agent, Georgeson Shareholder Communications Inc., at 866-283-1946 (toll free) or 212-440-9800 (banks and brokerage firms).

About Quest Diagnostics

Quest Diagnostics Incorporated is the nation's leading provider of diagnostic testing, information and services, providing insights that enable physicians, hospitals, managed care organizations and other healthcare professionals to make decisions to improve health. The Company offers the broadest access to diagnostics laboratory services through its national network of laboratories and patient service centers. Quest Diagnostics is the leading provider of esoteric testing, including gene-based medical testing, and empowers healthcare organizations and clinicians with state-of-the-art connectivity solutions that improve practice management. Additional company information can be found on the Internet at: <http://www.questdiagnostics.com>.

Forward-Looking Statements:

This communication contains certain forward-looking statements under the Private Securities Litigation Reform Act of 1995. These forward-looking statements, which may include, but are not limited to, statements concerning the financial condition, results of operations and businesses of Quest Diagnostics and Unilab and the benefits expected to result from the acquisition by Quest Diagnostics of Unilab, are based on management's current expectations and estimates and involve risks and uncertainties that could cause the actual results or outcomes to differ materially from those contemplated by the forward-looking statements.

Factors that could cause or contribute to such differences may include, but are not limited to, regulatory clearance for the acquisition by Quest Diagnostics of Unilab might not be satisfied in a timely manner or at all, risks relating to the integration of the technologies and businesses of Quest Diagnostics and Unilab, unanticipated expenditures, changing relationships with customers, suppliers and strategic partners, conditions of the economy and other factors described in the most recent reports on Form 10-Q, most recent reports on Form 10-K and other periodic reports filed by Quest Diagnostics and Unilab with the Securities and Exchange Commission.

SOURCE Quest Diagnostics Incorporated

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