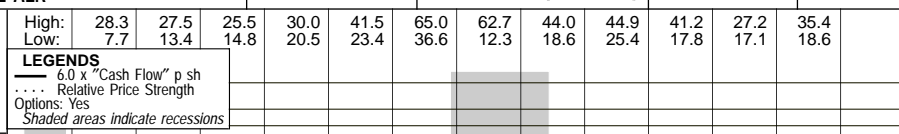


ALERE INC. NYSE-ALR

RECENT PRICE **32.02** P/E RATIO **13.2** (Trailing: 14.9) (Median: NMF) RELATIVE P/E RATIO **0.75** DIV'D YLD **Nil** VALUE LINE

TIMELINESS 1 Raised 8/9/13
SAFETY 3 Raised 8/29/08
TECHNICAL 4 Lowered 8/9/13
 BETA 1.20 (1.00 = Market)

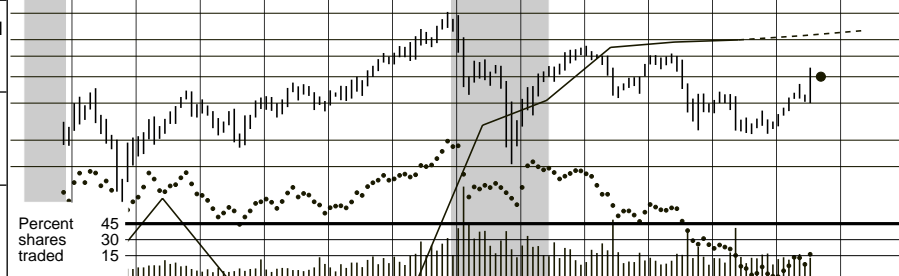


Target Price Range	2016	2017	2018
	128		
	96		
	80		
	64		
	48		
	40		
	32		
	24		
	16		
	12		

2016-18 PROJECTIONS
 Price Gain Ann'l Total
 High 65 (+105%) 19%
 Low 45 (+40%) 9%

Insider Decisions
 S O N D J F M A M
 to Buy 0 0 0 0 0 0 0 0 0
 Options 0 0 0 0 0 0 2 0 1
 to Sell 0 0 0 0 0 0 3 0 1

Institutional Decisions
 3Q2012 4Q2012 1Q2013
 to Buy 84 104 88
 to Sell 71 68 85
 Hlds(000) 68091 69934 70815



% TOT. RETURN 7/13	THIS STOCK	VLARITH. INDEX
1 yr.	77.0	36.4
3 yr.	18.7	63.6
5 yr.	-0.9	92.7

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
--	--	--	--	5.69	13.95	15.11	18.20	15.34	14.52	10.93	21.31	23.01	25.38	29.86	34.84	36.60	37.95	Sales per sh	41.20
--	--	--	--	d2.43	d1.73	1.42	.45	.31	.57	d1.86	3.14	4.12	7.35	7.86	8.24	8.35	8.85	"Cash Flow" per sh	10.00
--	--	--	--	d3.84	d3.63	.64	d.75	d.79	d.49	d4.69	d.46	.11	2.51	2.44	2.25	2.30	2.65	Earnings per sh ^A	3.60
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	Nil	Nil	Div'ds Decl'd per sh	Nil
--	--	--	--	.40	.41	.57	.98	.74	.50	.47	.84	1.20	1.13	1.66	1.70	1.50	1.55	Cap'l Spending per sh	1.70
--	--	--	--	10.32	10.93	13.72	13.26	14.45	18.21	33.73	32.22	32.71	20.47	27.88	26.95	29.00	31.45	Book Value per sh ^B	40.55
--	--	--	--	8.68	14.91	19.64	20.71	27.50	39.22	76.78	78.43	83.57	84.93	79.97	80.90	82.00	83.00	Common Shs Outst'g ^C	85.00
--	--	--	--	--	--	31.4	--	--	--	--	--	NMF	13.5	13.0	9.3	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	15.0
--	--	--	--	--	--	1.79	--	--	--	--	--	NMF	.86	.82	.58			Relative P/E Ratio	1.00
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--			Avg Ann'l Div'd Yield	Nil

CAPITAL STRUCTURE as of 6/30/13
 Total Debt \$3858.8 mill. Due in 5 Yrs \$2844 mill.
 LT Debt \$3808.3 mill. LT Interest \$220.0 mill.
 (64% of Cap'l)
Leases, Uncapitalized Annual Rentals \$43.1 mill.
Pension Assets-12/12 \$14.0 mill.
Obliq. \$18.3 mill.
Pref. Stock \$709.8 mill. **Pref. Div'd** \$21.3 mill.
 1.8 mill. shs. Series B, ea. cv. into 5.77 com. shs.
Common Stock 81,753,992 shs. as of 8/5/13
MARKET CAP: \$2.6 billion (Mid Cap)

296.7	376.9	421.9	569.5	839.5	1671.4	1922.6	2155.4	2388.0	2818.8	3000	3150	Sales (\$mill)	3500
11.0%	8.0%	4.1%	8.6%	NMF	19.9%	23.7%	39.4%	37.1%	34.1%	32.5%	33.5%	Operating Margin	34.5%
15.6	23.5	27.8	39.4	98.7	267.9	312.4	372.8	392.5	456.8	495	515	Depreciation (\$mill)	545
12.3	d14.2	d19.2	d16.8	d241.5	d21.8	31.8	251.5	236.0	209.4	190	220	Net Profit (\$mill)	305
8.7%	--	--	--	--	--	38.8%	32.1%	33.1%	35.1%	33.0%	33.0%	Income Tax Rate	32.0%
4.1%	NMF	NMF	NMF	NMF	NMF	1.7%	11.7%	9.9%	7.4%	6.3%	7.0%	Net Profit Margin	8.7%
45.3	65.9	84.5	133.3	674.1	457.1	829.0	411.4	669.2	757.9	750	790	Working Cap'l (\$mill)	875
161.7	190.7	259.6	194.9	1366.8	1501.0	2129.5	2380.0	3267.5	3628.7	3800	3800	Long-Term Debt (\$mill)	3500
275.7	274.7	397.3	714.1	2589.9	3278.8	3527.6	2575.0	2229.2	2180.4	2380	2610	Shr. Equity (\$mill)	3445
3.9%	NMF	NMF	NMF	NMF	6%	1.5%	6.3%	4.3%	3.6%	5.0%	5.0%	Return on Total Cap'l	6.0%
4.4%	NMF	NMF	NMF	NMF	NMF	9%	9.8%	10.6%	9.6%	8.0%	8.5%	Return on Shr. Equity	9.0%
4.6%	NMF	NMF	NMF	NMF	NMF	1.2%	14.5%	10.3%	8.6%	7.0%	7.5%	Retained to Com Eq	8.0%
--	--	--	--	--	--	--	--	--	--	Nil	Nil	All Div'ds to Net Prof	Nil

CURRENT POSITION	2011	2012	6/30/13
(SMILL.)			
Cash Assets	309.2	332.3	331.4
Receivables	475.8	524.3	553.8
Inventory (FIFO)	320.3	337.1	356.8
Other	188.4	213.0	167.1
Current Assets	1293.7	1406.7	1409.1
Accts Payable	155.5	170.0	178.6
Debt Due	67.3	60.2	50.5
Other	401.7	418.6	431.3
Current Liab.	624.5	648.8	660.4

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12	Est'd '16-'18
of change (per sh)	10 Yrs.	5 Yrs.	to '16-'18	
Sales	12.0%	17.0%	5.5%	
"Cash Flow"	--	--	4.5%	
Earnings	--	--	7.0%	
Dividends	--	--	Nil	
Book Value	6.0%	-3.0%	13.5%	

Cal-endar	QUARTERLY SALES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2010	515.3	523.0	538.7	578.4	2155.4
2011	582.5	567.2	585.8	652.5	2388.0
2012	671.1	700.5	691.4	755.8	2818.8
2013	739.2	764.0	725	771.8	3000
2014	765	785	775	825	3150

Cal-endar	EARNINGS PER SHARE ^A				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2010	.64	.57	.59	.71	2.51
2011	.61	.46	.67	.70	2.44
2012	.77	.48	.43	.55	2.25
2013	.53	.64	.50	.63	2.30
2014	.65	.60	.65	.75	2.65

Cal-endar	QUARTERLY DIVIDENDS PAID				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2009					
2010					
2011					
2012					
2013					

NO CASH DIVIDENDS BEING PAID

BUSINESS: ALERE Inc. develops, manufactures, and sells medical diagnostic products and monitoring/testing kits for professional and home use. It focuses on infectious disease, cardiology, oncology, drug abuse, and women's health. Operates through three main segments: Professional Diagnostic Products (78% of '12 product sales), Health Information Solutions (19%), and Consumer Diag-

ALERE turned in a strong second quarter. Both sales and earnings beat our estimates, thanks to strength in all of the company's business units and geographies. ALR is making substantial progress in executing on the three-point plan that it outlined late last year, which is designed to drive operating margins higher and increase cash flow and earnings growth. **A primary aspect of this plan is to reestablish historical organic growth rates.** Second-quarter results reflect progress toward this goal. Especially strong was the Chinese (24% growth), African (17%) and Latin American (17%) businesses. The results in the June period were driven primarily by ALERE's comprehensive infectious disease portfolio, which grew 14% in the interim. The results over the past three months are notably encouraging, given that some important revenue growth initiatives have not yet begun to contribute. Moreover, with some product launches upcoming, as well as expansion into additional geographies, we expect sales in the coming quarters to really impress. **Improving operational execution**

nostic Products (3%). Vitamins & Nutritional Supplements disc'd in 2009. Has 17,400 employees. Manning & Napier Advisors owns 11.6% of common; FMR LLC, 9.3%; officers/directors, 8.9% (6/13 proxy). Chairman, CEO & President: Ron Zwanziger, Inc.: Delaware. Address: 51 Sawyer Road, Suite 200, Waltham, MA 02453. Tel.: 781-647-3900. Internet: www.invernessmedical.com.

remains a priority. In order to generate dependable long-term cash flow, ALERE is working to make operations more efficient. In light of recent mergers and ALR's restructuring efforts, overlapping expenses are being eliminated. The company achieved a reduction in total operating expenses in the second quarter compared to the prior year, which certainly augurs well for the company moving forward. **Deleveraging efforts are also ongoing.** The company has a lot of debt on the books and continues to incur large annual interest expenses. To accelerate the process of deleveraging, ALERE has begun to consider divesting some of its noncore businesses. Income from any asset sales would make it possible for the company to stop using operating cash flows to service its debt, which would allow ALR to invest in more growth projects. **ALERE shares are ranked Highest (1) for Timeliness.** We expect these shares to outperform the broader market over the next six to 12 months, or so. Long-term capital appreciation potential is also above average at this juncture. *Alex D. Mayo* August 23, 2013

(A) Diluted earnings. Based on adjusted cash-basis EPS. Excludes net nonrecurring gains/(losses): '01, (4c); '02, (70c); '10, (\$11.58); '11, (\$4.01); '12 (\$3.48). Excludes in-	come from disc. ops.: '09, 2c; '10, 14c. Qnty. egs. may not sum due to change in shares outstanding. Next egs. rpt. due late October.	tion, or \$60.80 a share.	(C) In millions.	Company's Financial Strength	B
	(B) Includes intangibles. In '12: \$4919.1 mil-			Stock's Price Stability	45
				Price Growth Persistence	35
				Earnings Predictability	25