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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **January 29, 2016**

**IDEXX LABORATORIES, INC.**

*(Exact name of registrant as specified in its charter)*

**Delaware**  
*(State or other jurisdiction  
of incorporation)*

**000-19271**  
*(Commission File Number)*

**01-0393723**  
*(IRS Employer Identification No.)*

**One IDEXX Drive, Westbrook, Maine**  
*(Address of principal executive offices)*

**04092**  
*(ZIP Code)*

**207.556.0300**  
*(Registrant's telephone number, including area code)*

**Not Applicable**  
*(Former name or former address, if changed since last report)*

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02 Results of Operations and Financial Condition.**

On January 29, 2016, IDEXX Laboratories, Inc. (the “Company”) announced its financial results for the quarter and year ended December 31, 2015. The full text of the press release issued in connection with the announcement is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

In accordance with general instructions to Form 8-K, the information in this Form 8-K and the Exhibit 99.1 attached hereto is being furnished under Item 2.02 and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

The following exhibit relating to Item 2.02 shall be deemed to be furnished, and not filed.

99.1 Press Release entitled “IDEXX Laboratories Announces Fourth Quarter and Full Year 2015 Results,” issued by the Company on January 29, 2016.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**IDEXX LABORATORIES, INC.**

**Date: January 29, 2016**

**By: /s/ Brian P. McKeon**  
Brian P. McKeon  
Executive Vice President, Chief Financial  
Officer and Treasurer

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## EXHIBIT INDEX

| Exhibit No. | Description of Exhibit  |
|-------------|---|
| 99.1        | Press Release entitled "IDEXX Laboratories Announces Fourth Quarter and Full Year 2015 Results," issued by the Company on January 29, 2016. |

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## IDEXX Laboratories Announces Fourth Quarter and Full Year 2015 Results

- Achieves 11% normalized organic revenue growth for the quarter, supported by 12.5% normalized organic growth in CAG Diagnostics recurring revenues
- Q4 delivers 35% increase in premium instrument placements driven by record 1,562 Catalyst® and 1,183 premium hematology instrument placements
- Achieves full year Adjusted EPS of \$2.11, up 14% on a constant currency basis
- Raises 2016 EPS guidance range \$0.01, reinforcing outlook for 8%-9% organic revenue growth

WESTBROOK, Maine, Jan. 29, 2016 /PRNewswire/ -- IDEXX Laboratories, Inc. (NASDAQ: IDXX) today reported revenues for the fourth quarter of 2015 of \$400 million, an increase of 14%<sup>1</sup> compared to the prior year period. Normalized organic revenue growth<sup>2</sup> for the quarter was over 11%, supported by strong growth in the Companion Animal Group ("CAG") segment. Revenue for the full year of \$1,602 million increased 8% on a reported basis, supported by 11% normalized organic revenue growth.

Earnings per diluted share ("EPS") for the quarter was \$0.48. Adjusted EPS growth<sup>3</sup> was 2% compared to the prior year period, while absorbing a negative \$0.03 per share impact related to net changes in foreign exchange, resulting in constant currency<sup>4</sup> Adjusted EPS growth of 9%. The quarter benefited from recording the full year impact of the decision to make the federal research and development ("R&D") tax credit permanent, which had a \$0.03 favorable impact on EPS, consistent with the prior year quarter.

"We were very pleased with the Company's performance in the fourth quarter, supported by record instrument placements in both North American and international markets. Total premium instrument placements were up 35% over a very strong prior year period, with Catalyst placements up 61% compared to last year. We achieved 694 Catalyst placements in North America and 868 in international markets, leveraging our expanded commercial presence globally. In North America, 395 units or 57% of our Catalyst placements were to new and competitive accounts, up 37% over Q4 2014, a testament to the increasing effectiveness of our all-direct sales force. For the full year, we placed 9,771 chemistry and hematology instruments worldwide, substantially higher than any year in our history. SediVue Dx™, our novel urine sediment analyzer for use in-clinic, and the recent regulatory approval of Catalyst One® in Japan, will add to our already substantial momentum in placing instruments as we move through 2016," said Jonathan Ayers, the Company's Chairman and Chief Executive Officer.

"SediVue is a breakthrough innovation that helps improve accuracy and streamlines workflows of a historically challenging manual process involving microscopic interpretation. SediVue presents veterinarians with a huge opportunity to enhance the quality of patient care while simultaneously helping to drive practice revenue growth and staff efficiency. Working in concert with chemistry and hematology, urinalysis forms the essential third pillar of the minimum diagnostic database in pet care," continued Ayers.

"We also continue to be pleased by the enthusiastic response of our customers to IDEXX SDMA™, our unique test for kidney disease, a common condition in pets. IDEXX SDMA has now been automatically added to all chemistry panels for customers in all of our major reference laboratory markets globally. This novel kidney parameter is being well received globally by our customers, helped in part by the inclusion of SDMA in the International Renal Interest Society (IRIS) guidelines. IRIS is led by a board of 15 world-renowned independent veterinarians from 10 different countries, so the inclusion of SDMA as an important marker for renal function is a worldwide endorsement."

"Our solid finish to 2015 is positioning us to deliver continued strong constant currency<sup>4</sup> revenue and profit gains in 2016."

### Fourth Quarter Financial Performance Highlights

Fourth quarter revenue increased 14% to \$400 million. Normalized organic revenue growth was 11% and benefited in part from incremental margin capture associated with the move to an all-direct sales model for US CAG Diagnostics.

- Companion Animal Group normalized organic revenue growth was 13% for the fourth quarter, driven by 12.5% normalized growth in recurring CAG Diagnostics revenues and a 28% increase in organic revenue growth<sup>2</sup> in CAG Diagnostics instruments. CAG Diagnostics recurring revenue gains were driven by 16% normalized organic growth in IDEXX VetLab® consumable revenues, reflecting solid volume gains and benefits from margin capture, and 11% organic growth in reference laboratory diagnostic and consulting services revenues, supported by continued strong double-digit reference lab revenue gains in the US. Rapid assay revenues achieved 9% normalized organic growth, supported by higher 4Dx product volumes and benefits from margin capture.
- Livestock, Poultry and Dairy ("LPD") organic revenue increased 2% for the fourth quarter reflecting solid growth in new products worldwide and strong poultry and swine sales in emerging markets, offset partially by lower livestock services revenue in Australia and lower Europe bovine revenue.
- Water's organic revenue growth was 10% in the fourth quarter, due to worldwide increases in core coliform and E.coli products, as well as benefits from the launch of our new Quanti-Tray® Sealer PLUS product.

The following table presents adjusted revenue, gross profit, gross margin, operating profit, operating margin, EPS, and EPS growth, which are non-GAAP financial measures that have been adjusted for the following items in the prior year periods:

*Amounts in millions except per share data and percentages*

|  | Revenue | Gross Profit | Gross Margin | Operating Profit | Operating Margin | EPS                 | EPS Growth        |
|--|---------|--------------|--------------|------------------|------------------|---------------------|-------------------|
| Reported Fourth Quarter 2015   | \$399.7 | \$217.7      | 54.5%        | \$66.9           | 16.7%            | \$0.48              | 77.8%             |
| No adjustments required  |         |              |              |                  |                  |                     |                   |
| Adjusted Fourth Quarter 2015   | \$399.7 | \$217.7      | 54.5%        | \$66.9           | 16.7%            | \$0.48 <sup>3</sup> | 2.1% <sup>3</sup> |
| Reported Fourth Quarter 2014   | \$352.0 | \$182.2      | 51.8%        | \$34.8           | 9.9%             | \$0.27              |                   |
| Impact of distributor inventory drawdown                                       | 25.1    | 20.8         |              | 20.8             |                  | 0.14                |                   |
| Non-recurring expenses associated with transition to all-direct sales strategy |         |              |              | 5.2              |                  | 0.03                |                   |
| Expense ramp-up in advance of transition to new sales strategy                 |         |              |              | 4.6              |                  | 0.03                |                   |
| Adjusted Fourth Quarter 2014   | \$377.1 | \$203.0      | 53.8%        | \$65.4           | 17.3%            | \$0.47 <sup>3</sup> |                   |

Gross Profit increased 20% compared to the prior year period. Gross Margin adjusted for the impact of the prior year US channel inventory reductions increased from 53.8% to 54.5%, reflecting lower manufacturing costs and benefits from moderate price gains, which offset mix impacts from strong instrument sales.

Operating Margin was 16.7% in the fourth quarter, down slightly from prior year period adjusted operating margin of 17.3%. This change reflects increases in operating expenses compared to the prior year period primarily due to recurring costs associated with the all-direct US CAG Diagnostics sales strategy and other increases in global commercial resources, partly offset by the favorable impact of foreign exchange.

### Outlook for 2016

The Company is maintaining its organic revenue growth outlook while updating reported revenue guidance for the strengthening of the US dollar relative to foreign currencies. Despite unfavorable currency impacts, the Company is raising its EPS guidance to reflect the permanent extension of the Federal R&D tax credit and solid operating trends. Excluding foreign currency change impacts, our guidance aligns with constant currency Adjusted EPS growth of 12% to 15%.

At current foreign exchange rates, we estimate that the effect of the stronger US dollar will adversely impact 2016 reported revenue growth by approximately 2.5%, EPS by an estimated \$0.26 per share, and Adjusted EPS growth by 12% compared to rates in effect in 2015. Compared to assumptions used in our prior guidance for 2016 provided during our third quarter earnings call on October 28, 2015, the continued strengthening of the US dollar has the effect of lowering projected revenue by approximately \$25 million and EPS by \$0.04 per share, net of hedge benefits. These effects are mitigated by benefits from the decision to make the Federal R&D tax credit permanent, which is estimated to have a \$0.03 positive impact on EPS, and expected stronger operating performance, which is expected to add \$0.02 to EPS.

The Company provides the following updated guidance for 2016:

*Amounts in millions except per share data and percentages*

|                       | Guidance Range           | Growth Definition                                  | Year-over-Year Growth  |
|-----------------------|--------------------------|--|--|
| Revenue               | \$1,690 - \$1,710        | Organic Revenue Growth <sup>2</sup><br>Reported    | 8% to 9%<br>6% to 7%   |
| EPS                   | \$2.10 - \$2.17          | Adjusted<br>Constant Currency Adjusted<br>Reported | 0% to 3% <sup>3</sup><br>12% to 15% <sup>4</sup><br>2% to 6% |
| Free Cash Flow:       | 95% - 100% of net income |  |  |
| Capital Expenditures: | \$90 million             |  |  |

The guidance above assumes that the value of the US dollar relative to other currencies will reflect the euro at \$1.07, the British pound at \$1.41, the Canadian dollar at \$0.68, the Australian dollar at \$0.68 and the Japanese yen at ¥118 to the US dollar for the full year of 2016.

We expect that operating margins for the full year will be 18.0% to 18.5%, or approximately 100 basis points below 2015 adjusted operating margin levels, driven by foreign exchange impacts including comparisons to benefits from 2015 hedge gains. Adjusted for currency impacts and the 2015 software impairment charge, we are targeting operating margin improvement of approximately 50 basis points from 2015 levels.

We expect an effective tax rate of 30% to 30.5%, including projected benefits from the Federal R&D tax credit. We are projecting a reduction in weighted average shares outstanding of approximately 3.5% to 4.0%, and interest expense, net of interest income, of approximately \$32 million reflecting current and projected borrowings.

#### Statement Regarding Non-GAAP Financial Measures

The following provides information regarding certain measures used in this earnings release that are not required by, or presented in accordance with, generally accepted accounting principles in the United States of America ("GAAP"), otherwise referred to herein as non-GAAP financial measures. To supplement the Company's consolidated results presented in accordance with GAAP, the Company has disclosed non-GAAP financial measures that exclude or adjust certain items. Management believes these non-GAAP financial measures provide useful supplemental information for its and investors' evaluation of the Company's business performance and are useful for period-over-period comparisons of the performance of the Company's business and to the performance of our peers. While management believes that these non-GAAP financial measures are useful in evaluating the Company's business, this information should be considered as supplemental in nature and should not be considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. In addition, these non-GAAP financial measures may not be the same as similarly titled measures reported by other companies. See the notes to this earnings release for information regarding these non-GAAP financial measures and the reconciliations included in the notes and elsewhere in this earnings release for a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP financial measures.

#### Conference Call and Webcast Information

IDEXX Laboratories, Inc. will be hosting a conference call today at 8:30 a.m. (Eastern) to discuss its fourth quarter results and management's outlook. To participate in the conference call, dial 1-800-230-1092 or 1-612-332-0107 and reference confirmation code 384558. An audio replay will be available through Friday, February 5, 2016 by dialing 1-320-365-3844 and referencing replay code 384558.

The call will also be available via live or archived webcast on the IDEXX Laboratories' website at [www.idexx.com](http://www.idexx.com) and will be available for one year.



#### About IDEXX Laboratories, Inc.

IDEXX Laboratories, Inc. is a leader in pet healthcare innovation, serving practicing veterinarians around the world with a broad range of diagnostic and information technology-based products and services. IDEXX products enhance the ability of veterinarians to provide advanced medical care, improve staff efficiency and build more economically successful practices. IDEXX is also a worldwide leader in providing diagnostic tests and information for livestock and poultry and tests for the quality and safety of water and milk. Headquartered in Maine, IDEXX Laboratories employs more than 6,000 people and offers products to customers in over 175 countries.

<sup>1</sup>All references to growth and organic growth refer to growth compared to the equivalent prior year period.

<sup>2</sup>Normalized organic revenue growth and organic revenue growth are non-GAAP financial measures. Management believes that reporting organic revenue growth provides useful information to investors by facilitating easier comparisons of our revenue performance with prior and future periods and to the performance of our peers. Organic revenue growth for the fourth quarter of 2015 excludes the impact of changes in foreign currency exchange rates, which had a 5.7% unfavorable impact on revenue growth, and revenue from business acquisitions, which contributed 0.7% to revenue growth. See the supplementary analysis of results below for a reconciliation of reported revenue growth to organic revenue growth for the three months ended December 31, 2015. Management also believes that reporting normalized organic revenue growth provides useful information to investors by facilitating easier comparisons of our revenue growth performance with prior and future periods. Normalized organic revenue growth excludes the impact of changes in our significant distributors' inventory levels on organic revenue growth. When selling our products through distributors, changes in distributors' inventory levels can impact our reported sales, and these changes may be affected by many factors, which may not be directly related to underlying end-user demand for our products. Effective January 1, 2015, we fully transitioned to an all-direct sales strategy in the US, however changes in prior year US distributors' inventory levels can still impact current year reported growth results. In certain countries internationally, we continue to sell our products through third party distributors. Although we are unable to obtain data for sales to end users from certain less significant non-US third party distributors, we do not believe the impact of changes in these distributors' inventories had or would have a material impact on our growth rates in the relevant periods. Reconciliation of organic revenue growth to normalized organic revenue growth for the fourth quarter of 2015 includes the following positive impacts to organic revenue growth from changes in our significant distributors' inventory levels: Total Company 7.5%, US 13.0%, International 0.3%, CAG 9.4%, CAG Diagnostics Recurring 11.5%, VetLab consumables 18.4%, VetLab service and accessories 3.4%, and Rapid Assay 45.4%. Reconciliation of organic revenue growth to normalized organic revenue growth for the full year of 2015 includes the following positive impacts to organic revenue growth from changes in our significant distributors' inventory levels: Total Company 2.0%, US 3.4%, International 0.1%, CAG 2.5%, CAG Diagnostics Recurring 3.0%, VetLab consumables 5.1%, VetLab service and accessories 1.0%, and Rapid Assay 7.6%.

<sup>3</sup>Adjusted EPS and Adjusted EPS growth are non-GAAP financial measures. Management believes that reporting Adjusted EPS provides useful information to investors by facilitating easier comparisons of our EPS performance with prior and future periods. See table above for a reconciliation of fourth quarter 2014 and 2015 EPS adjustments, and the supplementary analysis of results section for a reconciliation of full year 2015 EPS adjustments.

<sup>4</sup>Constant currency references are non-GAAP financial measures and exclude the impact of changes in foreign currency exchange rates. Management believes that providing constant currency information provides valuable supplemental information regarding our revenue, operating margin, and EPS performance because it is consistent with how management evaluates our performance and facilitates comparisons with prior and future periods. We estimated the net impacts of currency on our revenue, operating profit and Adjusted EPS results by restating results to the average exchange rates or exchange rate assumptions for the comparative period, which includes adjusting for the estimated impacts of foreign currency hedging transactions and certain impacts on our effective tax rates. These estimated currency changes reduced 2015 Adjusted EPS growth by 8%, projected 2016 revenue growth by 2.5%, and projected 2016 Adjusted EPS growth by 12%. Constant currency revenue growth represents the percentage change in revenue during the applicable period, as compared to the prior year period, excluding the impact of changes in foreign currency exchange rates.

<sup>5</sup>Free cash flow is a non-GAAP financial measure and means, with respect to a measurement period, the cash generated from operations during that period, excluding tax benefits attributable to share-based compensation arrangements, reduced by the Company's investments in fixed assets. Management believes free cash flow is a useful measure because it indicates the cash the operations of the business are generating after appropriate reinvestment for recurring investments in fixed assets that are required to operate the business. See the supplementary analysis of results below for our calculation of free cash flow for the years ended December 31, 2015 and 2014. With respect to this particular forward-looking projected non-GAAP financial measure, the Company is unable to provide a quantitative reconciliation as the inputs to the measurement are difficult to predict and estimate and are primarily dependent on future events.

#### Note Regarding Forward-Looking Statements

*This earnings release contains statements about the Company's business prospects and estimates of the Company's financial results for future periods that are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are included above under "Financial Outlook for 2016" and elsewhere and can be identified by the use of words such as "expects," "may," "anticipates," "intends," "would," "will," "plans," "believes," "estimates," "should," and similar words and expressions. Our forward-looking statements include statements relating to our revenue growth and EPS outlooks; free cash flow forecast; projected impact of foreign currency exchange rates; projected operating margins, capital expenditures, effective tax rate, weighted average shares outstanding and interest expense; and projected product launches. These statements are based on management's expectation of future events as of the date of this earnings release, and the Company assumes no obligation to update any forward-looking statements as a result of new information or future events or developments. Actual results could differ materially from management's expectations. Factors that could cause or contribute to such differences include the following: the Company's ability to successfully execute its strategy, including supporting its all-direct sales strategy in the US; the Company's ability to develop, manufacture, introduce and market new products and enhancements to existing products; the Company's ability to achieve cost improvements in its worldwide network of laboratories and in the manufacture and service of in-clinic instruments; the Company's ability to identify acquisition opportunities, complete acquisitions and integrate acquired businesses; disruptions, shortages or pricing changes that affect the Company's purchases of products and materials from third parties, including from sole source suppliers; the effectiveness of the Company's sales and marketing activities; the Company's ability to manufacture complex biologic products; the impact of a change to our relationship with the Company's distributors; the impact of distributor purchasing decisions on sales of the Company's products that are sold through distribution; the Company's ability to manage the risks associated with the use of distributors to sell the Company's products; the impact of increased competition from existing and new technologies and technological advances by our competitors; the promotion and sale of our competitors' products by our former US distribution partners; the effect of government regulation on the Company's business, including government decisions about whether and when to approve the Company's products and decisions regarding labeling, manufacturing and marketing products; the impact of veterinary hospital consolidation, and the prevalence of buying consortiums on the markets for the Company's products; the Company's ability to obtain patent and other intellectual property protection for its products, successfully enforce its intellectual property rights and defend itself against third party claims against the Company; changes in testing patterns or practices in veterinary medicine that affect the rate of use of the Company's products and services by veterinarians; a failure or perceived failure to comply with regulations and our policies regarding the privacy and protection of user data; the effect of any strengthening of the rate of exchange for the US dollar; the effect of any adverse changes in the financial markets on the value of the Company's investment portfolio; the impact of a weak economy on demand for the Company's products and services or increased customer credit risk; the effects of operations outside the US, including from currency fluctuations, different regulatory, political and economic conditions, and different market conditions and local business and cultural factors; the impact of the Company's limited experience and small scale in the human point-of-care market; the effects of interruptions to the Company's operations due to natural or man-made disasters, system failures or disruptions or security breaches; the effect on the Company's stock price if quarterly or annual operating results do not meet expectations of market analysts or investors in future periods; potential exposures related to our worldwide provision for income taxes and the potential loss of tax incentives; and the Company's ability to obtain financing on favorable terms. A further description of these and other factors can be found in the Company's Annual Report on Form 10-K for the year ended December 31, 2014 and the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, in the sections captioned "Risk Factors," as well as the Company's other periodic reports filed or to be filed with the Securities and Exchange Commission.*

IDEXX Laboratories, Inc. and Subsidiaries

Consolidated Statement of Operations

Amounts in thousands except per share data (Unaudited)

| Three Months Ended |              | Years Ended  |              |
|--------------------|--------------|--------------|--------------|
| December 31,       | December 31, | December 31, | December 31, |

|                     |  | 2015       | 2014       | 2015         | 2014         |
|---------------------|--|------------|------------|--------------|--------------|
| <b>Revenue:</b>     | Revenue  | \$ 399,685 | \$ 351,959 | \$ 1,601,892 | \$ 1,485,807 |
| <b>Expenses and</b> |  |            |            |              |              |
| <b>Income:</b>      | Cost of revenue  | 181,990    | 169,794    | 711,622      | 669,691      |
|                     | Gross profit   | 217,695    | 182,165    | 890,270      | 816,116      |
|                     | Sales and marketing                                    | 76,495     | 77,238     | 299,955      | 283,708      |
|                     | General and administrative                             | 48,793     | 45,257     | 182,510      | 173,890      |
|                     | Research and development                               | 25,496     | 24,869     | 99,681       | 98,263       |
|                     | Impairment charge                                      | -          | -          | 8,212        | -            |
|                     | Income from operations                                 | 66,911     | 34,801     | 299,912      | 260,255      |
|                     | Interest expense, net                                  | (7,126)    | (4,939)    | (26,771)     | (13,700)     |
|                     | Income before provision for income taxes               | 59,785     | 29,862     | 273,141      | 246,555      |
|                     | Provision for income taxes                             | 15,395     | 3,911      | 81,006       | 64,604       |
| <b>Net Income:</b>  | Net income   | 44,390     | 25,951     | 192,135      | 181,951      |
|                     | Less: Noncontrolling interest in subsidiary's earnings | 41         | (10)       | 57           | 45           |
|                     | Net income attributable to stockholders                | \$ 44,349  | \$ 25,961  | \$ 192,078   | \$ 181,906   |
|                     | Earnings per share: Basic                              | \$ 0.49    | \$ 0.27    | \$ 2.07      | \$ 1.82      |
|                     | Earnings per share: Diluted                            | \$ 0.48    | \$ 0.27    | \$ 2.05      | \$ 1.79      |
|                     | Shares outstanding: Basic                              | 90,841     | 95,499     | 92,601       | 100,094      |
|                     | Shares outstanding: Diluted                            | 91,788     | 96,861     | 93,649       | 101,503      |

#### IDEXX Laboratories, Inc. and Subsidiaries

##### Selected Operating Information(Unaudited)

|                      |                                     | Three Months Ended |              | Years Ended  |              |
|----------------------|-------------------------------------|--------------------|--------------|--------------|--------------|
|                      |                                     | December 31,       | December 31, | December 31, | December 31, |
|                      |                                     | 2015               | 2014         | 2015         | 2014         |
| <b>Operating</b>     | Gross profit                        | 54.5%              | 51.8%        | 55.6%        | 54.9%        |
| <b>Ratios (as a</b>  | Sales, marketing, general and       |                    |              |              |              |
| <b>percentage of</b> | administrative expense              | 31.3%              | 34.8%        | 30.6%        | 30.8%        |
| <b>revenue):</b>     | Research and development expense    | 6.4%               | 7.1%         | 6.2%         | 6.6%         |
|                      | Income from operations <sup>1</sup> | 16.7%              | 9.9%         | 18.7%        | 17.5%        |

<sup>1</sup>Amounts presented may not recalculate due to rounding.

#### IDEXX Laboratories, Inc. and Subsidiaries

##### Non-GAAP Financial Measures:

##### Adjusted Revenue, Gross Profit, Operating Profit and EPS (Unaudited)

Amounts in millions except per share data and percentages

|  | Revenue   | Gross Profit | Gross Margin | Operating Profit | Operating Margin | EPS    |
|--|-----------|--------------|--------------|------------------|------------------|--------|
| Reported Year Ended December 31, 2015  | \$1,601.9 | \$890.3      | 55.6%        | \$299.9          | 18.7%            | \$2.05 |
| Impairment charge  | -         | -            | -            | 8.2              | -                | 0.06   |
| Adjusted Year Ended December 31, 2015  | \$1,601.9 | \$890.3      | 55.6%        | \$308.1          | 19.2%            | \$2.11 |
| Reported Year Ended December 31, 2014  | \$1,485.8 | \$816.1      | 54.9%        | \$260.3          | 17.5%            | \$1.79 |
| Impact of distributor inventory drawdown   | 25.1      | 20.8         | -            | 20.8             | -                | 0.14   |
| Non-recurring expenses associated with transition to all-direct sales strategy   | -         | -            | -            | 5.0              | -                | 0.06   |
| Expense ramp-up in advance of transition to new sales strategy                   | -         | -            | -            | 9.5              | -                | 0.03   |
| Non-recurring income tax benefit related to the deferral of intercompany profits | -         | -            | -            | -                | -                | (0.02) |
| Adjusted Year Ended December 31, 2014  | \$1,510.9 | \$836.9      | 55.4%        | \$295.6          | 19.6%            | \$2.00 |

#### IDEXX Laboratories, Inc. and Subsidiaries

##### Segment Information

Amounts in thousands (Unaudited)

|                      |                     | Three Months Ended |            | Three Months Ended |            |
|----------------------|---------------------|--------------------|------------|--------------------|------------|
|                      |                     | December 31,       | Percent of | December 31,       | Percent of |
|                      |                     | 2015               | Revenue    | 2014               | Revenue    |
| <b>Revenue:</b>      | CAG                 | \$ 336,055         |            | \$ 284,898         |            |
|                      | Water               | 24,178             |            | 23,070             |            |
|                      | LPD                 | 33,366             |            | 36,598             |            |
|                      | Other               | 6,086              |            | 7,393              |            |
|                      | Total               | \$ 399,685         |            | \$ 351,959         |            |
| <b>Gross Profit:</b> | CAG                 | \$ 175,254         | 52.2%      | \$ 140,504         | 49.3%      |
|                      | Water               | 17,257             | 71.4%      | 15,545             | 67.4%      |
|                      | LPD                 | 20,452             | 61.3%      | 22,692             | 62.0%      |
|                      | Other               | 2,383              | 39.2%      | 4,106              | 55.5%      |
|                      | Unallocated Amounts | 2,349              | N/A        | (682)              | N/A        |
|                      | Total               | \$ 217,695         | 54.5%      | \$ 182,165         | 51.8%      |
| <b>Income from</b>   |                     |                    |            |                    |            |
| <b>Operations:</b>   | CAG                 | \$ 49,797          | 14.8%      | \$ 22,431          | 7.9%       |
|                      | Water               | 10,763             | 44.5%      | 9,715              | 42.1%      |
|                      | LPD                 | 6,989              | 20.9%      | 8,404              | 23.0%      |
|                      | Other               | (48)               | (0.8%)     | 1,345              | 18.2%      |
|                      | Unallocated Amounts | (590)              | N/A        | (7,094)            | N/A        |
|                      | Total               | \$ 66,911          | 16.7%      | \$ 34,801          | 9.9%       |

|                      |                     | Year Ended   |            | Year Ended   |            |
|----------------------|---------------------|--------------|------------|--------------|------------|
|                      |                     | December 31, | Percent of | December 31, | Percent of |
|                      |                     | 2015         | Revenue    | 2014         | Revenue    |
| <b>Revenue:</b>      | CAG                 | \$ 1,356,287 |            | \$ 1,223,064 |            |
|                      | Water               | 96,884       |            | 94,725       |            |
|                      | LPD                 | 127,143      |            | 141,179      |            |
|                      | Other               | 21,578       |            | 26,839       |            |
|                      | Total               | \$ 1,601,892 |            | \$ 1,485,807 |            |
| <b>Gross Profit:</b> | CAG                 | \$ 727,626   | 53.6%      | \$ 655,197   | 53.6%      |
|                      | Water               | 68,785       | 71.0%      | 62,924       | 66.4%      |
|                      | LPD                 | 77,227       | 60.7%      | 89,519       | 63.4%      |
|                      | Other               | 10,574       | 49.0%      | 14,236       | 53.0%      |
|                      | Unallocated Amounts | 6,058        | N/A        | (5,760)      | N/A        |
|                      | Total               | \$ 890,270   | 55.6%      | \$ 816,116   | 54.9%      |

#### Income from

|                    |                     |                   |              |                   |              |
|--------------------|---------------------|-------------------|--------------|-------------------|--------------|
| <b>Operations:</b> | CAG                 | \$ 231,642        | 17.1%        | \$ 203,536        | 16.6%        |
|                    | Water               | 44,584            | 46.0%        | 39,262            | 41.4%        |
|                    | LPD                 | 24,397            | 19.2%        | 33,788            | 23.9%        |
|                    | Other               | 156               | 0.7%         | 2,479             | 9.2%         |
|                    | Unallocated Amounts | (867)             | N/A          | (18,810)          | N/A          |
|                    | <b>Total</b>        | <b>\$ 299,912</b> | <b>18.7%</b> | <b>\$ 260,255</b> | <b>17.5%</b> |

**IDEXX Laboratories, Inc. and Subsidiaries**  
**Revenues and Revenue Growth Analysis by Product and Service Categories and by Domestic and International Markets**  
*Amounts in thousands (Unaudited)*

| Net Revenue  | Three Months Ended |                   | Dollar Change    | Percentage Change | Percentage Change from Currency <sup>1</sup> | Percentage Change from Acquisitions <sup>2</sup> | Organic Revenue Growth <sup>3</sup> |
|--------------|--------------------|-------------------|------------------|-------------------|--|--|-------------------------------------|
|              | December 31, 2015  | December 31, 2014 |                  |                   |  |  |                                     |
| CAG          | \$ 336,055         | \$ 284,898        | \$ 51,157        | 18.0%             | (5.1%)                                       | 0.8%   | 22.3%                               |
| Water        | 24,178             | 23,070            | 1,108            | 4.8%              | (5.1%)                                       | -  | 9.9%                                |
| LPD          | 33,366             | 36,598            | (3,232)          | (8.8%)            | (10.7%)                                      | -  | 1.9%                                |
| Other        | 6,086              | 7,393             | (1,307)          | (17.7%)           | (0.6%)                                       | -  | 17.1%                               |
| <b>Total</b> | <b>\$ 399,685</b>  | <b>\$ 351,959</b> | <b>\$ 47,726</b> | <b>13.6%</b>      | <b>(5.7%)</b>                                | <b>0.7%</b>                                      | <b>18.6%</b>                        |

| Net Revenue   | Three Months Ended |                   | Dollar Change    | Percentage Change | Percentage Change from Currency <sup>1</sup> | Percentage Change from Acquisitions <sup>2</sup> | Organic Revenue Growth <sup>3</sup> |
|---------------|--------------------|-------------------|------------------|-------------------|--|--|-------------------------------------|
|               | December 31, 2015  | December 31, 2014 |                  |                   |  |  |                                     |
| United States | \$ 238,595         | \$ 190,685        | \$ 47,910        | 25.1%             | -  | 0.2%   | 24.9%                               |
| International | 161,090            | 161,274           | (184)            | (0.1%)            | (11.7%)                                      | 1.2%   | 10.4%                               |
| <b>Total</b>  | <b>\$ 399,685</b>  | <b>\$ 351,959</b> | <b>\$ 47,726</b> | <b>13.6%</b>      | <b>(5.7%)</b>                                | <b>0.7%</b>                                      | <b>18.6%</b>                        |

| Net CAG Revenue  | Three Months Ended |                   | Dollar Change    | Percentage Change | Percentage Change from Currency <sup>1</sup> | Percentage Change from Acquisitions <sup>2</sup> | Organic Revenue Growth <sup>3</sup> |
|--|--------------------|-------------------|------------------|-------------------|--|--|-------------------------------------|
|  | December 31, 2015  | December 31, 2014 |                  |                   |  |  |                                     |
| CAG Diagnostics recurring revenue:                             | \$ 277,119         | \$ 232,059        | \$ 45,060        | 19.4%             | (5.4%)                                       | 0.9%   | 23.9%                               |
| <i>VetLab consumables</i>                                      | 98,433             | 76,992            | 21,441           | 27.8%             | (6.9%)                                       | -  | 34.7%                               |
| <i>VetLab service and accessories</i>                          | 13,958             | 12,970            | 988              | 7.6%              | (4.9%)                                       | -  | 12.5%                               |
| <i>Rapid assay products</i>                                    | 39,317             | 26,319            | 12,998           | 49.4%             | (4.5%)                                       | -  | 53.9%                               |
| <i>Reference laboratory diagnostic and consulting services</i> | 125,411            | 115,778           | 9,633            | 8.3%              | (4.7%)                                       | 1.8%   | 11.2%                               |
| CAG Diagnostics capital - instruments                          | 28,830             | 24,194            | 4,636            | 19.2%             | (8.3%)                                       | -  | 27.5%                               |
| Customer information management and digital imaging systems    | 30,106             | 28,645            | 1,461            | 5.1%              | (1.3%)                                       | 1.0%   | 5.4%                                |
| <b>Net CAG revenue</b>   | <b>\$ 336,055</b>  | <b>\$ 284,898</b> | <b>\$ 51,157</b> | <b>18.0%</b>      | <b>(5.1%)</b>                                | <b>0.8%</b>                                      | <b>22.3%</b>                        |

<sup>1</sup>The percentage change from currency is a non-GAAP financial measure. This measure represents the percentage change in revenue resulting from the difference between the average exchange rates during the three months ended December 31, 2015 and the same period of the prior year applied to foreign currency-denominated revenues for the three months ended December 31, 2014.

<sup>2</sup>The percentage change from acquisitions is a non-GAAP financial measure. This measure represents the percentage change in revenue during the three months ended December 31, 2015 compared to the three months ended December 31, 2014 attributed to acquisitions subsequent to September 30, 2014.

<sup>3</sup>Organic revenue growth is a non-GAAP financial measure and represents the percentage change in revenue during the three months ended December 31, 2015 compared to the three months ended December 31, 2014 net of acquisitions and the effect of changes in foreign currency exchange rates.

**IDEXX Laboratories, Inc. and Subsidiaries**  
**Revenues and Revenue Growth Analysis by Product and Service Categories and by Domestic and International Markets**  
*Amounts in thousands (Unaudited)*

| Net Revenue  | Years Ended         |                     | Dollar Change     | Percentage Change | Percentage Change from Currency <sup>1</sup> | Percentage Change from Acquisitions <sup>2</sup> | Organic Revenue Growth <sup>3</sup> |
|--------------|---------------------|---------------------|-------------------|-------------------|--|--|-------------------------------------|
|              | December 31, 2015   | December 31, 2014   |                   |                   |  |  |                                     |
| CAG          | \$ 1,356,287        | \$ 1,223,064        | \$ 133,223        | 10.9%             | (5.6%)                                       | 0.8%   | 15.7%                               |
| Water        | 96,884              | 94,725              | 2,159             | 2.3%              | (5.5%)                                       | -  | 7.8%                                |
| LPD          | 127,143             | 141,179             | (14,036)          | (9.9%)            | (12.0%)                                      | -  | 2.1%                                |
| Other        | 21,578              | 26,839              | (5,261)           | (19.6%)           | (0.8%)                                       | -  | (18.8%)                             |
| <b>Total</b> | <b>\$ 1,601,892</b> | <b>\$ 1,485,807</b> | <b>\$ 116,085</b> | <b>7.8%</b>       | <b>(6.2%)</b>                                | <b>0.6%</b>                                      | <b>13.4%</b>                        |

| Net Revenue   | Years Ended         |                     | Dollar Change     | Percentage Change | Percentage Change from Currency <sup>1</sup> | Percentage Change from Acquisitions <sup>2</sup> | Organic Revenue Growth <sup>3</sup> |
|---------------|---------------------|---------------------|-------------------|-------------------|--|--|-------------------------------------|
|               | December 31, 2015   | December 31, 2014   |                   |                   |  |  |                                     |
| United States | \$ 980,321          | \$ 848,925          | \$ 131,396        | 15.5%             | -  | 0.3%   | 15.2%                               |
| International | 621,571             | 636,882             | (15,311)          | (2.4%)            | (14.1%)                                      | 1.2%   | 10.5%                               |
| <b>Total</b>  | <b>\$ 1,601,892</b> | <b>\$ 1,485,807</b> | <b>\$ 116,085</b> | <b>7.8%</b>       | <b>(6.2%)</b>                                | <b>0.6%</b>                                      | <b>13.4%</b>                        |

| Net CAG Revenue  | Years Ended         |                     | Dollar Change     | Percentage Change | Percentage Change from Currency <sup>1</sup> | Percentage Change from Acquisitions <sup>2</sup> | Organic Revenue Growth <sup>3</sup> |
|--|---------------------|---------------------|-------------------|-------------------|--|--|-------------------------------------|
|  | December 31, 2015   | December 31, 2014   |                   |                   |  |  |                                     |
| CAG Diagnostics recurring revenue:                             | \$ 1,146,527        | \$ 1,039,252        | \$ 107,275        | 10.3%             | (5.8%)                                       | 0.6%   | 15.5%                               |
| <i>VetLab consumables</i>                                      | 396,526             | 341,407             | 55,119            | 16.1%             | (7.1%)                                       | -  | 23.2%                               |
| <i>VetLab service and accessories</i>                          | 55,176              | 53,006              | 2,170             | 4.1%              | (5.9%)                                       | -  | 10.0%                               |
| <i>Rapid assay products</i>                                    | 182,670             | 165,646             | 17,023            | 10.3%             | (3.0%)                                       | -  | 13.3%                               |
| <i>Reference laboratory diagnostic and consulting services</i> | 512,155             | 479,193             | 32,963            | 6.9%              | (5.8%)                                       | 1.3%   | 11.4%                               |
| CAG Diagnostics capital - instruments                          | 99,001              | 79,993              | 19,008            | 23.8%             | (10.4%)                                      | -  | 34.2%                               |
| Customer information management and digital imaging systems    | 110,759             | 103,819             | 6,940             | 6.7%              | (0.9%)                                       | 2.6%   | 5.0%                                |
| <b>Net CAG revenue</b>   | <b>\$ 1,356,287</b> | <b>\$ 1,223,064</b> | <b>\$ 133,223</b> | <b>10.9%</b>      | <b>(5.6%)</b>                                | <b>0.8%</b>                                      | <b>15.7%</b>                        |

<sup>1</sup>The percentage change from currency is a non-GAAP financial measure. This measure represents the percentage change in revenue resulting from the difference between the average exchange rates during the year ended December 31, 2015 and the same period of the prior year applied to foreign currency-denominated revenues for the year ended December 31, 2014.



<sup>2</sup> The percentage change from acquisitions is a non-GAAP financial measure. This measure represents the percentage change in revenue during the year ended December 31, 2015 compared to the year ended December 31, 2014 attributed to acquisitions subsequent to December 31, 2013.

<sup>3</sup> Organic revenue growth is a non-GAAP financial measure and represents the percentage change in revenue during the year ended December 31, 2015 compared to the year ended December 31, 2014 net of acquisitions and the effect of changes in foreign currency exchange rates.

**IDEXX Laboratories, Inc. and Subsidiaries**

**Consolidated Balance Sheet**

Amounts in thousands (Unaudited)

|  |   | December 31,<br>2015 | December 31,<br>2014 |
|--|---|----------------------|----------------------|
| <b>Assets:</b>   | <b>Current Assets:</b>                            |                      |                      |
|  | Cash and cash equivalents                         | \$ 128,994           | \$ 322,536           |
|  | Marketable securities                             | 213,591              | -                    |
|  | Accounts receivable, net                          | 188,318              | 152,380              |
|  | Inventories                                       | 188,833              | 160,342              |
|  | Other current assets                              | 101,898              | 124,140              |
|  | <b>Total current assets</b>                       | <b>821,634</b>       | <b>759,398</b>       |
|  | <b>Property and equipment, net</b>                | <b>333,026</b>       | <b>303,587</b>       |
|  | <b>Other long-term assets, net</b>                | <b>320,333</b>       | <b>321,226</b>       |
|  | <b>Total assets</b>                               | <b>\$ 1,474,993</b>  | <b>\$ 1,384,211</b>  |
| <b>Liabilities and Stockholders' Equity (Deficit):</b> | <b>Current Liabilities:</b>                       |                      |                      |
|  | Accounts payable                                  | \$ 52,648            | \$ 44,743            |
|  | Accrued liabilities                               | 205,530              | 195,351              |
|  | Line of credit                                    | 573,000              | 549,000              |
|  | Deferred revenue                                  | 25,583               | 31,812               |
|  | <b>Total current liabilities</b>                  | <b>856,761</b>       | <b>820,906</b>       |
|  | Long-term debt                                    | 597,085              | 350,000              |
|  | Other long-term liabilities                       | 105,142              | 95,716               |
|  | <b>Total long-term liabilities</b>                | <b>702,227</b>       | <b>445,716</b>       |
|  | Total stockholders' equity                        | (84,125)             | 117,516              |
|  | Noncontrolling interest                           | 130                  | 73                   |
|  | <b>Total equity (deficit)</b>                     | <b>(83,995)</b>      | <b>117,589</b>       |
|  | <b>Total liabilities and stockholders' equity</b> | <b>\$ 1,474,993</b>  | <b>\$ 1,384,211</b>  |

**IDEXX Laboratories, Inc. and Subsidiaries**

**Selected Balance Sheet Information (Unaudited)**

|                      |                                     | December 31,<br>2015 | September 30,<br>2015 | June 30,<br>2015 | March 31,<br>2015 | December 31,<br>2014 |
|----------------------|-------------------------------------|----------------------|-----------------------|------------------|-------------------|----------------------|
| <b>Selected</b>      |                                     |                      |                       |                  |                   |                      |
| <b>Balance Sheet</b> | Days sales outstanding <sup>1</sup> | 43.3                 | 43.8                  | 43.7             | 41.6              | 40.6                 |
| <b>Information:</b>  | Inventory turns <sup>2</sup>        | 1.5                  | 1.5                   | 1.5              | 1.6               | 1.7                  |

<sup>1</sup> Days sales outstanding represents the average of the accounts receivable balances at the beginning and end of each quarter divided by revenue for that quarter, the result of which is then multiplied by 91.25 days.

<sup>2</sup> Inventory turns represent inventory-related cost of product sales for the twelve months preceding each quarter-end divided by the inventory balance at the end of the quarter.

**IDEXX Laboratories, Inc. and Subsidiaries**

**Consolidated Statement of Cash Flows**

Amounts in thousands (Unaudited)

|                   |   | Years Ended          |                      |
|-------------------|---|----------------------|----------------------|
|                   |   | December 31,<br>2015 | December 31,<br>2014 |
| <b>Operating:</b> | <b>Cash Flows from Operating Activities:</b>                                  |                      |                      |
|                   | Net income  | \$ 192,135           | \$ 181,951           |
|                   | Non-cash charges  | 105,355              | 79,691               |
|                   | Changes in assets and liabilities   | (69,811)             | (9,718)              |
|                   | Tax benefit from share-based compensation arrangements                        | (11,315)             | (16,078)             |
|                   | <b>Net cash provided by operating activities</b>                              | <b>216,364</b>       | <b>235,846</b>       |
| <b>Investing:</b> | <b>Cash Flows from Investing Activities:</b>                                  |                      |                      |
|                   | Purchases of property and equipment   | (82,921)             | (60,523)             |
|                   | Purchase of marketable securities   | (271,958)            | -                    |
|                   | Proceeds from the sale and maturities of marketable securities                | 56,775               | -                    |
|                   | Acquisitions of intangible assets   | -                    | (175)                |
|                   | Proceeds from sale of equity investment                                       | -                    | 5,400                |
|                   | Acquisitions of a business, net of cash acquired                              | (10,302)             | (25,115)             |
|                   | <b>Net cash used by investing activities</b>                                  | <b>(308,406)</b>     | <b>(80,413)</b>      |
| <b>Financing:</b> | <b>Cash Flows from Financing Activities:</b>                                  |                      |                      |
|                   | Borrowings on revolving credit facilities, net                                | 24,000               | 272,000              |
|                   | Issuance of long-term debt  | 250,097              | 200,000              |
|                   | Payment of notes payable  | -                    | (1,394)              |
|                   | Repurchases of common stock   | (401,981)            | (618,158)            |
|                   | Debt issue costs  | (1,380)              | (1,406)              |
|                   | Proceeds from the exercise of stock options and employee stock purchase plans | 22,397               | 29,442               |
|                   | Tax benefit from share-based compensation arrangements                        | 11,315               | 16,078               |
|                   | <b>Net cash used by financing activities</b>                                  | <b>(95,552)</b>      | <b>(103,438)</b>     |
|                   | Net effect of changes in exchange rates on cash                               | (5,948)              | (8,517)              |
|                   | <b>Net (decrease) increase in cash and cash equivalents</b>                   | <b>(193,542)</b>     | <b>43,478</b>        |
|                   | Cash and cash equivalents, beginning of period                                | 322,536              | 279,058              |
|                   | <b>Cash and cash equivalents, end of period</b>                               | <b>\$ 128,994</b>    | <b>\$ 322,536</b>    |

**IDEXX Laboratories, Inc. and Subsidiaries**

**Free Cash Flow<sup>1</sup>**

Amounts in thousands (Unaudited)

|                  |   | Years Ended          |                      |
|------------------|---|----------------------|----------------------|
|                  |   | December 31,<br>2015 | December 31,<br>2014 |
| <b>Free Cash</b> |   |                      |                      |
| <b>Flow:</b>     | Net cash provided by operating activities | \$ 216,364           | \$ 235,846           |

|  |                   |                   |
|--|-------------------|-------------------|
| Financing cash flows attributable to tax benefits from share-based compensation arrangements | 11,315            | 16,078            |
| Investing cash flows attributable to purchases of property and equipment                     | (82,921)          | (60,523)          |
| <b>Free cash flow</b>  | <b>\$ 144,758</b> | <b>\$ 191,401</b> |

<sup>1</sup> Free cash flow is a non-GAAP financial measure and is calculated from cash generated from operations, excluding tax benefits attributable to share-based compensation arrangements, reduced by the Company's investments in fixed assets. Management believes free cash flow is a useful measure because it indicates the cash the operations of the business are generating after appropriate reinvestment for recurring investments in fixed assets that are required to operate the business. Management also believes this is a common financial measure useful to further evaluate the results of operations.

**IDEXX Laboratories, Inc. and Subsidiaries**

**Common Stock Repurchases**

Amounts in thousands except per share data (Unaudited)

|   | Three Months Ended |              | Years Ended  |              |
|---|--------------------|--------------|--------------|--------------|
|   | December 31,       | December 31, | December 31, | December 31, |
|   | 2015               | 2014         | 2015         | 2014         |
| Share repurchases during the period   | 1,313              | 2,269        | 5,659        | 9,761        |
| Shares surrendered by employees in payment for minimum required withholding taxes due on share based compensation | 4                  | 7            | 69           | 92           |
| Total number of shares purchased <sup>1</sup>   | <u>1,317</u>       | <u>2,276</u> | <u>5,728</u> | <u>9,853</u> |
| Average price paid per share  | \$ 71.08           | \$ 65.78     | \$ 71.90     | \$ 63.32     |

Shares remaining under repurchase authorization as of December 31, 2015 totaled 6,806,152.

<sup>1</sup>Shares repurchased on and before June 15, 2015 and the associated average cost per share have been adjusted to reflect the June 2015 two-for-one stock split. Actual shares repurchased and acquired through employee surrender were 1,317,000 and 4,313,000 for the three and twelve months ended December 31, 2015, respectively, and 1,138,000 and 4,927,000 for the three and twelve months ended December 31, 2014, respectively.

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