Fortify, Attack, Forge Ahead

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Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws that involve material risks, assumptions and uncertainties. Many possible events or factors could affect our future financial results and performance, such that our actual results and performance may differ materially from those that may be described or implied in the forward-looking statements. As such no forward-looking statement can be guaranteed. Differences in actual results and performance may arise as a result of a number of factors including, without limitation, fluctuations in our operating results resulting from seasonality, the timing of the onset, length and severity of cold and flu seasons, government and media attention focused on influenza and the related potential impact on humans from novel influenza viruses, adverse changes in competitive conditions in domestic and international markets, the reimbursement system currently in place and future changes to that system, changes in economic conditions in our domestic and international markets, changes in sales levels as it relates to the absorption of our fixed costs, lower than anticipated market penetration of our products, the quantity of our product in our distributors' inventory or distribution channels, changes in the buying patterns of our distributors and changes in the health care market and consolidation of our customer base; our development and protection of intellectual property; our development of new technologies, products and markets; our reliance on a limited number of key distributors; our reliance on sales of our influenza diagnostics tests; our ability to manage our growth strategy, including our ability to integrate companies or technologies we have acquired or may acquire; intellectual property risks, including but not limited to, infringement litigation; our debt service requirements; our inability to settle conversions of our convertible senior notes in cash; the effect on our operating results from the trigger of the conditional conversion feature of our convertible senior notes; limitations and covenants in our senior credit facility; that we may incur significant additional indebtedness; our need for additional funds to finance our operating needs; volatility and disruption in the global capital and credit markets; acceptance of our products among physicians and other healthcare providers; competition with other providers of diagnostic products; adverse actions or delays in product reviews by the U.S. Food and Drug Administration (the "FDA"); changes in government policies; compliance with other government regulations, such as safe working conditions, manufacturing practices, environmental protection, fire hazard and disposal of hazardous substances; third-party reimbursement policies; our ability to meet demand for our products; interruptions in our supply of raw materials; product defects; business risks not covered by insurance and exposure to other litigation claims; interruption to our computer systems; competition for and loss of management and key personnel; international risks, including but not limited to, compliance with product registration requirements, exposure to currency exchange fluctuations and foreign currency exchange risk sharing arrangements, longer payment cycles, lower selling prices and greater difficulty in collecting accounts receivable, reduced protection of intellectual property rights, political and economic instability, taxes, and diversion of lower priced international products into US markets; our significant debt service requirements; the possibility that we may incur additional indebtedness; volatility in our stock price; dilution resulting from future sales of our equity; and provisions in our charter documents, Delaware law and the indenture governing our convertible senior notes that might delay or impede stockholder actions with respect to business combinations or the election of directors. Forward-looking statements typically are identified by the use of terms such as "may," "will," "should," "might," "expect," "anticipate," "estimate," "plan," "intend," "goal," "project," "strategy," "future," and similar words, although some forward-looking statements are expressed differently. Forward-looking statements in this presentation include, among others, statements concerning: our outlook for this fiscal year and beyond, including, among others, projections about our revenue, gross margins, cash flow, EBITDA, COGS, market opportunities, geographic expansion, and development, manufacturing and commercial activities; our strategy, goals and objectives , including, among others, continuing to make substantial investments in research and development and sales and marketing; our expectations regarding the Savanna® program, including relating to instrument and cartridge development, costs, features, functions, performance, and commercialization opportunities; our expectations regarding regulatory submissions, approvals and CLIA waivers; and our intention to continue to evaluate technology and outside acquisition opportunities. The risks described in reports and registration statements that we file with the Securities and Exchange Commission (the "SEC") from time to time should be carefully considered. You are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis only as of the date of this presentation. We undertake no obligation to publicly release the results of any revision or update of these forward-looking statements, except as required by law.

Quidel is…

A market leader in the development of innovative medical diagnostic platforms…

Traditional and Next-generation Immunoassays

Cellular-Based Virology assays

Versatile Molecular Diagnostic platforms

…that is focused on delivering highly accurate, connected new products with a low total cost of ownership to the professional POC segment and emerging alternate site segment.

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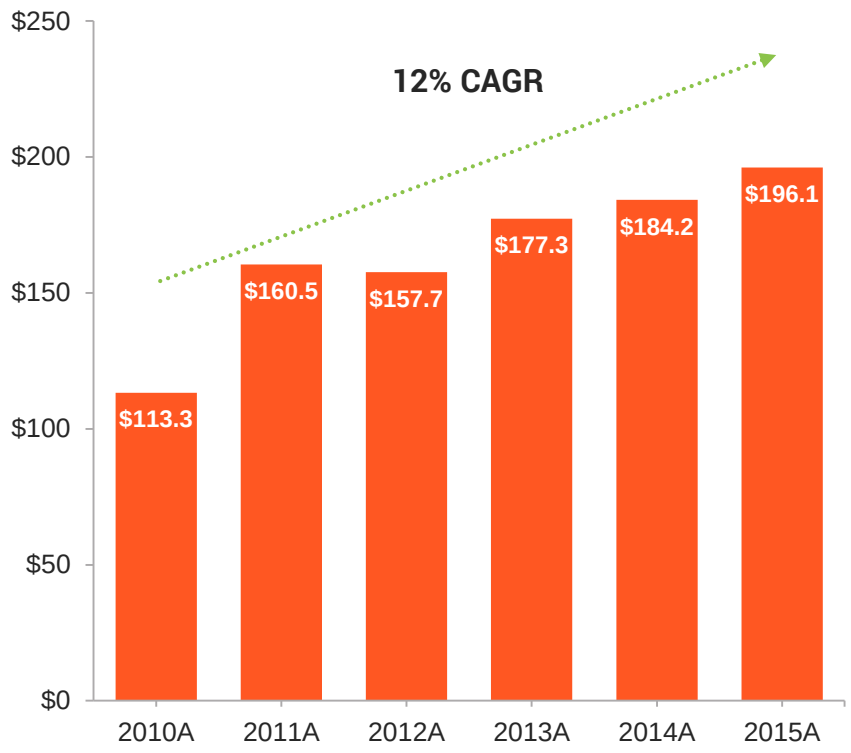
Quidel – Building on a History of Innovation

2009 - Present	• Submitted over 25 510(k) packages to the FDA • Over 20 FDA clearances, 4 CLIA waiver designations • Launched Solana instrumented MDx platform • Launched Sofia and 4 FDA-cleared assays • Launched 2 first generation molecular systems (AmpliVue & Lyra) • Launched Virena wireless system • Acquired DHI ($45 million annual direct business) • Acquired BioHelix (proprietary HDA amplification technology) • Acquired Immutopics bone health business
1989 - 2009	• Launched QuickVue Influenza A/B rapid diagnostic assay • First company to receive CLIA waiver for Flu, Strep and H. pylori tests
1979 - 1989	• Company founded • Primarily a provider of Strep A and Pregnancy rapid diagnostics

Revenue ($, in millions)



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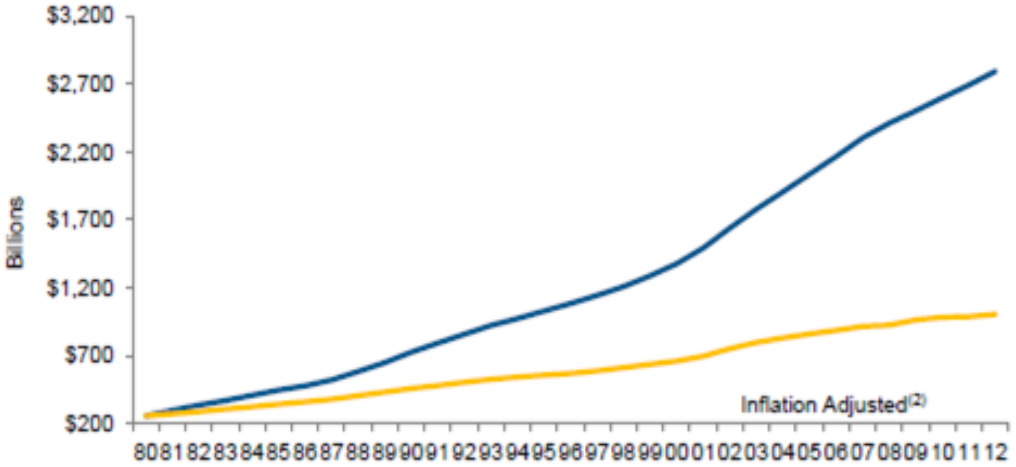
Traditional Healthcare is Changing, and…

Current Healthcare Trends Include:

- Increased access points for healthcare
- Investment in healthcare technology
- Informed patient → consumerism
- Expanded clinical roles for nurse practitioners, nurses, physician assistants, pharmacists to meet increasing demand for healthcare

Total National Health Expenditures (1980-2012)[1]



"By the end of 2014, more than half of states were weighing expanding the clinical duties of nurses, physician assistants, pharmacists and others."

- pwc, Top health industry issues of 2015[2]

"Patient screenings and advanced, gene-based diagnostics may soon become a standard and universally accepted part of retail pharmacy's service platform. The shrinking pool of overburdened family doctors is shifting more primary care services to pharmacists, just as…rapid advances in diagnostic technology put cheap, easy-to-use screening tools into the hands of pharmacists."

- Jim Frederick, Drug Store News[3]

1. Avalere TrendWatch Chart Book 2014: Trends Affecting Hospitals and Health Systems
2. http://www.pwc.com/en_US/us/health-industries/top-health-industry-issues/assets/pwc-hri-top-healthcare-issues-2015.pdf
3. http://www.drugstorenews.com/article/rx-trends-2015-pharmacy-based-diagnostic-screenings via Pharmacy.com

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…Quidel is Developing New Products that can Compete in the Evolving Healthcare Environment

Diagnostic products will need to be connected as compliance, access to testing data and the handling of those data will increase in importance.



Assays will need to be faster and easier to use as testing moves into urgent care centers and alternate sites that are closer to the patient.

Along with accuracy, total cost of ownership will also become a factor in a customer's decision to adopt new testing platforms.

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Our Innovative New Products are Designed to Meet the Various Needs of the Customer in Any POC Setting

Immunoassay





FDA-Cleared, CLIA - Waived

Sofia Immunoassay platform is the next generation, objectively-read system in support of our legacy lateral flow business, designed to deliver more value and a higher gross margin.

Sofia captures market share with the first wave of assays (for Respiratory Disease) in physician offices, hospitals and alternate sites.

In Development

Sofia 2, at a fraction of the cost of the original Sofia, can further penetrate the lower volume and higher-volume segments of the POC testing market.

Sofia 2's integrated wireless options will expand connectivity and possibly increase overall diagnostic testing.

Our Innovative New Products are Designed to Meet the Various Needs of the Customer in Any POC Setting

Molecular



FDA - Cleared, Mod - Complex

AmpliVue, a non-instrumented, hand-held disposable molecular device requires no thermocycler or upfront costs. Moderately complex claim provides an easy-to-use entry point into molecular testing for smaller hospitals and lower-volume users wishing to convert from legacy testing methods.



FDA - Cleared, Mod - Complex

Solana, our first instrumented molecular system, extends AmpliVue's proprietary HDA technology to offer a low-cost, medium volume molecular solution that can multiplex, running up to 12 samples at a time in approx. 30 minutes.

Solana is designed for samples that do not require extraction or quantitation in mod-complex.



FDA - Cleared, Highly - Complex

Lyra, our Real-time molecular PCR assays, are designed to run on a hospital lab's existing thermocycler, and provides a real-time testing solution to higher throughput labs using a hospital's established systems – with no upfront costs.

Lyra molecular assays can be paired with other Lyra assays to create customized multiplex Respiratory Disease panels.



In Development

Savanna is our low-cost, fully integrated "sample-to-answer" molecular diagnostic system.

Target cartridge cost is less than $5 and target instrument cost is $10,000, designed for low-volume and potentially CLIA-waived settings.

Savanna can run either traditional PCR using Phase Gate extraction or HDA assays for samples that do not require extraction.

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Fortify, Attack, Forge Ahead



Our Platform Strategy is Based on 3 Concepts:

Fortify our Core Business, Gain Market Share

- Sofia, Sofia 2 Influenza, RSV and GAS

Attack Competitors' Limitations

- Lyra, AmpliVue
- Solana, Savanna platforms

Forge Ahead to Create New Products and Markets

- Sofia Vitamin D, Lyme
- Virena data management system
- Next-gen Immunoassays
- Sofia 2 and POC molecular in alternate sites

Sofia 2®



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Sofia 2 is the Next Generation of Our Best-selling Platform, at an Even Lower Cost

3 Portability

- Lighter than Sofia (target 2.5 lbs)
- Integrated handle
- 8 hour rechargeable battery with 3 years of life

with the power of Virena

2 Superior user-experience

- Color touch screen
- QWERTY keyboard



4 Virena capability, Integrated Wireless, Ethernet and USB Ports

- Virena integrated, no added router
- Cellular and wifi

1 Sofia Compatibility

- CLIA Waived
- Migrate Sofia menu
- FLU, RSV, Strep A initially followed by assays that diversify: Vitamin D and Lyme

5 Other Benefits

- Bi-directional LIS Capability
- Integrated barcode scanner

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Sofia 2 Takes Sofia Immunoassay Testing to the Next Level



Sofia

- Uses Sofia cartridge
- Approx. $1500 instrument COGS
- Supports external barcode reader
- External Virena router
- Opt-in Virena participation
- Covers the mid-volume segment of the market



Sofia 2

- Uses Sofia cartridge
- Approx. $350 instrument COGS
- Integrated barcode reader
- Integrated Virena router
- Opt-out Virena participation
- Also supports higher- and lower-volume utilization
- Improved optics
- Improved GUI
- Kinetic Read allows faster reporting
- Improved sensitivity and precision

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Quidel Molecular: Solana® and Savanna®



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Quidel's Molecular Products are Evolving from Introductory Offerings into More Sophisticated Instrumented Molecular Systems – All Based On Quidel's Proprietary Technology

First Generation
Non-instrumented MDx products

FDA - Cleared,
Mod - Complex



AmpliVue

Isothermal HDA technology
in a hand-held disposable format

FDA – Cleared,
Highly – Complex



Lyra

RT PCR technology for
established PCR instruments

Next Generation
Instrumented MDx systems

FDA - Cleared,
Mod - Complex



Solana

Isothermal HDA instrumented System
with lower cost assay

Under Development



Savanna

Integrated MDx system capable of
Phase-Gate extraction or HDA amplification

HDA &
Assay
Menu

Assay Menu

Phase - Gate
Extraction
Technology

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Example: Solana Performs Better than Culture for GAS

Performance Results of Solana GAS Assay for Group A β-hemolytic Streptococcus

Overall Performance (All Sites)			
Solana GAS	Composite Culture		
	Positive	Negative	Total
Positive	220	24*	244
Negative	4**	833	837
Total	224	857	1081
			95% CI
Sensitivity	220/224	**98.2%**	95.5% to 99.3%
Specificity	832/857	**97.1%**	95.7% to 98.0%

One (1) specimen (0.09%) was invalid (in both the initial and repeat test no internal control was detected) and has been removed from the Expected Values table.

After Discordant Analysis

Sensitivity:
220/221 **99.5%**

Specificity:
833/841 **99.0%**

*Of the twenty-four (24) discordant specimens, sixteen (16) of these specimens were positive for GAS when tested with an additional FDA-cleared molecular device, eight (8) were negative.
**Of the four (4) discordant specimen, three (3) were negative when tested with an additional FDA-cleared molecular device.

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Solana Group A Strep Assay Results in an Actionable Timeframe, with No Culture Confirmation Required

Today's diagnostic landscape consist of tests that are rapid, but less sensitive than culture; or culture methods that are sensitive, but slow. Solana delivers results you can trust in an actionable timeframe.

Challenge

- Treat empirically in the absence of confirmatory results, yes or no?
- Bring faster, definitive results close to the patient

Solana Solution

- Accurate, timely results
- No Culture Back up required
- Stat or batch 1-12 patient samples
- Ease of use and affordability



"It just happens to be molecular."

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The Savanna System*

TAT: 45 - 60 minutes

CLIA Waivable (assay dependent)

True sample to results, random access work flow



Low total cost of ownership

Versatile

- Can run both PCR and HDA chemistries
- Quantitative and qualitative assays
- Individual tests or panels of 3 - 4 targets

Rugged and reliable

Multiple Sample Types

Minimal calibration and maintenance

Room temperature reagent storage

*In development.

Savanna Capabilities

Low Capital Cost

Low Disposable Cost

Simple Sample to Results Operation

TAT 45 - 60 Minutes

Runs Both PCR and Isothermal (HDA) Assays

- Allows selection of best option by assay
- Virtually all Quidel MDx assays can be adapted to Savanna
- Quantitative PCR capability expands menu range

Multiplex Panels

- 3 – 4 targets plus a control with existing technology
- Exploring options to expand via cartridge/chemistry enhancements

Potential For Finger Stick Plasma Sample

Solana and Savanna: Meant to Work Together





Solana

- Some sample handling steps
- Isothermal assays
- 12 samples per 35 minute run
- Best for batch testing
- Higher volumes at very low cost
- Efficiently scales to handle peak volumes of seasonal assays

Savanna

- True sample to results workflow
- Isothermal and PCR assays
- 2 random access bays (45-60 min)
- Best for on-demand testing
- Rapid low cost mini-panels
- Quantitative assays
- CLIA Waiver (assay dependent)

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Virena®: An Opportunity to Expand POC Testing





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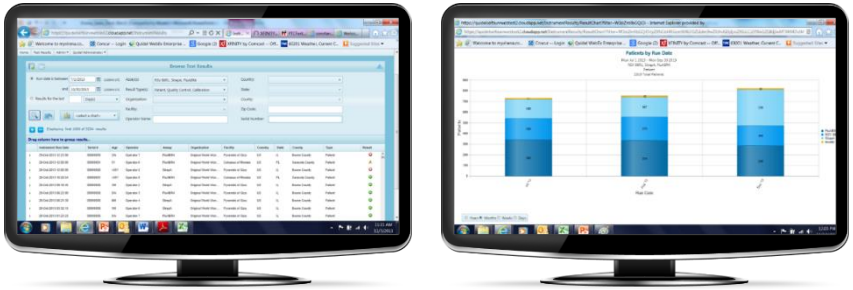
Virena Connectivity Adds Another Dimension of Functionality to Quidel's Diagnostic Platforms





Virena Adds a New Dimension to Rapid Testing, Keeping You Informed

- Remote instrument management across multiple sites and multiple instruments
- Infectious disease mapping
- Near real-time communication with public health

Virena Delivers Value to Laboratories of All Sizes

- Remote instrument management
  - Secure access to a dynamic suite of reports from any web-enabled device
    - QC records
    - Calibration history
    - Patient test results

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In Summary, Virena Adds Value Through Connected Visibility



Creates the Ability to Remotely Manage Instrument Usage, Support Operator Training Initiatives, and Monitor QC Compliance



Enables Monitoring a **Community of Connected Users**



Offers a New Level Of Control, Oversight and Outcome Management



Provides a Year-round Service to Patients and Providers by Communicating Disease Progression



Supports a Unique Partnership Between Private and Public Health

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Inside the Flu vs. Non-Flu Businesses



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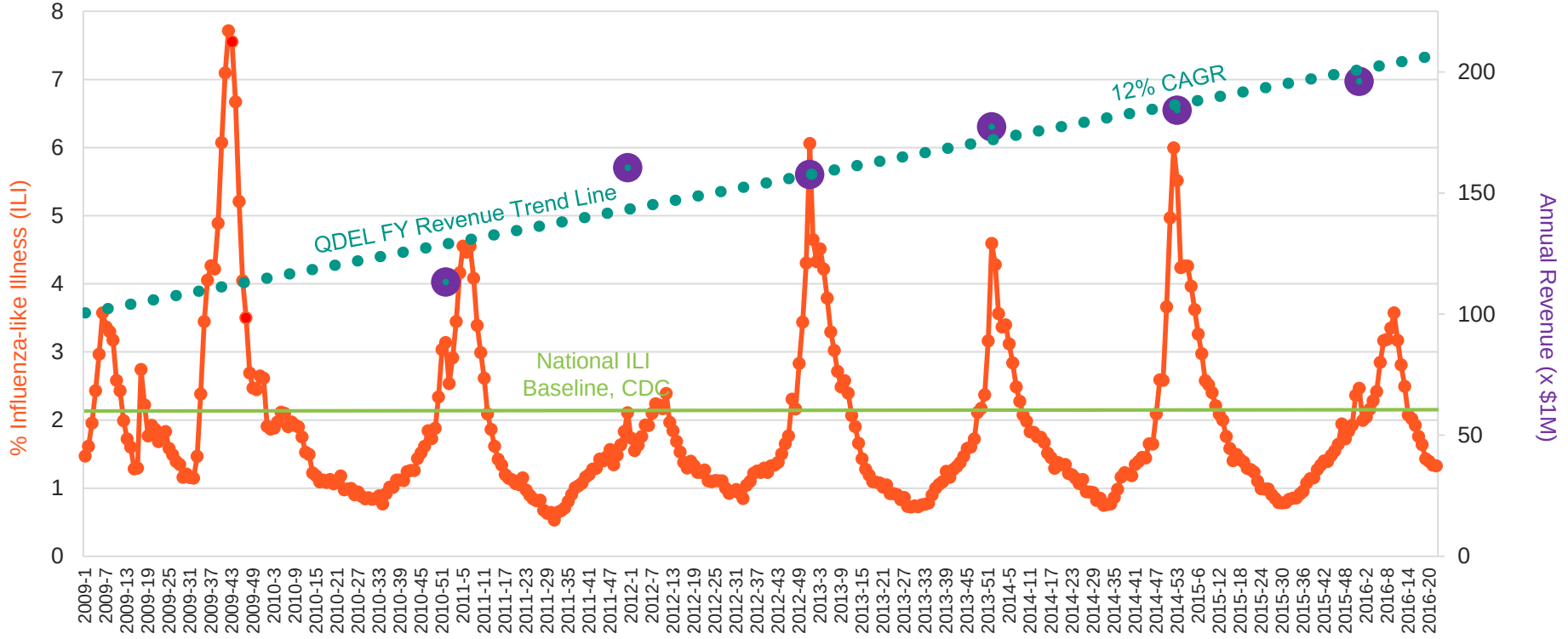
How Volatile are We, Actually?



While **ILI Varies** with Each Season, Quidel's **Revenues Have Grown at 12%** Through Growth in Influenza Test Sales and the **Introduction of Non-flu Products** that Capture Market Share

Source: Company Disclosures, and CDC Influenza Surveillance Data; http://gis.cdc.gov/grasp/fluview/fluportaldashboard.html

Q2 Provides Visibility into Growth in Key Non-Flu Franchises

Franchises	Annual Revenue* ($, in millions)	Growth in Q2
Flu	~ $85-95M	21%
Non-Flu:	~ $100-110M	8%
Strep A (Immunoassay)	~ $30M	13%
RSV	~ $7-10M	29%
Graves' Disease (TSI)	~ $10M	8%
Life Science Research**	~ $12M	57%
Molecular	~ $10M	63%
hCG (Pregnancy)	~ $18M	4%

*Snapshot of the general size of businesses or key franchises for illustrative purposes only, and is not necessarily indicative of future performance. Excludes General Virology segment.**Bone Health and Complement products. Source: Company estimates and disclosures

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Financials and Capital Structure





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We are on a Path to Our Longer Term Financial Objectives



1. Achieve low- to mid-teens in annual revenue growth through new product introductions
2. Invest in the development and commercialization of new products driving gross margins to exceed 65%
3. Leverage operational efficiency driving EBITDA margins in excess of 30%
4. Maximize cash flow from the core business
5. Pursue outside opportunities to complement organic growth and drive non-respiratory revenue

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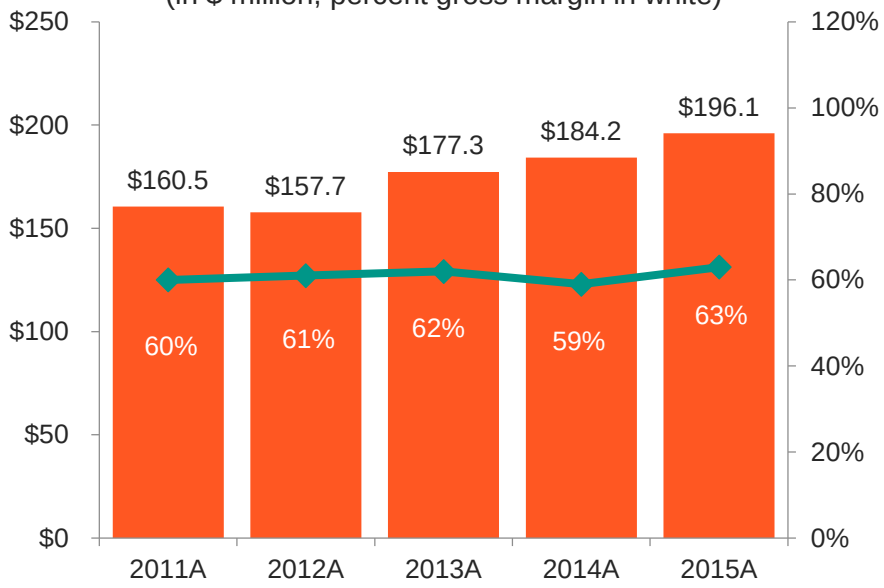
Quidel Financial Overview

Revenue

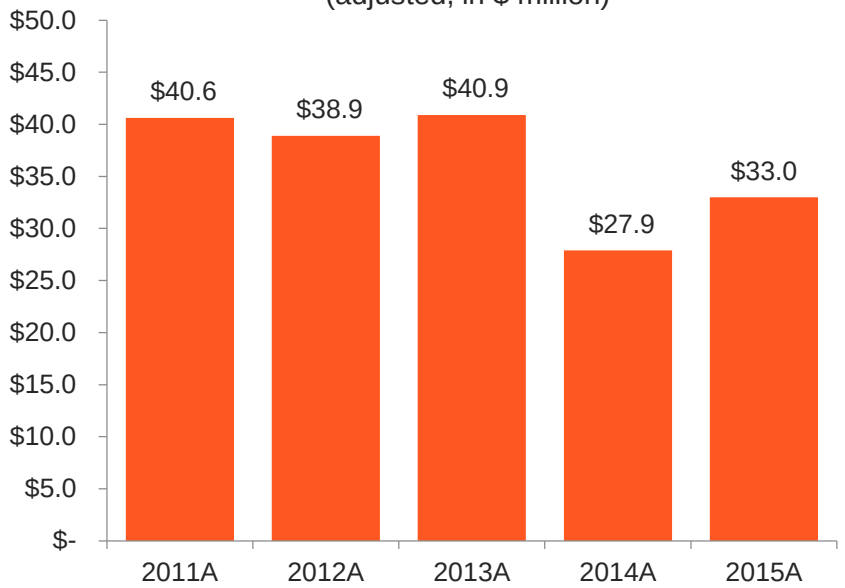
(in $ million, percent gross margin in white)



12 months ended December 31

Adjusted EBITDA(1)

(adjusted, in $ million)



Balance Sheet as of June 30, 2016

(in millions)

Cash and Cash Equivalents	$155.6
Total Assets	$369.7
Long-term Debt and Lease Obligation	$145.4
Stockholder's Equity	$193.0

Adjusted EBITDA excludes interest, depreciation, amortization, stock compensation, business acquisition costs, asset impairment and restructuring charges.

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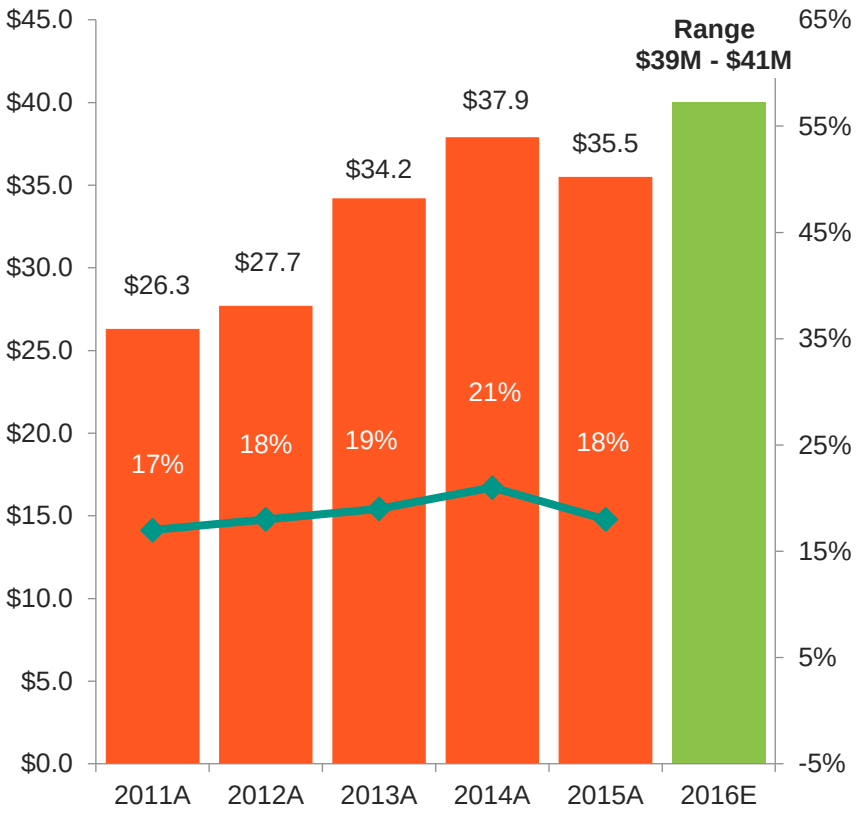
2016 Expected Operating Cost Structure

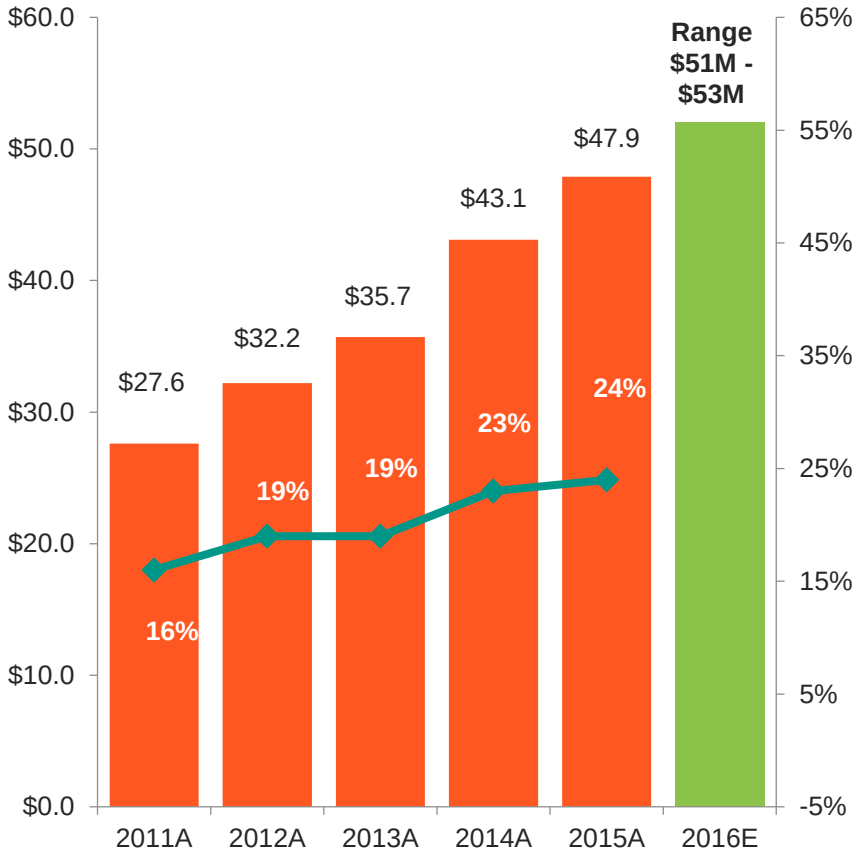
Annual Investment: R&D

(in $ million; percentage of sales in white)



Annual Investment: S&M

(in $ million; percentage of sales in white)



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We've Leveraged our Capital Structure to Pursue **Outside Opportunities** that Complement Flu Growth and **Drive Non-respiratory Revenue**

Recent Capital Structure History		
Target/Action	Time Period	Rationale
Diagnostic Hybrids, Inc. (DHI)	2010	Paid approx. $130 million for $45 million annual cell culture business, direct to customers, approx. 75% of revenues are non-flu
Share issuance	2011	Raised $60 million by issuing 4.6 million shares at $13.15/share
BioHelix, Inc.	2013	Paid net consideration of $18.5 million at closing for proprietary isothermal molecular HDA technology in infectious disease
AnDiaTec GmbH	2013	Paid approx. $7.3 million for vast library of CE-Marked MDx products in adjacent markets
Convertible Notes Offering	Dec 2014	Raised $172.5 million, 3.25% coupon, due 2020
Share Repurchases	2015 – 2016 (YTD)	Opportunistic repurchases of approx. 2.5 million shares
Bond Repurchase	2016 (YTD)	Approx. $4.5 million in one-time opportunistic purchase
Immutopics, Inc.	March 2016	Paid approx. $5.5 million for $2M+ Bone Health business at 70%+ gross margin with manufacturing synergies

Growth Objectives and Near-term Milestones





- Grow Sofia installed base with Sofia, Sofia 2 and gain market share.
- Increase the number of Virena accounts that are transmitting data.
- Expand non-respiratory opportunities through the development of Vitamin D, Lyme.

- Convert Strep A culture testing with Solana and AmpliVue GAS.
- Launch additional Solana menu to broaden Solana's value proposition.
- Continue the development of the Savanna instrument and cartridge.

- Continue to pursue inorganic opportunities to diversify and augment the non-respiratory part of the business.

Q&A



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