

Inverness Medical Innovations Acquires CLONDIAG Chip Technologies

WALTHAM, Mass., March 1 /PRNewswire/ -- Inverness Medical Innovations, Inc. (Amex: IMA), a leading manufacturer and marketer of consumer and professional medical diagnostic products, and developer of advanced medical devices, has signed an agreement to acquire CLONDIAG chip technologies GmbH (CLONDIAG) a private company located in Jena in Germany which has developed a multiplexing technology for nucleic acid and immunoassay based diagnostics. Under the terms of the agreement, Inverness acquires 67.45% of the stock of CLONDIAG for 218,502 shares and approximately \$3.1 million in cash and agrees to settle obligations totaling approximately \$10 million during the first quarter of 2006, primarily using cash. Under the agreement Inverness will acquire the remaining 32.55% of the stock of CLONDIAG on or about August 1, 2006 for an additional \$4.9 million based on current exchange rates. The purchase agreement also calls for contingent consideration totaling approximately \$8.9 million consisting of 224,316 shares of common stock and approximately \$3 million of cash or stock in the event that 4 specified products are developed on CLONDIAG's platform technology. Inverness has agreed to register for resale the shares issued to CLONDIAG's former shareholders and employees after the acquisition has been completed.

The technology which CLONDIAG has pioneered presents a new opportunity to develop highly sensitive and specific nucleic acid probe and immunological tests, which are available today only in the clinical laboratory, for rapid point of care applications. The rapid tests widely available today, which rely on immunology, provide a positive response significantly later in the development of a disease than do nucleic acid probe based tests. This technology is expected to be applicable to a broad range of tests for both infectious disease and cardiology.

Ron Zwanziger, CEO of Inverness, commenting on the acquisition said, "We have been working with CLONDIAG for some months, checking the applicability of its technology to point of care diagnostics and have concluded that it offers us a significant new opportunity to develop easy to use rapid tests with far higher performance characteristics than are available using today's lateral flow platforms. We expect to build a significant patent portfolio in this very exciting area and the products to be developed fit naturally into our distribution system."

For more information about Inverness Medical Innovations, please visit our website at www.invernessmedical.com.

Inverness Medical Innovations is a leading global developer of advanced diagnostic devices and is presently exploring new opportunities for its proprietary electrochemical and other technologies in a variety of professional diagnostic and consumer-oriented applications including immuno- diagnostics with a focus on women's health, cardiology and infectious disease. The Company's new product development efforts, as well as its position as a leading supplier of consumer pregnancy and fertility/ovulation tests and rapid point-of-care diagnostics, are supported by the strength of its intellectual property portfolio. Inverness is headquartered in Waltham, Massachusetts.

This press release contains forward-looking statements within the meaning of the federal securities laws. Actual results may differ materially due to numerous factors, including without limitation, the ability of Inverness to successfully develop and commercialize products on CLONDIAGs proprietary technologies; the potential market acceptance of Inverness' current and future products; the development and commercialization by others of competing products or alternative technologies; the efficacy and safety of Inverness' products; the content and timing of submissions to and decisions by regulatory authorities both in the United States and abroad; the ability to manufacture sufficient quantities of products for development and commercialization activities; conditions in the financial markets; the intensely competitive environment in Inverness' markets which could reduce its market share or limit its ability to increase market share; the effect of pending and future legal proceedings, including the cost thereof, on the Company's financial performance and product offerings; and the risks and uncertainties described in the Company's periodic reports filed with the Securities and Exchange Commission under the federal securities laws, including Inverness' Quarterly Report on Form 10-Q for the quarter ended September 30, 2005, as amended. Inverness undertakes no obligation to update any forward-looking statements.

SOURCE Inverness Medical Innovations, Inc.

-0- 03/01/2006

/CONTACT: Doug Guarino, Director of Corporate Relations of Inverness Medical Innovations, Inc., +1-781-647-3900/

/First Call Analyst: /

/FCMN Contact: /

/Web site: <http://www.invernessmedical.com/>

(IMA)