

FORM 8-K

CURRENT REPORT

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

February 13, 2002

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(Date of earliest event reported)

LABORATORY CORPORATION OF AMERICA HOLDINGS

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(Exact name of registrant as specified in its charter)

DELAWARE	1-11353	13-3757370
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(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)

358 SOUTH MAIN STREET, BURLINGTON, NORTH CAROLINA 27215

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(Address of principal executive offices)

336-229-1127

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(Registrant's telephone number, including area code)

ITEM 9. Regulation FD Disclosure.

Summary information of the Company dated February 13, 2002.

SIGNATURES

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

LABORATORY CORPORATION OF AMERICA HOLDINGS

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(Registrant)

By /s/ BRADFORD T. SMITH

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Bradford T. Smith  
Executive Vice President  
and Secretary

Date: February 13, 2002

This information contains forward-looking statements which are  
subject to change based on various important factors, including

without limitation, competitive actions in the marketplace and adverse actions of governmental and other third-party payors. Actual results could differ materially from those suggested by these forward-looking statements. Further information on potential factors that could affect the Company's financial results is included in the Company's Form 10-K for the year ended December 31, 2000 and subsequent filings, and will be available in the Form 10-K for the year ended December 31, 2001, when filed.

**How Laboratory Testing Works**

Laboratory Testing is the "Gateway to Quality Health Care":

- 1) Patient visits doctor;
- 2) Doctor orders laboratory tests with diagnosis information;
- 3) Doctor or patient service center (PSC) draws sample;
- 4) Laboratory performs tests;
- 5) Test results reported to doctor;
- 6) Doctor makes diagnosis and treatment begins

The Clinical Laboratory Testing Market  
 US market is approximately \$34-36 billion

CLINICAL LABORATORY TESTING		INDEPENDENT CLINICAL LABORATORIES	
Hospitals	49%	All others	84%
Independent Clinical Labs	39%	LabCorp(\$2.2b)	16%
Physician Offices	12%		

Source: Company estimates, industry reports & 2001YE revenue for LabCorp

**Profile of LabCorp**

- Nationwide network of 24 primary testing locations and 900 patient service centers
- Conducts tests on 280,000 specimens daily
- Offers more than 4,000 test procedures
- Serves over 200,000 physicians and other health care providers
- More than 19,000 employees nationwide

**MAP OF LABCORP'S PRIMARY TESTING LOCATIONS & PSC'S**

**2002 Strategic Goals**

- Maintain national coverage for all key customers
- Expand upon leading position in genomic testing
- Evaluate appropriate acquisition candidates

**GENOMIC STRATEGY**

UTILIZE DNA TESTING LEADERSHIP TO EXECUTE GENOMIC LEADERSHIP STRATEGY

- Targeted introduction of new tests
- Acquire innovative technology
- License/Partner to expand menu

**GENOMIC STRATEGY (UPDATE)**

INTERNAL	ACQUISITION	LICENSE/PARTNER
- - - - -	- - - - -	- - - - -
<b>CMBP:</b>	<b>NGI:</b>	<b>MYRIAD GENETICS:</b>
- Cancer	- Infectious Disease	Predictive tests:
- Genetics	Hepatitis C	- Breast/Ovarian and
- Infectious Disease	- Cancer:	Colon Cancer
(GENOSURE)	Melanoma	- Melanoma
	Breast	- Hypertension
<b>CLINICAL TRIALS:</b>	<b>VIROMED:</b>	<b>EXACT SCIENCES:</b>
- Drug metabolism	- Infectious Disease	- Colorectal Cancer
	HIV	
<b>POSITIVTE OUTCOMES:</b>	Hepatitis	<b>ALPHA:</b>
(being tested)	- Real-time PCR	- PCR Plasma
	<b>CENTER FOR GENETIC</b>	<b>VIROLOGICS:</b>
	<b>SERVICES:</b>	- HIV Phenotyping

- Expanded Genetics  
Capabilities in  
Southwest

VIRCO:  
- HIV Phenotyping

Financial Performance

Price & Volumes: Trends by Payor Type

	1999		2000		2001	
	PPA \$	Accessions millions	PPA \$	Accessions millions	PPA \$	Accessions millions
Client (Physicians)	21.67	27.0	22.70	27.1	24.46	27.9
Patient	92.56	2.3	102.87	2.2	111.28	2.5
Third Party (MC/MD/Insurance)	27.75	11.7	29.80	10.3	31.59	12.2
Managed Care						
- Capitated	9.37	8.4	8.89	10.6	8.90	11.9
- Fee for service	39.28	12.7	42.32	16.0	43.45	17.2
Total	27.41	21.1	28.97	26.6	29.27	29.1
LabCorp Total	\$27.35	62.1	\$28.98	66.2	\$30.69	71.7

Financial Performance

Revenue Analysis by Business Area

	YTD DEC 2000			
	Revenue \$Million	Accns 000	%Accns to total	PPA \$
Esoteric:				
Genomic (CMBP/NGI)	132.4	1,170.9	1.8%	113.08
Other Esoteric (Powell CET)	179.3	4,026.7	6.1%	44.54
Core:	1,607.6	61,028.9	92.1%	26.34
Total:	1,919.3	66,226.5	100.0%	28.98

Financial Performance

Revenue Analysis by Business Area

	YTD DEC 2001				00 vs 01 PPA Incr/ (Decr)
	Revenue \$Million	Accns 000	%Accns to total	PPA \$	
Esoteric:					
Genomic (CMBP/NGI)	168.1	1,397.0	2.0%	120.35	6.4%
Other Esoteric (Powell CET)	197.1	4,615.5	6.4%	42.70	(4.1)%
Core:	1,834.6	65,670.5	91.6%	27.94	6.1%
Total:	2,199.8	71,683.0	100.0%	30.69	5.9%

Fourth Quarter Operating Results

	12/31/00*	12/31/01
Revenue (millions)	486.1	563.8
Operating Expense	434.0	486.4
Operating Income	52.1	77.4
Margin	10.7%	13.7%
EBITDA	76.2	104.9
Margin	15.7%	18.6%
Bad Debt % to revenue	10.2%	8.8%

\*2000 actual excludes restructuring charge of \$4.5. If this charge is included, operating income would be \$47.6 and EBITDA would be \$71.7.

#### 2001 Fourth Quarter Financial Achievements

- Increased revenues per day 14.0% (volume 10%; price 4%)
- Increased pro forma operating income 49%
- Increased EBITDA 38%
- Increased pro forma diluted EPS 76%

#### 2001 Operating Results

	2000*	2001
	-----	-----
Revenue (millions)	1,919.3	2,199.8
Operating Expense	1,669.2	1,832.2
	-----	-----
Operating Income	250.1	367.6
	=====	=====
Margin	13.0%	16.7%
EBITDA	339.7	468.7
	=====	=====
Margin	17.7%	21.3%
Bad Debt % to revenue	10.2%	9.2%
DSO	68	58

\*2000 actual excludes restructuring charge of \$4.5. If this charge is included, operating income would be \$245.6 and EBITDA would be \$335.2.

#### 2001 Financial Achievements

- Increased revenues 14.6% (volume 8.6%; price 6.0%)
- Increased EBITDA 38%
- Increased pro forma diluted EPS 60%
- DSO decline of 10 days from December 2000 to 58 days
- Repaid all outstanding bank debt with \$500 million raised by issuance of convertible subordinated notes

#### 2001 Accomplishments

- Acquired Path Lab and ViroMed
- Completed two-for-one stock split
- Successful offering of 12.0 million Roche-owned shares
- New managed care agreement with MAMSI
- Entered strategic partnership with EXACT Sciences, Myriad Genetics and Alpha Therapeutic Corporation
- First FDA approved HIV and Hepatitis C molecular tests for plasma screening ("virtual kits")

#### Quarterly DSO Trend

DSO Trend December '97 through December '01

December 1997 - 79 days	June 2000 - 70 days
December 1998 - 83 days	September 2000 - 70 days
March 1999 - 83 days	December 2000 - 68 days
June 1999 - 79 days	March 2001 - 67 days
September 1999 - 76 days	June 2001 - 64 days
December 1999 - 74 days	September 2001 - 62 days
March 2000 - 72 days	December 2001 - 58 days

#### Financial Guidance for 2002

- Increase overall revenues by approximately 12% compared to 2001 (8-9% volume; 3-4% price)
- EBITDA margins of approximately 23% of sales
- EPS growth of approximately 33% under existing accounting rules for 2001
- Non-amortization of goodwill impact of \$26 million, with increase in diluted EPS of approximately \$0.36 (after applying 2002 accounting rules)
- Bad debt rate of 8.75% of sales
- Capital expenditures of approximately \$85 million
- Net interest expense of \$12 million
- A tax rate of approximately 44% before applying the new

## Growth Opportunities

## Revenue

- New Tests - Cystic Fibrosis, hepatitis C, HPV, etc.
- Conversion to Monolayer Paps
- New Licenses/Partnerships - Myriad Genetics, EXACT Sciences, etc.
- Ongoing Acquisition Strategy
- Genomic Strategy/Mix Shift Leverage
- Improving Regulatory/Reimbursement Environment

## Profit Improvement Opportunities

## Cost Structure

- Bad Debt Reduction
- Further Operational Consolidation
- Technology Improvements - Higher throughput and Efficiencies

## Value Drivers

## Labcorp:

- Proven strategy for growth
- Pioneer in identifying and commercializing innovative technologies
- National infrastructure connects large scale proficiency with wide scale technological expertise
- Strong balance sheet

## Industry:

- New advances in scientific research will generate growth and demand for molecular testing
- Aging population

## Other Financial Information

December 31, 2001

(\$ in millions, except per share amounts)

	Q1 01	Q2 01	Q3 01	Q4 01
	-----	-----	-----	-----
Depreciation	\$13.8	\$14.6	\$ 15.3	\$ 15.9
Amortization	\$ 9.2	\$10.9	\$ 9.8	\$ 11.6
Goodwill amortization	\$ 5.9	\$ 7.3	\$ 6.1	\$ 6.2
Diluted EPS before goodwill amortization	\$ 0.70	\$ 0.84	\$ 0.82	\$ 0.66
Capital expenditures	\$12.7	\$20.9	\$ 25.4	\$ 29.1
Cash flows from operations	\$64.5	\$74.2	\$113.7	\$ 63.6
Bad debt as a percentage of sales	9.70%	9.40%	9.00%	8.75%
Effective interest rate on debt	5.77%	5.67%	2.00%	2.00%
Days sales outstanding	67	64	62	58

## Other Financial Information

December 31, 2001

(\$ in millions, except per share amounts)

	YTD Dec 01
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Depreciation	\$ 59.6
Amortization	\$ 41.5
Goodwill amortization	\$ 25.5
Diluted EPS before goodwill amortization	\$ 3.01
Capital expenditures	\$ 88.1
Cash flows from operations	\$316.0
Bad debt as a percentage of sales	9.20%
Effective interest rate on debt	N/A
Days sales outstanding	58