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WILLIAM BLAIR GROWTH STOCK CONFERENCE

JUNE 12, 2018 | CHICAGO, IL

FORWARD LOOKING STATEMENT AND USE OF ADJUSTED MEASURES

This presentation contains forward-looking statements including but not limited to statements with respect to estimated 2018 guidance and the related assumptions, the impact of various factors on operating and financial results, expected savings and synergies (including from the LaunchPad initiative and as a result of acquisitions), and the opportunities for future growth.

This presentation contains forward-looking statements which are subject to change based on various important factors, including without limitation, competitive actions and other unforeseen changes and general uncertainties in the marketplace, changes in government regulations, including health care reform, customer purchasing decisions, including changes in payer regulations or policies, other adverse actions of governmental and third-party payers, changes in testing guidelines or recommendations, adverse results in material litigation matters, the impact of changes in tax laws and regulations, failure to maintain or develop customer relationships, our ability to develop or acquire new products and adapt to technological changes, failures in information technology systems or data security, challenges in implementing business process changes, employee relations, and the effect of exchange rate fluctuations on international operations.

Actual results could differ materially from those suggested by these forward-looking statements. The Company has no obligation to provide any updates to these forward-looking statements even if its expectations change. Further information on potential factors, risks and uncertainties that could affect the operating and financial results of Laboratory Corporation of America Holdings (the "Company") is included in the Company's Form 10-K for the year ended December 31, 2017, and Forms 10-Q, including in each case under the heading risk factors, and in the Company's other filings with the SEC.

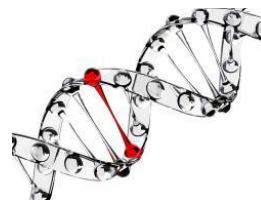
This presentation contains "adjusted" financial information that has not been prepared in accordance with GAAP, including Adjusted EPS, and Free Cash Flow, and certain segment information. The Company believes these adjusted measures are useful to investors as a supplement to, but not as a substitute for, GAAP measures, in evaluating the Company's operational performance. The Company further believes that the use of these non-GAAP financial measures provides an additional tool for investors in evaluating operating results and trends, and growth and shareholder returns, as well as in comparing the Company's financial results with the financial results of other companies. However, the Company notes that these adjusted measures may be different from and not directly comparable to the measures presented by other companies. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are included in this presentation.

LABCORP OVERVIEW

A Leading Global Life Sciences Company

- **\$11.4B revenue in 2018⁽¹⁾**
- **Global footprint with business in ~125 countries; ~60,000 employees**
- **Unmatched real-world data and patient intelligence**
- **Deep scientific and therapeutic experience**
- **Leader in Companion Diagnostics (CDx)**
- **Innovative technology-enabled solutions for customers**

Consolidated Financial Summary ^{(2) (3)}			
	Year Ended		Change
	2017	2016	
Revenue	\$10,308	\$9,553	7.9%
Adj. O.I.	\$1,673	\$1,548	8.0%
Adj. O.I. %	16.2%	16.2%	—
Adj. EPS	\$9.25	\$8.63	7.2%
Free Cash Flow ⁽⁴⁾	\$1,138	\$897	26.8%



1. Based on the midpoint of guidance issued on April 25, 2018.
2. Adjusted operating income, margin and earnings per share exclude amortization, restructuring charges and other special items; dollars in millions, except per share data. See Appendix for non-GAAP reconciliation.
3. Restated for ASC 606, the FASB-issued converged standard on revenue recognition, and ASU 2017-17.
4. Operating cash flow in 2017 has been reduced by \$8.7 million as the result of implementation of ASU 2016-18. This amount represents the amount of historical payments made on the Company's zero-coupon subordinated notes deemed to be accreted interest.

LABCORP DIAGNOSTICS SEGMENT OVERVIEW

Leading National Clinical Laboratory

- **\$7.2B revenue in 2018⁽¹⁾**
- **Patient database reaching ~50% of U.S. population**
- **Proprietary data sets with >30 billion lab test results across a growing menu of nearly 5,000 assays**
- **Broad physician, health system and managed care relationships**
- **Consumer engagement through ~1,900 PSC/retail locations, 5,000+ in-office phlebotomists**
- **Proprietary decision-support and reporting tools**

Segment Financial Summary ^{(2) (3)}			
	Year Ended		Change
	2017	2016	
Revenue	\$6,858	\$6,308	8.7%
Adj. O.I.	\$1,449	\$1,317	10.0%
Adj. O.I. %	21.1%	20.9%	20 bps



1. Based on the midpoint of guidance issued on April 25, 2018.
2. Adjusted operating income, margin and earnings per share exclude amortization, restructuring charges and other special items; dollars in millions.
3. Restated for ASC 606, the FASB-issued converged standard on revenue recognition, and ASU 2017-17.

COVANCE DRUG DEVELOPMENT OVERVIEW

Leading CRO / Drug Development Services Provider

- **\$4.2B revenue in 2018⁽¹⁾**
- **Serving the top 20 biopharma**
- **Serving high-growth emerging and mid-market segments through Chiltern**
- **Working on ~50% of clinical trials**
- **>175,000 unique investigators**
- **Involved in all top 50 best-selling drugs on the market⁽²⁾**
- **Supported ~70% of all CDx on the market today**
- **Robust technology suite for trial planning and execution**

1. Based on the midpoint of guidance issued on April 25, 2018.

2. Ranking based on 2017 net sales.

3. Adjusted operating income, margin and earnings per share exclude amortization, restructuring charges and other special items; dollars in millions.

4. Restated for ASC 606 (except Book-to-Bill), the FASB-issued converged standard on revenue recognition, and ASU 2017-17.

Segment Financial Summary⁽³⁾ (4)

	Year Ended		Change
	2017	2016	
Revenue	\$3,452	\$3,246	6.3%
Adj. O.I.	\$361	\$377	(4.2%)
Adj. O.I. %	10.5%	11.6%	(110 bps)
TTM Book-to-Bill ⁽⁴⁾	1.36x	1.11x	

Over 20,000 CRO Employees Worldwide



ATTRACTIVE GROWTH OPPORTUNITIES ACROSS MULTIPLE GLOBAL MARKETS ⁽¹⁾

Leadership in Large, Growing, Fragmented Markets

**U.S. Clinical Lab
Testing Market**
~\$80 billion



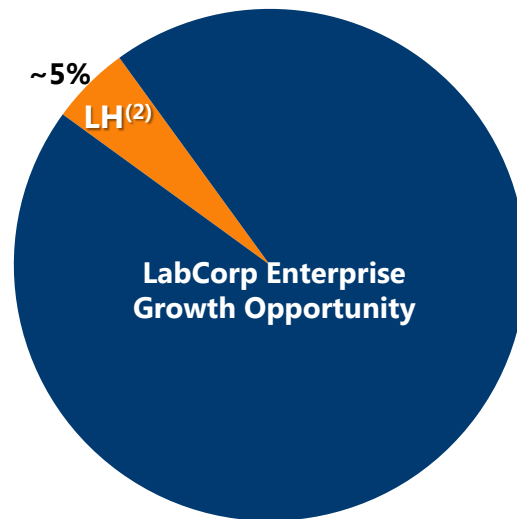
**Global Addressable
Outsourced R&D Spend**
~\$35 billion



**Ex-U.S. Clinical
Lab Testing Market**
~\$100 billion



Global Addressable Market
~\$200 billion



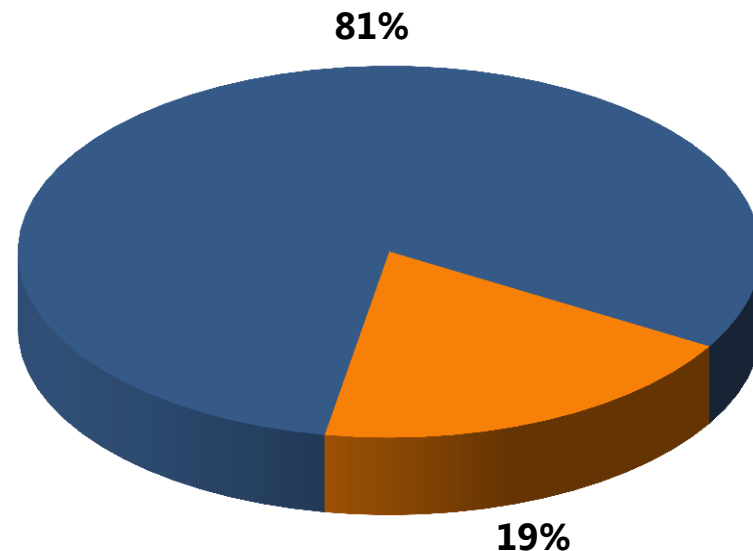
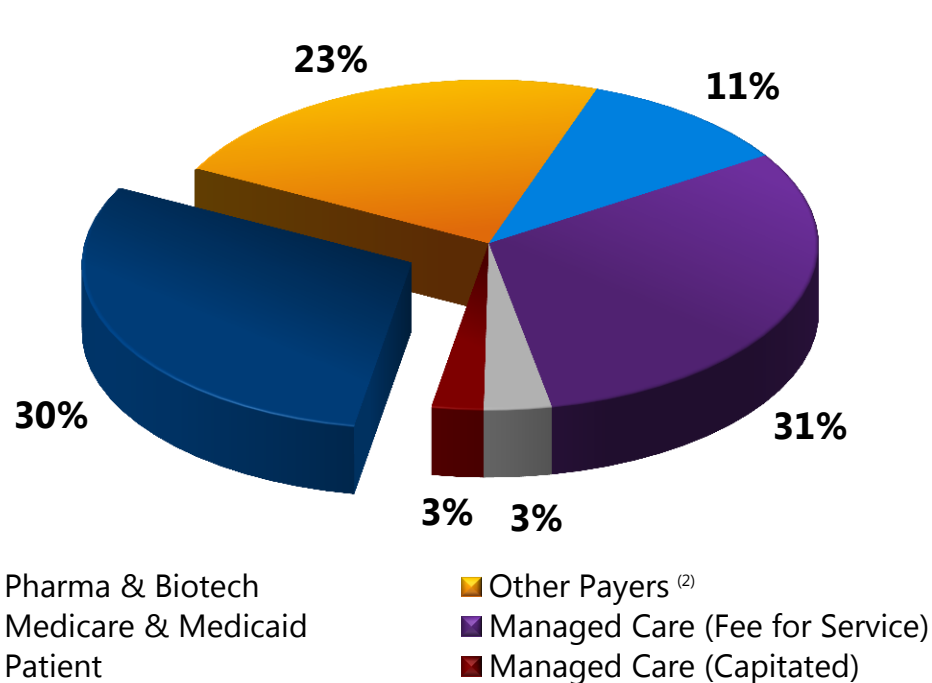
Source: Industry reports and company estimates

1. Excludes the impact from ASC 606.

2. Includes 12-month estimate of Chiltern revenue on a proforma basis.

EXPANDED REVENUE BASE

Attractive Customer Mix and Geographic Presence⁽¹⁾



1. Based on full year 2017 results, which include results from Chiltern as of September 1, 2017. Does not tie due to rounding.

2. Includes physicians and hospitals, occupational testing services, non-U.S. clinical diagnostic laboratory operations, nutritional chemistry and food safety operations, and Beacon LBS.

OUR 2018 PRIORITIES

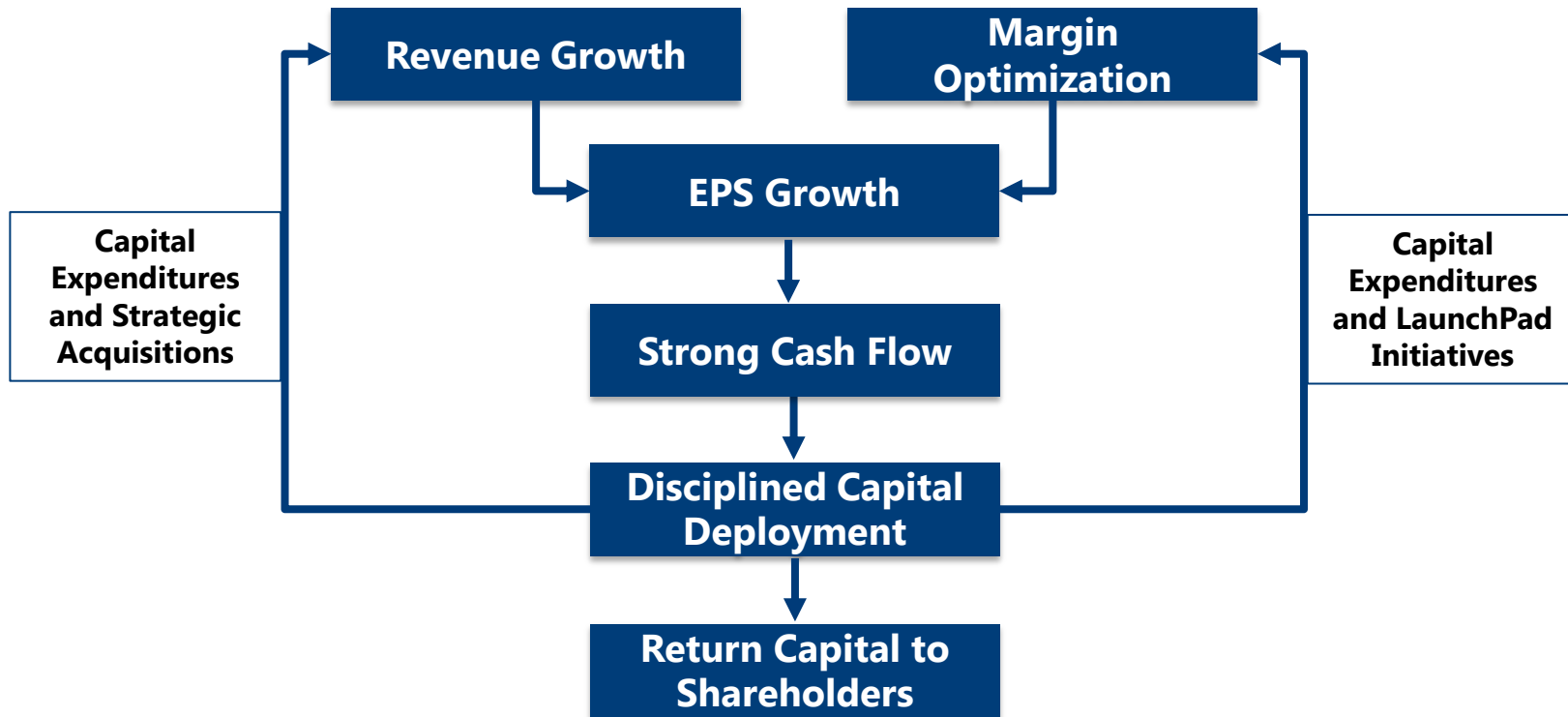
**Drive Profitable
Growth**

**Integrate Key
Acquisitions**

**Optimize
Enterprise
Margins**

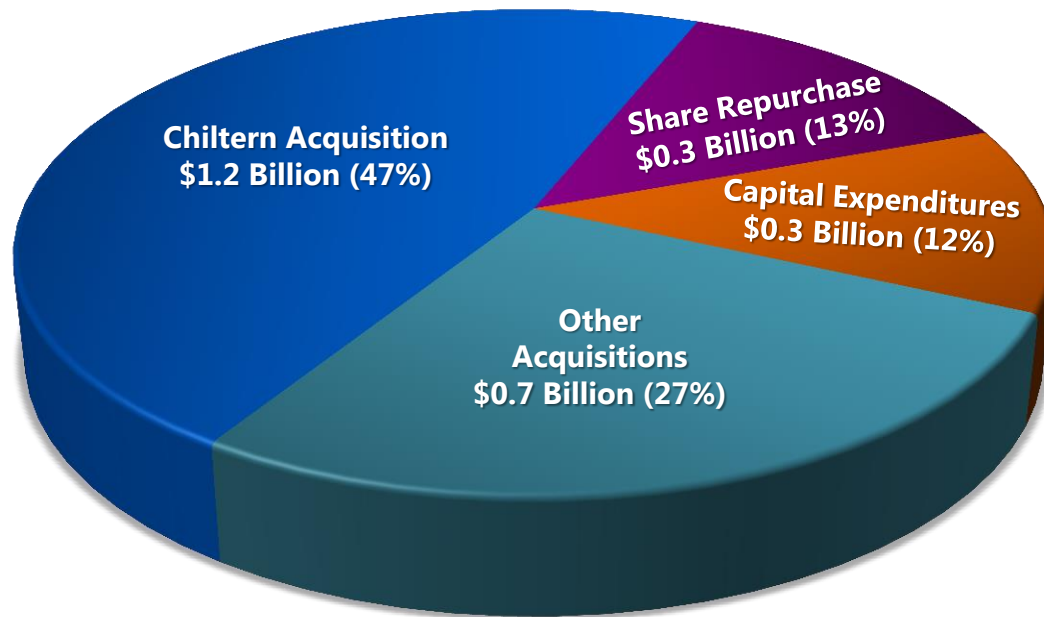
THE LABCORP PLAYBOOK:

DELIVERING LONG-TERM SHAREHOLDER VALUE



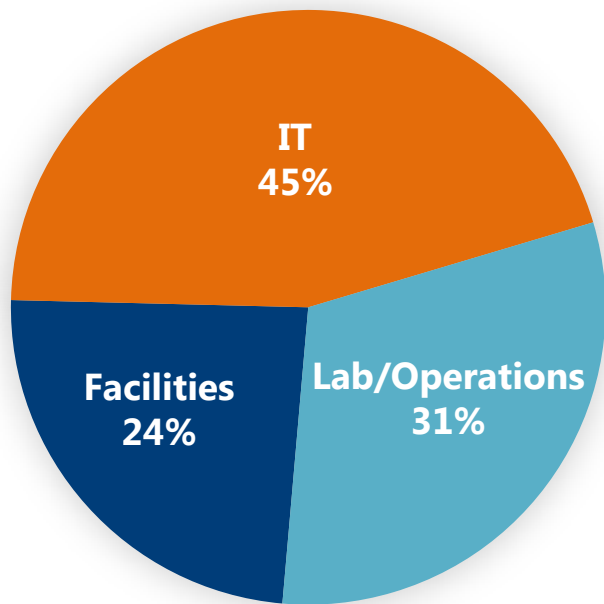
TRACK RECORD OF EFFECTIVE AND BALANCED CAPITAL DEPLOYMENT TO BUILD SHAREHOLDER VALUE

**Approximately \$2.5 Billion in
Capital Deployment in 2017**



TARGETED CAPITAL EXPENDITURES THAT STRENGTHEN CAPABILITIES AND SUPPORT GROWTH

2017 Capital Expenditures



► **Investments in 2018 to support future growth include:**

- Capacity and automation for 23andMe collaboration
- Patient service centers in Walgreens stores
- Genomics and immunotoxicology capabilities in drug development
- Expanded capacity in Raritan, New Jersey regional laboratory, medical drug monitoring, and Shanghai drug development facilities

► **Investment in LaunchPad initiatives, such as technology and automation**

TRACK RECORD OF ACQUISITIONS THAT DRIVE GROWTH AND A DIFFERENTIATED OFFERING

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Target Acquisition Criteria

- Businesses that leverage our core competencies
- Market leader
- Strong management team
- International presence
- Accretive to earnings and cash flow year 1
- Earn cost of capital by year 3

OPTIMIZING THE PORTFOLIO

Definitive Agreement to Sell Covance Food Solutions for \$670 Million

- Global provider of innovative product design and product integrity services for end-user segments that span the global food supply chain
- All-cash transaction announced in April 2018, and expected to close in the third quarter of 2018
- Covance Food Solutions is part of the LabCorp Diagnostics segment
- Pro-forma revenue of approximately \$150 million in 2017, with adjusted operating margin in-line with the LabCorp Diagnostics segment

“Over the three years LabCorp has owned Covance, it has become clear that the greatest opportunities for us to create lasting value come from the core lab business, the Contract Research Organization, and the enterprise-wide combination that is beyond lab and beyond CRO.”

Nutrition Facts

2 servings per container
Serving size 1 cup (255g)

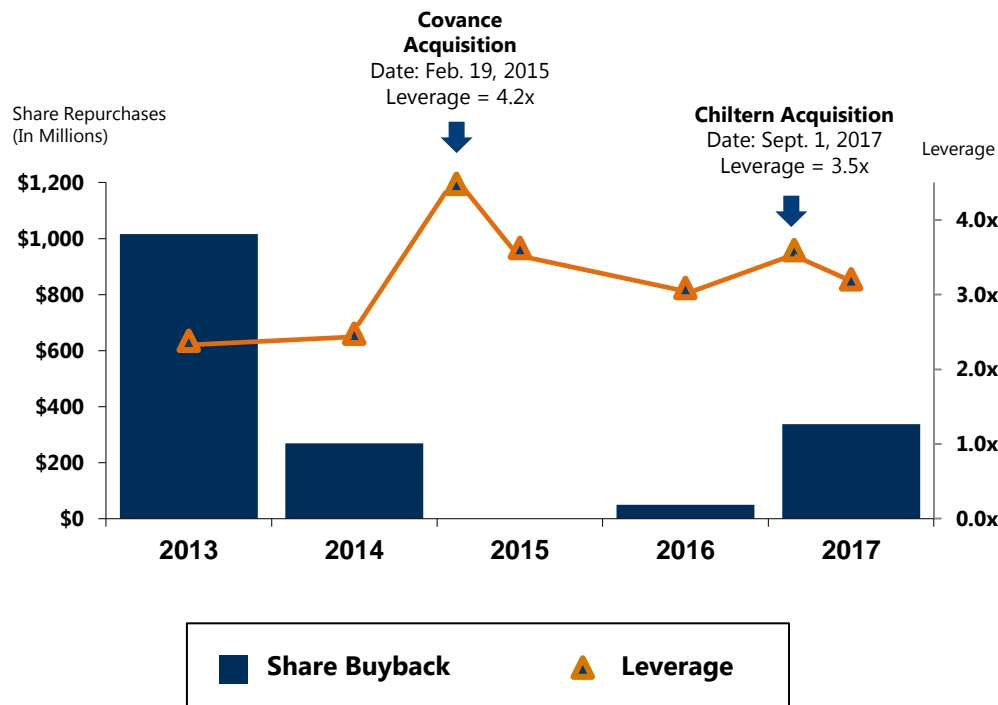
Calories Per serving 220 Per container 440

	Per serving	% DV*	Per container	% DV*
Total Fat	5g	6%	10g	13%
Saturated Fat	2g	10%	4g	20%
Trans Fat	0g		0g	
Cholesterol	15mg	5%	30mg	10%
Sodium	240mg	10%	480mg	21%
Total Carb.	35g	13%	70g	25%
Dietary Fiber	5g	21%	10g	43%
Total Sugars	7g		14g	
Incl. Added Sugars	4g	8%	8g	16%
Protein	9g		18g	
Vitamin D	5mcg	25%	10mcg	50%
Calcium	200mg	15%	400mg	30%
Iron	1mg	6%	2mg	10%
Potassium	470mg	10%	940mg	20%

*The % Daily Value (DV) tells you how much a nutrient in a serving of food contributes to a daily diet. 2,000 calories a day is used for general nutrition advice.



STRONG BALANCE SHEET ENABLES RETURN OF CAPITAL TO SHAREHOLDERS



Debt and Leverage:

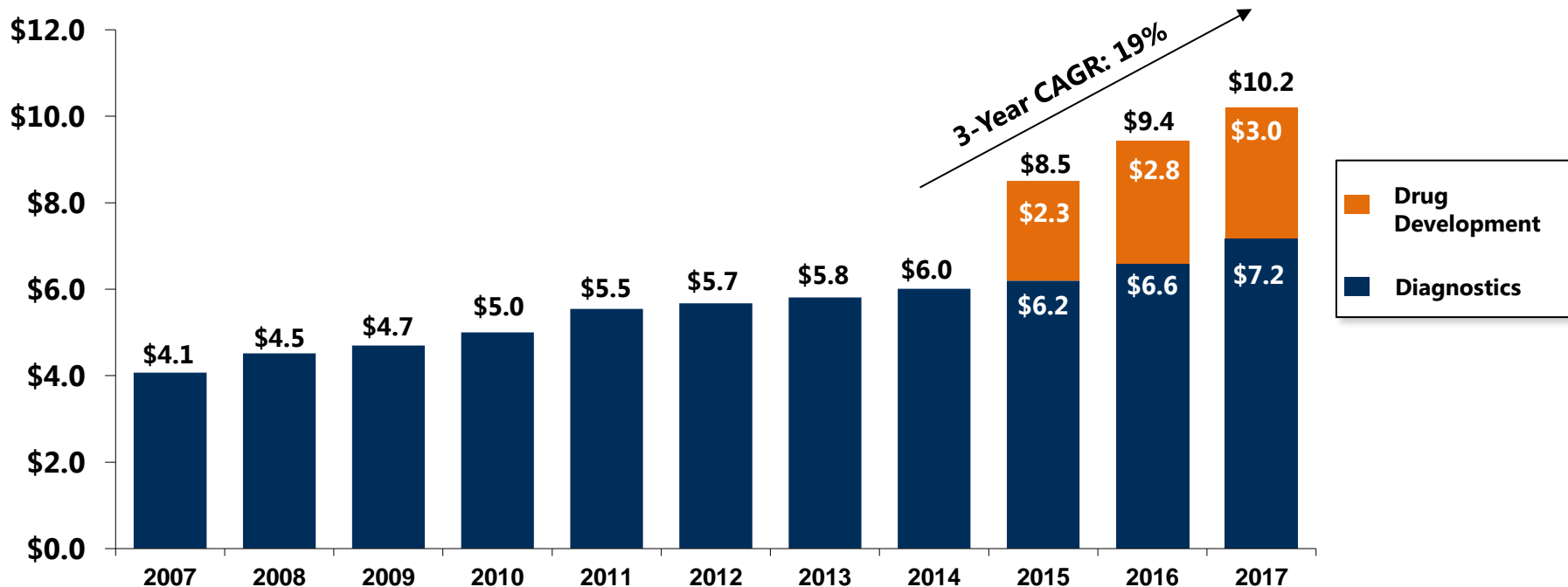
- Investment grade philosophy with targeted leverage of 2.5x – 3.0x gross debt to EBITDA
- Strong liquidity including ~\$1 billion in unutilized revolving credit facility
- Attractive debt profile – ~80% is fixed interest rate debt and ~75% of the debt matures in 2022 or later

Share Repurchases:

- Repurchased total of \$1.7 billion between 2013 and 2017
- Board authorized an increase in share repurchase program to a total of \$1.0 billion on April 24, 2018
- Expect to repurchase shares throughout 2018

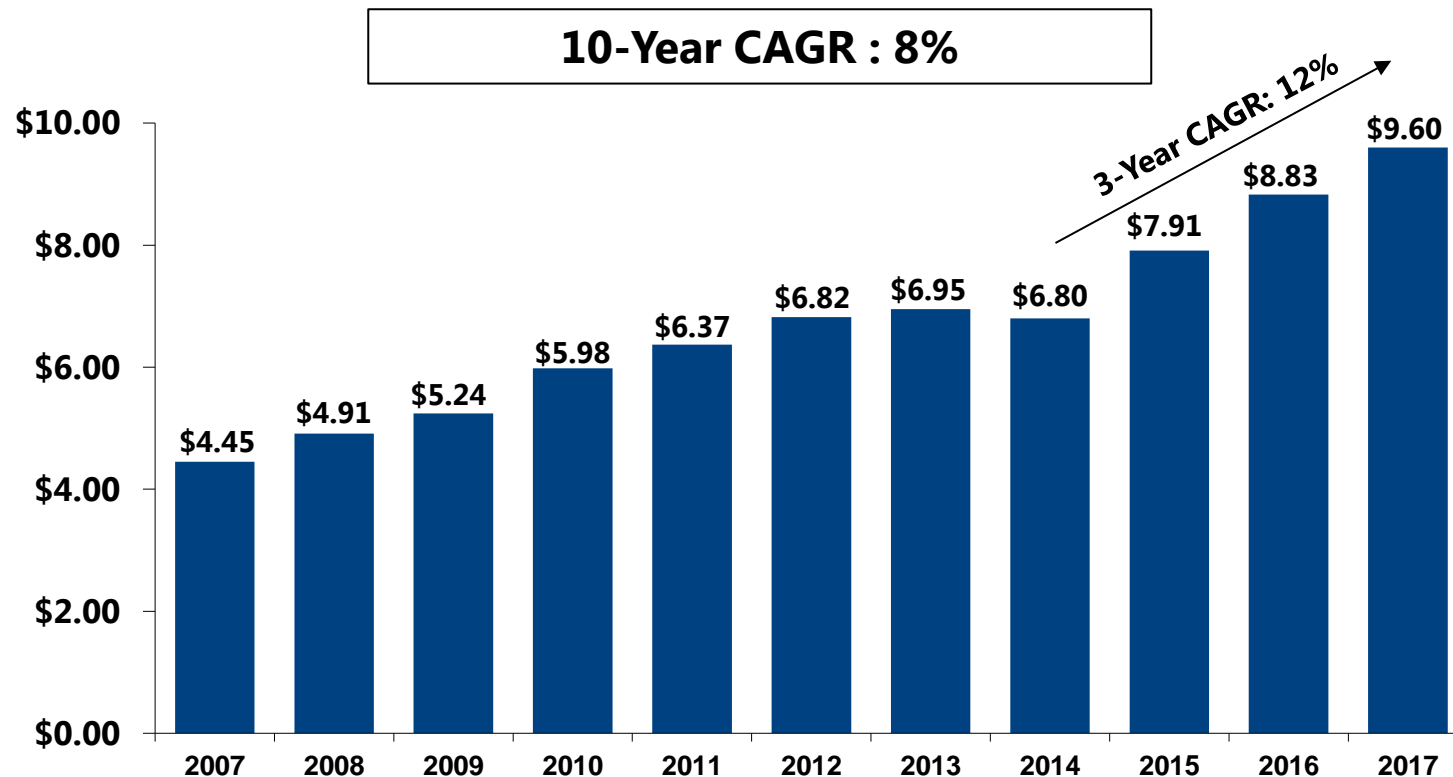
REVENUE⁽¹⁾ GROWTH (DOLLARS IN BILLIONS) – ASC 605

10-Year CAGR : 10%



1. 2007-2014 revenues excludes Covance results. 2008 revenue includes a \$7.5 million adjustment relating to certain historic overpayments made by Medicare for claims submitted by a subsidiary of the Company.

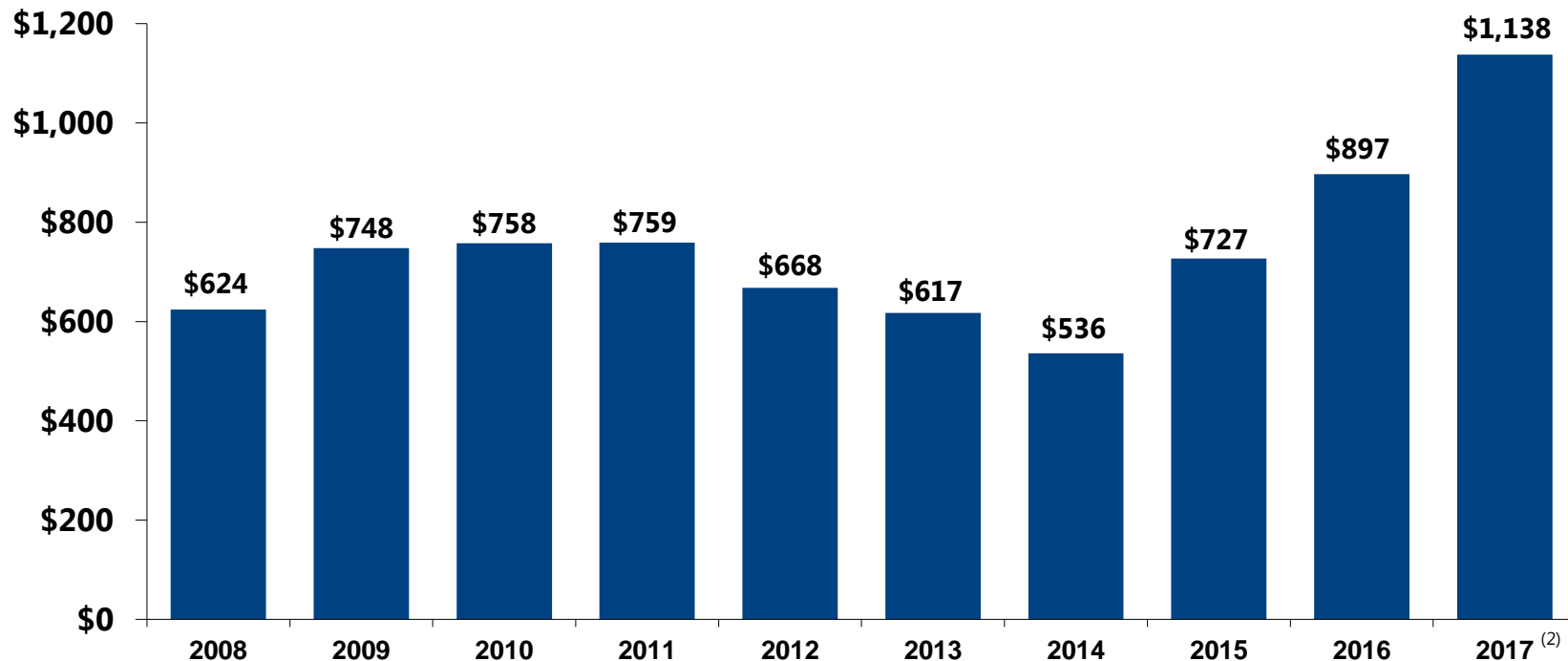
ADJUSTED EPS⁽¹⁾⁽²⁾ GROWTH – ASC 605



1. EPS, as presented, represents an adjusted, non-GAAP financial measure (excludes amortization, restructuring and other special charges). See Appendix for non-GAAP reconciliation.
2. 2007-2014 figures exclude Covance results.

STRONG FREE CASH FLOW⁽¹⁾ (DOLLARS IN MILLIONS)

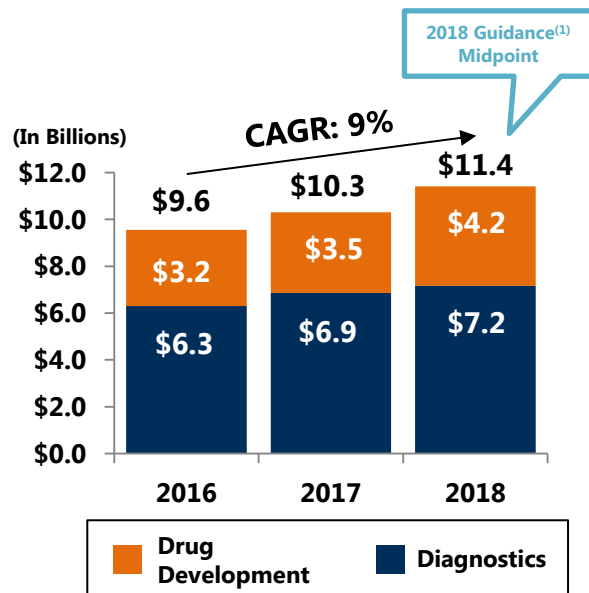
10-Year Average Free Cash Flow: \$747 million



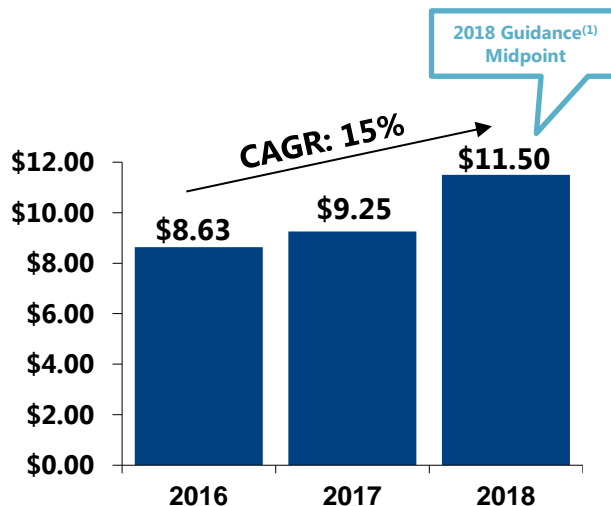
1. Free Cash Flow represents Operating Cash Flow less Capital Expenditures in each of the years presented. 2008-2014 figures exclude Covance results, and other items discussed in the Appendix.
2. Operating cash flow in 2017 has been reduced by \$8.7 million as the result of implementation of ASU 2016-18. This amount represents the amount of historical payments made on the Company's zero-coupon subordinated notes deemed to be accreted interest.

FINANCIAL PERFORMANCE UNDER ASC 606

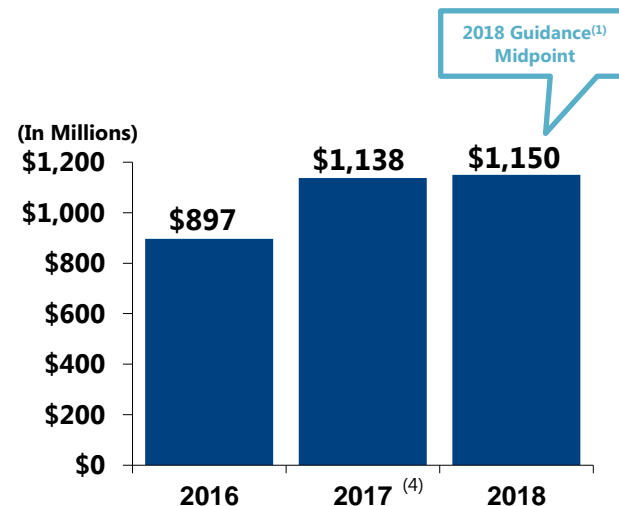
Revenue



Adjusted EPS⁽²⁾



Free Cash Flow⁽³⁾



1. Based on guidance issued on April 25, 2018.

2. EPS, as presented, represents an adjusted, non-GAAP financial measure (excludes amortization, restructuring and other special charges). See Appendix for non-GAAP reconciliation.

3. Free Cash Flow represents Operating Cash Flow less Capital Expenditures in each of the years presented. See Appendix for non-GAAP reconciliation.

4. Operating cash flow in 2017 has been reduced by \$8.7 million as the result of implementation of ASU 2016-18. This amount represents the amount of historical payments made on the Company's zero-coupon subordinated notes deemed to be accreted interest.

KEY TAKEAWAYS

Multi-faceted platform for **profitable growth** through organic initiatives, strategic acquisitions, and margin optimization

Track record of **strong and reliable free cash flow**,
and **disciplined capital deployment**

Execution of the LabCorp playbook
continues to generate **long-term shareholder value**



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Appendix

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES – ASC 605

	Twelve Months Ended December 31,										
Adjusted EPS	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Diluted earnings per common share	\$ 3.93	\$ 4.16	\$ 4.98	\$ 5.29	\$ 5.11	\$ 5.99	\$ 6.25	\$ 5.91	\$ 4.35	\$ 7.02	\$ 12.21
One-time benefit from Tax Cuts and Jobs Act	-	-	-	-	-	-	-	-	-	-	(5.00)
Restructuring and special items	0.25	0.44	(0.09)	0.26	0.72	0.29	0.15	0.34	2.44	0.64	0.98
Loss on the divestiture of assets	-	-	-	-	0.03	-	-	-	-	-	-
Amortization expense	0.27	0.31	0.35	0.43	0.51	0.54	0.55	0.55	1.12	1.17	1.41
Adjusted EPS	\$ 4.45	\$ 4.91	\$ 5.24	\$ 5.98	\$ 6.37	\$ 6.82	\$ 6.95	\$ 6.80	\$ 7.91	\$ 8.83	\$ 9.60

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES⁽¹⁾

LABORATORY CORPORATION OF AMERICA HOLDINGS

Reconciliation of Non-GAAP Financial Measures

(in millions, except per share data)

	Twelve Months Ended December 31,	
	2017	2016
<u>Adjusted Operating Income</u>		
Operating income	\$ 1,305.6	\$ 1,270.6
Acquisition-related costs	49.7	18.4
Restructuring and other special charges	70.9	58.4
Consulting fees and executive transition expenses	4.4	9.3
Wind-down of minimum volume contract operations	-	4.6
LaunchPad and integration implementation costs	25.6	7.6
Amortization of intangibles and other assets	216.5	179.5
Adjusted operating income	<u>\$ 1,672.7</u>	<u>\$ 1,548.4</u>
<u>Adjusted EPS</u>		
Diluted earnings per common share	\$ 11.86	\$ 6.82
One-time benefit from Tax Cuts and Jobs Act	(5.00)	-
Restructuring and special items	0.98	0.64
Amortization expense	1.41	1.17
Adjusted EPS	<u>\$ 9.25</u>	<u>\$ 8.63</u>

1. Restated for ASC 606, the FASB-issued converged standard on revenue recognition, and ASU 2017-17.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES⁽¹⁾

(in millions)

	Twelve Months Ended December 31,									
Free Cash Flow	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net cash provided by operating activities	\$ 781	\$ 862	\$ 884	\$ 905 ⁽²⁾	\$ 841	\$ 819	\$ 739	\$ 982	\$ 1,176	\$ 1,451 ⁽³⁾
Less: Capital expenditures	\$ (157)	\$ (115)	\$ (126)	\$ (146)	\$ (174)	\$ (202)	\$ (204)	\$ (256)	\$ (279)	\$ (313)
Free cash flow	\$ 624	\$ 748	\$ 758	\$ 759 ⁽²⁾	\$ 668	\$ 617	\$ 536	\$ 727	\$ 897	\$ 1,138 ⁽³⁾

1. 2008-2014 figures exclude Covance results.

2. Operating Cash Flow and Free Cash Flow in 2011 exclude the \$49.5 million Hunter Labs settlement.

3. Operating cash flow in 2017 has been reduced by \$8.7 million as the result of implementation of ASU 2016-18. This amount represents the amount of historical payments made on the Company's zero-coupon subordinated notes deemed to be accreted interest.