

22nd Annual Piper Jaffray Health Care Conference

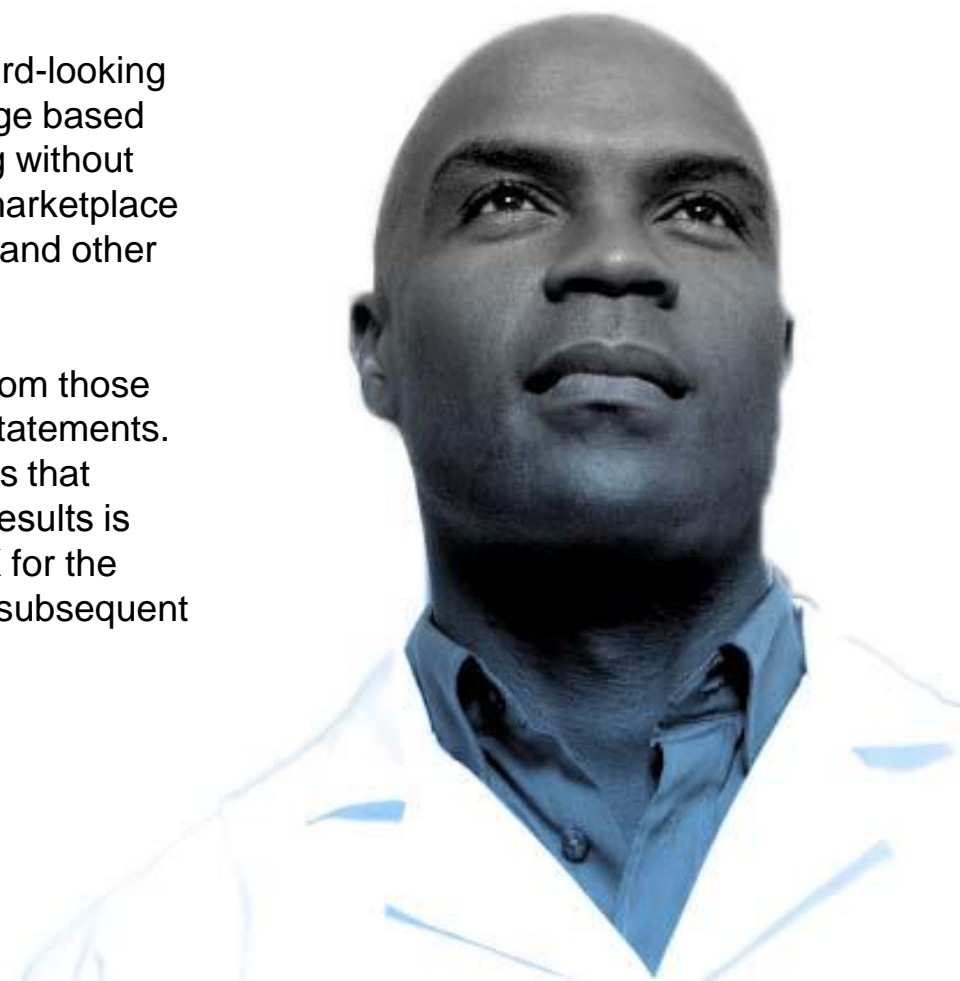
November 30, 2010
New York, NY



Forward Looking Statement

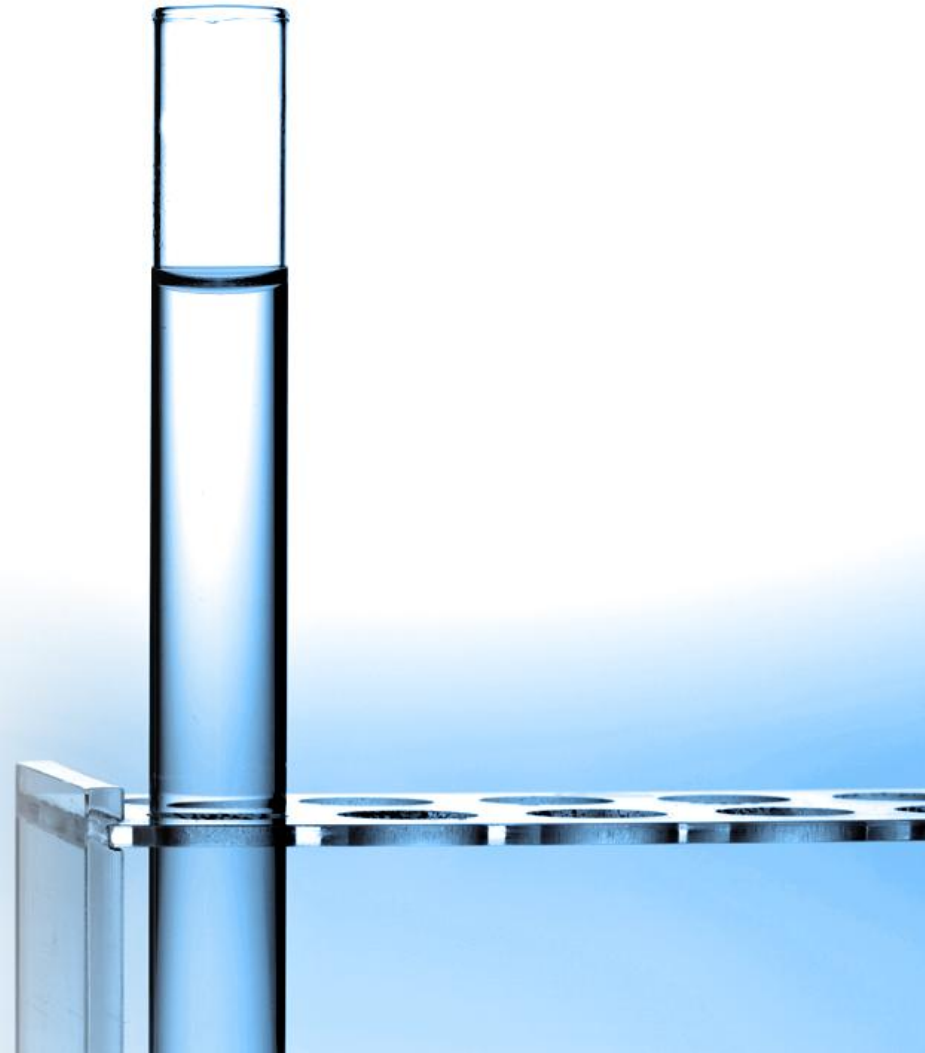
This slide presentation contains forward-looking statements which are subject to change based on various important factors, including without limitation, competitive actions in the marketplace and adverse actions of governmental and other third-party payors.

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, 2009, and subsequent SEC filings.

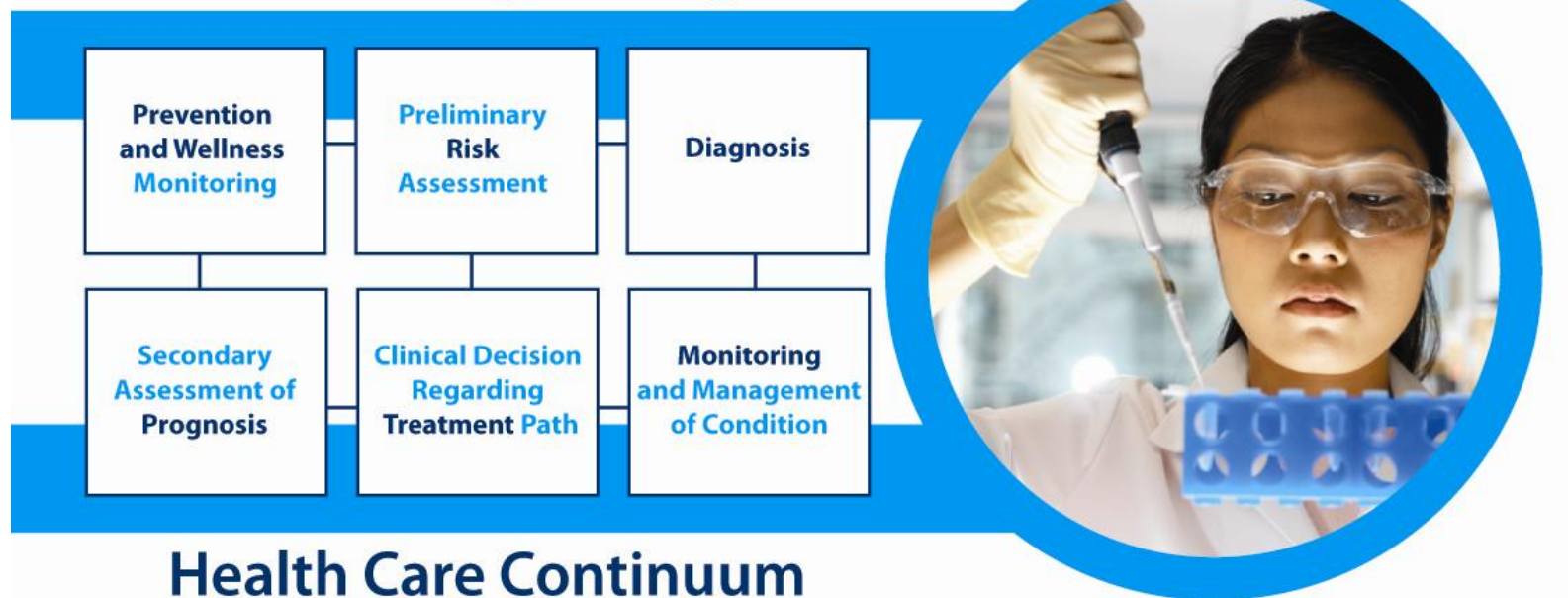


Leading National Lab Provider

- Fastest growing national lab
- \$55 billion market
- Clinical, Anatomic and Genomic Testing
- Serving clients in all 50 states and Canada
- Foremost clinical trials testing business



Laboratory Testing

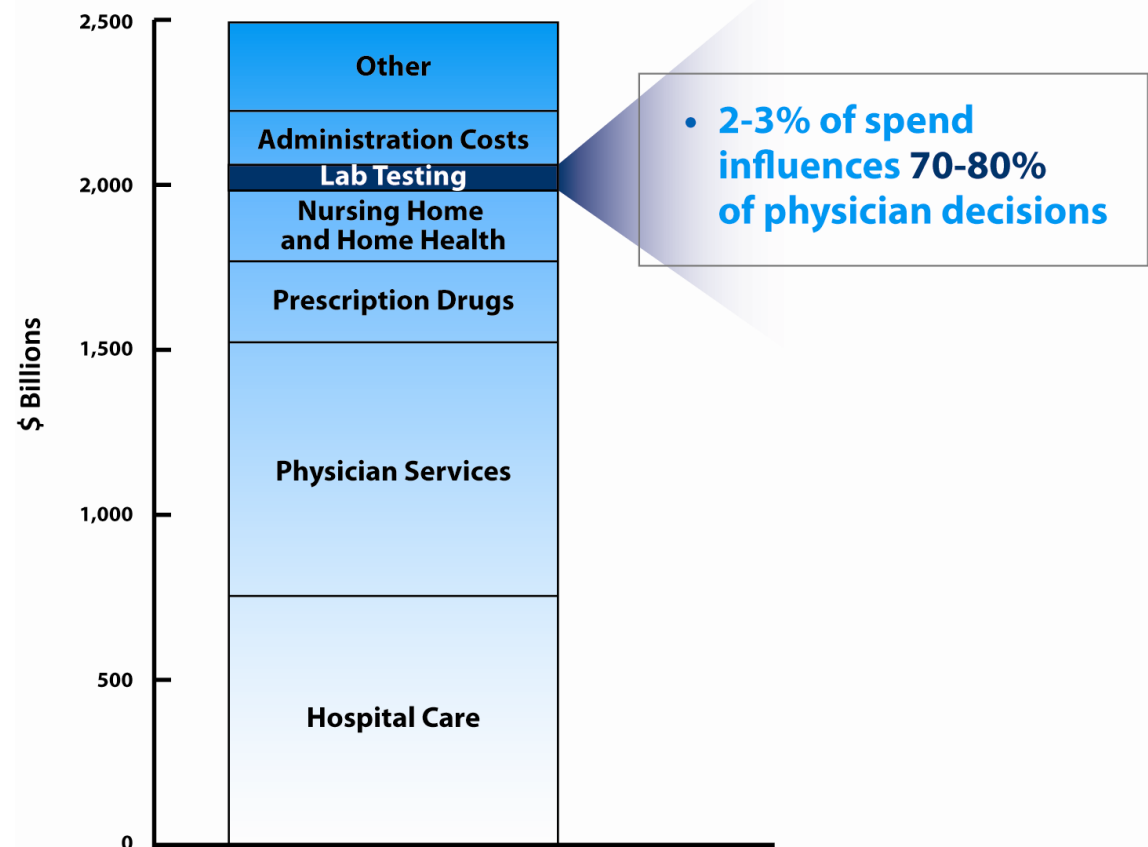


Source: Deloitte (OAML)

Valuable Service

- Small component of total cost influences large percentage of clinical decisions
- Screening, early detection, and monitoring reduce downstream costs
- Companion diagnostics improve drug efficacy and reduce adverse drug effects

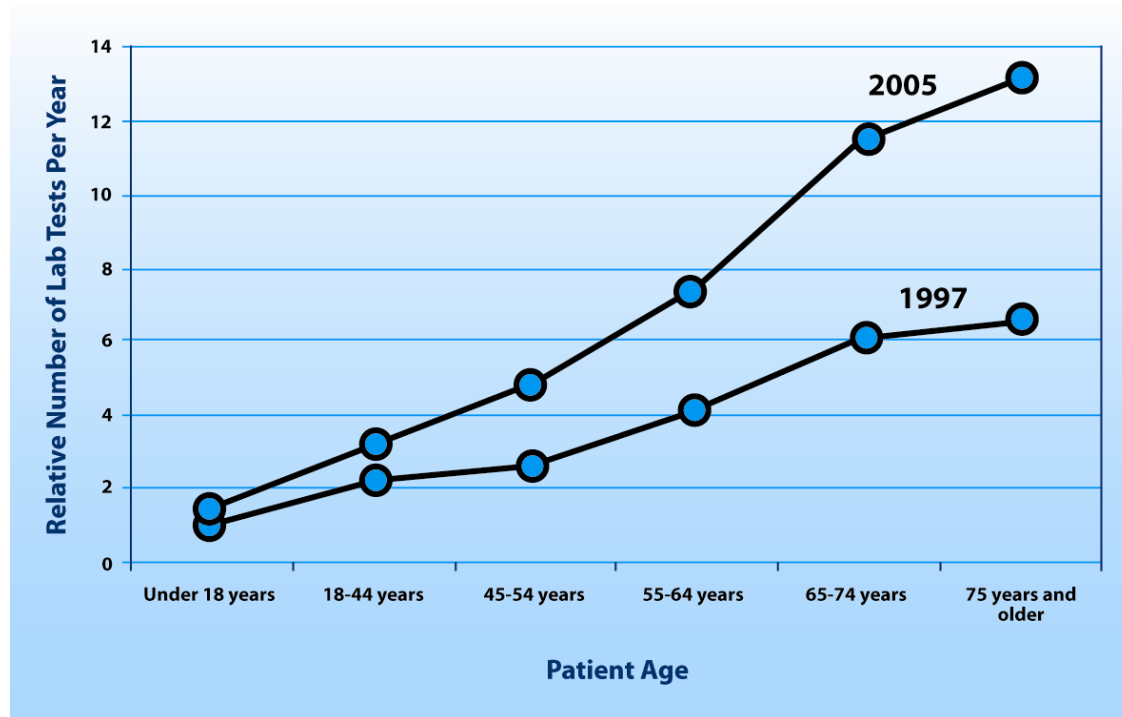
2009 Projected US Health Care Spend \$2.5 Trillion



Source: Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Statistics Group; and U.S. Department of Commerce, Bureau of Economic Analysis and U.S. Bureau of the Census, and company estimates.

Growth Drivers

- Aging population
- Industry consolidation
- Advances in genomics
- Pharmacogenomics / companion diagnostics
- Cost pressures

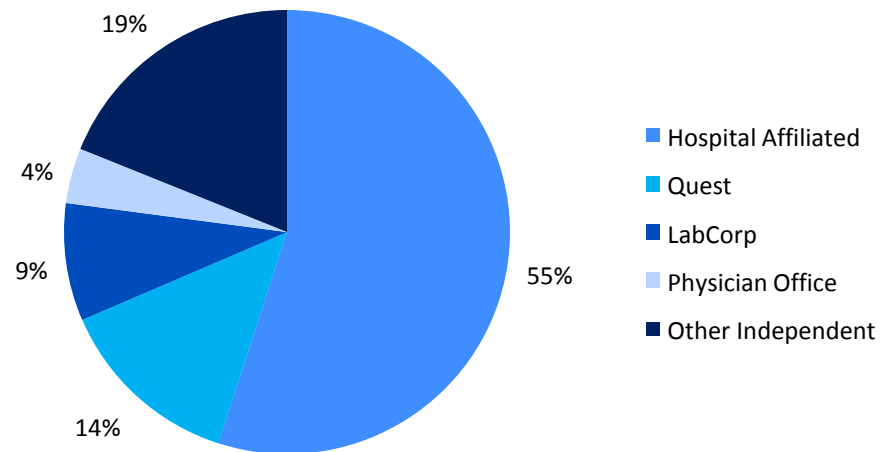


Source: CDC National Ambulatory Medical Care Survey and Company Estimates

Opportunity to Take Share

- Approximately 5,000 independent labs
- High cost competitors

\$55 Billion US Lab Market

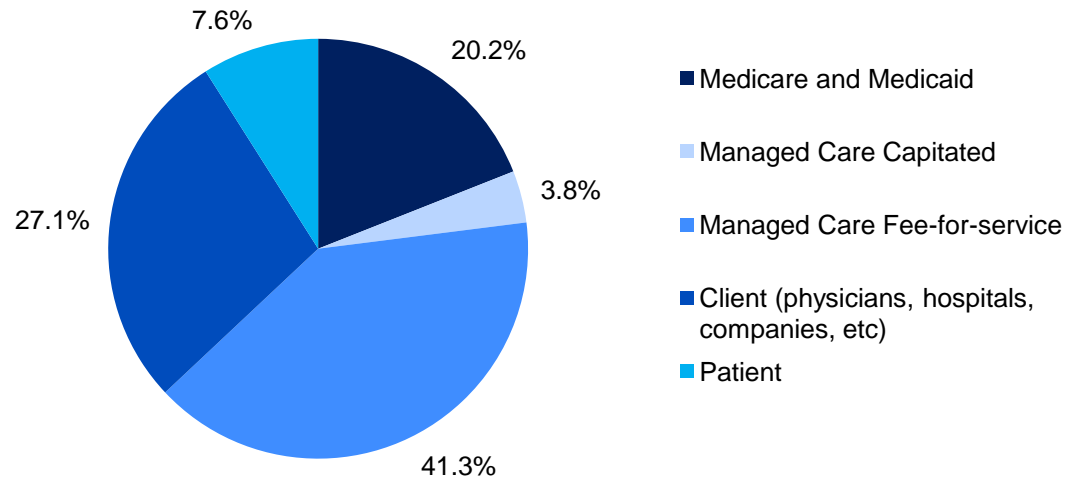


Source: Washington G-2 Reports and company estimates

Diversified Payor Mix

- No customer > 9% of revenue
- Limited government exposure

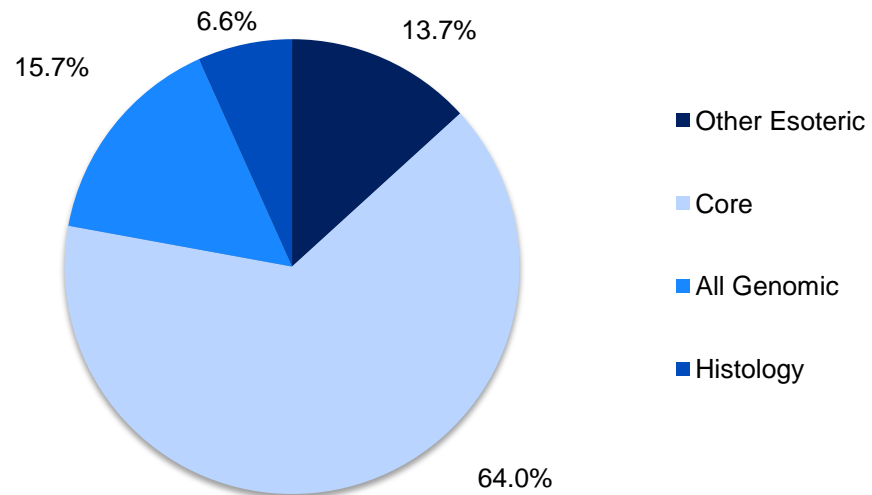
LabCorp U.S. Payor Mix
% of revenue, 2009



Diversified Test Mix

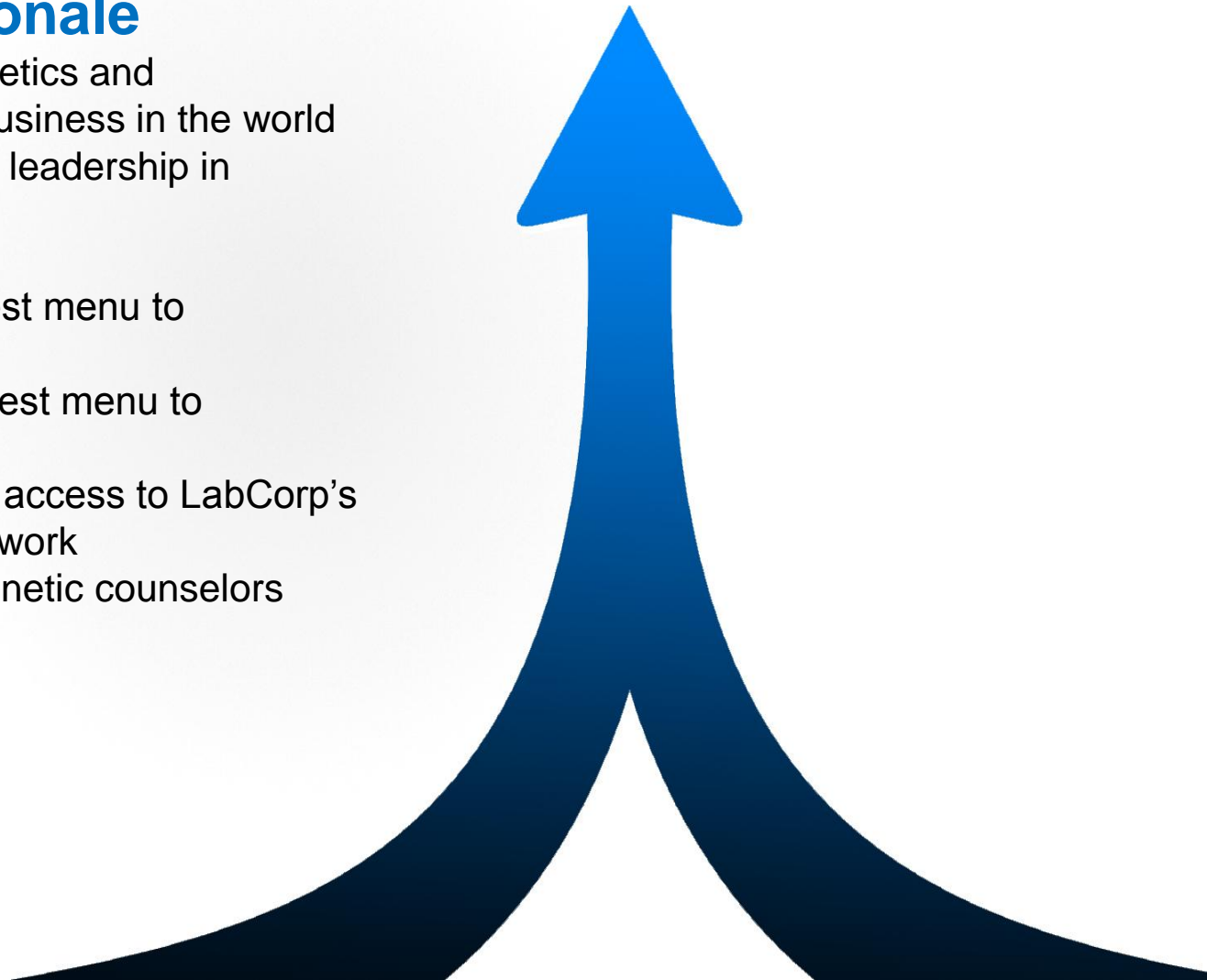
- Esoteric 40% of revenue with Genzyme Genetics acquisition
- Higher priced business

**LabCorp U.S. Test Mix
% of revenue, 2009**



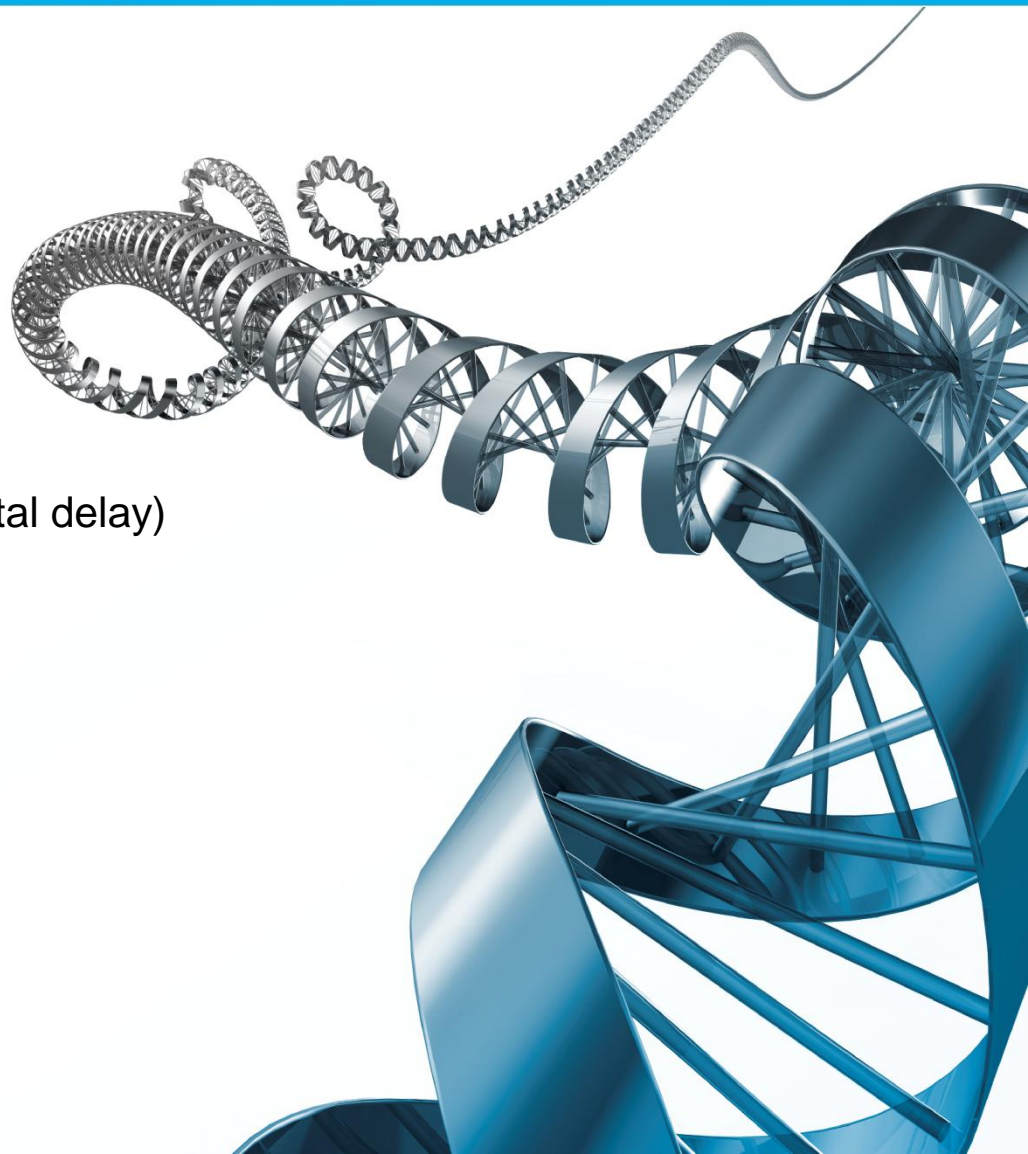
Acquisition Rationale

- Creates the premier genetics and Hematology-Oncology business in the world
- Builds on our strategy of leadership in personalized medicine
- Revenue opportunities
 - Selling LabCorp's test menu to Genzyme accounts
 - Selling Genzyme's test menu to LabCorp accounts
 - Genzyme customer access to LabCorp's convenient PSC network
 - Expanded use of genetic counselors
- Cost synergies
 - Logistics
 - Specimen collection
 - G&A



Increasing Importance of Genetics

- Preconception
- Pre – and post – natal
- Identification of disease carriers
- Identification of disease predisposition
- Diagnosis of genetically caused or influenced conditions (e.g., developmental delay)
- Disease prognosis and treatment (especially cancer)

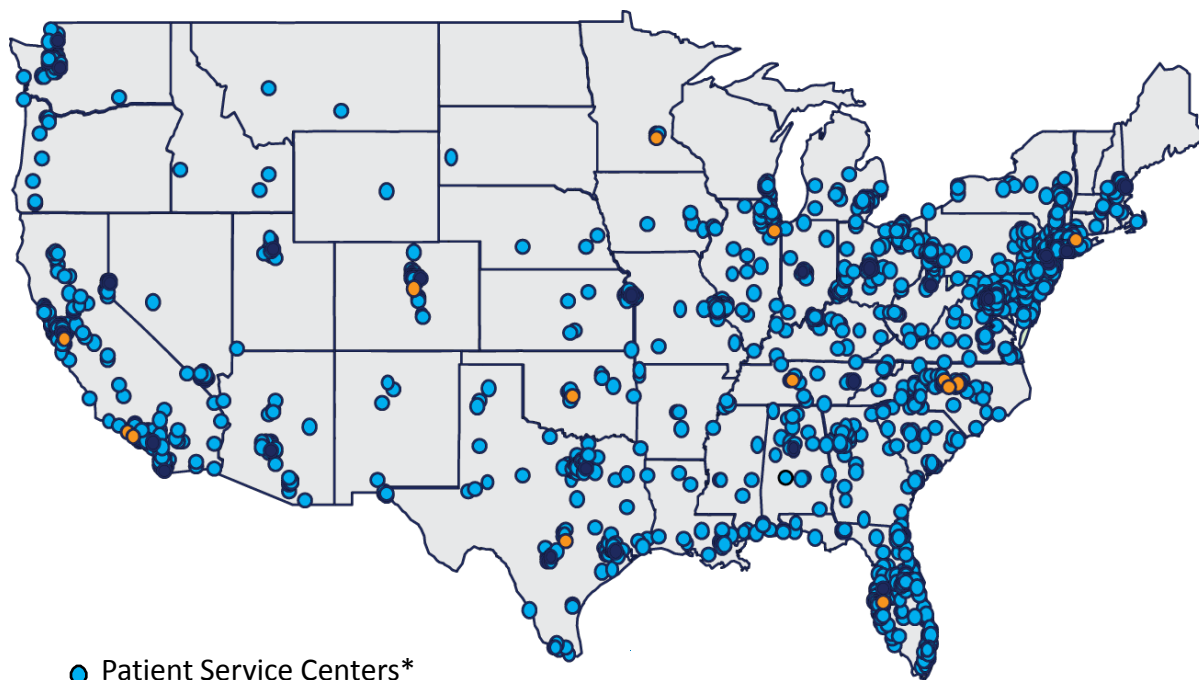


Increasing Importance of Oncology

- More sophisticated methods of cancer testing complement traditional biopsies
- Evolution of some types of cancer from fatal to chronic disease
- Value of diagnostics for disease prognosis, and monitoring of progression and recurrence
- Critical role of testing in therapy selection

Scale and Scope

- National infrastructure
- Broad test offering
- Managed care contracts
- Economies of scale



● Patient Service Centers*

● Primary LabCorp Testing Locations*

● Esoteric Lab Locations

(CET, CMBP, Dianon, Esoterix, Monogram Biosciences, NGI, OTS, US Labs, Viomed)

Managed Care Relationships

- Exclusive national laboratory for UnitedHealthcare
- Sole national strategic partner for WellPoint
- Significant national plans recently renewed or extended on a multi-year basis, including WellPoint, Cigna and Humana
- Contracted with numerous local and regional anchor plans



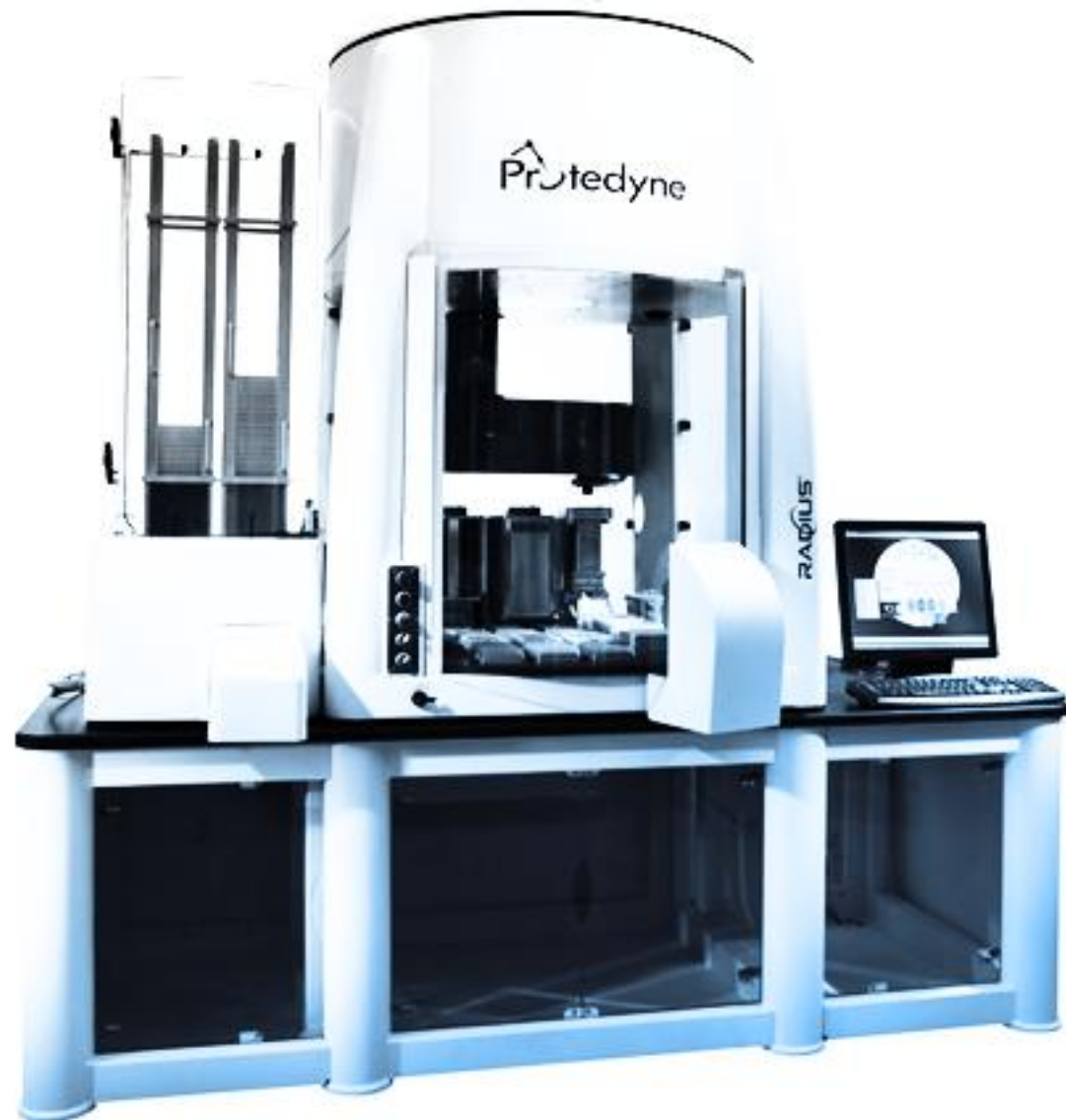
Scientific Leadership

- Introduction of new tests
- Acquisitions and licensing
- Collaborations with leading companies and academic institutions

| Partner | Clinical Area |
|--------------------------|--|
| ARCA biopharma | Companion Diagnostics (CVD) (exclusive) |
| Celera Diagnostics | Breast Cancer |
| Duke University | Lung Cancer (exclusive) |
| Exact Sciences | Colon Cancer |
| Intema Ltd. | Prenatal Testing |
| Ipsogen | Molecular Diagnostics |
| Medco Health Solutions | Companion Diagnostics (Research) |
| OncoMethylome Sciences | Companion Diagnostics (Oncology) (exclusive) |
| Siemens Health Solutions | Companion Diagnostics (Oncology and CVD) |
| SmartGene | Bioinformatics Tools |
| Third Wave Technologies | Companion Diagnostics (CVD) |
| Vanda Pharmaceuticals | Companion Diagnostics (exclusive) |
| Veridex | Prostate Cancer |
| Yale University | Ovarian Cancer (exclusive) |

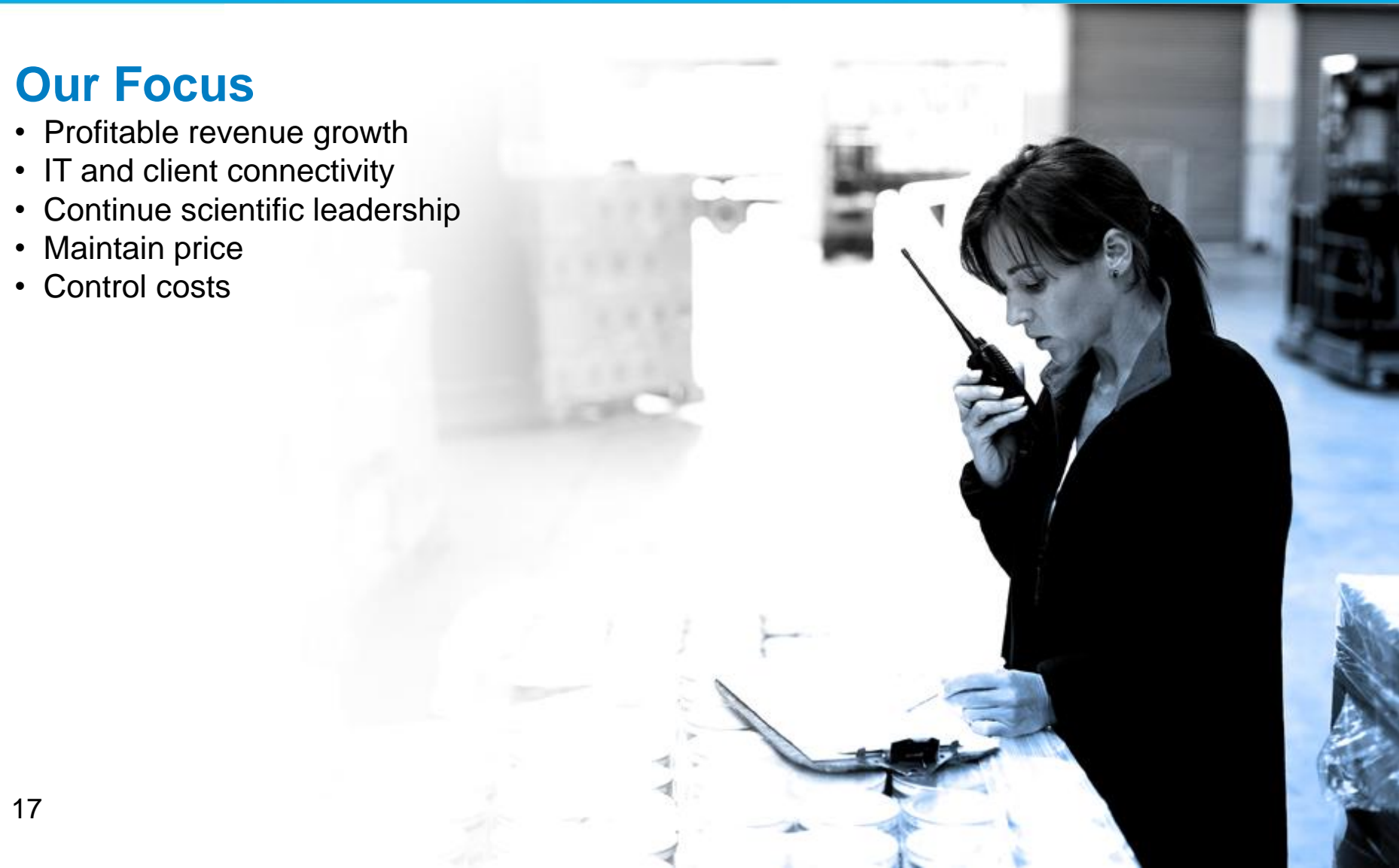
Standardized and Efficient Processes

- Standardized lab and billing IT systems
- Automation of pre-analytics
- Capacity rationalization
- Logistics optimization



Our Focus

- Profitable revenue growth
- IT and client connectivity
- Continue scientific leadership
- Maintain price
- Control costs



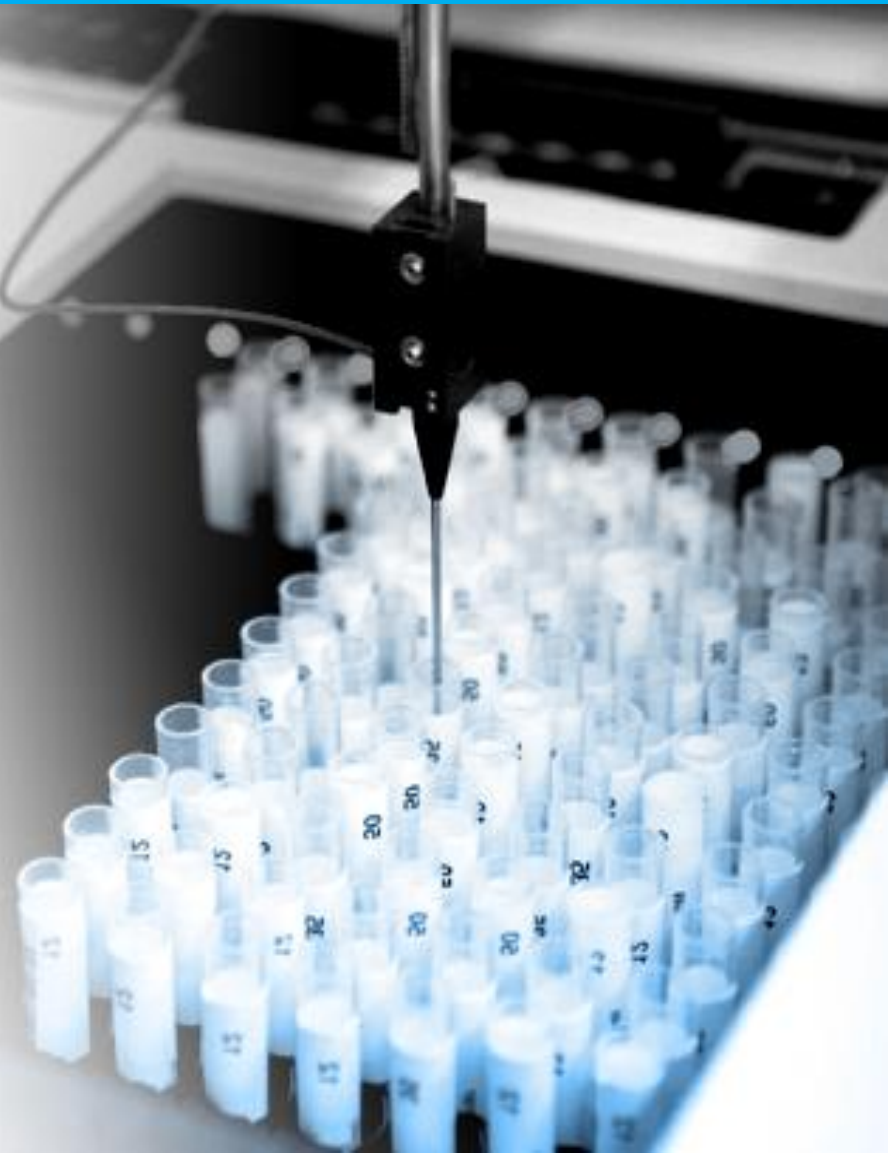
Our Results

- Profitable revenue growth
 - Empire contract
 - Esoteric growth
 - Acquisitions
- Improved IT and client connectivity
 - LabCorp Beacon
 - Enhanced experience for physicians and patients
- Continued scientific leadership
 - Clearstone collaboration
 - IL-28B
 - New Monogram assays
- Maintained price
 - Managed care stability
 - Strong YTD 2010 results
- Controlled costs
 - Gross margin expansion
 - Sysmex project



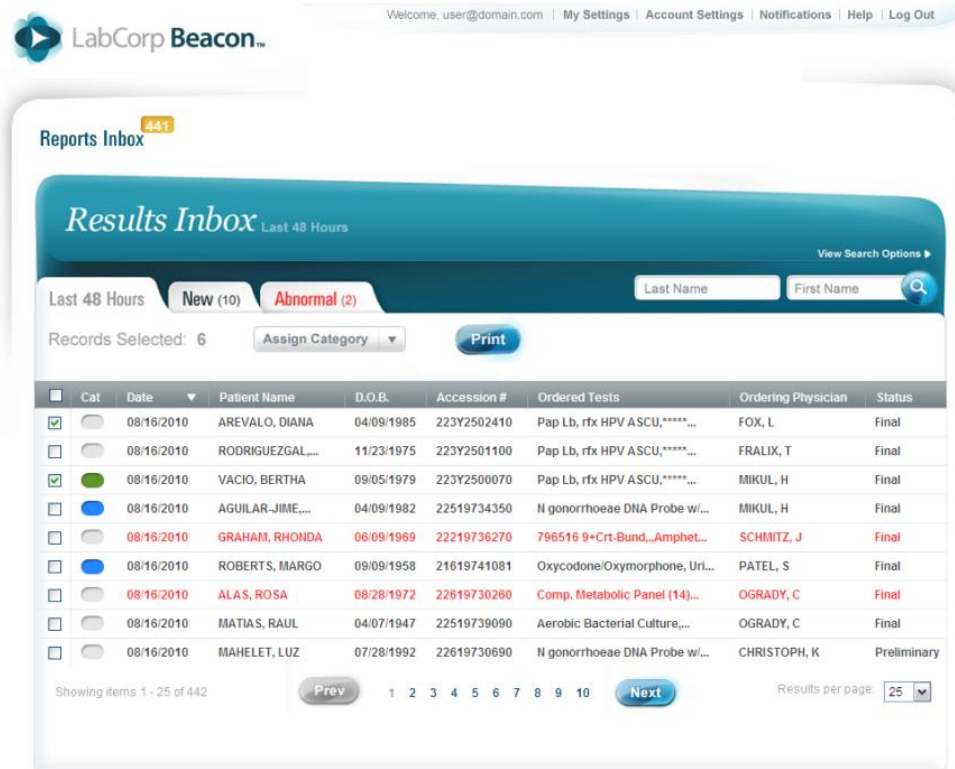
Profitable Revenue Growth

- Empire contract
 - In network status as of Aug 1, 2010
 - New York's largest insurer by membership
- Esoteric revenue growth
 - 6.8% y/y growth YTD 9/30
 - Expansion of Monogram offerings
- Acquisitions
 - Genzyme Genetics
 - Westcliff
 - DCL
- 5.1% y/y total revenue growth YTD 9/30
 - Challenging economic environment
 - Positive volume growth in Q3 2010
 - Positive volume growth in Q1 and Q2 2010, after adjusting for lost contracts



Improved IT and Client Connectivity

- LabCorp Beacon: A superior physician experience
- Intuitive Orders and Results
 - Unread reports in bold while abnormal values are displayed in red
 - Share results via Email, Fax and Print
 - Group patients according to a client's needs
 - Add notes to any report to share critical insights



LabCorp Beacon

Welcome, user@domain.com | My Settings | Account Settings | Notifications | Help | Log Out

Reports Inbox **441**

Results Inbox Last 48 Hours

View Search Options

Last 48 Hours | New (10) | **Abnormal (2)**

Last Name: _____ First Name: _____

Records Selected: 6 | Assign Category | Print

| <input type="checkbox"/> | Cat | Date | Patient Name | D.O.B. | Accession # | Ordered Tests | Ordering Physician | Status |
|-------------------------------------|-----|-------------------|-----------------------|-------------------|--------------------|--------------------------------------|--------------------|--------------|
| <input checked="" type="checkbox"/> | | 08/16/2010 | AREVALO, DIANA | 04/09/1985 | 223Y2502410 | Pap Lb, rfx HPV ASCU,***** | FOX, L | Final |
| <input type="checkbox"/> | | 08/16/2010 | RODRIGUEZGAL,... | 11/23/1975 | 223Y2501100 | Pap Lb, rfx HPV ASCU,***** | FRALIX, T | Final |
| <input checked="" type="checkbox"/> | | 08/16/2010 | VACIO, BERTHA | 09/05/1979 | 223Y2500070 | Pap Lb, rfx HPV ASCU,***** | MIKUL, H | Final |
| <input type="checkbox"/> | | 08/16/2010 | AGUILAR-JIME,... | 04/09/1982 | 22519734350 | N gonorrhoeae DNA Probe w/... | MIKUL, H | Final |
| <input type="checkbox"/> | | 08/16/2010 | GRAHAM, RHONDA | 06/09/1969 | 22219736270 | 796516 9+Crt-Bund...Amphot... | SCHMITZ, J | Final |
| <input type="checkbox"/> | | 08/16/2010 | ROBERTS, MARGO | 09/09/1958 | 21619741081 | Oxycodone/Oxymorphone, Uri... | PATEL, S | Final |
| <input type="checkbox"/> | | 08/16/2010 | ALAS, ROSA | 08/28/1972 | 22619730260 | Comp. Metabolic Panel (14)... | OGRADY, C | Final |
| <input type="checkbox"/> | | 08/16/2010 | MATIAS, RAUL | 04/07/1947 | 22519739090 | Aerobic Bacterial Culture,... | OGRADY, C | Final |
| <input type="checkbox"/> | | 08/16/2010 | MAHELET, LUZ | 07/28/1992 | 22619730690 | N gonorrhoeae DNA Probe w/... | CHRISTOPH, K | Preliminary |

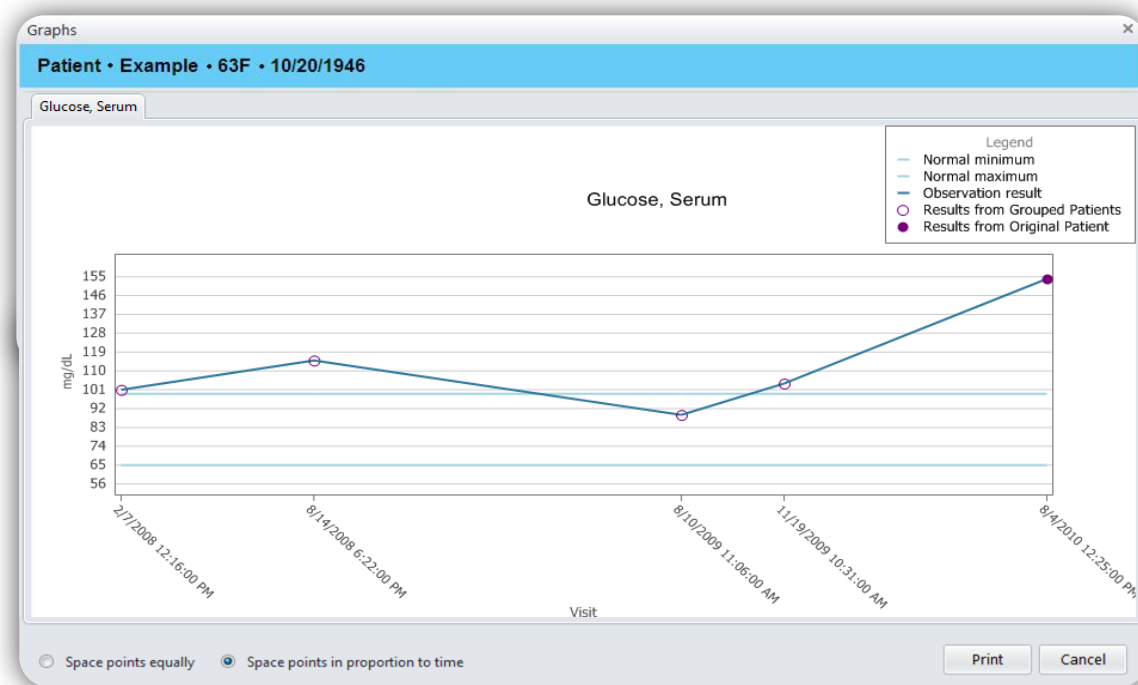
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Prev 1 2 3 4 5 6 7 8 9 10 Next

Results per page: 25

Improved IT and Client Connectivity

- Powerful Analytics
- Graphical views of a patient over time
- Generate trends and averages for large populations



Continued Scientific Leadership

- Clearstone collaboration
 - Global clinical trials capability
 - Presence in China
- Enhanced offerings in companion diagnostics and personalized medicine
 - IL-28B
 - K-RAS
 - HLA-B* 5701
 - BRAF Gene Mutation Detection
 - EGFR Mutation Analysis
 - CYP 450 2C19
 - Trofile (CCR5 Trophism)
 - PhenoSense, PhenoSense GT
 - HerMark
- Grew Outcome Improvement Programs
 - Relaunch of CKD program
 - Litholink kidney stone program

“K-RAS testing should be routinely conducted in all colorectal cancer patients immediately after diagnosis to ensure the best treatment strategies for the individual Patient”

– Dr. Eric Van Cutsem, presenter at the June 2008 American Society of Clinical Oncology meeting

FDA recommends genetic screening prior to treatment with Abacavir

ROCKVILLE, Md -- July 24, 2008 -- The US Food and Drug Administration (FDA) has issued an alert regarding serious, and sometimes fatal, hypersensitivity reactions (HSRs) caused by abacavir (Ziagen) therapy in patients with a particular human leukocyte antigen (HLA) allele, HLA-B* 5701.

Genetic tests for HLA-B*5701 are already available, and all patients should be screened for the HLA-B*5701 allele before starting or restarting treatment with abacavir or abacavir-containing medications.

“FDA has approved the expanded use of Selzentry... to include adult patients with CCR5-tropic HIV-1 virus who are starting treatment for the first time.”

- ViiV Healthcare Press Release, November 20th, 2009

Maintained Price

- Managed care stability
- Contracted pricing has offset 1.9% Medicare rate decrease
- Promoted high-value tests
- Other recent benefits
 - Monogram
 - Canadian exchange rate
 - Impact from lost government contracts

LABORATORY CORPORATION OF AMERICA

Selected Financial Data

The selected financial data presented below under the captions "Statement of Operations Data" of and for the five-year period ended December 31, 2009 are derived from consolidated financial statements which have been audited by an independent registered public accounting firm. This data should be read in conjunction with the accompanying notes, the Company's consolidated financial statements and the related notes to the financial statements, "Discussion and Analysis of Financial Condition and Results of Operations," all included elsewhere in this report.

| | Year Ended December | | |
|--|---------------------|---------------------|---------------------|
| (In millions, except per share amounts) | 2009 ^(a) | 2008 ^(b) | 2007 ^(c) |
| Statement of Operations Data: | | | |
| Net sales | \$ 4,694.7 | \$ 4,505.2 | \$ 4,068.2 |
| Gross profit | 1,970.9 | 1,873.8 | 1,691.2 |
| Operating income | 935.9 | 842.9 | 777.0 |
| Net earnings attributable to Laboratory Corporation of America Holdings | 543.3 | 464.5 | 476.8 |
| Basic earnings per common share | \$ 5.06 | \$ 4.23 | \$ 4.08 |

Controlled Costs

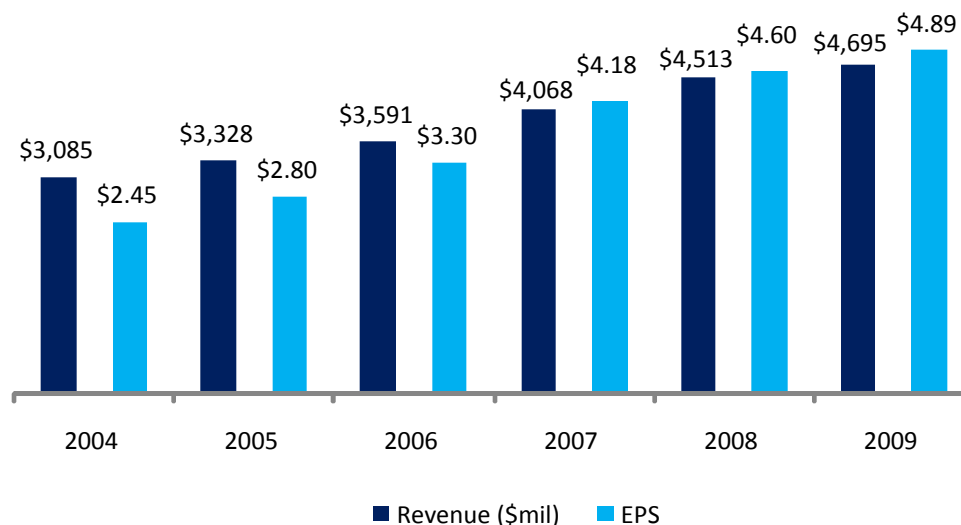
- Y/Y gross margin improvement
- Sysmex contract
 - Fully automated hematology operations
 - One of largest lab automation projects ever undertaken
- Bad debt reduction of 50bp in the first half of 2010
- Continued to optimize supply chain
- Used efficiency gains to improve physician and patient experiences



Revenue and EPS Growth

- 5-year revenue CAGR of 9%
- 5-year EPS CAGR of 15%

Revenue and EPS Growth: 2004 – 2009 ⁽¹⁾ ⁽²⁾



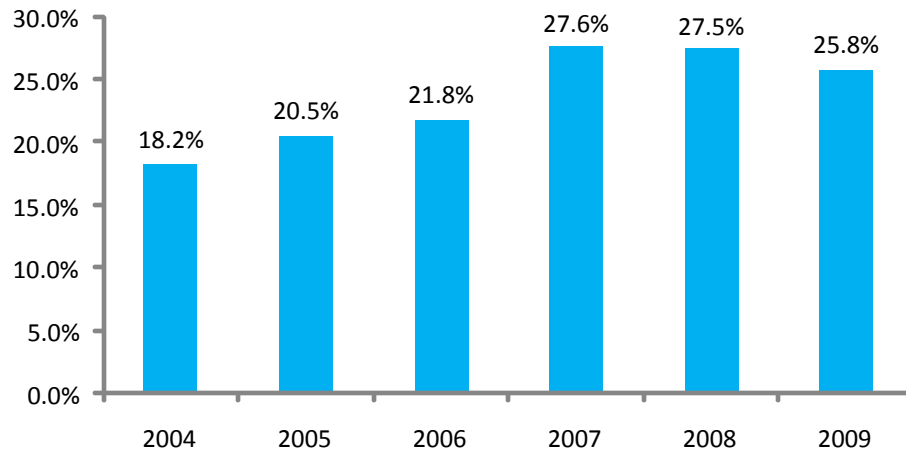
(1) Excluding the \$0.09 per diluted share impact in 2005 of restructuring and other special charges, and a non-recurring investment loss; excluding the \$0.06 per diluted share impact in 2006 of restructuring and other special charges; excluding the \$0.25 per diluted share impact in 2007 of restructuring and other special charges; excluding the \$0.44 per diluted share impact in 2008 of restructuring and other special charges; excluding the (\$0.09) per diluted share impact in 2009 of restructuring and other special charges.

(2) EPS, as presented, represents adjusted, non-GAAP financial measures. Diluted EPS, as reported in the Company's Annual Report were: \$2.45 in 2004; \$2.71 in 2005; \$3.24 in 2006; \$3.93 in 2007; \$4.16 in 2008; and \$4.98 in 2009.

Leading Returns

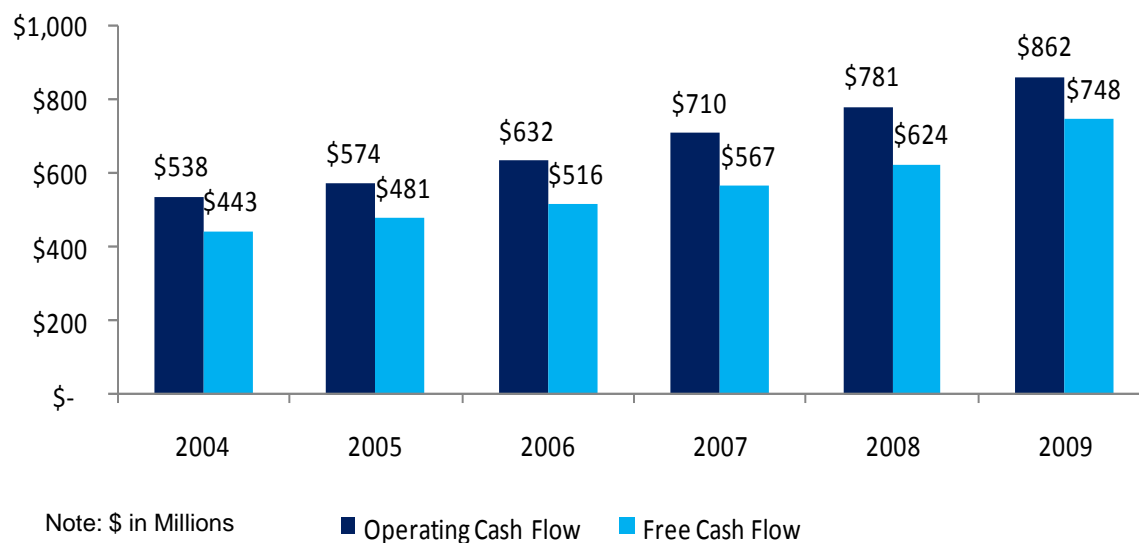
- Leading returns
- Leading EBIT margin

LabCorp ROE 2004 - 2009



Cash Flow

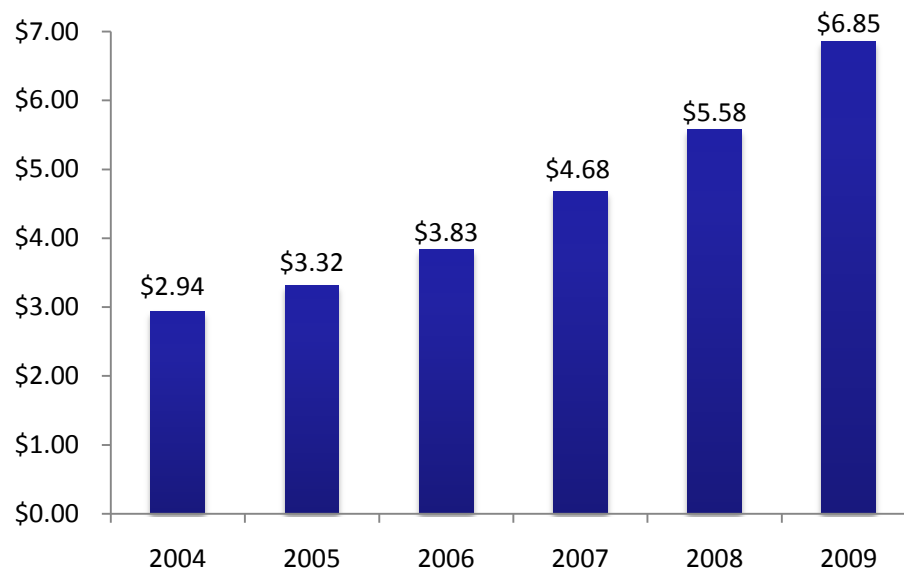
- 5-year FCF CAGR of 11%
- Strategic acquisitions
- \$2.0 B+ share repurchase over last three years



Note: Free Cash Flow is a non-GAAP metric

Free Cash Flow Per Share

- 5-year FCF Per Share CAGR of 18%
- FCF Yield has ranged from 8.4% to 10.4% in 2010



Note: Free Cash Flow Per Share and Free Cash Flow Yield are non-GAAP metrics
FCF Yield range noted above was calculated using trailing twelve month Free Cash Flow, weighted average diluted share counts and closing stock prices during 2010

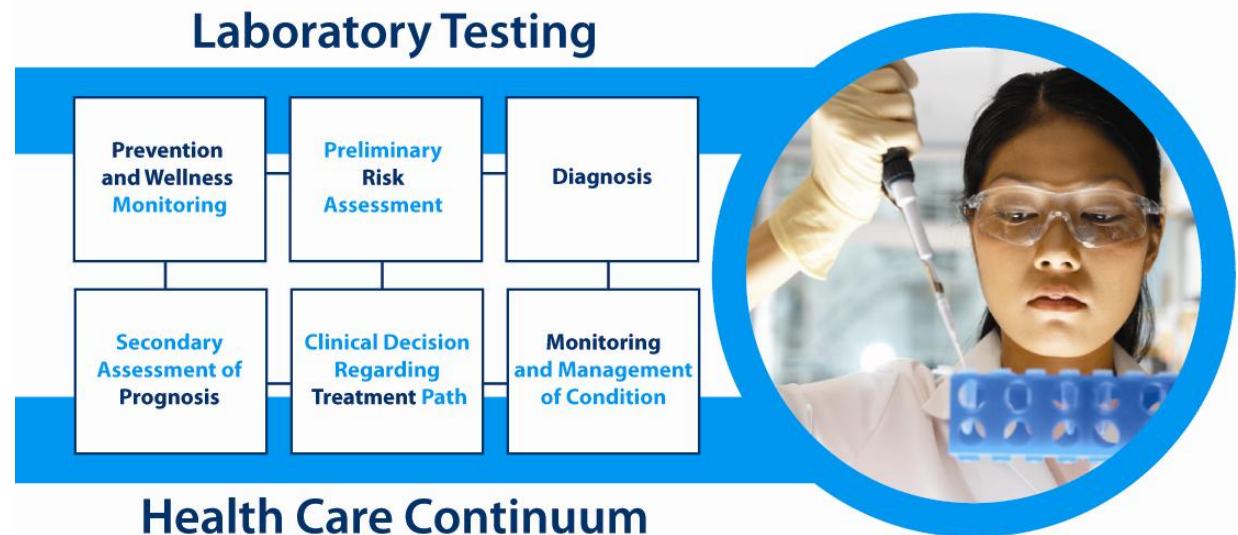
Third Quarter and YTD 2010 Results

| | Three Months Ended Sep 30, | | | Nine Months Ended Sep 30, | | |
|----------------------------------|----------------------------|-----------------|--------------|---------------------------|-----------------|--------------|
| | 2010 | 2009 | +/(-) | 2010 | 2009 | +/(-) |
| Revenue ⁽¹⁾ | \$1,276.5 | \$1,185.1 | 7.7% | \$3,708.5 | \$3,529.7 | 5.1% |
| Adjusted Operating Income | \$250.1 | \$237.6 | 5.3% | \$764.2 | \$733.0 | 4.3% |
| Adjusted Operating Income Margin | 19.6% | 20.0% | -40 bp | 20.6% | 20.8% | -20 bp |
| Adjusted EPS ⁽¹⁾ | \$1.47 | \$1.22 | 20.5% | \$2.76 | \$2.51 | 10.0% |
| Operating Cash Flow | \$176.2 | \$246.4 | -28.5% | \$624.4 | \$637.7 | -2.1% |
| Less: Capital Expenditures | <u>(\$34.3)</u> | <u>(\$22.7)</u> | <u>51.1%</u> | <u>(\$93.3)</u> | <u>(\$77.1)</u> | <u>21.0%</u> |
| Free Cash Flow | \$141.9 | \$223.7 | -36.6% | \$531.1 | \$560.6 | -5.3% |

(1) During the first quarter of 2010 inclement weather reduced revenue by an estimated \$23 million and EPS by approximately eight cents

Key Points

- Critical position in health care delivery system
- Attractive market
- Strong competitive position - well positioned to gain share
- Leadership in personalized medicine
- Excellent cash flow
- Strong balance sheet



Source: Deloitte (OAML)

Reconciliation of Non-GAAP Financial Measures

Reconciliation of non-GAAP Financial Measures

(In millions, except per share data)

| | Three Months Ended Sep 30, | | Nine Months Ended Sep 30, | |
|--|----------------------------|----------------|---------------------------|----------------|
| | <u>2010</u> | <u>2009</u> | <u>2010</u> | <u>2009</u> |
| <u>Adjusted Operating Income</u> | | | | |
| Operating income | \$235.3 | \$234.9 | \$740.0 | \$720.1 |
| Restructuring and other special charges ^{(1) (2)} | <u>\$14.8</u> | <u>\$2.7</u> | <u>\$24.2</u> | <u>\$12.9</u> |
| Adjusted operating income | <u>\$250.1</u> | <u>\$237.6</u> | <u>\$764.2</u> | <u>\$733.0</u> |
| <u>Adjusted EPS</u> | | | | |
| Diluted earnings per common share | \$1.34 | \$1.21 | \$4.05 | \$3.67 |
| Impact of restructuring and other special charges ^{(1) (2)} | <u>\$0.13</u> | <u>\$0.01</u> | <u>\$0.18</u> | <u>\$0.07</u> |
| Adjusted EPS | <u>\$1.47</u> | <u>\$1.22</u> | <u>\$4.23</u> | <u>\$3.74</u> |

1) During the third quarter of 2010, the Company recorded restructuring and other special charges of \$21.8 million, consisting of \$10.9 million in professional fees and expenses associated with recent acquisitions; \$7.0 million in bridge financing fees associated with the signing of an asset purchase agreement for Genzyme Genetics; and \$3.9 million in severance related liabilities associated with workforce reduction initiatives. The after tax impact of these charges decreased net earnings for the three months ended September 30, 2010, by \$13.4 million and diluted earnings per share by \$0.13 (\$13.4 million divided by 104.1 million shares).

During the first quarter of 2010, the Company recorded net charges of \$9.3 million relating to severance payments and the closing of redundant and underutilized facilities as well as the write-off of development costs incurred on systems abandoned during the quarter.

The after tax impact of these combined charges decreased net earnings for the nine months ended September 30, 2010, by \$19.1 million and diluted earnings per share by \$0.18 (\$19.1 million divided by 105.4 million shares).

2) During the third quarter of 2009, the Company recorded a charge of approximately \$2.7 million representing fees and expenses associated with its acquisition of Monogram Biosciences. The after tax impact of this charge reduced net earnings for the three months ended September 30, 2009, by \$1.6 million and diluted earnings per share by \$0.01 (\$1.6 million divided by 108.8 million shares).

During the second quarter of 2009, the Company recorded net charges of approximately \$10.2 million (\$6.1 million after tax) related to actions directed at reducing the Company's redundant and underutilized facilities along with the related work force.

The after tax impact of these combined charges reduced net earnings for the nine months ended September 30, 2009, by \$7.7 million and diluted earnings per share by \$0.07 for the nine months ended September 30, 2009 (\$7.7 million divided by 109.1).

Supplemental Financial Information

Laboratory Corporation of America

Other Financial Information

FY 2009 and Q1/Q2 2010

(\$ in millions)

| | <u>Q1 09</u> | <u>Q2 09</u> | <u>Q3 09</u> | <u>Q4 09</u> | <u>Q1 10</u> | <u>Q2 10</u> | <u>Q3 10</u> |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Bad debt as a percentage of sales | 5.30% | 5.30% | 5.30% | 5.30% | 5.05% | 4.80% | 4.80% |
| Days sales outstanding | 52 | 50 | 48 | 44 | 46 | 45 | 44 |
| A/R coverage (Allow. for Doubtful Accts. / A/R) | 19.5% | 20.6% | 21.9% | 23.2% | 21.7% | 20.7% | 20.4% |

