



8-K Filed April 24, 2008

A close-up photograph of laboratory glassware, including a beaker and a graduated cylinder, set against a blue background.

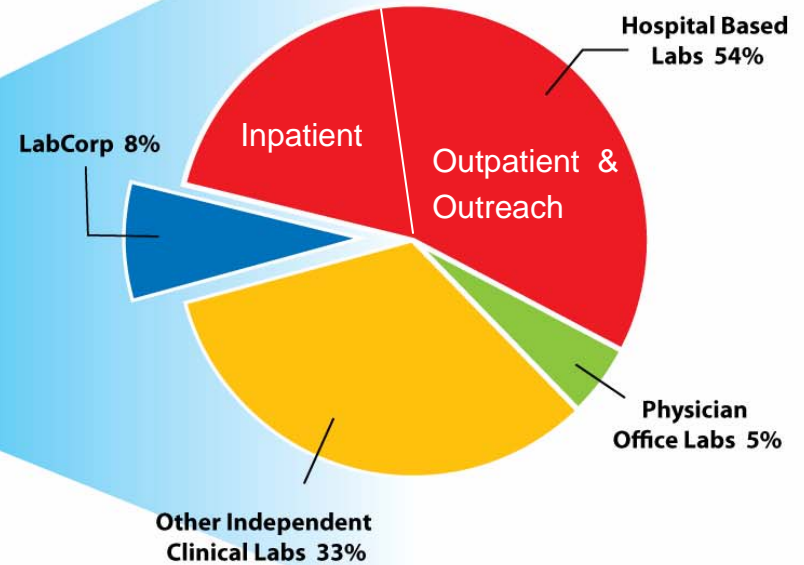
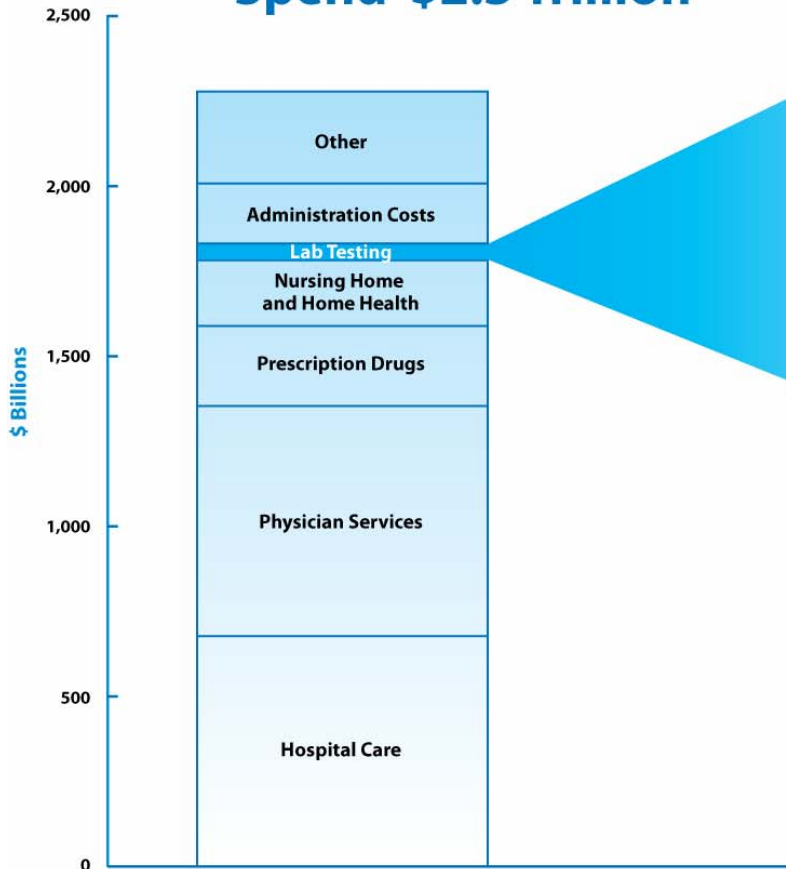
Introduction

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, 2007, and subsequent SEC filings.

The US Healthcare & Clinical Laboratory Testing Market

2007 Projected US Healthcare Spend \$2.3 Trillion



- Total market size—\$50 billion
- Industry CAGR of 5%-7%
- Market Segments:
 - Routine—\$30-\$35 billion
 - Esoteric—\$4-\$5 billion
 - Anatomic pathology—\$6-\$10 billion

Source: CMS, Office of the Actuary, G-2, and Company Estimates

The Value of Lab Testing

In the past, lab testing was primarily used to diagnose disease

Now, lab testing plays an increasingly larger role in the full continuum of healthcare delivery

PREVENTION

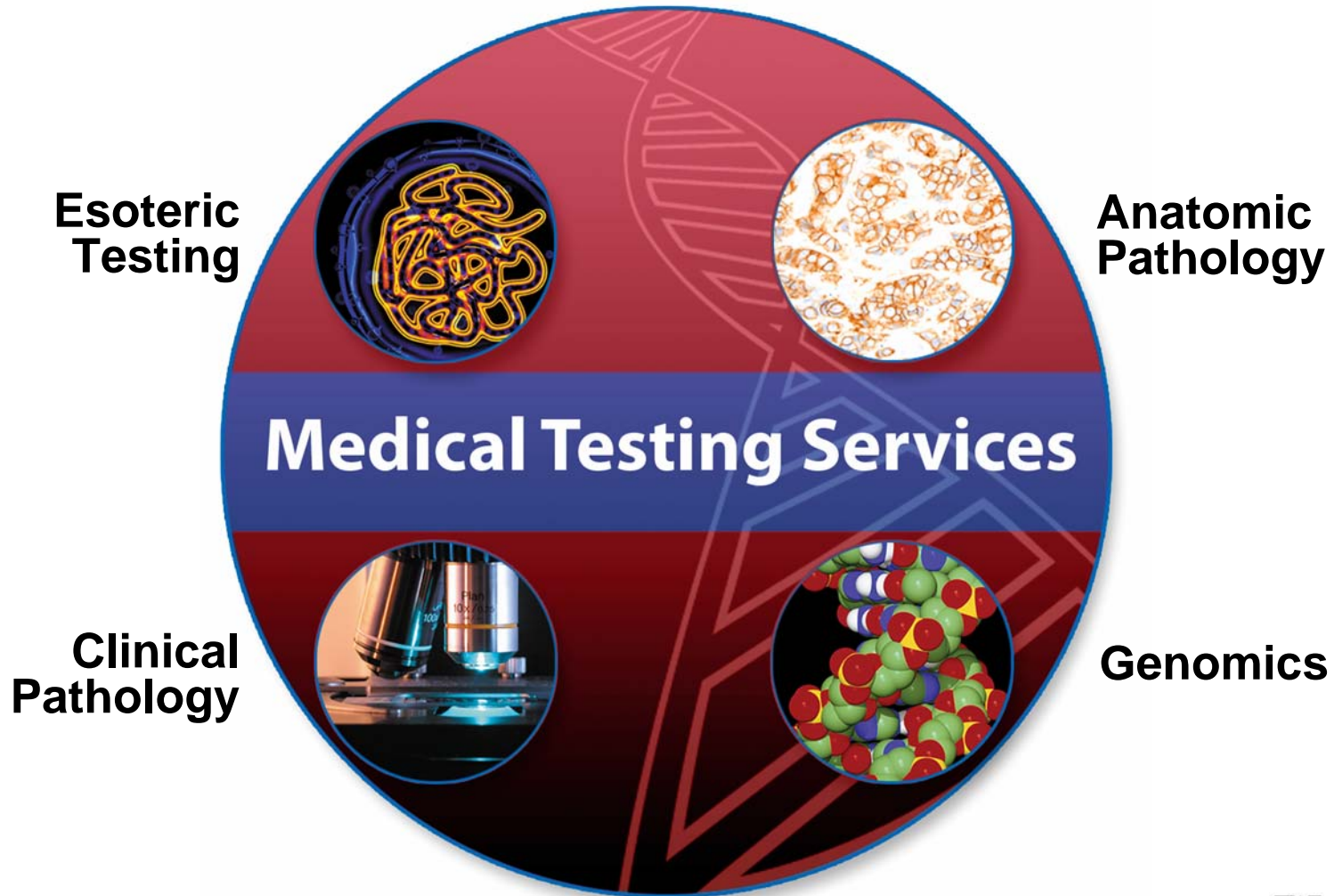
DIAGNOSIS

TREATMENT

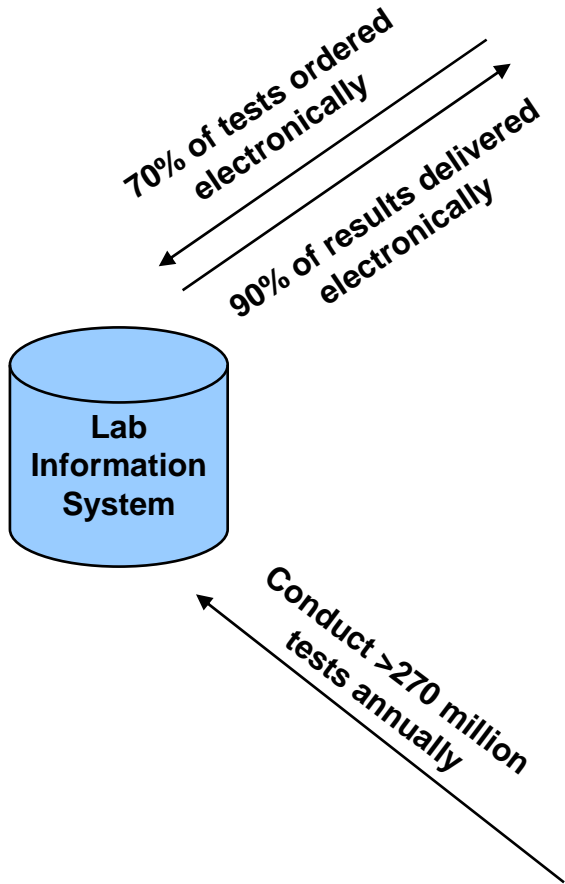
MONITORING



What is LabCorp



Our Infrastructure



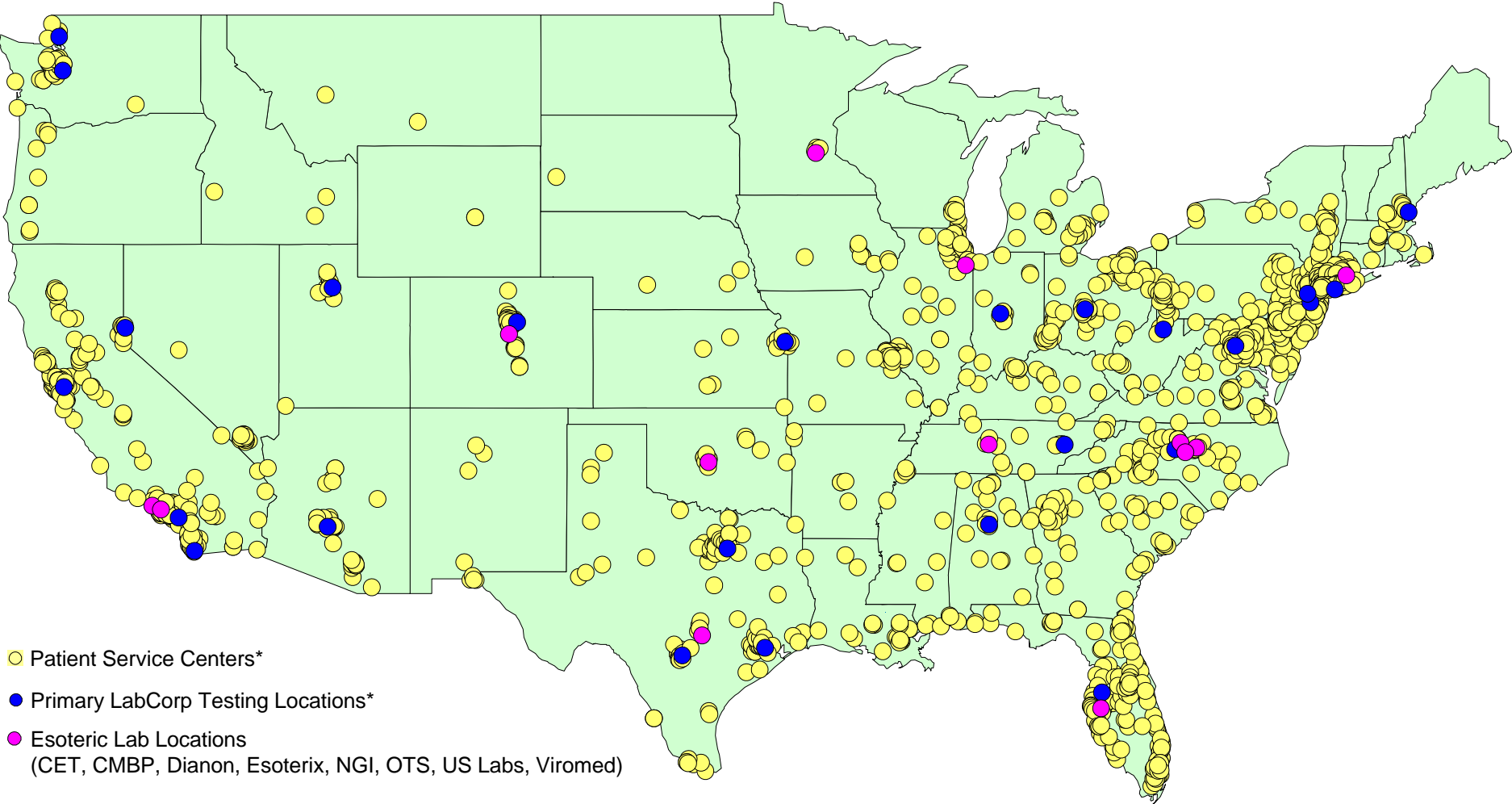
- 1600+ conveniently located PSCs
- 700 MDs & PhDs
- 6500+ phlebotomists

-
- 2600 couriers
 - 1000 sales reps
 - 7 airplanes



- Primary testing labs
- Esoteric Labs
- STAT Labs
- *Standardized Platforms*

Our Locations



Strategic Focus Areas



Scientific Leadership

- Cancer diagnostics and monitoring
- Advanced cardiovascular disease testing
- Advancement through acquisitions and licensing



Managed Care

- Lab data enables better treatment and outcomes
- Partner to control high cost leakage
- Recognize value of lab services through appropriate pricing



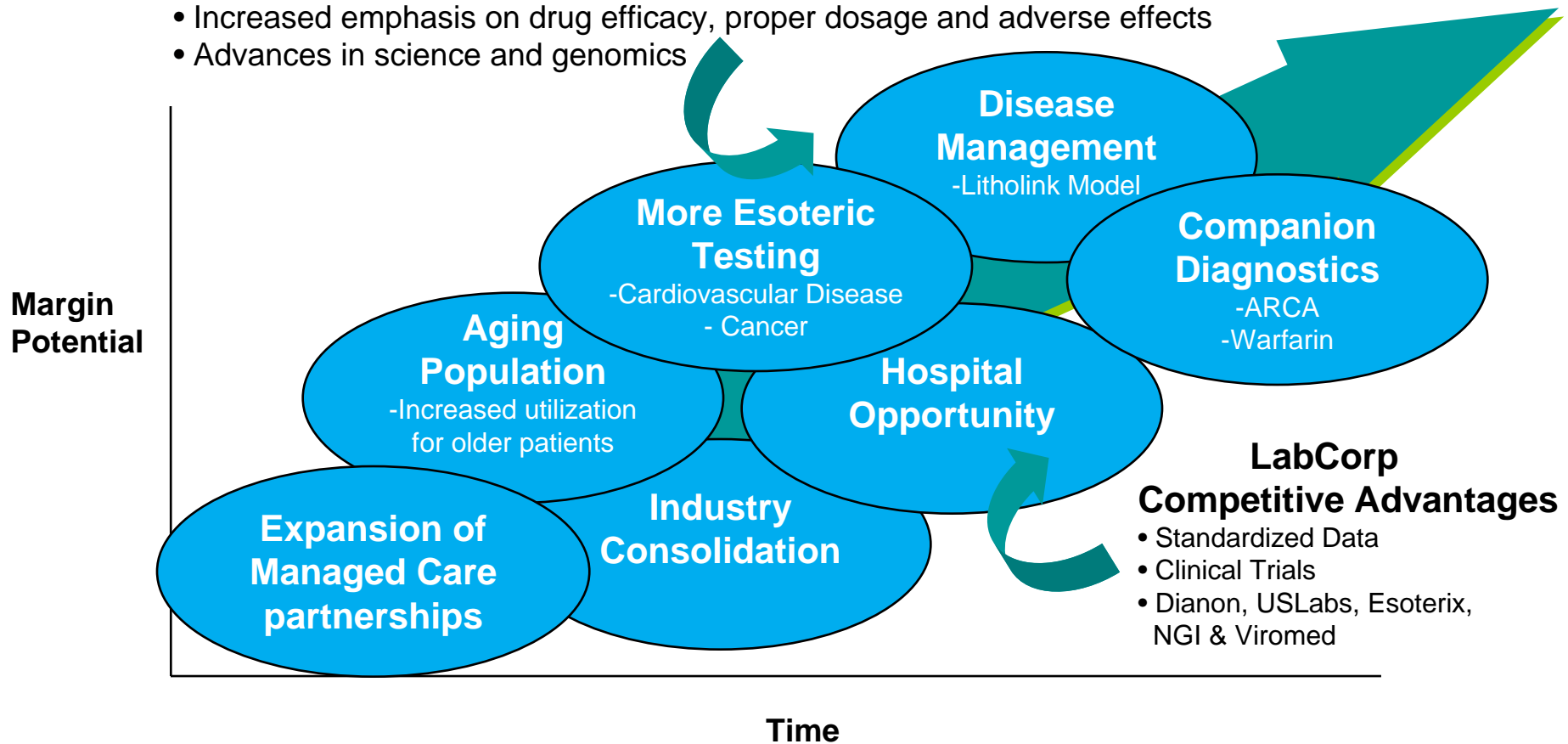
Customer Focus

- Quality and service driven culture
- First-time problem resolution
- Continuous enhancements in customer connectivity

Revenue Growth Drivers

Industry Forces

- Focus on Outcomes and Cost Containment (Medical & Drug)
- Increased emphasis on drug efficacy, proper dosage and adverse effects
- Advances in science and genomics

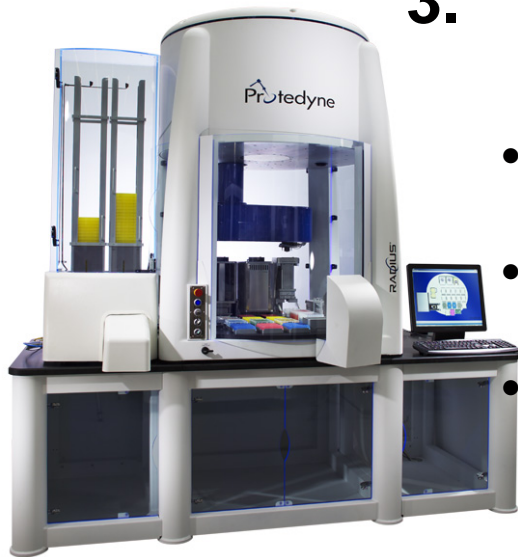


EBITDA Margin Growth Drivers

1. Increased volumes through fixed-cost infrastructure
2. Larger number of esoteric tests offered, more esoteric tests ordered

3. Further operational efficiencies

- Increase automation in pre-analytic processes
- Logistics / route structure optimization
- Supply chain management



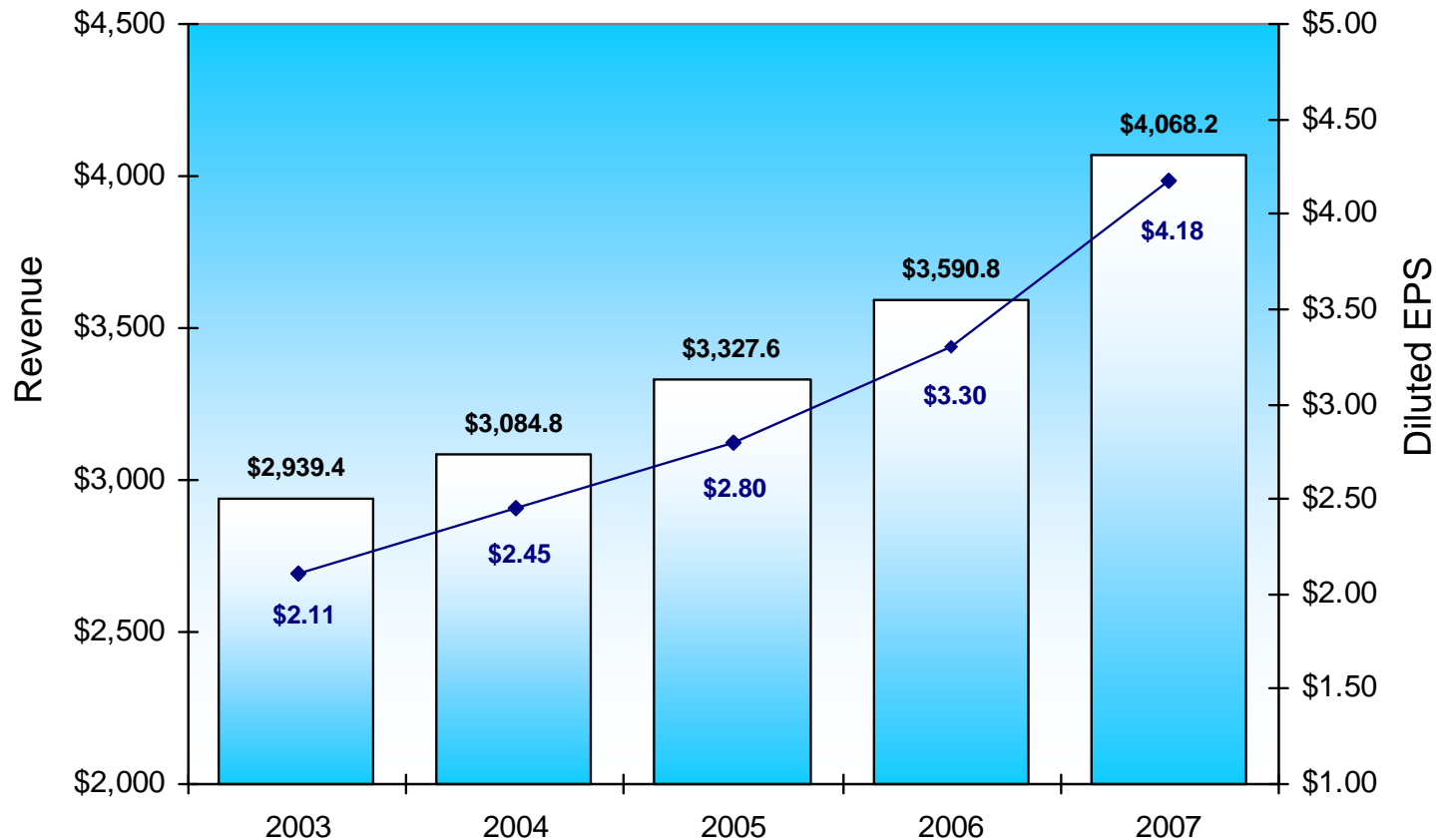
- Improved patient experience and data capture
- Improvement in collections / bad debt long term

LabCorp's Investment and Performance Fundamentals

- **Industry-leading EBITDA margins**
- **Significant free cash flow**
- **Focus on providing value to shareholders**
 - Strategic acquisitions
 - Organic growth opportunities
 - Share repurchase
 - \$370.1 Million available as of 3/31/08
- **Flexibility for future growth opportunities**

Five-Year Revenue and EPS Trend

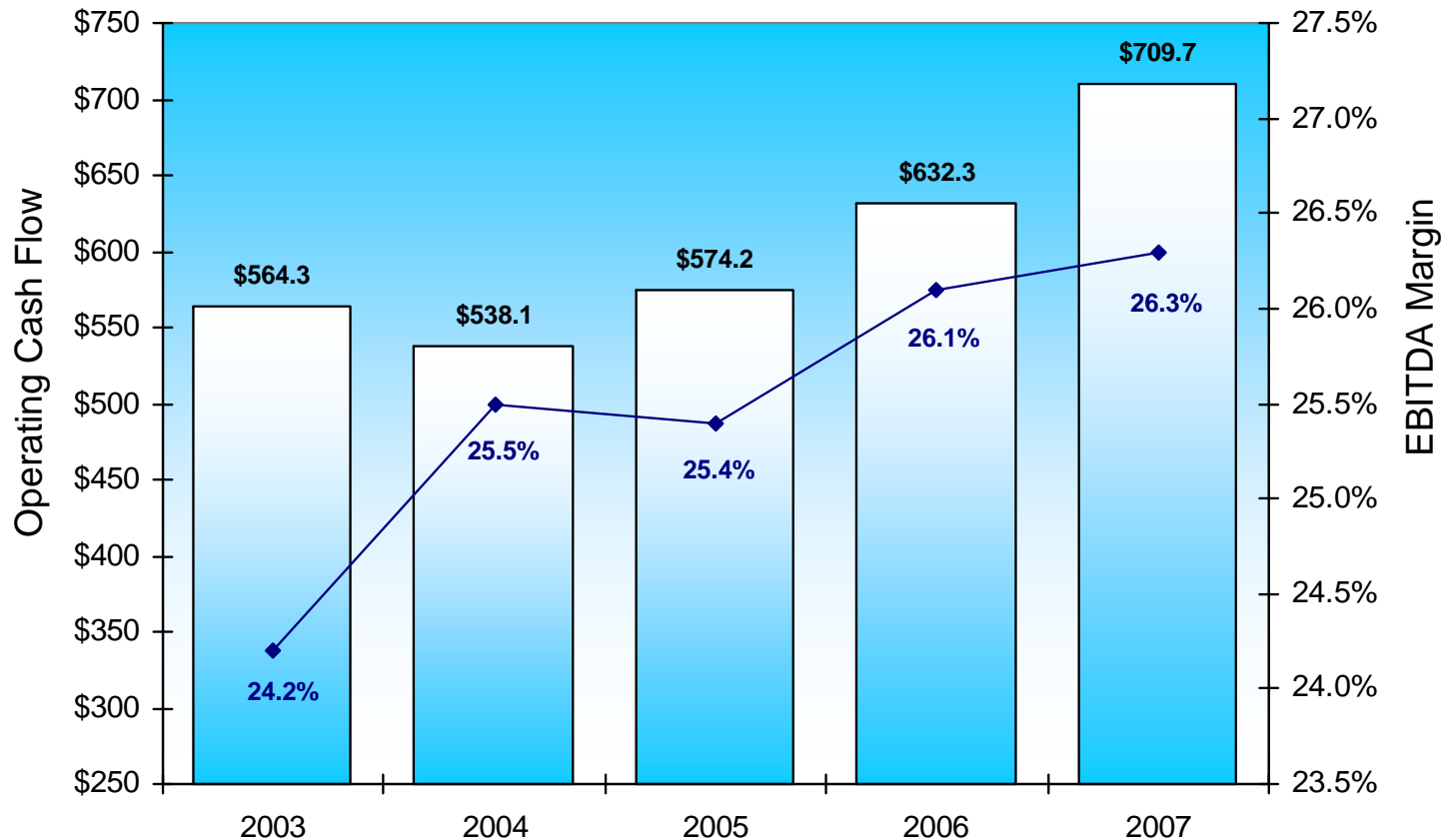
Revenue CAGR of 8.5% – Diluted EPS CAGR of 18.6%



1. Excluding the \$0.09 per diluted share impact in 2005 of restructuring and other special charges, and a non-recurring investment loss.
2. Excluding the \$0.06 per diluted share impact in 2006 of restructuring and other special charges.
3. Excluding the \$0.25 per diluted share impact in 2007 of restructuring and other special charges.

Five-Year OCF and EBITDA Margin Trend

OCF CAGR of 6% – EBITDA Margin Growth of 210 bps



1. Includes approximately \$50 million of benefit from one-time tax credits recorded in 2003.
2. Excluding the impact in 2005 of restructuring and other special charges and a non-recurring investment loss.
3. Excluding the impact in 2006 and 2007 of restructuring and other special charges
4. As a result of adopting FASB 123(R) in 2006, the Company recorded incremental stock compensation expense of \$23.3 and \$26.7 in 2006 and 2007, respectively.

First Quarter Results

(In millions, except per share data)

	<u>3/31/2007</u>	<u>3/31/2008</u>	<u>+/(-)</u>
Revenue	\$ 998.7	\$ 1,103.2	10.5%
EBITDA	\$ 260.5	\$ 285.5	9.6%
EBITDA Margin	26.1%	25.9%	(20) bp
Diluted EPS	\$ 0.98	\$ 1.14	16.3%

A close-up photograph of several glass beakers or test tubes in a laboratory setting, with a blue tint. The focus is on the rim and upper part of one beaker in the foreground, with others blurred in the background.

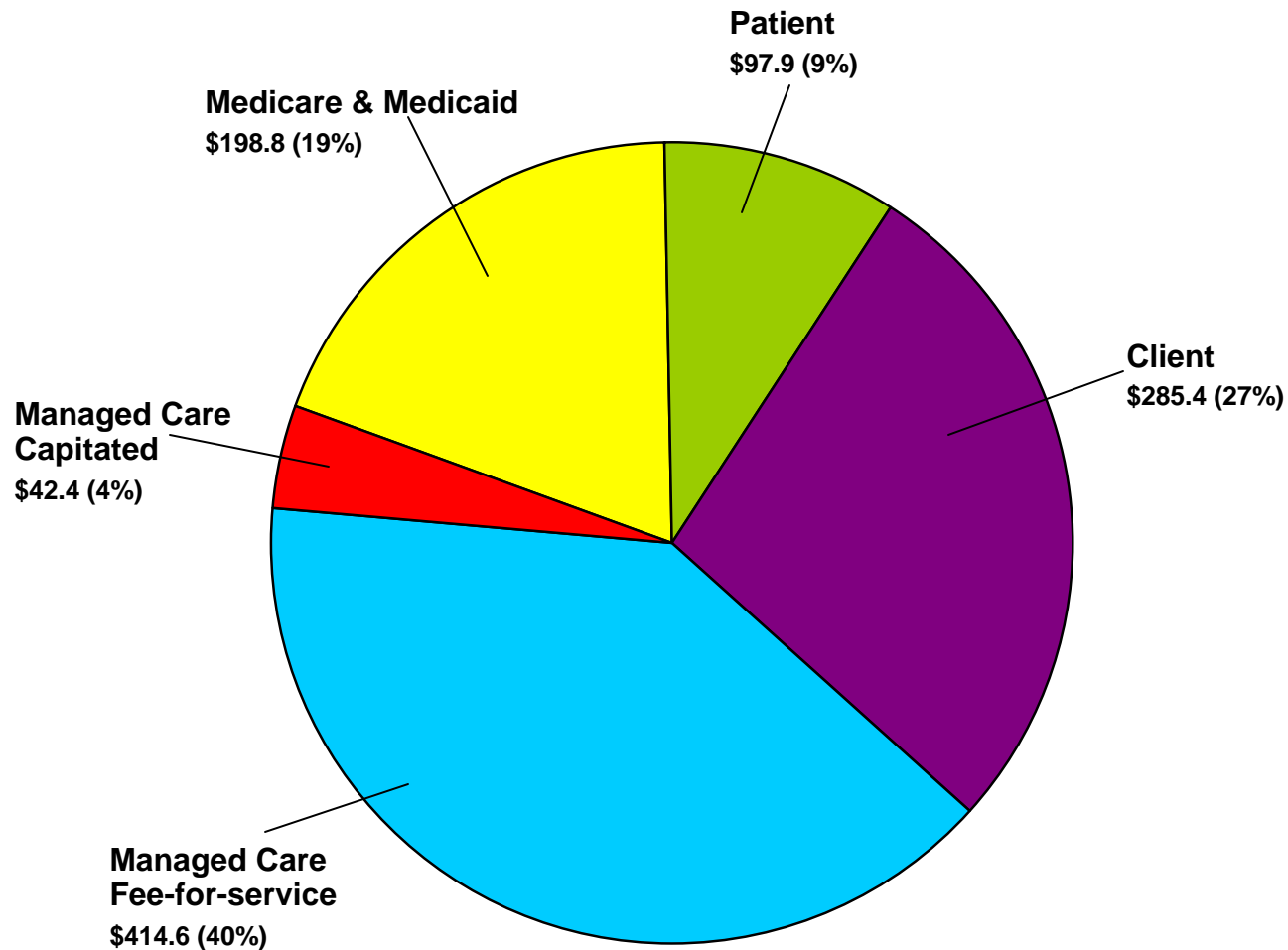
2008 First Quarter Financial Achievements

- **Diluted EPS of \$1.14**
- **EBITDA margin of 25.9% of net sales**
- **Operating cash flow of \$176.5 million**
- **Increased revenues**
 - **10.5% (8.6% volume; 1.9% price)**
 - **Excl. Canada 4.1% (1.6% volume, 2.5% price)**
- **Repurchased approximately \$55.7 million of LabCorp stock**

Revenue by Payer- US

Q1 2008

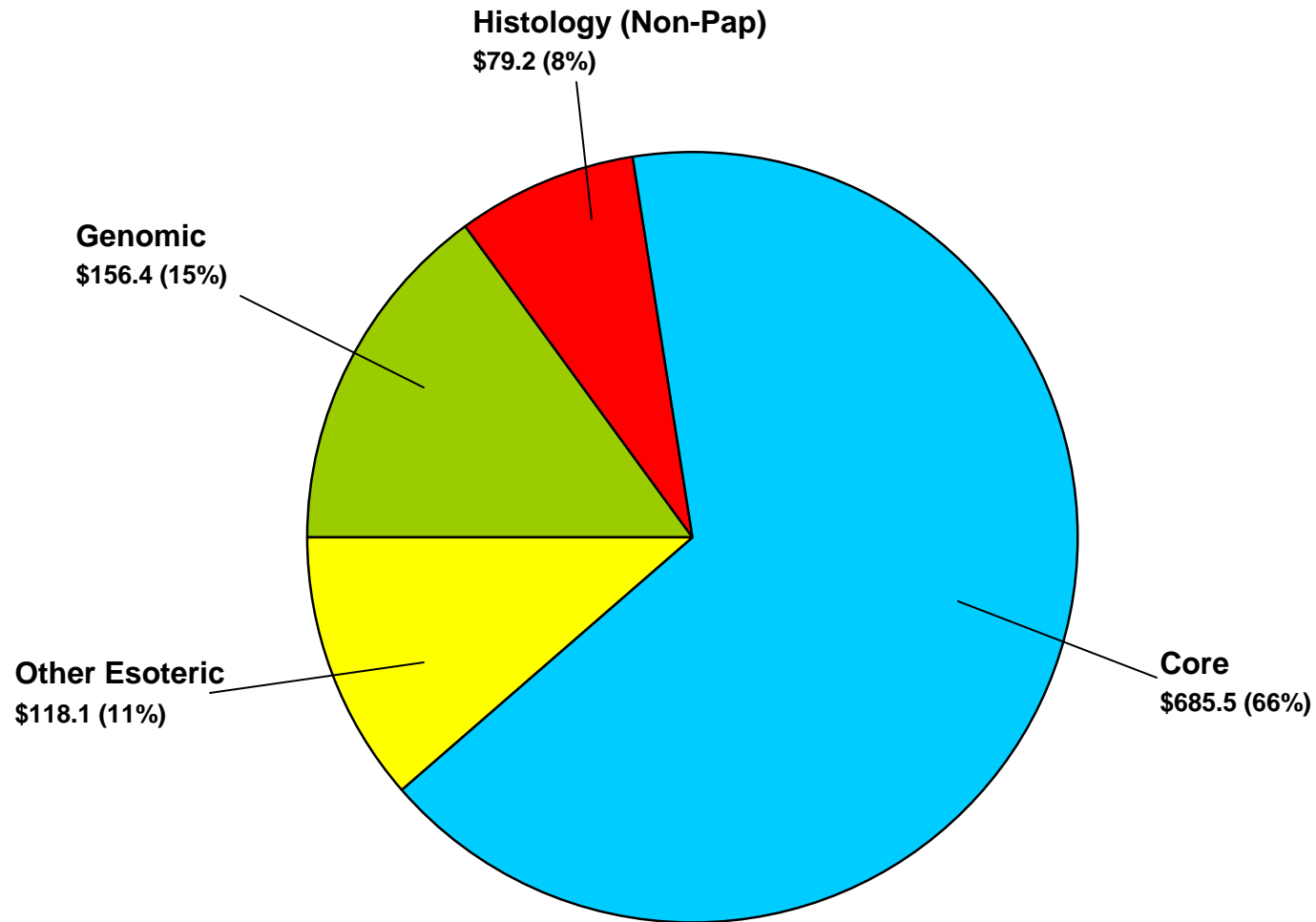
(In millions)



Revenue by Business Area - US

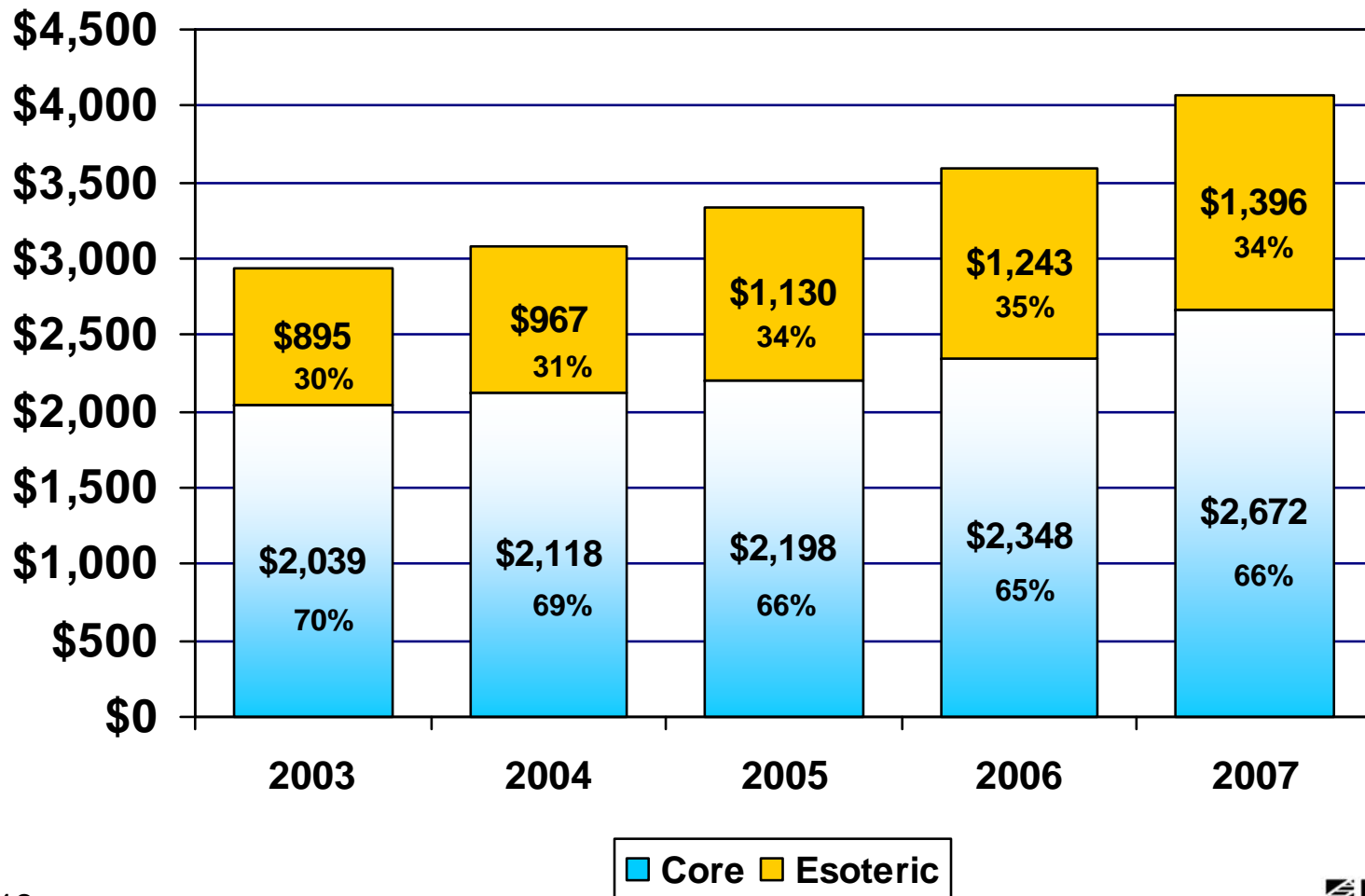
Q1 2008

(In millions)



Revenue Mix- US by Business Area

(In millions)



Revenue by Payer – Q1 2008

(in millions, except PPA)

	YTD Q1-2006				YTD Q1-2007				YTD Q1-2008			
	Revenue		Accns	PPA	Revenue		Accns	PPA	Revenue		Accns	PPA
	\$'s	%			\$'s	%			\$'s	%		
Client	\$ 240.1	27%	8.300	\$ 28.92	\$ 254.4	25%	8.425	\$ 30.19	\$ 285.4	27%	8.638	\$ 33.04
Patient	84.2	10%	0.574	\$ 146.66	97.0	10%	0.612	\$ 158.46	97.9	9%	0.590	\$ 165.98
Third Party (Medicare/Medicaid)	185.1	21%	4.504	\$ 41.09	184.8	19%	4.566	\$ 40.47	198.8	19%	4.728	\$ 42.05
Managed Care:												
- Capitated	35.4	4%	3.377	\$ 10.49	44.0	4%	3.827	\$ 11.50	42.4	4%	3.691	\$ 11.49
- Fee for service	333.8	38%	6.918	\$ 48.25	418.5	42%	9.138	\$ 45.80	414.6	40%	9.339	\$ 44.39
Total Managed Care	369.2	42%	10.295	\$ 35.86	462.5	46%	12.965	\$ 35.67	457.0	44%	13.030	\$ 35.07
LabCorp Total - US	\$ 878.5	100%	23.673	\$ 37.11	\$ 998.7	100%	26.568	\$ 37.59	\$ 1,039.1	100%	26.986	\$ 38.51
LabCorp Total - Canada	\$ -	-	-	-	\$ -	-	-	-	\$ 64.1	-	1.835	\$ 34.90
LabCorp Total	\$ 878.5		23.673	\$ 37.11	\$ 998.7		26.568	\$ 37.59	\$ 1,103.2		28.821	\$ 38.28

Revenue Mix by Business Area – Q1 2008

(in millions, except PPA)

	YTD Q1-2006				YTD Q1-2007				YTD Q1-2008			
	Revenue		Accns	PPA	Revenue		Accns	PPA	Revenue		Accns	PPA
	\$'s	%			\$'s	%			\$'s	%		
All Genomic	\$ 134.4	15%	1.741	\$ 77.18	\$ 150.8	15%	2.091	\$ 72.15	\$ 156.4	15%	2.144	\$ 72.94
Other Esoteric	93.7	11%	2.254	41.57	109.3	11%	2.639	41.44	118.1	11%	2.881	40.98
Histology	72.2	8%	0.580	124.56	79.9	8%	0.668	119.63	79.2	8%	0.629	125.99
All Genomic / Esoteric	300.2	34%	4.575	65.63	340.1	34%	5.398	63.02	353.7	34%	5.654	62.55
Core	578.3	66%	19.098	30.28	658.5	66%	21.170	31.11	685.5	66%	21.332	32.13
LabCorp Total - US	\$ 878.5	100%	23.673	\$ 37.11	\$ 998.7	100%	26.568	\$ 37.59	\$ 1,039.1	100%	26.986	\$ 38.51
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Financial Guidance - 2008

Excluding the impact of any share repurchase activity after March 31, 2008, guidance for 2008 remains:

• Revenue growth	13.0% to 14.3%
• EBITDA margins of approximately	25.6% to 26.0%
• Diluted earnings per share of between	\$4.74 and \$4.90
• Operating cash flow of approximately (Excluding any transition payments to UnitedHealthcare)	\$775 million to \$800 million
• Capital expenditures of approximately	\$120 million to \$140 million
• Net interest of approximately	\$66 million

Reconciliation of Non-GAAP Financial Measures

(In millions)

1) EBITDA represents earnings before interest, income taxes, depreciation and amortization, and includes the Company's proportional share of the underlying EBITDA of the income from joint venture partnerships. The Company uses EBITDA extensively as an internal management performance measure and believes it is a useful, and commonly used measure of financial performance in addition to earnings before taxes and other profitability measurements under generally accepted accounting principles ("GAAP"). EBITDA is not a measure of financial performance under GAAP. It should not be considered as an alternative to earnings before income taxes (or any other performance measure under GAAP) as a measure of performance or to cash flows from operating, investing or financing activities as an indicator of cash flows or as a measure of liquidity. The following table reconciles earnings before income taxes, representing the most comparable measure under GAAP, to EBITDA for the three-month period ended March 31, 2008 and 2007:

	Three Months	
	Ended March 31,	
	2008	2007
Earnings before income taxes	\$ 221.9	\$ 208.9
Add (subtract):		
Interest expense	19.9	12.6
Investment income	(0.5)	(2.1)
Other (income) expense, net	0.6	0.4
Depreciation	29.2	26.3
Amortization	13.8	13.3
Joint venture partnerships' depreciation and amortization	0.6	1.1
EBITDA	\$ 285.5	\$ 260.5

Supplemental Financial Information

Laboratory Corporation of America

Other Financial Information

March 31, 2008

(\$ in million's)

	<u>Q1 08</u>
Depreciation	\$ 29.2
Amortization	\$ 13.8
Capital expenditures	\$ 37.9
Cash flows from operations	\$ 176.5
Bad debt as a percentage of sales	5.03%
Effective interest rate on debt:	
Zero coupon-subordinated notes	2.00%
5 1/2% Senior Notes	5.38%
5 5/8% Senior Notes	5.75%
Term loan	3.67%
Revolving credit facility (weighted average)	3.53%
Days sales outstanding	58
UnitedHealthcare transition payments - Billed	\$ 9.6
UnitedHealthcare transition payments - Paid	\$ 13.0



 **LabCorp**
Laboratory Corporation of America