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J.P. MORGAN HEALTHCARE CONFERENCE

JANUARY 9, 2018 | **SAN FRANCISCO, CA**

FORWARD LOOKING STATEMENT

Cautionary Statement Regarding Forward Looking Statements

This presentation contains forward-looking statements, including statements about the Company's performance against strategic objectives and the impact of various factors on operating and financial results. Each of these forward-looking statements is subject to change based on various risks and uncertainties, including without limitation, competitive actions and other unforeseen changes and uncertainties in the marketplace, changes in government regulations, including healthcare reform, changes in payer regulations or policies, other adverse actions of governmental and third-party payers, failure to maintain or develop customer relationships, changes in testing guidelines or recommendations, adverse results in material litigation matters, the impact of changes in tax laws and regulations, and failures in information technology systems or data security.

AGENDA



Company Overview

2018 Priorities

Long-term Strategic Initiatives

Financial Strength

WHO WE ARE

LabCorp is
a leading global
life sciences company

that is deeply integrated
in guiding patient care

Our Mission
is to
improve health
and improve lives

Our Strategic Objectives are to:
Deliver World-Class Diagnostics
Bring Innovative Medicines to Patients Faster
Use Technology to Improve the Delivery of Care

A Leading Global Life Sciences Company

- Provides diagnostic, drug development and technology-enabled products and solutions for ~120 million patient encounters per year
- Operates in two segments – Diagnostics and Drug Development
- >57,000 mission-driven employees worldwide
- Proprietary data sets with >30 billion lab test results and >175,000 unique investigators
- Leading scientific and therapeutic expertise, including >1,800 employed MDs and PhDs

Consolidated Financial Summary ⁽¹⁾			
	Year Ended		Implied Growth
	2017E ⁽²⁾	2016	
Revenue	\$10,216	\$9,437	8.3%
Adj. EPS	\$9.50	\$8.83	7.6%
Free Cash Flow	\$990	\$897	10.4%

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

2. Based on the midpoint of guidance issued on October 25, 2017.

LABCORP DIAGNOSTICS SEGMENT OVERVIEW

Leading National Clinical Laboratory

- ~\$7.2B revenue in 2017⁽¹⁾
- Offers broad range of clinical, anatomic pathology, genetic and genomic tests
- Processes >2.5 million patient specimens per week
- Vast patient database – roughly 50% of U.S. population
- Significant patient access points, with ~1,900 patient service centers, >5,000 in-office phlebotomists, and growing retail presence
- Direct provider connectivity, including >65,000 EMR interfaces to deliver results
- Serves hundreds of thousands of customers, including physicians, managed care organizations, hospitals and health systems, patients and consumers



ONE

ONE COMPANY FOR ALL YOUR TESTING NEEDS

Bode Cellmark FORENSICS <small>LabCorp Specialty Testing Group</small>	Colorado COAGULATION <small>LabCorp Specialty Testing Group</small>	Dianon PATHOLOGY <small>LabCorp Specialty Testing Group</small>	Endocrine SCIENCES <small>LabCorp Specialty Testing Group</small>	Integrated GENETICS <small>LabCorp Specialty Testing Group</small>	Integrated ONCOLOGY <small>LabCorp Specialty Testing Group</small>
LabCorp DNA IDENTITY <small>LabCorp Specialty Testing Group</small>	Litholink <small>LabCorp Specialty Testing Group</small>	MedTox LABORATORIES <small>LabCorp Specialty Testing Group</small>	Monogram BIOSCIENCES <small>LabCorp Specialty Testing Group</small>	National GENETICS INSTITUTE <small>LabCorp Specialty Testing Group</small>	ViroMed LABORATORIES <small>LabCorp Specialty Testing Group</small>

LabCorp Diagnostics Pickup Locations



COVANCE DRUG DEVELOPMENT OVERVIEW

Leading CRO / Drug Development Services Provider

- ~\$3.0B revenue in 2017⁽¹⁾
- Market leader in early development, central laboratory, and Phase I-IV clinical trial management services
- Xcellerate® includes one of the world's most comprehensive investigator performance databases
- Collaborated on 86% of the 22 novel drugs approved by FDA in 2016, including all 4 approved oncology drugs, and 8 of 9 drugs treating rare and orphan diseases
- Involved in the development of all of the top 50 best-selling drugs on the market⁽²⁾
- Acquired Chiltern in 2017, a leading global CRO to expand scale in Asia-Pacific, expand FSP offering and strengthen emerging-to-mid biopharma capabilities

Over 20,000 CRO Employees Worldwide



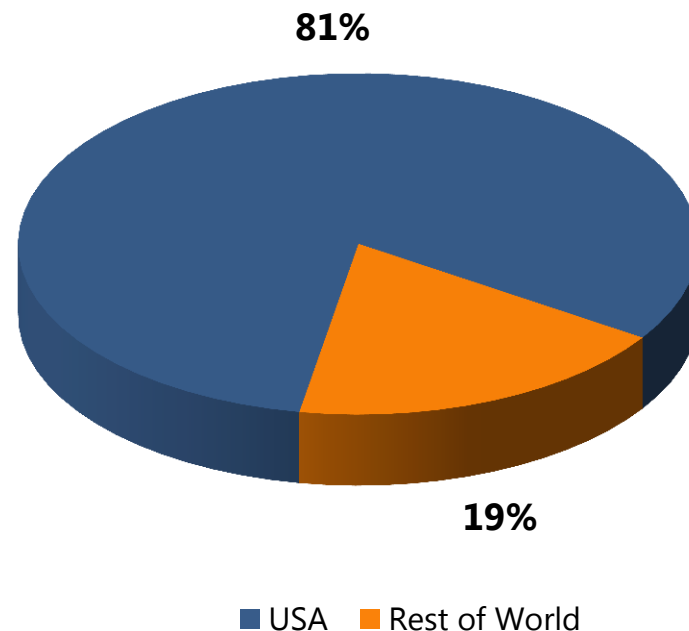
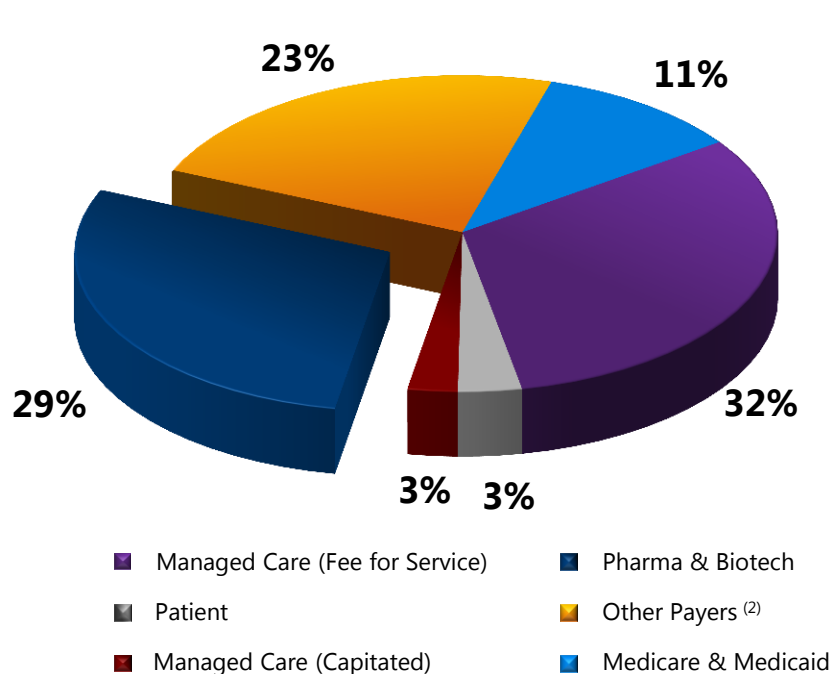
Region	Approximate Number of Unique Sites
Africa	1,500+
Asia-Pacific	24,000+
Central/Eastern Europe	12,000+
Latin America	9,500+
Middle East	350+
North America	28,000+
Western Europe	21,000+

1. Based on the midpoint of guidance issued on October 25, 2017, which includes results from Chiltern as of September 1, 2017.

2. Ranking based on 2016 net sales.

EXPANDED REVENUE BASE

Attractive Customer Mix and Geographic Presence⁽¹⁾



1. Based on nine months ended September 30, 2017, which includes 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.

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OUR 2018 PRIORITIES

**Drive Profitable
Growth**

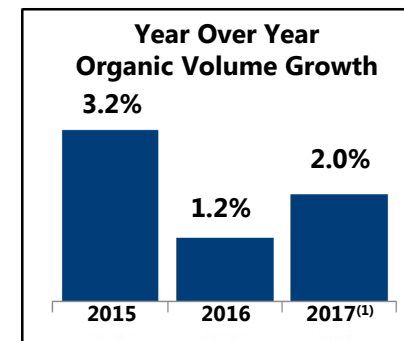
**Integrate Key
Acquisitions**

**Optimize
Enterprise
Margins**

DRIVING PROFITABLE GROWTH

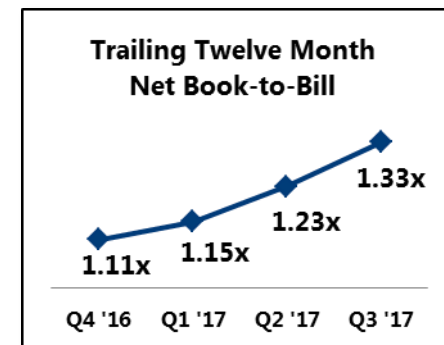
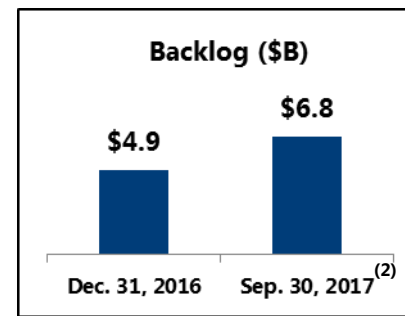
Diagnostics: Capitalize on Growth Opportunities

- Health systems, large physician groups and managed care partnerships
- Expand 23andMe collaboration
- Mitigate pricing impact of PAMA
- Women's health, genetics and medical drug monitoring portfolio and capabilities
- Pursue accretive acquisitions
- Continue focus on quality, service and innovation



Drug Development: Build on Existing Momentum to Exceed Historical Growth Rates

- Convert backlog into profitable revenue growth
- Maintain broad-based strength in net orders
- Capitalize on strategic investments in leadership, sales force and technology

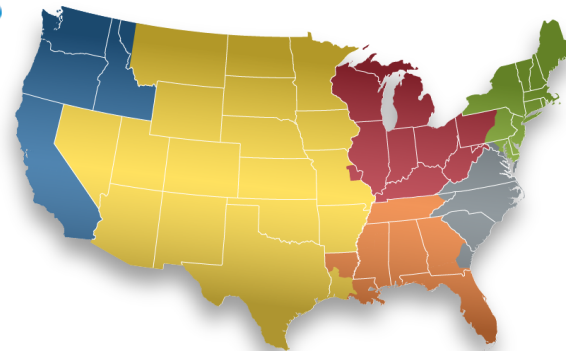


1. Based on nine months ended September 30.
2. Includes \$1.0 billion from acquisition of Chiltern.

INTEGRATING KEY ACQUISITIONS

Maximize Value Through Flawless Integration

- Generates approximately \$500 million in profitable revenue growth in 2018
- Successful “Best of the Best” approach to selecting and retaining talent
- Dedicated and experienced integration teams, focused on customer retention and synergies



Mount Sinai
Clinical Outreach
Lab Assets

OPTIMIZING ENTERPRISE MARGINS

Continue Value Creation Through the LaunchPad Business Process Improvement Initiative

Covance LaunchPad

- Applying LaunchPad principles to Drug Development
- Rightsizing implemented in mid-2017; \$25 million in incremental savings in 2018
- Multi-year initiative, details to be provided on Q4 earnings call
- Aided by Chiltern capabilities and expertise

Diagnostics LaunchPad

- Ongoing benefit from reengineering projects
- Additional opportunities, including streamlining delivery of services

Opportunities for Productivity Gains

Automation



Global Service Delivery Model



Procurement



New Tools and Technology



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HEALTHCARE IS UNDERGOING A PERIOD OF UNPRECEDENTED CHANGE

Transition to Value-Based Care

- Improving efficiency in care delivery
- Reducing the overall cost of patient care
- Utilizing advanced tools and analytics to deliver better outcomes via personalized medicine and population health

Enhance Drug Development Process

- Dealing with increased trial complexity, and competition for patients and investigators
- Greater need for scalable tools and processes to initiate and manage trials
- Increased sponsor demand for data-driven study design and execution, as well as access to relevant analytes, biomarkers and tests

Role of the Consumer

- Increased interest in and influence over healthcare decision-making
- Technology advances driving expectation of convenience
- Consumer satisfaction increasingly important to other healthcare stakeholders

EXPANDING LABCORP'S ROLE IN THE HEALTHCARE SYSTEM OF THE FUTURE

Value-Based Care Solutions



Leading Laboratory Services

- National access
- Comprehensive test menu
- Extensive sales and service organization
- Scientific innovation
- Cost advantages through economies of scale



Payer and Provider Collaboration

- Help stakeholders achieve total cost of care metrics in value-based care contracts
- Actionable lab results
- Global patient results data
- MACRA, HEDIS, and ACO quality metrics
- Care Intelligence® population health



Clinical Decision Support

- Programs for key disease states
- Lab reports incorporate care guidelines
- Developed by physicians
- Data monitoring drives optimal care management



Drug Development Solutions

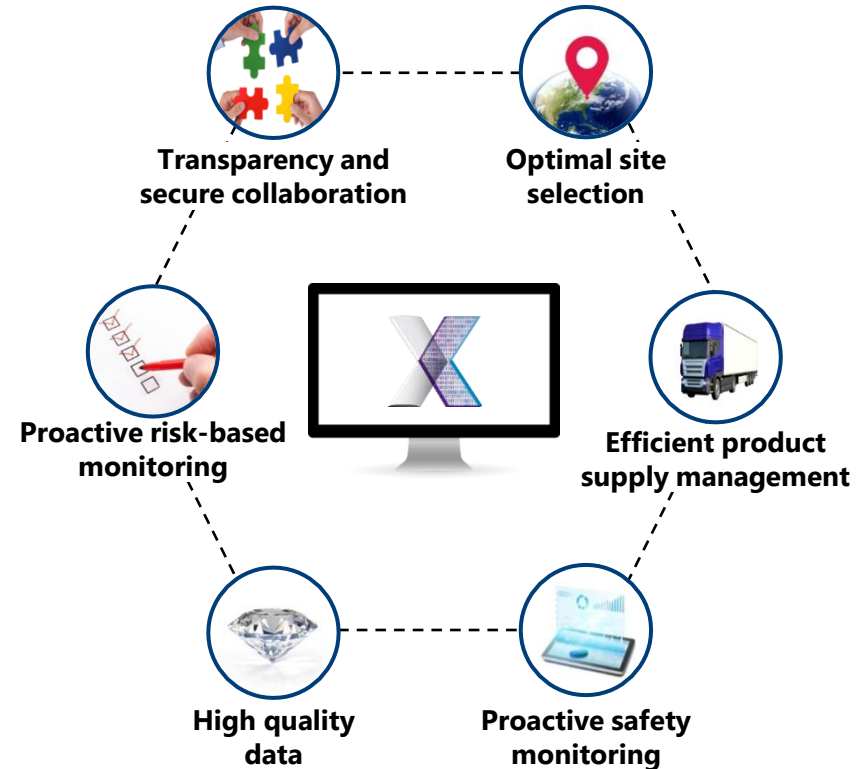
- Companion diagnostics leadership
- Potential provider revenue stream from increased participation in clinical trials
- Cost savings to patients and payers
- "Real World" data



EXPANDING LABCORP'S ROLE IN THE HEALTHCARE SYSTEM OF THE FUTURE

Streamlining Clinical Studies

- **Xcellerate® suite of informatics**
- **Companion diagnostics leadership**
- **Differentiated and growing patient and investigator database**
- **Insight through patient engagement**
- **Dedicated biotech offering through combination of Covance and Chiltern**
- **Extended Lab Management Services**
- **Early Phase Development Solutions**



EXPANDING LABCORP'S ROLE IN THE HEALTHCARE SYSTEM OF THE FUTURE

Increasing Our Leadership in Companion and Complementary Diagnostics (CDx)

- Dedicated CDx organization with capabilities across development, validation, testing, regulatory support, commercialization and market access
- Opened purpose built, state of the art CDx laboratory, with focus on genomics and molecular pathology
- Supported ~70% of CDx on the market⁽¹⁾
- Customizable offering -- *in vitro* diagnostic (IVD) partnerships and single site pathway
- Collaborated with over 35 clients on more than 150 CDx projects in 2017⁽²⁾

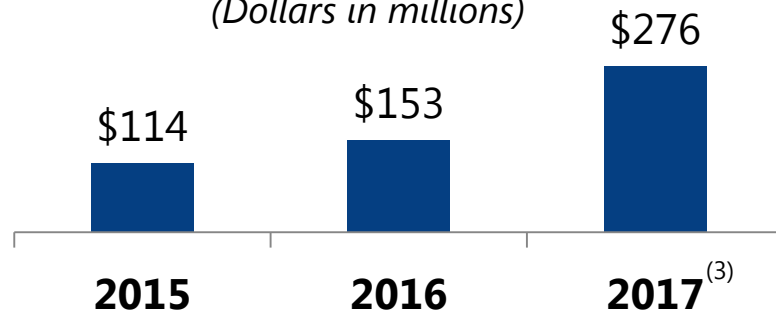
1. As of January 1, 2018.

2. Based on results through November 2017.

3. As of September 30, 2017.

CDx-Related Backlog

(Dollars in millions)



On pace to
significantly exceed \$100 million
in cumulative new CDx-related revenue from
the acquisition of Covance through 2018

EXPANDING LABCORP'S ROLE IN THE HEALTHCARE SYSTEM OF THE FUTURE

LabCorp Data is a Key Competitive Advantage for Patient Recruitment, Site Selection and Protocol Design

LabCorp Diagnostics Patient Data

- Our patient data is identifiable
- Represents the “real world”
- Billions of data points
- Lab values essential for inclusion/exclusion criteria

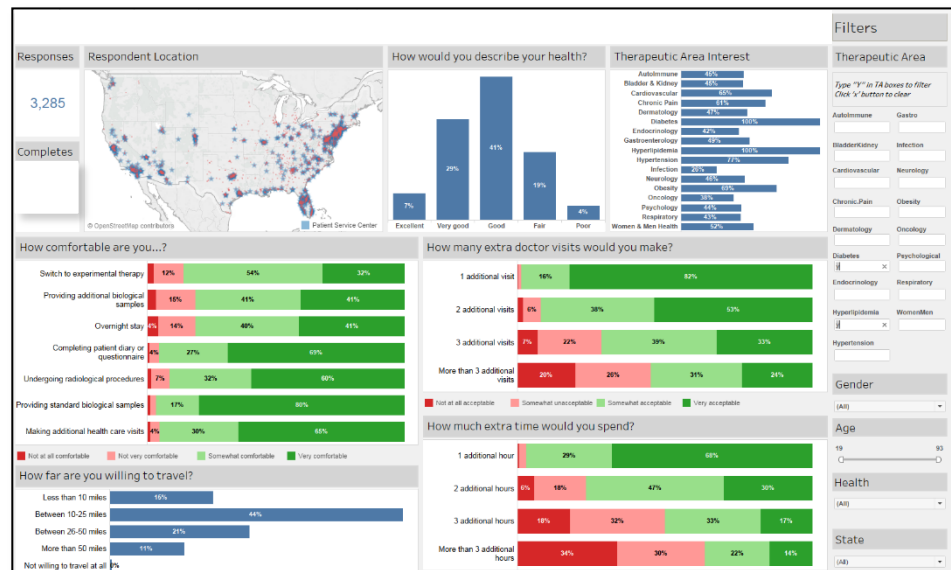
Covance Drug Development Investigator Data

- Our investigator data is global
- Filter at therapeutic and protocol level
- 175,000+ investigators across ~100,000 sites
- Insight into site location, performance and study saturation

EXPANDING LABCORP'S ROLE IN THE HEALTHCARE SYSTEM OF THE FUTURE

Incorporating Patient Intelligence into Clinical Research and Drug Development

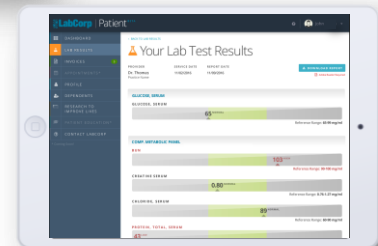
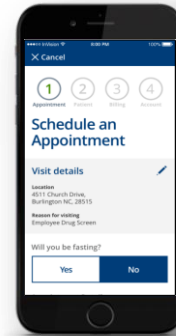
- Powered by survey responses from patients that want to be contacted about clinical trials
- Supported by LabCorp patient flow and increased emphasis on scaling opt-in database



EXPANDING LABCORP'S ROLE IN THE HEALTHCARE SYSTEM OF THE FUTURE

Developing a Broad Consumer Platform to Create Deep Relationships

- Organizing around the empowered consumer
- Creating a convenient, seamless experience
- Providing easy access to lab test results and personalized content
- Offering price transparency to highlight access to highest quality, low-cost diagnostics



EXPANDING LABCORP'S ROLE IN THE HEALTHCARE SYSTEM OF THE FUTURE

Bringing our High-Quality Offering to Consumers



- Patient Service Centers opened inside Walgreens stores
 - Strong patient volume, net promoter scores, and patient feedback
 - Start to roll out to new markets in 2018
- Launch new at-home, self-collection offering built on LabCorp's 10 years of experience with dried blood spot testing
- Invest in expanded capacity and enhanced automation to support 23andMe strategic collaboration
- Collaborate on new delivery models, such as telehealth and on-demand phlebotomy

OUR DIFFERENTIATED SOLUTIONS ARE RESONATING WITH CUSTOMERS

Value-Based Care Solutions

	Reference Laboratory Testing	Outreach Laboratory Testing	Inpatient Laboratory Management
PAML and its Joint Venture Interests			
Mount Sinai Health System			
Novant Health			

Completed
3 marquee transactions
in 2017

Streamlining Clinical Studies

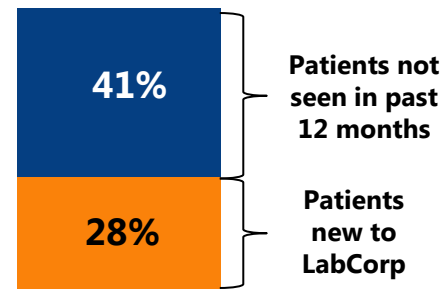
Cumulative new orders won through the combination of LabCorp patient data and Covance capabilities:

2016	2017
>\$200 million	~\$500 million

On track to deliver
\$150 million
in cumulative new revenue
from the acquisition of Covance
through 2018

Consumer Platform

Patients Seen in Denver
LabCorp at Walgreens



LabCorp PSCs in
Walgreens stores are
attracting new patients

AGENDA



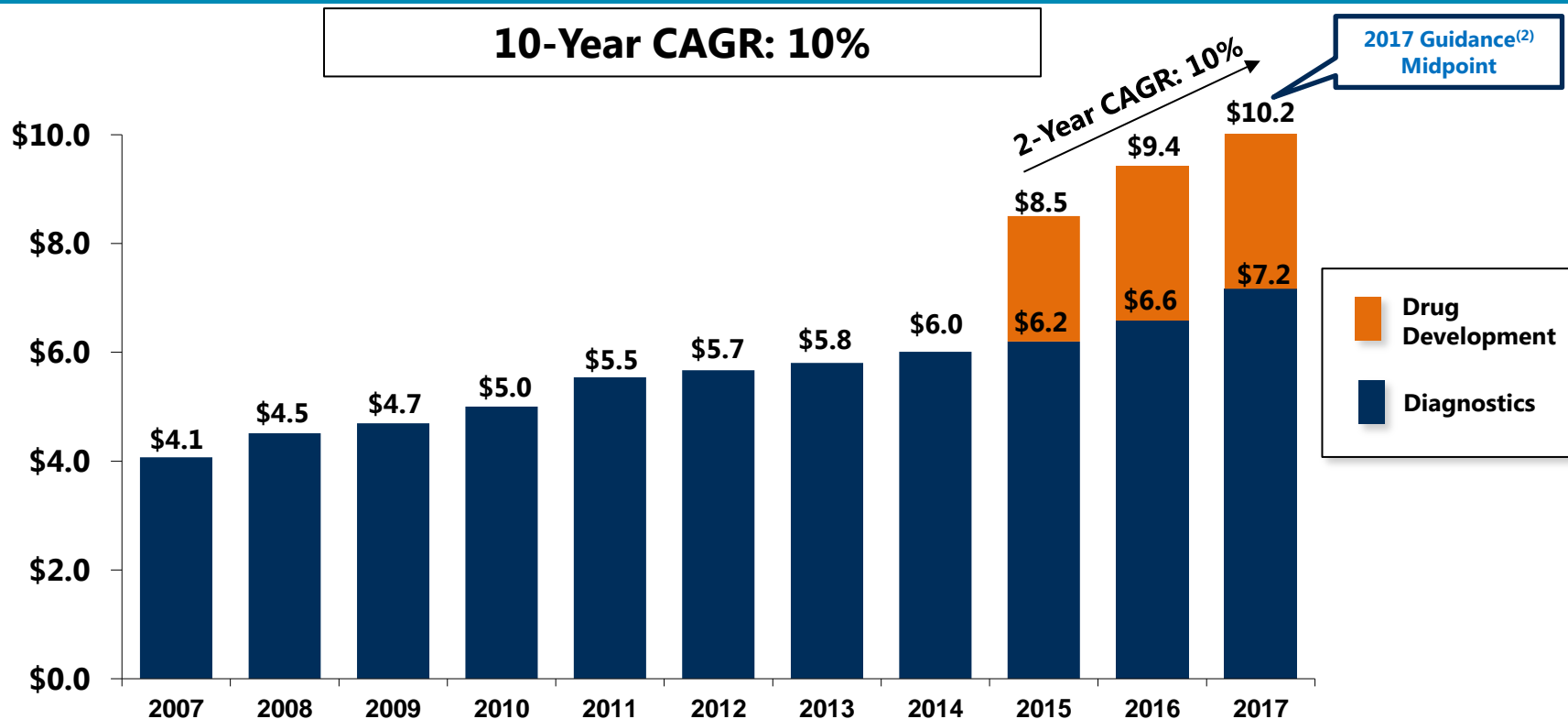
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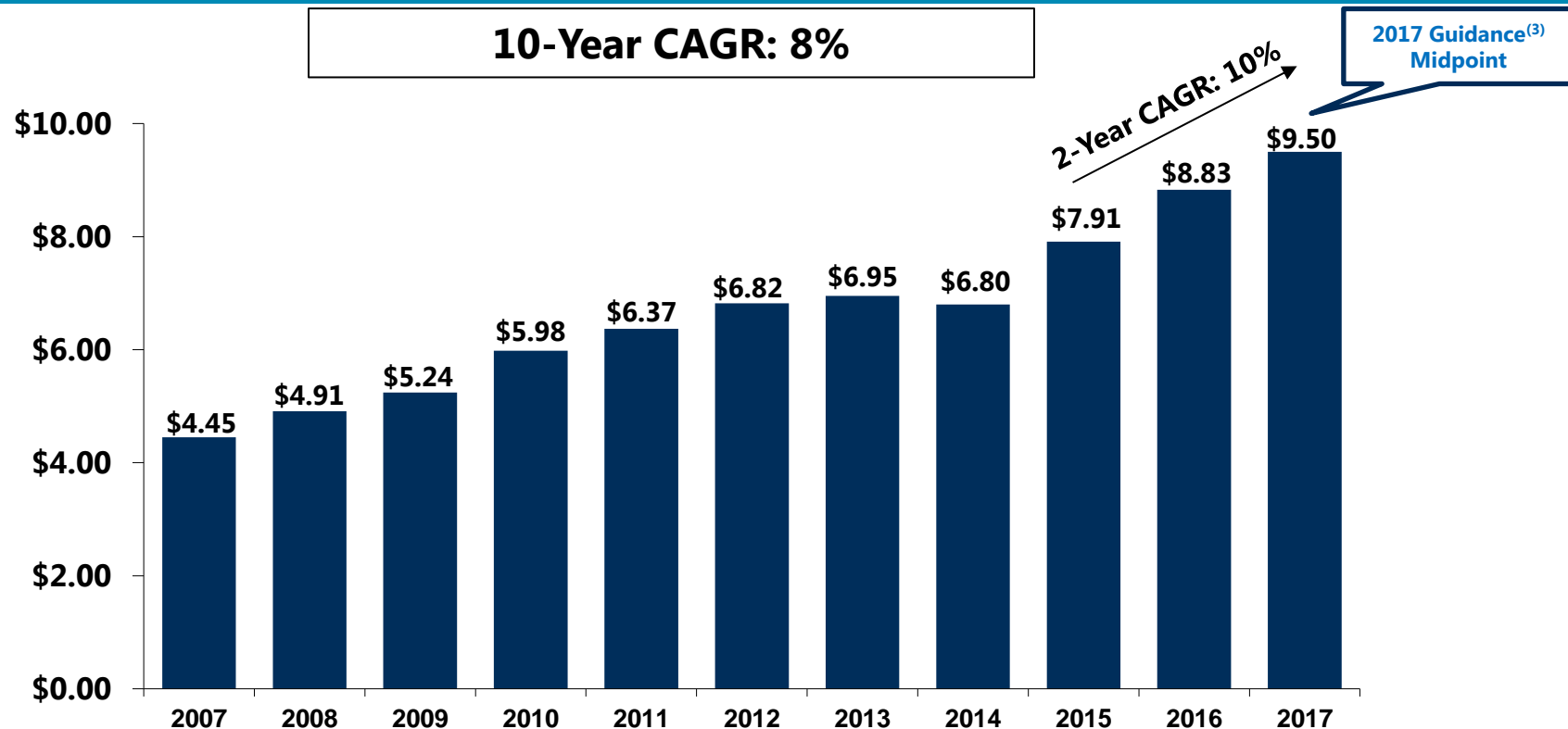
REVENUE⁽¹⁾ GROWTH (DOLLARS IN BILLIONS)



(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.

(2) Guidance issued on October 25, 2017.

ADJUSTED EPS⁽¹⁾⁽²⁾ GROWTH



(1) EPS, as presented, represents adjusted, non-GAAP financial measures (excludes amortization, restructuring and other special charges). Diluted EPS, as reported in the Company's Annual Report were: \$3.93 in 2007; \$4.16 in 2008; \$4.98 in 2009; \$5.29 in 2010; \$5.11 in 2011; \$5.99 in 2012; \$6.25 in 2013; \$5.91 in 2014; \$4.35 in 2015; and \$7.02 in 2016.

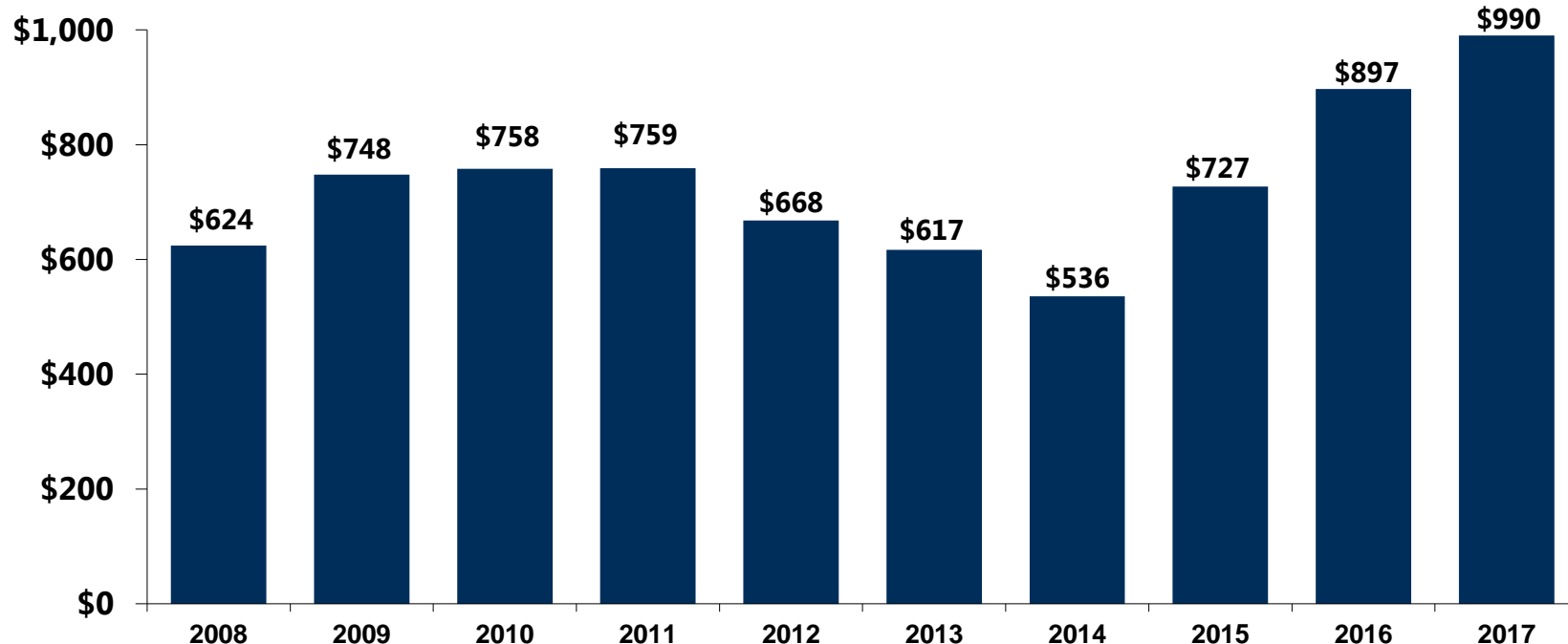
(2) 2007-2014 figures exclude Covance results, and other items discussed in the Appendix.

(3) Guidance issued on October 25, 2017.

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

10 Year Average Free Cash Flow: \$732 million

**2017 Guidance⁽²⁾
Midpoint**

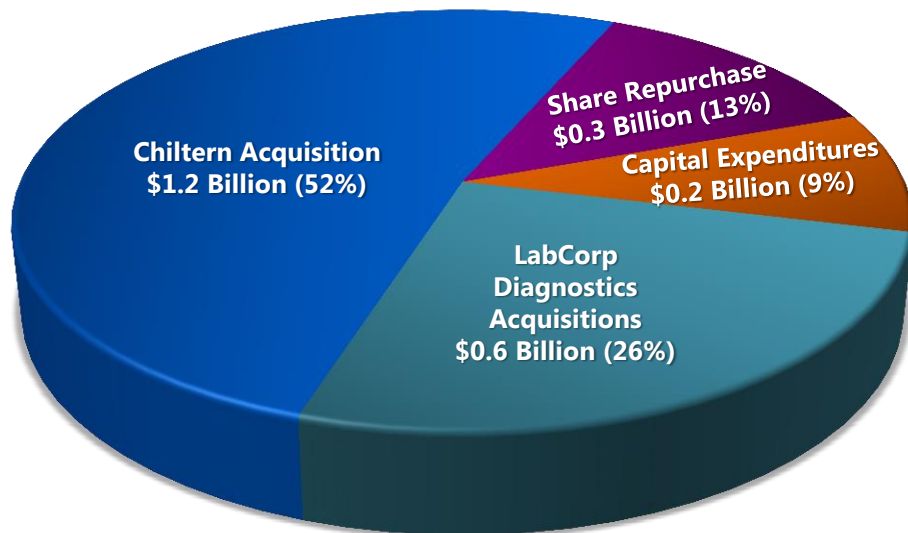


(1) Free Cash Flow represents Operating Cash Flow less Capital Expenditures in each of the years presented. 2008-2014 figures exclude Covance results, and other items discussed in the Appendix.

(2) Guidance issued on October 25, 2017.

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

Approximately \$2.3 Billion in Capital Deployment in 2017⁽¹⁾



2018 Free Cash Flow

M&A Priorities

- Diagnostics “tuck-in” transactions

Return of Capital to Shareholders

- Continue share repurchases

Debt Reduction

- Pay down debt to reduce leverage

1. Based on nine months ended September 30, 2017.

KEY TAKEAWAYS

Global leader in life sciences with leading diagnostics and drug development businesses strategically positioned to improve health and lives

Relentless focus on execution in 2018

Driving long-term growth through innovation in value-based care, the drug development process, and our consumer platform



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Appendix

FOOTNOTES TO “ADJUSTED EPS GROWTH” SLIDE

1) EPS, as presented, represents adjusted, non-GAAP financial measures (excludes amortization, restructuring and other special charges). Diluted EPS, as reported in the Company's Annual Report were: \$3.24 in 2006; \$3.93 in 2007; \$4.16 in 2008; \$4.98 in 2009; \$5.29 in 2010; \$5.11 in 2011; \$5.99 in 2012; \$6.25 in 2013; \$5.91 in 2014; \$4.34 in 2015; and \$7.02 in 2016.

2) 2006-2014 figures exclude Covance results. Excluding the \$0.06 per diluted share impact of restructuring and other special charges and the \$0.23 per diluted share impact from amortization in 2006; excluding the \$0.25 per diluted share impact of restructuring and other special charges and the \$0.27 per diluted share impact from amortization in 2007; excluding the \$0.44 per diluted share impact of restructuring and other special charges and the \$0.31 per diluted share impact from amortization in 2008; excluding the (\$0.09) per diluted share impact of restructuring and other special charges and the \$0.35 per diluted share impact from amortization in 2009; excluding the \$0.26 per diluted share impact of restructuring and other special charges and the \$0.43 per diluted share impact from amortization in 2010; excluding the \$0.72 per diluted share impact of restructuring and other special charges, the \$0.03 per diluted share impact from a loss on the divestiture of assets and the \$0.51 per diluted share impact from amortization in 2011; excluding the \$0.29 per diluted share impact of restructuring and other special charges and the \$0.54 per diluted share impact from amortization in 2012; excluding the \$0.15 per diluted share impact of restructuring and other special charges and the \$0.55 per diluted share impact from amortization in 2013; excluding the \$0.34 per diluted share impact of restructuring and other special charges and the \$0.55 per diluted share impact from amortization in 2014; excluding the \$2.44 per diluted share impact of restructuring and other special charges and the \$1.13 per diluted share impact from amortization in 2015; and excluding the \$0.64 per diluted share impact of restructuring and other special charges and the \$1.17 per diluted share impact from amortization in 2016.

3) Guidance issued on October 25, 2017.

FOOTNOTES TO “STRONG FREE CASH FLOW” SLIDE⁽¹⁾

LABORATORY CORPORATION OF AMERICA HOLDINGS Reconciliation of Non-GAAP Financial Measures (in millions)

Free Cash Flow:	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Operating Cash Flow	\$ 710	\$ 781	\$ 862	\$ 884	\$ 905 ⁽²⁾	\$ 841	\$ 819	\$ 739	\$ 982	\$ 1,176
Less: Capital Expenditures	(143)	(157)	(115)	(126)	(146)	(174)	(202)	(204)	(256)	(279)
Free Cash Flow	<u>\$ 567</u>	<u>\$ 624</u>	<u>\$ 748</u>	<u>\$ 758</u>	<u>\$ 759⁽²⁾</u>	<u>\$ 668</u>	<u>\$ 617</u>	<u>\$ 536</u>	<u>\$ 727</u>	<u>\$ 897</u>

(1) 2007-2014 figures exclude Covance results.

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