



Barclays Capital
Global Healthcare Conference

March 10th, 2009

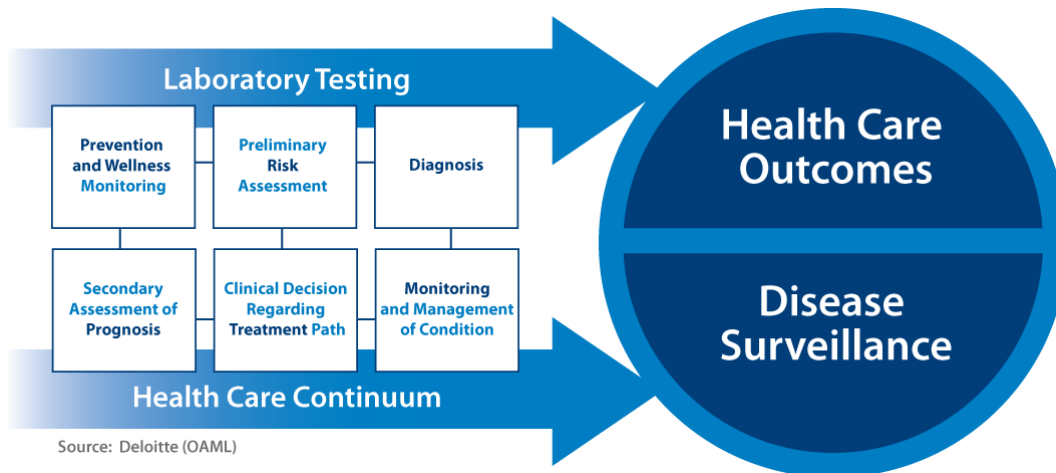
A close-up photograph of laboratory glassware, including a beaker and a graduated cylinder, set against a blue background. The glassware is slightly out of focus, with the foreground beaker being sharper.

Forward Looking Statements

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, 2008, and subsequent SEC filings.

Introduction



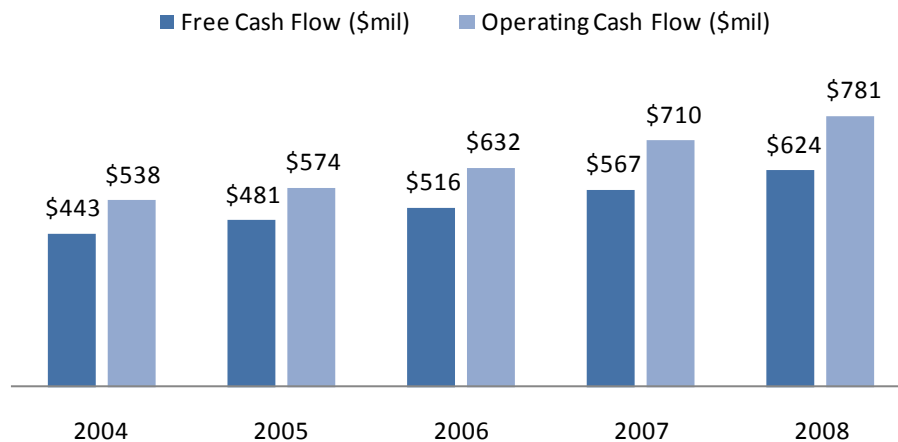
Source: Deloitte (OAML)

Our Business

- **Fastest growing national lab**
- **\$52 Billion market**
- **Clinical, Anatomic and Genomic Testing**
- **Serve clients in all 50 states and Canada**
- **Leading clinical trials testing business**

Introduction

LabCorp Cash Flow: 2004-2007

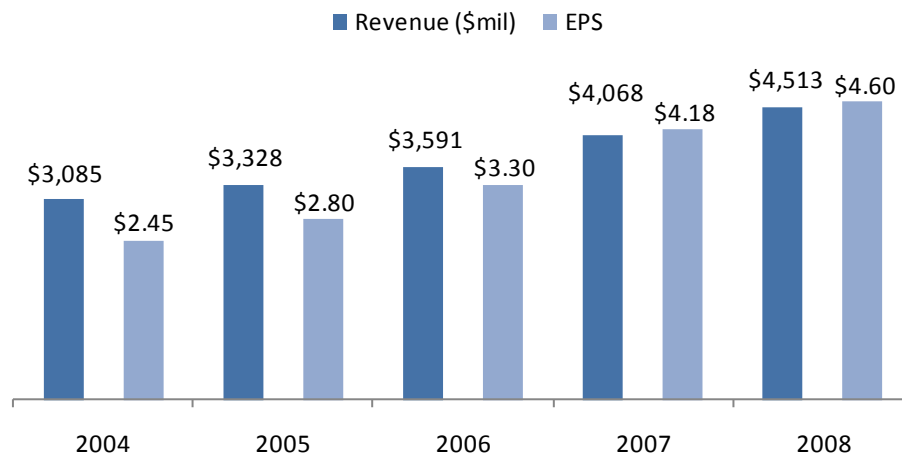


Track Record

- **10% OCF CAGR**
- **\$2.5 B+ share repurchase**

Introduction

Revenue and EPS Growth: 2004-2008 ⁽¹⁾



Track Record

- **10% Revenue CAGR**
- **17% EPS CAGR**
- **Industry leading EBITDA margin of 24.8%^(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 items-

(2) Excluding Canada

2009 Priorities

2009 Priorities

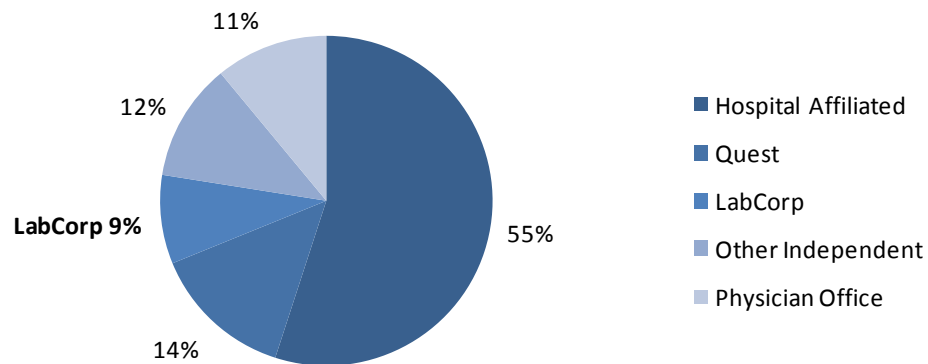
- **Gain new customers**
- **Maintain price**
- **Control costs**
- **Implement automation**
- **Advance personalized medicine leadership**

Financial Guidance:	2009⁽¹⁾
Revenue Growth	2-4%
Diluted Earnings per Share	\$4.75-\$4.95
Operating cash flow of approximately	\$800 million
Capital Expenditure of approximately	\$130 million

(1) Excluding the impact of restructuring and other special charges and share repurchase activity after December 31, 2008. Operating cash flow guidance excludes any transition payments to UnitedHealthcare and includes a \$58 million reduction due to required contributions to the Company's defined benefit retirement plan

Gain New Customers

\$52 Billion US Lab Market Revenue Share

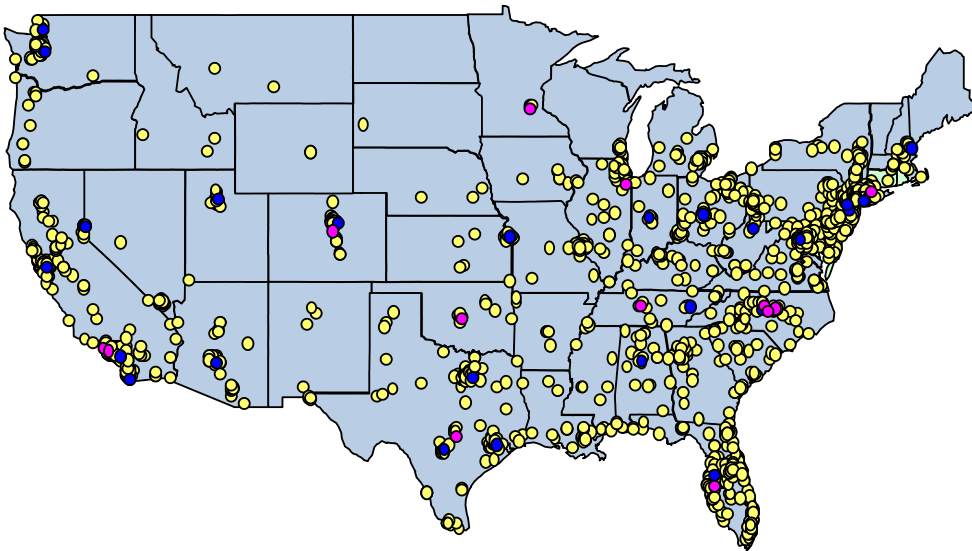


Market Opportunity

- **\$52 Billion annual spend**
- **6% annual growth**
- **5,100 Independent Labs**

Source: Washington G-2, Laboratory Industry Report, January, 2009

Gain New Customers



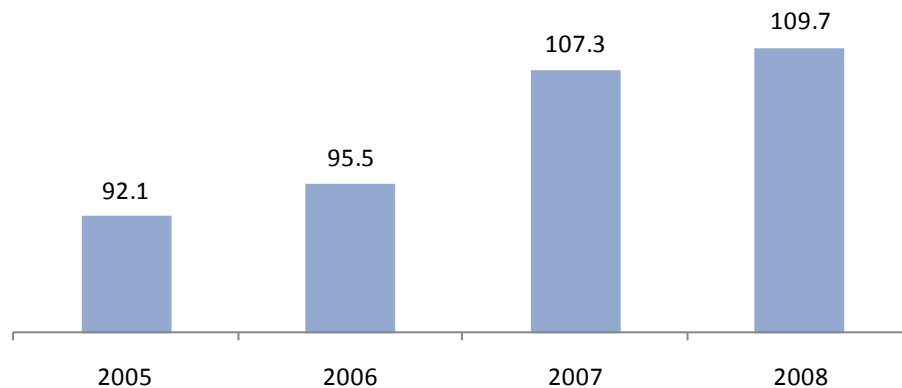
Competitive Advantage

- National infrastructure
- Broad test offering
- Managed care contracts
- Lower cost

◦ Patient Service Centers*
• Primary LabCorp Testing Locations*
• Esoteric Lab Locations
(CET, CMBP, Dianon, Esoterix, NGI, OTS, US Labs, Viromed)

Gain New Customers

LabCorp U.S. Accessions: 2005-2008
(millions)

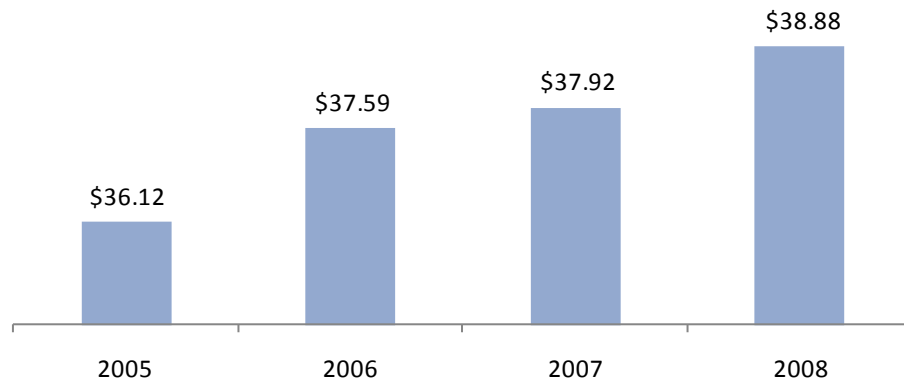


2009 Initiatives

- **Target specialty physicians**
- **Co-marketing with partners in science**
- **Promote specialty tests**

Maintain Price

LabCorp U.S. Revenue Per Accession: 2005-2008 ⁽¹⁾



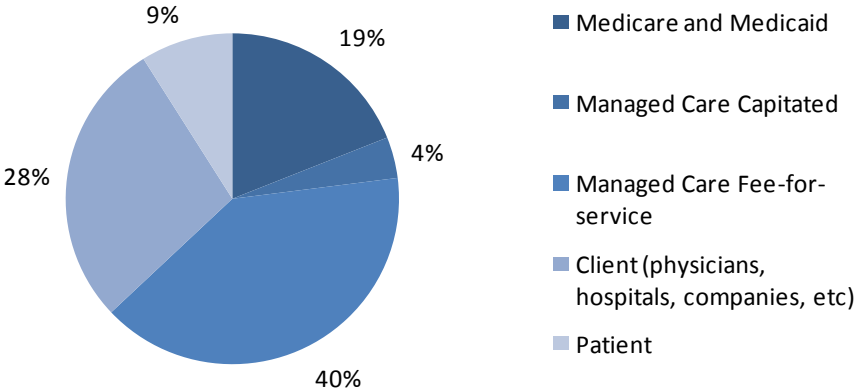
2009 Price Outlook

- 4.5% Medicare rate increase
- Managed care stability
- Focus on high-value tests

(1) Excluding a \$7.5 million special charge in 2008

Maintain Price

LabCorp U.S. Payor Mix
% of revenue

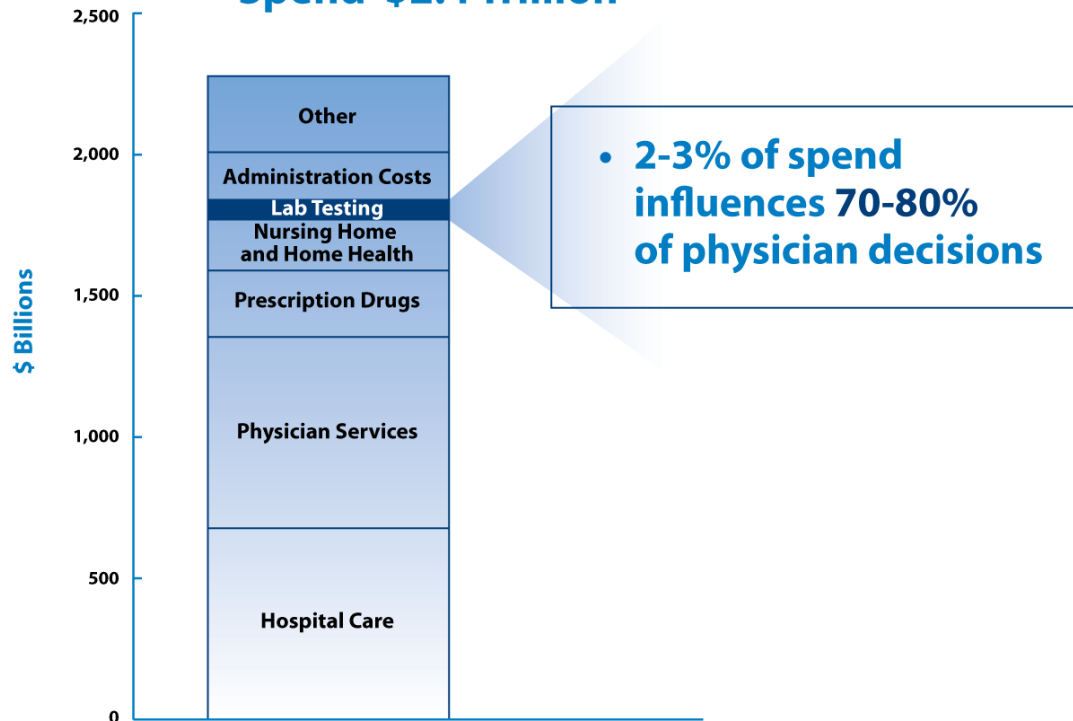


Diversified Payor Mix

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

Maintain Price

2008 Projected US Health care Spend \$2.4 Trillion



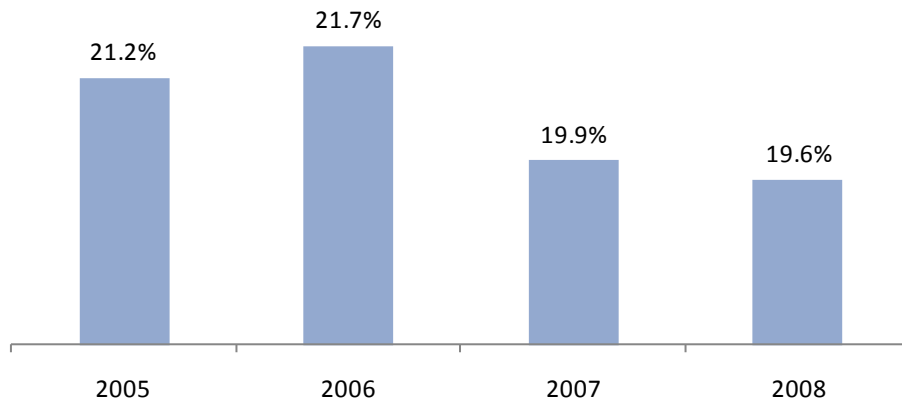
Source: Centers for Medicare & Medicaid Services, Office of the Actuary, and company estimates.

President's Budget

- No lab cuts
- Highlights need for screening
- Supports companion diagnostics
- References “unnecessary testing” – believed to be driven by growth in imaging

Control Costs

**LabCorp SG&A as % of Revenue:
2005-2008**

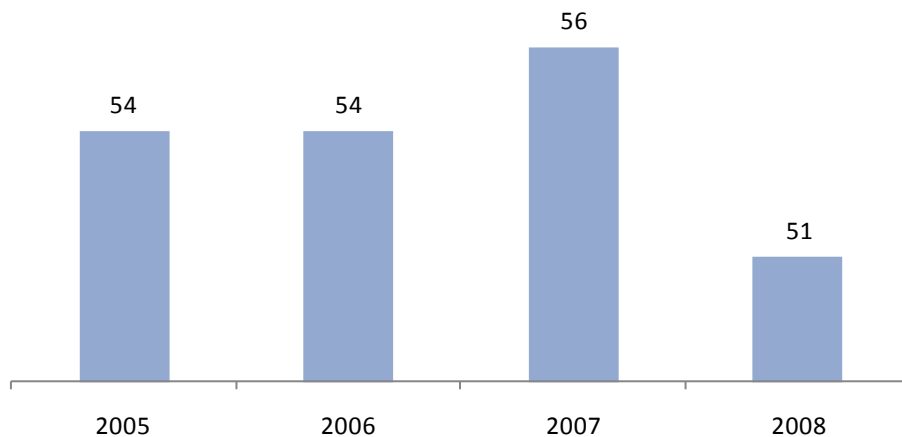


2009 Initiatives

- Renegotiate leases
- Review supply chain
- Tight lid on discretionary costs (e.g., travel, consulting)
- Balance against growth

Control Costs

LabCorp DSO: 2005-2008



Control Bad Debt

- Predominately from patient pay
- Uninsured < 8%; insured patient contribution < 9%
- Enhanced collection initiatives

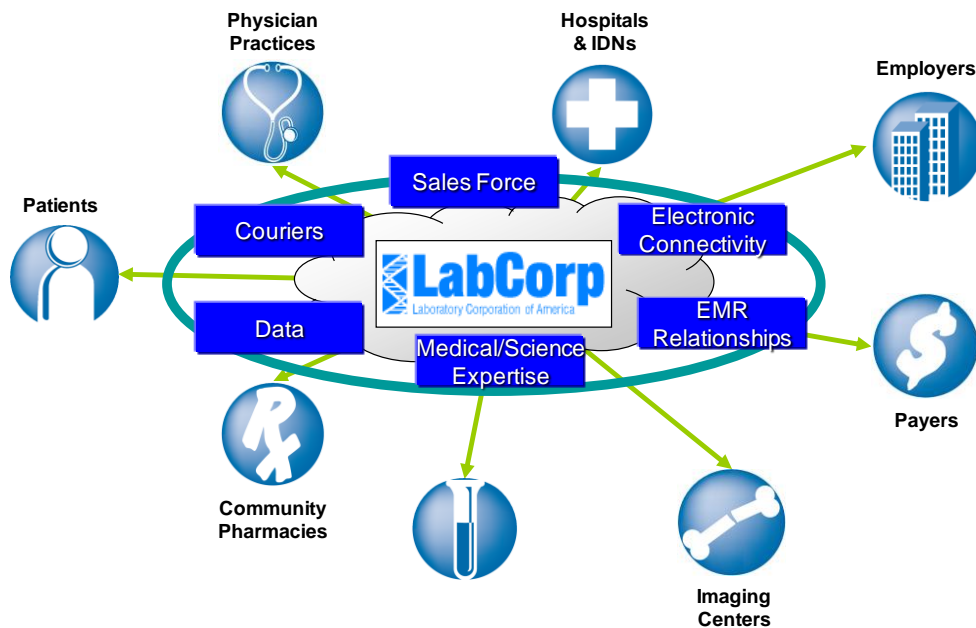
Automation and Efficiency



Key Initiatives

- Improved patient intake
- Automation of pre-analytics
- Capacity rationalization
- Logistics optimization

Personalized Medicine



Our Leadership Position

- Interactions with millions of patients, tens of thousands of physicians, and thousands of hospitals
- National infrastructure
- Uniform lab data
- History of scientific innovation
- Partnerships with pharma, biotech, leading academic institutions, PBMs, and others
- Strong Balance Sheet - \$220M of Cash, Net Debt to EBITDA of 1.3x

Personalized Medicine

LabCorp Esoteric Revenue: 2004-2008 ⁽¹⁾



Growth Strategy

- **Grow esoteric testing**
- **Expand outcome improvement programs**
- **Develop and commercialize companion diagnostics**

(1) Excluding a \$7.5 million special charge in 2008

Esoteric Testing

Selected New Tests

Roche COBAS(R) TaqMan(R) HBV Test

Whole Genome Sampling Analysis (genetic analysis for developmental delays)

ColoSure (colon cancer)

GST-Pi Gene Methylation (prostate cancer)

HCV

MGMT gene methylation (brain cancer)

Selected Partnerships

Duke University

Yale University

National Jewish Health

Growth Strategy

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

Outcome Improvement

Litholink Laboratory Reporting System™
Patient Results Report

PATIENT: **Sample, Patient** DATE OF BIRTH: **03/29/1953** PHYSICIAN: **Test, Physician**

Values larger, bolder and more towards red indicate increasing risk for kidney stone formation.

Summary Stone Risk Factors

SAMPLE ID: **S189570** PATIENT COLLECTION DATE: **06/04/2006**

ANALYTE	← DECREASED RISK	INCREASING RISK FOR STONE FORMATION →
Urine Volume (liters/day)		● 1.46
SS CaOx		● 5.87
Urine Calcium (mg/day)	● 101	
Urine Oxalate (mg/day)		● 33
Urine Citrate (mg/day)		● 358
SS CaP	● 0.56	
24 Hour Urine pH	● 6.100	
SS Uric Acid	● 0.32	
Urine Uric Acid (g/day)	● 0.277	

Interpretation Of Laboratory Results

Note that in the following automated interpretation the current sample is compared to the sample collected on 07/25/2004 because the urine creatinine excretion varied between the current sample and the sample collected on 07/26/2004 by an excessive amount.

Urine volume has risen but remains low (was 0.91 and now is 1.46 l/d). Low urine volume in a stone former should always be corrected if possible. A good clinical goal is 2.5 liters daily. Recheck in 6 weeks and adjust fluid intake as needed.

Borderline hyperoxaluria is now present (was 26 and now is 33 mg/d). This can contribute to calcium oxalate stone disease. Our records do not show the presence of bowel disease. High protein diet is not a likely cause of hyperoxaluria (PCR = 0.9 g/kg/d). Low calcium diet can increase urine oxalate and should be clinically evaluated. Low oxalate diet should be prescribed. Consider diet change and repeat in 6 to 12 weeks.

Urine citrate has risen but remains low (was 247 and now is 358 mg/d). Our records do not report that potassium citrate has been prescribed. Since urine citrate is low and SS CaP is not high consider adding potassium citrate. Recheck in 6 weeks to confirm citrate has risen and SS CaP is not high. Hypokalemia, urinary infection, bowel disease, and reduced kidney function are all possible causes of low urine citrate. High protein intake is not a likely cause of the low urine citrate (PCR = 0.9 g/kg/d, sulfate = 10 mmol/d).

Calcium oxalate stone risk (SS CaOx) has fallen moderately to borderline high (was 7.74 and now is 5.87). If stones are still active, further efforts at lowering supersaturation are warranted. In general, urine calcium, oxalate, citrate, and volume are the main factors responsible. The graphic display indicates which are most deviated from normal. Management suggestions are as noted above.

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Litholink
The Kidney Stone Prevention Resource™

Freddie L. Cho, MD
Laboratory Director
CLIA# 14D0897314

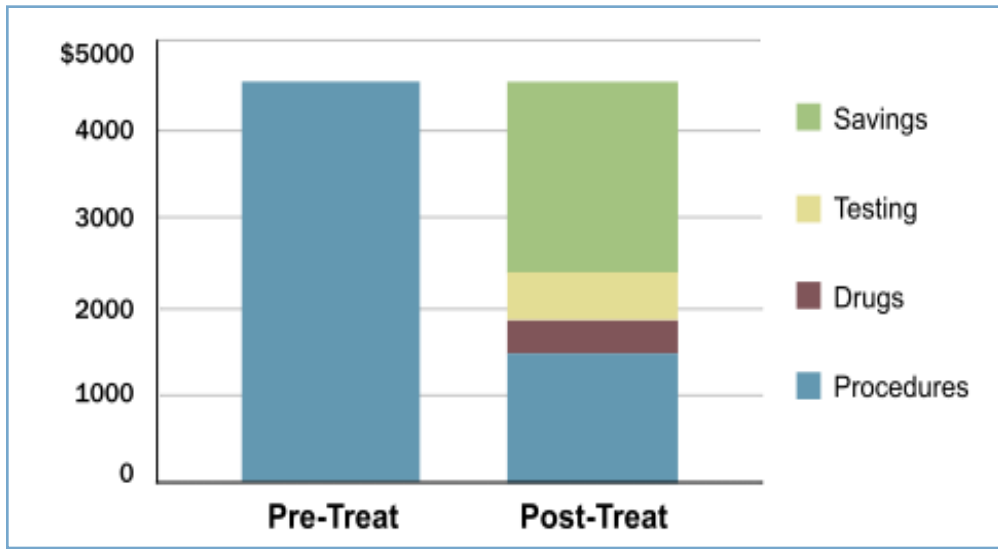
Litholink Corporation
2250 West Campbell Park Drive
Chicago, Illinois 60612

800 338 4333 Telephone
312 243 3297 Facsimile
www.litholink.com

Growth Initiatives

- Litholink kidney stone
- CKD
- Additional programs in development

Outcome Improvement



Litholink Kidney Stone Program

• **80% reduction in recurrence***

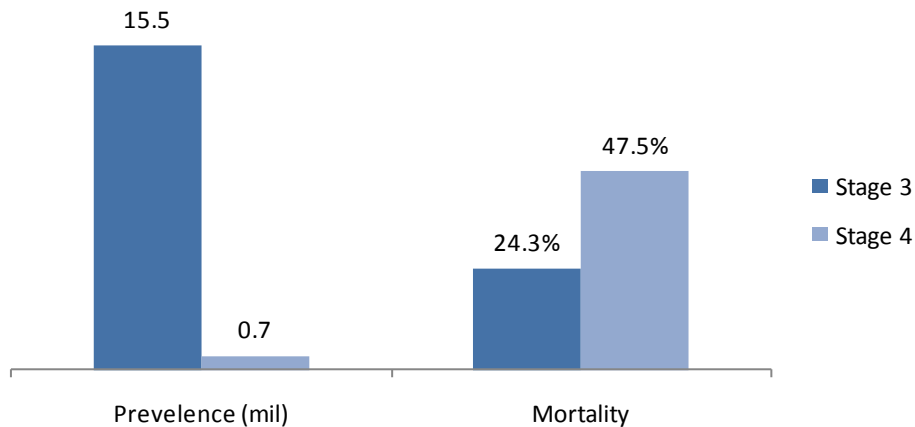
• **\$2,000+ reduction in cost per patient per year***

• **Double digit revenue growth**

* Parks JH, Coe FL, *Kidney International*, vol. 50 (1996), pp. 1706-1712.

Outcome Improvement

CKD Prevalence and Mortality in US



Litholink CKD Program

- Partnership with National Kidney Foundation
- Introduced in select markets
- Enthusiastic adoption to date

Source: Coresh et al., JAMA. 2007;298(17):2038-2047



Companion Diagnostics

“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.

Growth Strategy

- **Invest in clinical trials**
- **Relationships with biotech and pharma companies**
- **Promote new tests (e.g., K-RAS, HLA-B* 5701, CYP 450)**

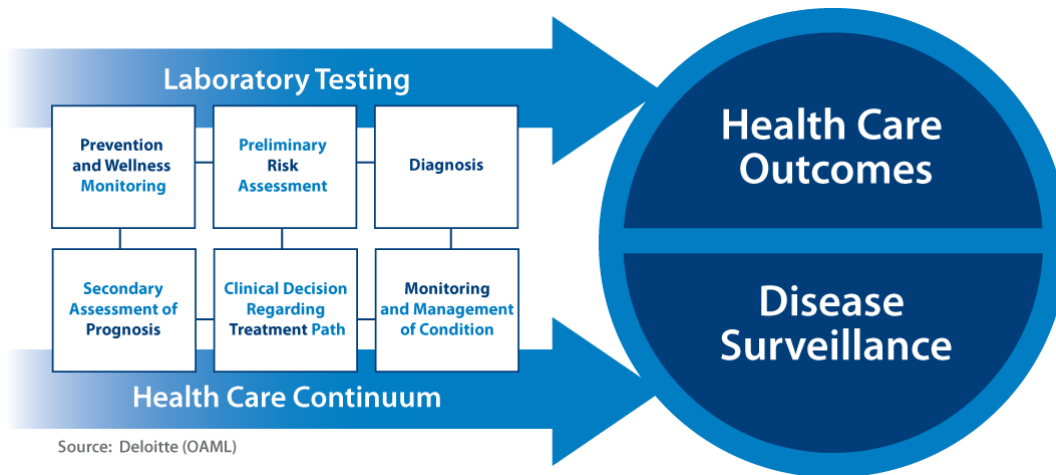
Companion Diagnostics

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 (Oncology) (exclusive)
Veridex	Prostate Cancer
Yale University	Ovarian Cancer (exclusive)

Partnerships

- **Clinical trials**
- **Biomarker discovery**
- **Test development**
- **Commercialization**

Conclusion



Source: Deloitte (OAML)

Key Points

- **Critical position in healthcare delivery system**
- **Leadership in personalized medicine**
- **Stable pricing**
- **Well positioned to gain share**
- **Continued cost control**
- **Excellent cash flow**
- **Strong balance sheet**



 **LabCorp**
Laboratory Corporation of America