

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

April 28, 2014
(Date of earliest event reported)

**LABORATORY CORPORATION OF
AMERICA HOLDINGS**

(Exact Name of Registrant as Specified in its Charter)

Delaware

1-11353

13-3757370

(State or other jurisdiction of Incorporation)

(Commission File Number)

(I.R.S. Employer Identification No.)

**358 South Main Street,
Burlington, North Carolina**

27215

336-229-1127

(Address of principal executive offices)

(Zip Code)

(Registrant's telephone number including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure

Summary information of the Company dated April 28, 2014.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LABORATORY CORPORATION OF AMERICA HOLDINGS

Registrant

By: /s/ F. SAMUEL EBERTS III
F. Samuel Eberts III
Chief Legal Officer and Secretary

April 28, 2014



 **LabCorp**
Laboratory Corporation of America

8-K Filed April 28, 2014

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, 2013, and subsequent SEC filings. The Company has no obligation to provide any updates to these forward-looking statements even if its expectations change.

First Quarter Results

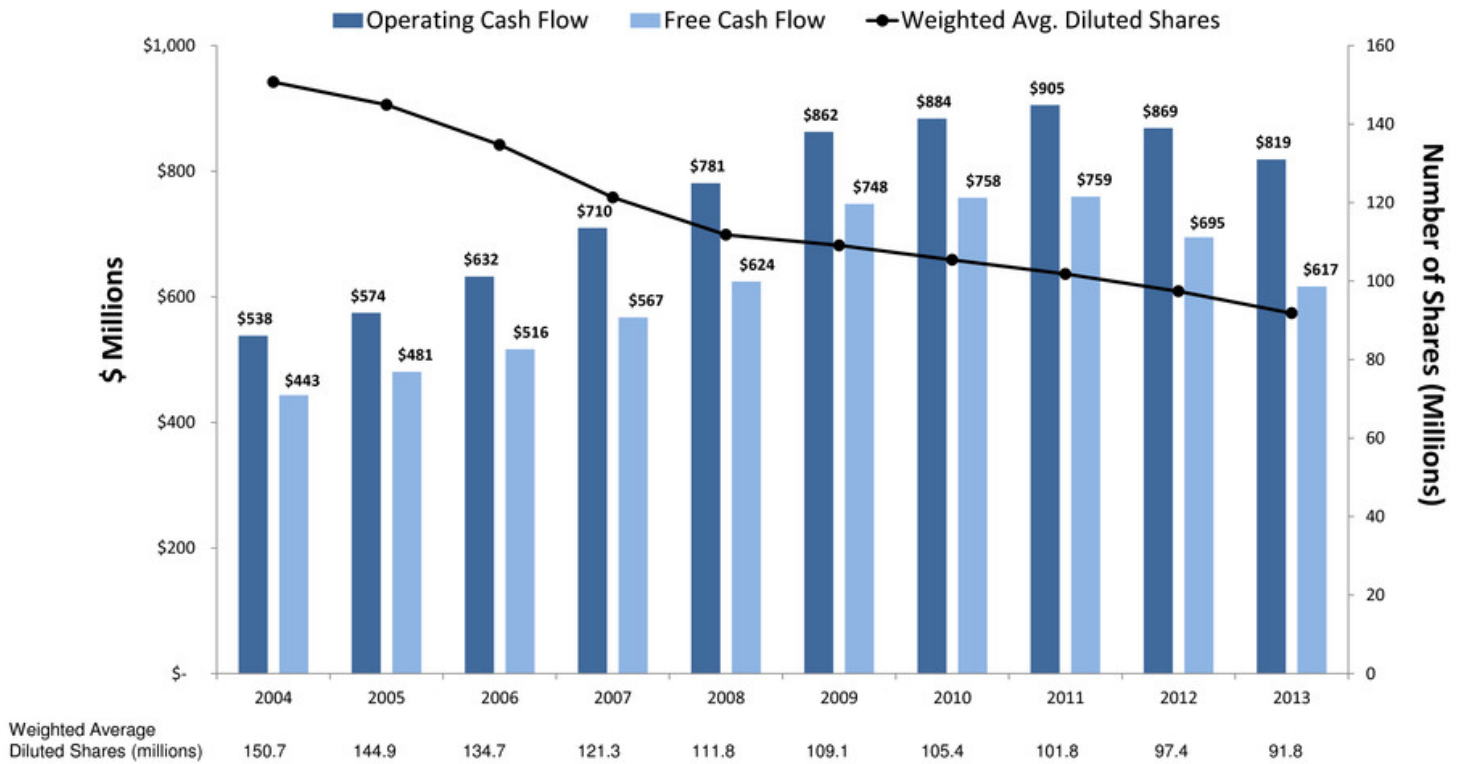
(In millions, except per share data)

	Three Months Ended Mar 31,		+ / (-)
	2014 ⁽²⁾	2013	
Revenue	\$ 1,430.7	\$ 1,440.9	-0.7%
Adjusted Operating Income ⁽¹⁾	\$ 210.9	\$ 269.5	-21.7%
Adjusted Operating Income Margin ⁽¹⁾	14.7%	18.7%	(400) bp
Adjusted EPS Excluding Amortization ⁽¹⁾	\$ 1.51	\$ 1.74	-13.2%
Operating Cash Flow	\$ 142.3	\$ 198.2	-28.2%
Less: Capital Expenditures	\$ (56.5)	\$ (41.7)	35.5%
Free Cash Flow	\$ 85.8	\$ 156.5	-45.2%

(1) See Reconciliation of non-GAAP Financial Measures on slide 7

(2) During the first quarter, inclement weather reduced the Company's margins by an estimated 180 basis points.

Cash Flow Trends



Note: 2011 Operating Cash Flow and Free Cash Flow calculation above does not include the \$49.5 million Hunter Labs settlement. During 2013, government payment reductions and molecular pathology payment issues reduced the Company's Operating Cash Flow and Free Cash Flow by more than \$100 million. Free Cash Flow is a non-GAAP metric (see reconciliation of non-GAAP Financial Measures included herein).





Financial Guidance - 2014

Excluding the impact of restructuring and other special charges and share repurchase activity after March 31, 2014, guidance for 2014 is:

• Revenue growth:	Approximately 2.0%
• Adjusted EPS Excluding Amortization:	\$6.40 - \$6.70
• Operating cash flow:	Approximately \$780 Million - \$820 Million
• Capital expenditures:	Approximately \$185 Million - \$205 Million



Supplemental Financial Information

Laboratory Corporation of America
Other Financial Information
March 31, 2014
(\$ in millions)

	<u>Q1 14</u>
Depreciation	\$ 38.3
Amortization	\$ 21.0
Capital expenditures	\$ 56.5
Cash flows from operations	\$ 142.3
Bad debt as a percentage of sales	4.6%
Effective interest rate on debt:	
Zero coupon-subordinated notes	2.00%
3 1/8% Senior Notes	3.27%
4 5/8% Senior Notes	4.74%
5 5/8% Senior Notes	5.75%
2 1/5% Senior Notes	2.24%
3 3/4% Senior Notes	3.76%
4% Senior Notes	4.16%
2 1/2% Senior Notes	2.52%
Revolving credit facility (weighted average)	1.13%
Days sales outstanding	52

Reconciliation of non-GAAP Financial Measures

Reconciliation of non-GAAP Financial Measures

(In millions, except per share data)

	Three Months Ended March 31,	
	<u>2014</u>	<u>2013</u>
<u>Adjusted Operating Income</u>		
Operating income	\$ 203.3	\$ 262.0
Restructuring and other special charges ^{(1) (2)}	<u>7.6</u>	<u>7.5</u>
Adjusted operating income	<u>\$ 210.9</u>	<u>\$ 269.5</u>
<u>Adjusted EPS Excluding Amortization</u>		
Diluted earnings per common share	\$ 1.31	\$ 1.56
Impact of restructuring and other special charges ^{(1) (2)}	0.05	0.05
Amortization expense ⁽³⁾	<u>0.15</u>	<u>0.13</u>
Adjusted EPS Excluding Amortization	<u>\$ 1.51</u>	<u>\$ 1.74</u>

Note: Please see footnotes for this reconciliation on slide 8

Reconciliation of non-GAAP Financial Measures - Footnotes

- 1) During the first quarter of 2014, the Company recorded net restructuring and other special charges of \$7.6 million. The charges included \$2.8 million in severance and other personnel costs along with \$4.9 million in costs associated with facility closures and general integration initiatives. The Company reversed previously established reserves of \$0.1 million in unused severance. The after tax impact of these charges decreased net earnings for the quarter ended March 31, 2014, by \$4.7 million and diluted earnings per share by \$0.05 (\$4.7 million divided by 86.6 million shares).
- 2) During the first quarter of 2013, the Company recorded net restructuring and other special charges of \$7.5 million. The charges included \$7.6 million in severance and other personnel costs along with \$1.8 million in costs associated with facility closures and general integration initiatives. The Company reversed previously established reserves of \$0.6 million in unused severance and \$1.3 million in unused facility-related costs. The after tax impact of these charges decreased net earnings for the quarter ended March 31, 2013, by \$4.7 million and diluted earnings per share by \$0.05 (\$4.7 million divided by 94.5 million shares).
- 3) The Company continues to grow the business through acquisitions and uses Adjusted EPS Excluding Amortization as a measure of operational performance, growth and shareholder returns. The Company believes adjusting EPS for amortization provides investors with better insight into the operating performance of the business. For the quarters ended March 31, 2014 and 2013, intangible amortization was \$21.0 million and \$19.5 million, respectively (\$12.9 million and \$12.0 million net of tax, respectively) and decreased EPS by \$0.15 (\$12.9 million divided by 86.6 million shares) and \$0.13 (\$12.0 million divided by 94.5 million shares), respectively.

Reconciliation of Free Cash Flow

Reconciliation of non-GAAP Financial Measures

(In millions, except per share data)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Cash flows from operations ¹	\$818.7	\$841.4	\$905.1	\$883.6	\$862.4	\$780.9	\$709.7	\$632.3	\$574.2	\$538.1
Capital expenditures	(202.2)	(173.8)	(145.7)	(126.1)	(114.7)	(156.7)	(142.6)	(115.9)	(93.6)	(95.0)
Free cash flow ²	<u>616.5</u>	<u>667.6</u>	<u>759.4</u>	<u>757.5</u>	<u>747.7</u>	<u>624.2</u>	<u>567.1</u>	<u>516.4</u>	<u>480.6</u>	<u>443.1</u>
Weighted average diluted shares outstanding	91.8	97.4	101.8	105.4	109.1	111.8	121.3	134.7	144.9	150.7

(1) 2011 cash flows from operations excludes the \$49.5 million Hunter Labs settlement payment

(2) Free cash flow represents cash flows from operations less capital expenditures



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