UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2025

or

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

For the transition period from _____ to _____

Commission file number 1-11353

LABCORP HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Delaware	**99-2588107**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
358 South Main Street **Burlington , North Carolina**	**27215**
(Address of principal executive offices)	(Zip Code)

(Registrant's telephone number, including area code) **336-229-1127**

Securities registered pursuant to Section 12(b) of the Act.

Title of each class	**Trading Symbol**	**Name of exchange on which registered**
Common Stock, $0.10 par value	LH	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 28, 2025, there were 83.7 million shares of the registrant's common stock, $0.10 par value, outstanding.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

LABCORP HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Millions)
(Unaudited)

	March 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 369.4	$ 1,518.7
Accounts receivable, net	2,123.2	1,944.1
Unbilled services	151.3	152.9
Supplies inventory	488.3	493.2
Prepaid expenses and other	657.5	697.6
Total current assets	3,789.7	4,806.5
Property, plant, and equipment, net	3,090.8	3,045.4
Goodwill, net	6,421.1	6,369.7
Intangible assets, net	3,487.2	3,488.9
Joint venture partnerships and equity method investments	168.0	16.3
Other assets, net	647.0	652.2
Total assets	$ 17,603.8	$ 18,379.0
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 717.9	$ 875.8
Accrued expenses and other	770.4	871.2
Unearned revenue	388.3	392.2
Short-term operating lease liabilities	182.8	184.6
Short-term finance lease liabilities	4.8	6.1
Short-term borrowings and current portion of long-term debt	0.4	1,000.3
Total current liabilities	2,064.6	3,330.2
Long-term debt	5,568.7	5,331.2
Operating lease liabilities	696.4	676.3
Financing lease liabilities	66.5	74.3
Deferred income taxes and other tax liabilities	388.0	383.1
Other liabilities	497.9	517.4
Total liabilities	9,282.1	10,312.5
Commitments and contingent liabilities		
Noncontrolling interest	14.3	14.3
Shareholders' equity:		
Common stock 83.8 and 83.4 shares outstanding at March 31, 2025, and December 31, 2024, respectively	7.6	7.6
Additional paid-in capital	35.8	2.8
Retained earnings	8,455.6	8,303.4
Accumulated other comprehensive loss	(191.6)	(261.6)
Total shareholders' equity	8,307.4	8,052.2
Total liabilities and shareholders' equity	$ 17,603.8	$ 18,379.0

The accompanying notes are an integral part of these unaudited Condensed Consolidated Financial Statements.

LABCORP HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In Millions, Except Per Share Data)
(Unaudited)

	Three Months Ended March 31,	
	2025	**2024**
Revenues	$ 3,345.1	$ 3,176.6
Cost of revenues	2,397.1	2,279.3
Gross profit	948.0	897.3
Selling, general, and administrative expenses	546.0	508.4
Amortization of intangibles and other assets	69.6	60.1
Goodwill and other asset impairments	—	2.5
Restructuring and other charges	6.4	5.0
Operating income	326.0	321.3
Other (expense) income:		
Interest expense	(56.0)	(46.9)
Investment income	6.5	2.9
Equity method (loss) income, net	(0.3)	0.1
Other, net	(1.0)	20.0
Earnings from operations before income taxes	275.2	297.4
Provision for income taxes	62.2	69.1
Net earnings	213.0	228.3
Less: Net earnings attributable to the noncontrolling interest	(0.2)	(0.3)
Net earnings attributable to Labcorp Holdings Inc.	$ 212.8	$ 228.0
Earnings per share:		
Basic earnings per share	$ 2.54	$ 2.71
Diluted earnings per share	$ 2.52	$ 2.69

The accompanying notes are an integral part of these unaudited Condensed Consolidated Financial Statements.

LABCORP HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS
(In Millions)
(Unaudited)

	Three Months Ended March 31,	
	2025	**2024**
Net earnings	$ 213.0	$ 228.3
Foreign currency translation adjustments	69.7	(124.3)
Net benefit plan adjustments	0.4	(2.4)
Other comprehensive earnings (loss) before tax	70.1	(126.7)
Provision for income tax related to items of comprehensive earnings	(0.1)	0.6
Other comprehensive earnings (loss), net of tax	70.0	(126.1)
Comprehensive earnings	283.0	102.2
Less: Net earnings attributable to the noncontrolling interest	(0.2)	(0.3)
Comprehensive earnings attributable to Labcorp Holdings Inc.	$ 282.8	$ 101.9

The accompanying notes are an integral part of these unaudited Condensed Consolidated Financial Statements.

LABCORP HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(In Millions)
(Unaudited)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Earnings (Loss)	Total Shareholders' Equity
BALANCE AT DECEMBER 31, 2023	$ 7.7	$ 38.4	$ 7,888.2	$ (59.3)	$ 7,875.0
Net earnings attributable to Labcorp Holdings Inc.	—	—	228.0	—	228.0
Other comprehensive loss, net of tax	—	—	—	(126.1)	(126.1)
Dividends declared	—	—	(60.9)	—	(60.9)
Issuance of common stock under employee stock plans	—	26.7	—	—	26.7
Net share settlement tax payments from issuance of stock to employees	—	(14.7)	—	—	(14.7)
Stock compensation	—	31.6	—	—	31.6
BALANCE AT MARCH 31, 2024	$ 7.7	$ 82.0	$ 8,055.3	$ (185.4)	$ 7,959.6
BALANCE AT DECEMBER 31, 2024	$ 7.6	$ 2.8	$ 8,303.4	$ (261.6)	$ 8,052.2
Net earnings attributable to Labcorp Holdings Inc.	—	—	212.8	—	212.8
Other comprehensive earnings, net of tax	—	—	—	70.0	70.0
Dividends declared	—	—	(60.6)	—	(60.6)
Issuance of common stock under employee stock plans	—	25.7	—	—	25.7
Net share settlement tax payments from issuance of stock to employees	—	(25.5)	—	—	(25.5)
Stock compensation	—	32.8	—	—	32.8
BALANCE AT MARCH 31, 2025	$ 7.6	$ 35.8	$ 8,455.6	$ (191.6)	$ 8,307.4

The accompanying notes are an integral part of these unaudited Condensed Consolidated Financial Statements.

LABCORP HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Millions)
(Unaudited)

	Three Months Ended March 31,	
	2025	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	$ 213.0	$ 228.3
Adjustments to reconcile net earnings to net cash provided by (used for) operating activities:		
Depreciation and amortization	166.8	154.5
Stock compensation	32.8	31.6
Operating lease right-of-use asset expense	48.6	44.1
Goodwill and other asset impairments	—	2.5
Deferred income taxes	(6.1)	(19.5)
Other, net	8.1	(3.0)
Change in assets and liabilities (net of effects of acquisitions and divestitures):		
Increase in accounts receivable	(170.8)	(187.1)
Decrease in unbilled services	3.9	63.9
Decrease (increase) in supplies inventory	8.4	(0.6)
Decrease (increase) in prepaid expenses and other	45.0	(24.9)
Decrease in accounts payable	(147.6)	(121.1)
Decrease in unearned revenue	(8.9)	(41.6)
Decrease in accrued expenses and other	(174.7)	(156.9)
Net cash provided by (used for) operating activities	18.5	(29.8)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(126.0)	(133.8)
Proceeds from sale of assets	0.5	0.1
Proceeds from sale of business	—	13.5
Investments in equity affiliates	(157.0)	(13.7)
Acquisition of businesses, net of cash acquired	(53.5)	(259.2)
Net cash used for investing activities	(336.0)	(393.1)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on senior notes	(1,000.0)	—
Proceeds from revolving credit facilities	64.8	253.2
Payments on revolving credit facilities	(64.8)	(210.8)
Proceeds from accounts receivable securitization	225.0	—
Net share settlement tax payments from issuance of stock to employees	(25.5)	(14.7)
Net proceeds from issuance of stock to employees	25.7	26.7
Dividends paid	(61.6)	(62.1)
Other	(3.3)	(4.0)
Net cash used for financing activities	(839.7)	(11.7)
Effect of exchange rate changes on Cash and cash equivalents	7.9	(2.9)
Net decrease in cash and cash equivalents	(1,149.3)	(437.5)
Cash and cash equivalents at beginning of period	1,518.7	536.8
Cash and cash equivalents at end of period	$ 369.4	$ 99.3

The accompanying notes are an integral part of these unaudited Condensed Consolidated Financial Statements.

LABCORP HOLDINGS INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Dollars and Shares in Millions, Except Per Share Data)
(Unaudited)

1. BASIS OF FINANCIAL STATEMENT PRESENTATION

Labcorp® Holdings Inc. (Labcorp, LHI, or the Company) is a global leader of innovative and comprehensive laboratory services that provides vital information to help doctors, hospitals, pharmaceutical companies, researchers, and patients make clear and confident decisions. By leveraging its unparalleled diagnostics and drug development capabilities, the Company provides insights and accelerates innovations to improve health and improve lives.

The Company reports its business in two segments, Diagnostics Laboratories (Dx) and Biopharma Laboratory Services (BLS). During each of the three months ended March 31, 2025 and 2024, Dx and BLS contributed approximately 78% and 22%, respectively, of Revenues to the Company.

The accompanying Condensed Consolidated Financial Statements of the Company are unaudited. In the opinion of management, all adjustments necessary for a fair statement of results of operations, cash flows, and financial position have been made. Except as otherwise disclosed, all such adjustments are of a normal recurring nature. Interim results are not necessarily indicative of results for a full year. The year-end Condensed Consolidated Balance Sheet data was derived from audited financial statements but does not include all disclosures required by generally accepted accounting principles in the United States (GAAP).

These unaudited Condensed Consolidated Financial Statements and notes are presented in accordance with the rules and regulations of the Securities and Exchange Commission (SEC) and GAAP for interim reporting. As such, certain notes or other information that are normally required by the SEC or GAAP have been omitted if they substantially duplicate the disclosures contained in the Company's annual audited Consolidated Financial Statements contained within its Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (Annual Report). Accordingly, these Condensed Consolidated Financial Statements and notes should be read in conjunction with the Consolidated Financial Statements and notes thereto contained in the Company's Annual Report.

These Condensed Consolidated Financial Statements include the accounts of the Company and its majority-owned subsidiaries for which it exercises control. Long-term investments in affiliated companies in which the Company exercises significant influence, but which it does not control, are accounted for using the equity method. Investments in which the Company does not exercise significant influence (generally, when the Company has an investment of less than 20% and no representation on the investee's board of directors) are accounted for at fair value, or at cost minus impairment adjusted for observable price changes in orderly transactions for an identical or similar investment of the same issuer for those investments that do not have readily determinable fair values. All significant intercompany transactions and accounts have been eliminated. The Company does not have any significant variable interest entities or special purpose entities whose financial results are not included in these Condensed Consolidated Financial Statements.

The financial statements of the Company's operating foreign subsidiaries are measured using the local currency as the functional currency. Assets and liabilities are translated at exchange rates as of the balance sheet date. Revenues and expenses are translated at average monthly exchange rates prevailing during the period. Resulting translation adjustments are included in Accumulated other comprehensive income within the Condensed Consolidated Balance Sheets.

(Dollars and Shares in Millions, Except Per Share Data)

2. REVENUES

The Company's revenues by segment and by payers/customer groups were as follows:

	Three Months Ended March 31, 2025				Three Months Ended March 31, 2024			
	North America	Europe	Other	Total	North America	Europe	Other	Total
Payer/Customer								
Dx								
Clients	24 %	— %	— %	24 %	25 %	— %	— %	25 %
Patients	10 %	— %	— %	10 %	10 %	— %	— %	10 %
Medicare and Medicaid	8 %	— %	— %	8 %	8 %	— %	— %	8 %
Third party	36 %	— %	— %	36 %	35 %	— %	— %	35 %
Total Dx revenues by payer	78 %	— %	— %	78 %	78 %	— %	— %	78 %
BLS								
Pharmaceutical, biotechnology, and medical device companies	9 %	9 %	4 %	22 %	9 %	9 %	4 %	22 %
Total Revenues	87 %	9 %	4 %	100 %	87 %	9 %	4 %	100 %

Revenues in the United States (U.S.) were $2,813.8 (84.1%) and $2,654.6 (83.6%) for the three months ended March 31, 2025, and 2024, respectively.

Accounts Receivable, Unbilled Services, and Unearned Revenue

The following table provides information about accounts receivable, unbilled services, and unearned revenue from contracts with customers:

	March 31, 2025	December 31, 2024
Dx accounts receivable	$ 1,403.2	$ 1,259.3
BLS accounts receivable	758.6	729.5
Less BLS allowance for credit losses	(38.6)	(44.7)
Accounts receivable, net	$ 2,123.2	$ 1,944.1
Gross unbilled services	$ 158.8	$ 160.5
Less reserve for unbilled services	(7.5)	(7.6)
Unbilled services	$ 151.3	$ 152.9

Revenues recognized during the period that were included in the unearned revenue balance at the beginning of the period were $68.9 and $51.0 for the three months ended March 31, 2025, and 2024, respectively.

Allowance for Credit Losses

BLS estimates future expected credit losses on accounts receivable and unbilled services over the remaining collection period of the instrument. The rollforward for the allowance for credit losses is as follows:

	Accounts Receivable	Unbilled Services	Total
Allowance for credit losses at December 31, 2024	$ 44.7	$ 7.6	$ 52.3
Write offs	(6.8)	(0.2)	(7.0)
Foreign currency impact	0.7	0.1	0.8
Allowance for credit losses at March 31, 2025	$ 38.6	$ 7.5	$ 46.1

(Dollars and Shares in Millions, Except Per Share Data)

3. BUSINESS ACQUISITIONS AND DISPOSITIONS

Acquisitions

During the three months ended March 31, 2025, the Company acquired several businesses and related assets for cash of $53.5. The preliminary purchase considerations for these acquisitions were allocated under the acquisition method of accounting to the estimated fair market value of the net assets acquired, including approximately $41.1 in identifiable intangible assets. The amortization periods for the customer relationships and non-compete agreements were 15.0 years and 5.0 years, respectively. A residual amount of tax deductible goodwill, net of measurement period adjustments relating to prior acquisitions of $29.0 was recorded as of March 31, 2025.

The purchase price allocations for these acquisitions were preliminary at March 31, 2025. The valuation of acquired assets and assumed liabilities include the following:

	Business Acquisitions Closed During the Three Months Ended March 31, 2025	Measurement Period Adjustments During the Three Months Ended March 31, 2025	Amounts Acquired During the Three Months Ended March 31, 2025
Goodwill	$ 36.4	$ (7.4)	$ 29.0
Intangible assets	41.1	7.4	48.5
Total assets acquired	77.5	—	77.5
Accrued expenses and other	24.0	—	24.0
Total liabilities acquired	24.0	—	24.0
Net assets acquired	53.5	—	53.5
Cash paid for acquisitions	$ 53.5	$ —	$ 53.5

On September 17, 2024, the Company announced that it entered into an agreement with Cinven, Inc. to acquire a 15% minority interest in SYNLAB, a leader in medical diagnostic services and specialty testing in Europe, for approximately $151.6 (€140.4). The transaction closed in March 2025 and is accounted for as an equity method investment within the Company's Condensed Consolidated Financial Statements.

On March 11, 2025, the Company announced that it entered into an agreement with OPKO Health, Inc. to acquire select assets of the laboratory business of BioReference Health, focused on oncology and oncology-related clinical testing services across the U.S. The purchase price for the transaction is up to $225.0, including $192.5 payable at closing and up to $32.5 of additional consideration contingent on performance. The transaction is anticipated to close in the second half of 2025, subject to customary closing conditions for a transaction of this type, including applicable regulatory approvals.

Dispositions

During the three months ended March 31, 2024, the Company sold the assets of Beacon Laboratory Benefit Solutions, Inc. for $13.5 and recorded a gain of $4.9 included in Other, net in the Condensed Consolidated Statements of Operations.

4. EARNINGS PER SHARE

Basic earnings per share (Basic EPS) is computed by dividing Net earnings attributable to Labcorp Holdings Inc. by the weighted-average number of common shares outstanding. Diluted earnings per common share (Diluted EPS) is computed by dividing Net earnings attributable to Labcorp Holdings Inc., and if applicable, including the impact of dilutive adjustments by the weighted-average number of common shares outstanding plus potentially dilutive shares, as if they had been issued at the earlier of the date of issuance or the beginning of the period presented. Potentially dilutive common shares result primarily from the Company's outstanding stock options, restricted stock units, and performance share awards.

(Dollars and Shares in Millions, Except Per Share Data)

The following represents a reconciliation of Basic EPS to Diluted EPS:

	Three Months Ended March 31,					
	2025			2024		
	Basic EPS	Dilutive Effect	Diluted EPS	Basic EPS	Dilutive Effect	Diluted EPS
Net earnings attributable to LHI	$ 212.8		$ 212.8	$ 228.0		$ 228.0
Weighted-average common shares outstanding	83.6	0.7	84.3	84.1	0.6	84.7
Per common share amount	$ 2.54		$ 2.52	$ 2.71		$ 2.69

The following table summarizes the potential common shares not included in the computation of Diluted EPS because their impact would have been antidilutive:

	Three Months Ended March 31,	
	2025	2024
Employee stock options and awards	0.3	0.3

5. GOODWILL AND INTANGIBLE ASSETS

The changes in the carrying amount of goodwill, net of impairment, were as follows:

	Dx	BLS	Total
Balance as of December 31, 2024	$ 5,102.5	$ 1,267.2	$ 6,369.7
Goodwill acquired during the period	36.4	—	36.4
Foreign currency impact and other adjustments to Goodwill	(7.3)	22.3	15.0
Balance as of March 31, 2025	$ 5,131.6	$ 1,289.5	$ 6,421.1

During the three months ended March 31, 2025, the Company did not record a goodwill or intangible asset impairment charge.

The cumulative goodwill impairment for the Company through March 31, 2025, and December 31, 2024 was $648.5 and represents all of the goodwill of the Company's Early Development Research Laboratories reporting unit within the BLS segment.

The components of identifiable intangible assets were as follows:

		March 31, 2025			December 31, 2024		
	Range of Useful Lives (in Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Definite-lived intangible assets:							
Customer relationships	10 - 36	$ 4,184.1	$ (1,601.8)	$ 2,582.3	$ 4,114.7	$ (1,540.7)	$ 2,574.0
Patents, licenses, and technology	3 - 15	541.8	(307.7)	234.1	541.0	(298.3)	242.7
Non-compete agreements	3 - 5	187.4	(90.8)	96.6	180.2	(83.9)	96.3
Other	1 - 15	40.1	(23.4)	16.7	39.9	(21.5)	18.4
		$ 4,953.4	$ (2,023.7)	$ 2,929.7	$ 4,875.8	$ (1,944.4)	$ 2,931.4
Indefinite-lived intangible assets:							
Canadian and other licenses		$ 557.5	N/A	$ 557.5	$ 557.5	N/A	$ 557.5
Total intangible assets		$ 5,510.9	$ (2,023.7)	$ 3,487.2	$ 5,433.3	$ (1,944.4)	$ 3,488.9

Amortization of intangible assets for the three months ended March 31, 2025, and 2024, was $69.6 and $60.1, respectively. The amortization expense of intangible assets is estimated to be $208.4 for the remainder of 2025, $266.4 in 2026, $253.5 in 2027, $245.8 in 2028, $232.1 in 2029, and $1,723.5 thereafter.

LABCORP HOLDINGS INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Dollars and Shares in Millions, Except Per Share Data)
(Unaudited)

6. DEBT

Short-term borrowings and the current portion of long-term debt consisted of the following:

	March 31, 2025	December 31, 2024
3.60% senior notes due 2025	$ —	$ 1,000.0
Debt issuance costs	—	(0.1)
Current portion of note payable	0.4	0.4
Total Short-term borrowings and current portion of long-term debt	$ 0.4	$ 1,000.3

Long-term debt consisted of the following:

	March 31, 2025	December 31, 2024
1.55% senior notes due 2026	$ 500.0	$ 500.0
3.60% senior notes due 2027	600.0	600.0
2.95% senior notes due 2029	650.0	650.0
4.35% senior notes due 2030	650.0	650.0
2.70% senior notes due 2031	435.0	423.2
4.55% senior notes due 2032	500.0	500.0
4.80% senior notes due 2034	850.0	850.0
4.70% senior notes due 2045	900.0	900.0
Debt issuance costs	(41.5)	(42.3)
AR facility	525.0	300.0
Note payable	0.2	0.3
Total Long-term debt	$ 5,568.7	$ 5,331.2

Credit Facilities

The Company maintains a senior revolving credit facility, which was amended and restated on January 13, 2023. It consists of a five-year revolving facility in the principal amount of up to $1,000.0, with the option of increasing the facility by up to an additional $500.0, subject to the agreement of one or more new or existing lenders to provide such additional amounts and certain other customary conditions. The revolving credit facility also provides for a subfacility of up to $100.0 for swing line borrowings and a subfacility of up to $150.0 for issuances of letters of credit. The Company is required to pay a facility fee on the aggregate commitments under the revolving credit facility, at a per annum rate ranging from 0.10% to 0.225%, depending on the Company's debt ratings. The revolving credit facility is permitted to be used for general corporate purposes, including working capital, capital expenditures, funding of share repurchases and certain other payments, acquisitions, and other investments. There were no balances outstanding on the Company's current revolving credit facility and $102.8 in outstanding letters of credit on the Company's subfacility as of March 31, 2025. At March 31, 2025, the effective interest rate on the revolving credit facility was 5.44%. The revolving credit facility expires on April 30, 2026.

Under the Company's revolving credit facility, the Company is subject to negative covenants limiting subsidiary indebtedness and certain other covenants typical for investment grade-rated borrowers, and the Company is required to maintain certain leverage ratios. The Company was in compliance with all covenants in its term loans and the revolving credit facility at March 31, 2025, and expects that it will remain in compliance with its existing debt covenants for the next 12 months.

On August 23, 2024, the Company and a bankruptcy-remote special purpose vehicle (SPV) entered into an accounts receivable securitization facility with PNC Bank, National Association (PNC) with a three-year term (AR Facility). The AR Facility allows the Company to borrow from PNC an amount of up to $300.0 through August of 2027 and may increase up to $700.0, subject to the satisfaction of certain conditions.

The SPV is a variable interest entity for which the Company is the primary beneficiary. The SPV's sole business consists of the continuous purchase of receivables from the Company which is used as collateral for the loan with PNC. Although the SPV is included in the Company's Condensed Consolidated Financial Statements, it is a separate legal entity with separate creditors.

Upon the transfer of ownership and control of the receivables to the SPV, the Company has no retained interests in the receivables sold and they become unavailable to the Company's creditors should the relevant seller become insolvent. The Company has collection and administrative responsibilities for the receivables sold to the SPV.

On January 31, 2025, the Company amended its AR Facility (AR Facility Amendment). The AR Facility Amendment increased the amount the Company can borrow from $300.0 to $700.0 through August of 2027. In addition, pursuant to the

(Dollars and Shares in Millions, Except Per Share Data)

terms of the AR Facility Amendment (i) the Toronto-Dominion Bank became a party to the underlying receivables purchase agreement as a committed purchaser through January 2026 and (ii) MUFG Bank Ltd. and certain of its related conduit purchasers became parties to the underlying receivables purchase agreement as purchasers and the loans or investments of such conduit purchasers may accrue interest as specified in the AR Facility Amendment and receivables purchase agreement.

During the three months ended March 31, 2025, the Company received loan proceeds of $225.0 under the AR Facility, which is included in cash from financing activities in the Condensed Consolidated Statement of Cash Flows.

7. PREFERRED STOCK AND COMMON SHAREHOLDERS' EQUITY

The Company is authorized to issue up to 265.0 shares of common stock, par value $0.10 per share (Common Stock). The Company is authorized to issue up to 30.0 shares of preferred stock, par value $0.10 per share. There were no preferred shares outstanding at March 31, 2025, and December 31, 2024.

The changes in the Company's shares of Common Stock outstanding are summarized below:

	Three Months Ended March 31, 2025
Beginning balance	83.4
Shares issued under employee stock plans	0.4
Ending balance	83.8

Share Repurchase Program

When the Company repurchases shares of Common Stock, the amount paid to repurchase the shares in excess of the par or stated value is allocated to Additional paid-in-capital within the Condensed Consolidated Balance Sheets unless subject to limitation or the balance in Additional paid-in-capital is exhausted. Remaining amounts are recognized as a reduction in Retained earnings within the Company's Condensed Consolidated Balance Sheets.

During each of the three months ended March 31, 2025 and 2024 the Company did not repurchase any shares of its Common Stock. At March 31, 2025, the Company had outstanding authorization from its board of directors (Board) to purchase up to $1,280.4 maximum value of the Company's Common Stock.

Dividends

During the three months ended March 31, 2025, and 2024, a cash dividend of $0.72 per share of Common Stock was declared and paid.

On April 10, 2025, the Company announced a cash dividend of $0.72 per share of Common Stock, or approximately $61.2 in the aggregate. The dividend will be paid on June 11, 2025, to stockholders of record of all issued and outstanding shares of Common Stock as of the close of business on May 29, 2025. The declaration and payment of any future dividends will be at the discretion of the Board.

Accumulated Other Comprehensive Earnings

The components of Accumulated other comprehensive earnings are as follows:

	Foreign Currency Translation Adjustments	Net Benefit Plan Adjustments	Accumulated Other Comprehensive Earnings (Loss)
Balance at December 31, 2024	$ (264.7)	$ 3.1	$ (261.6)
Current year adjustments	69.7	0.4	70.1
Tax effect of adjustments	—	(0.1)	(0.1)
Balance at March 31, 2025	$ (195.0)	$ 3.4	$ (191.6)

8. COMMITMENTS AND CONTINGENCIES

The Company (and/or its subsidiaries and affiliates) is involved from time to time in various claims and legal actions, including arbitrations, class actions, and other litigation (including those described in more detail below), arising in the ordinary course of business. Some of these actions involve claims that are substantial in amount. These matters include, but are not limited to, intellectual property disputes, commercial and contract disputes, professional liability claims, employee-related matters, transaction-related disputes, securities and corporate law matters, and inquiries, including subpoenas and other civil

investigative demands, from governmental agencies, Medicare or Medicaid payers, and managed care organizations reviewing billing practices or requesting comment on allegations of billing irregularities that are brought to their attention through billing audits or third parties. The Company receives civil investigative demands or other inquiries from various governmental bodies in the ordinary course of its business. Such inquiries can relate to the Company or other parties, including physicians and other health care providers. The Company works cooperatively to respond to appropriate requests for information.

The Company also is named from time to time in suits brought under the qui tam provisions of the False Claims Act and comparable state laws. These suits typically allege that the Company has made false statements and/or certifications in connection with claims for payment from U.S. federal or state healthcare programs. The suits may remain under seal (hence, unknown to the Company) for some time while the government decides whether to intervene on behalf of the qui tam plaintiff. Such claims are an inevitable part of doing business in the healthcare field today.

The Company believes that it is in compliance in all material respects with all statutes, regulations, and other requirements applicable to its commercial laboratory operations and biopharma laboratory services. These industries are, however, subject to extensive regulation, and the courts have not interpreted many of the applicable statutes and regulations. Therefore, the applicable statutes and regulations could be interpreted or applied by a prosecutorial, regulatory, or judicial authority in a manner that would adversely affect the Company. Potential sanctions for violation of these statutes and regulations include significant civil and criminal penalties, fines, the loss of various licenses, certificates and authorizations, additional liabilities from third-party claims, and/or exclusion from participation in government programs.

Many of the current claims and legal actions against the Company are in preliminary stages, and many of these cases seek an indeterminate amount of damages. The Company records an aggregate legal reserve, which is determined using calculations based on historical loss rates and assessment of trends experienced in settlements and defense costs. In accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 450 “Contingencies,” the Company establishes reserves for judicial, regulatory, and arbitration matters outside the aggregate legal reserve if and when those matters present loss contingencies that are both probable and reasonably estimable. When loss contingencies are not both probable and reasonably estimable, the Company does not establish separate reserves.

The Company is unable to estimate a range of reasonably probable loss for the proceedings described in more detail below in which damages either have not been specified or, in the Company’s judgment, are unsupported and/or exaggerated and (i) the proceedings are in early stages, (ii) there is uncertainty as to the outcome of pending appeals or motions, (iii) there are significant factual issues to be resolved, and/or (iv) there are novel legal issues to be presented. For these proceedings, however, the Company does not believe, based on currently available information, that the adverse outcomes are probable and reasonably estimable, and it does not believe they will have a material adverse effect on the Company’s financial statements.

The Company has received various subpoenas and other civil investigative demands related to Medicaid billing. In October 2013, the Company received a Civil Investigative Demand from the State of Texas Office of the Attorney General requesting documents related to its billing to Texas Medicaid. The Company cooperated with this request. On October 5, 2018, the Company received a second Civil Investigative Demand from the State of Texas Office of the Attorney General requesting documents related to its billing to Texas Medicaid. The Company cooperated with this request. On January 26, 2021, the Company was notified that a qui tam Petition was pending under seal in the District Court, 250th Judicial District, Travis County, Texas, and that the State of Texas had intervened. On April 14, 2021, the Petition was unsealed. The Petition alleges that the Company submitted claims for reimbursement to Texas Medicaid that were higher than permitted under Texas Medicaid’s alleged “best price” regulations, and that the Company offered remuneration to Texas healthcare providers in the form of discounted pricing for certain laboratory testing services in exchange for the providers’ referral of Texas Medicaid business to the Company. The Petition seeks actual and double damages and civil penalties, as well as recovery of costs, attorney’s fees, and legal expenses. On August 1, 2022, the District Court entered an order granting the Company’s Motion for Partial Summary Judgment with respect to the claim that the Company submitted claims for reimbursement to Texas Medicaid that were higher than permitted under Texas Medicaid’s alleged “best price” regulations. Plaintiffs filed a Notice of Non-Suit and Motion for Entry of Final Judgment and, on November 11, 2022, the court entered a Judgment. Plaintiffs filed a Notice of Appeal with respect to the court’s order granting the Company’s Motion for Partial Summary Judgment, referenced above. On December 31, 2024, the Texas Court of Appeals issued a decision reversing the District Court’s order granting the Company’s Motion for Partial Summary Judgement. On February 28, 2025, the Company filed in the Texas Supreme Court a Petition for Review with respect to the Texas Court of Appeals decision. The Company will vigorously defend the lawsuit.

On August 31, 2015, the Company was served with a putative class action lawsuit, *Patty Davis v. Laboratory Corporation of America, et al.*, filed in the Circuit Court of the Thirteenth Judicial Circuit for Hillsborough County, Florida. The complaint alleges that the Company violated the Florida Consumer Collection Practices Act by billing patients who were collecting

benefits under the Workers' Compensation Statutes. The lawsuit seeks injunctive relief and actual and statutory damages, as well as recovery of attorney's fees and legal expenses. In April 2017, the Circuit Court granted the Company's Motion for Judgment on the Pleadings. The Plaintiff appealed the Circuit Court's ruling to the Florida Second District Court of Appeal. On October 16, 2019, the Florida Second District Court of Appeal reversed the Circuit Court's dismissal, but certified a controlling issue of Florida law to the Florida Supreme Court. On February 17, 2020, the Florida Supreme Court accepted jurisdiction of the lawsuit. The court held oral arguments on December 9, 2020. On May 26, 2022, the Florida Supreme Court issued an opinion approving the result of the Florida Second District Court of Appeal in favor of the Plaintiff. On or about October 31, 2024, Labcorp and the Plaintiff (on behalf of the putative class) entered into a Settlement Agreement. That settlement is awaiting preliminary approval by the court.

On April 1, 2019, Covance Research Products was served with a Grand Jury Subpoena issued by the Department of Justice (DOJ) in Miami, Florida requiring the production of documents related to the importation into the United States of live non-human primate shipments originating from or transiting through China, Cambodia, and/or Vietnam from April 1, 2014 through March 28, 2019. The Company responded to the DOJ.

On May 14, 2019, Retrieval-Masters Creditors Bureau, Inc. d/b/a American Medical Collection Agency (AMCA), an external collection agency, notified the Company about a security incident AMCA experienced that may have involved certain personal information about some of the Company's patients (the AMCA Incident). The Company referred patient balances to AMCA only when direct collection efforts were unsuccessful. The Company's systems were not impacted by the AMCA Incident. Upon learning of the AMCA Incident, the Company promptly stopped sending new collection requests to AMCA and stopped AMCA from continuing to work on any pending collection requests from the Company. AMCA informed the Company that it appeared that an unauthorized user had access to AMCA's system between August 1, 2018, and March 30, 2019, and that AMCA could not rule out the possibility that personal information on AMCA's system was at risk during that time period. Information on AMCA's affected system from the Company may have included name, address, and balance information for the patient and person responsible for payment, along with the patient's phone number, date of birth, referring physician, and date of service. The Company was later informed by AMCA that health insurance information may have been included for some individuals, and because some insurance carriers utilize the Social Security Number as a subscriber identification number, the Social Security Number for some individuals may also have been affected. No ordered tests, laboratory test results, or diagnostic information from the Company were in the AMCA affected system. The Company notified individuals for whom it had a valid mailing address. For the individuals whose Social Security Number was affected, the notice included an offer to enroll in credit monitoring and identity protection services that was provided free of charge for 24 months.

Twenty-three putative class action lawsuits were filed against the Company related to the AMCA Incident in various U.S. District Courts. Numerous similar lawsuits have been filed against other healthcare providers who used AMCA. These lawsuits were consolidated into a multidistrict litigation in the District of New Jersey. On November 15, 2019, the Plaintiffs filed a Consolidated Class Action Complaint in the U.S. District Court of New Jersey. The consolidated Complaint generally alleged that the Company did not adequately protect its patients' data and failed to timely notify those patients of the AMCA Incident. The Complaint asserted various causes of action, including but not limited to negligence, breach of implied contract, unjust enrichment, and the violation of state data protection statutes. The Complaint sought damages on behalf of a class of all affected Company customers. On January 22, 2020, the Company filed Motions to Dismiss all claims. On December 16, 2021, the court granted in part and denied in part the Company's Motion to Dismiss. On March 31, 2022, the Plaintiffs filed an Amended Complaint alleging claims for negligence, negligence per se, breach of confidence, invasion of privacy, and various state statutory claims, including a claim under the California Confidentiality of Medical Information Act. The Company filed a Motion to Dismiss certain claims of the Amended Complaint. On May 5, 2023, the court granted in part and denied in part the Company's Motion to Dismiss. On November 1, 2024, Plaintiffs served their motion for class certification. The Company will vigorously defend the remaining claims in the multi-district litigation.

The Company was served with a shareholder derivative lawsuit, *Raymond Eugenio, Derivatively on Behalf of Nominal Defendant, Laboratory Corporation of America Holdings v. Lance Berberian, et al.*, filed in the Court of Chancery of the State of Delaware on April 23, 2020. The complaint asserts derivative claims on the Company's behalf against the Company's board of directors and certain executive officers. The complaint generally alleges that the defendants failed to ensure that the Company utilized proper cybersecurity safeguards and failed to implement a sufficient response to data security incidents, including the AMCA Incident. The complaint asserts derivative claims for breach of fiduciary duty and seeks relief including damages, certain disclosures, and certain changes to the Company's internal governance practices. On June 2, 2020, the Company filed a Motion to Stay the lawsuit due to its overlap with the multi-district litigation referenced above. On July 2, 2020, the Company filed a Motion to Dismiss. On July 14, 2020, the court entered an order staying the lawsuit pending the resolution of the multi-district litigation. The Company will vigorously defend the lawsuit.

Certain governmental entities have requested information from the Company related to the AMCA Incident. The Company received a request for information from the Office for Civil Rights (OCR) of the Department of Health and Human Services. On April 28, 2020, OCR notified the Company of the closure of its inquiry. The Company has also received requests from a multi-state group of state Attorneys General and is cooperating with these requests for information.

On January 31, 2020, the Company was served with a putative class action lawsuit, *Luke Davis and Julian Vargas, et al. v. Laboratory Corporation of America Holdings*, filed in the U.S. District Court for the Central District of California. The lawsuit alleges that visually impaired patients are unable to use the Company's touchscreen kiosks at Company patient service centers in violation of the Americans with Disabilities Act and similar California statutes. The lawsuit seeks statutory damages, injunctive relief, and attorney's fees and costs. On March 20, 2020, the Company filed a Motion to Dismiss Plaintiffs' Complaint and to Strike Class Allegations. In August 2020, the Plaintiffs filed an Amended Complaint. On April 26, 2021, the Plaintiffs and the Company each filed Motions for Summary Judgment and the Plaintiffs filed a Motion for Class Certification. On May 23, 2022, the court entered an order granting Plaintiffs' Motion for Class Certification. On June 6, 2022, the Company filed a Petition for Permission to Appeal the Order Granting Class Certification with the U.S. Court of Appeals for the Ninth Circuit. On September 22, 2022, the Ninth Circuit granted the Company's Petition for Permission to Appeal the Order Granting Class Certification. On February 8, 2024, the Ninth Circuit affirmed the trial court's decision to certify both a California damages class and a nationwide injunctive class. On March 25, 2024, the Company filed a Petition for Rehearing En Banc with the Ninth Circuit. On April 18, 2024, the Ninth Circuit denied the Petition for Rehearing En Banc. On September 13, 2024, the Company filed a Petition for Writ of Certiorari with the United States Supreme Court, which was granted on January 24, 2025.

On October 16, 2020, Ravgen Inc. filed a patent infringement lawsuit, *Ravgen Inc. v. Laboratory Corporation of America Holdings*, in the U.S. District Court for the Western District of Texas, alleging infringement of two Ravgen-owned U.S. patents. The lawsuit sought monetary damages, enhancement of those damages for willfulness, and recovery of attorney's fees and costs. On September 28, 2022, a jury rendered a verdict in favor of the Plaintiff on the sole asserted patent finding that the Company willfully infringed Ravgen's patent, and awarded damages of $272.0. Plaintiff filed post-trial motions seeking enhanced damages of up to $817.0 based on the finding of willfulness, as well as attorney's fees and costs. On May 12, 2023, the court issued an order granting Plaintiff's motion in part and awarding enhanced damages of $100.0. On January 23, 2025, the court issued an order awarding Plaintiff post-verdict supplemental damages of $2.6, an ongoing royalty of one hundred dollars and 00/100 cents per test through the life of the patent at issue, pre- and post-judgment interest, and other relief. In January and February 2025, the trial court entered orders denying the Company's post-trial motions. The Company strongly disagrees with the verdict, based on a number of legal factors, and will vigorously defend the lawsuit through the appeal process. On June 4, 2021, the Company also instituted proceedings before the Patent Trial and Appeal Board of the U.S. Patent and Trademark Office challenging the validity of the Ravgen patent at issue in the trial. In November 2022, the Patent Trial and Appeal Board issued a decision upholding the validity of the Ravgen patent, and that decision was upheld on appeal before the United States Court of Appeals for the Federal Circuit in January 2025.

On May 14, 2020, the Company was served with a putative class action lawsuit, *Jose Bermejo v. Laboratory Corporation of America (Bermejo I)* filed in the Superior Court of California, County of Los Angeles Central District, alleging that certain non-exempt California-based employees were not properly compensated for driving time or properly paid wages upon termination of employment. The Plaintiff asserts these actions violate various California Labor Code provisions and Section 17200 of the Business and Professional Code. The lawsuit seeks monetary damages, civil penalties, and recovery of attorney's fees and costs.

On June 15, 2020, the lawsuit was removed to the U.S. District Court for the Central District of California. On June 16, 2020, the Company was served with a Private Attorney General Act lawsuit by the same plaintiff in *Jose Bermejo v. Laboratory Corporation of America (Bermejo II),* filed in the Superior Court of California, County of Los Angeles Central District, alleging that certain Company practices violated California Labor Code penalty provisions related to unpaid and minimum wages, unpaid overtime, unpaid meal and rest break premiums, untimely payment of wages following separation of employment, failure to maintain accurate pay records, and non-reimbursement of business expenses. The second lawsuit seeks to recover civil penalties and recovery of attorney's fees and costs. On October 28, 2020, the court issued an order staying proceedings in *Bermejo II* pending resolution of *Bermejo I.* The second lawsuit seeks to recover civil penalties and recovery of attorney's fees and costs. On February 24, 2022, the parties entered into a Memorandum of Understanding of the terms of a settlement of the *Bermejo I* and *Bermejo II* lawsuits. The court granted preliminary approval of the parties' settlement agreement of the *Bermejo I* lawsuit on March 17, 2023, and of the *Bermejo II* lawsuit on November 29, 2023. The settlement funds for the *Bermejo I* and *Bermejo II* settlements have been transferred to a claims administrator for processing. Once the claims administration is completed, the parties will seek final settlement approval from the court.

On November 23, 2021, the Company was served with a single plaintiff Private Attorney General Act lawsuit, *Poole v. Laboratory Corporation of America*, filed in the Superior Court of California, County of Kern, alleging various violations of the California Labor Code, including that Plaintiff was not properly paid wages owed, not properly paid meal and rest break premiums, not reimbursed for certain business related expenses, and other allegations including the untimely payment of wages and receipt of inaccurate wage statements. The lawsuit sought monetary damages, civil penalties, and recovery of attorney's fees and costs. The case was removed to the U.S. District Court for the Eastern District of California. The parties entered into a settlement agreement in January 2025 and will seek dismissal of the action.

On June 7, 2023, the Company was served with a putative class action lawsuit, *Connie Howard, Yadira Yazmin Hernandez, and Deborah Reynolds, et al. v. Laboratory Corporation of America, Laboratory Corporation of America Holdings, and Meta Platforms, Inc.*, filed in the U.S. District Court for the Northern District of California, alleging that the Company's website includes a tracking code created by Meta, known as the Meta Pixel, that sent information related to Plaintiffs and their online activities to Meta. Plaintiffs assert claims against the Company under California and Pennsylvania law and seek to represent classes of all persons in California, or in Pennsylvania, who allegedly entered search terms into the Company's website and who used Facebook during a time that Plaintiffs allege the Meta Pixel was active on the Company's website. Plaintiffs seek an injunction, damages, attorneys' fees, and costs. On August 23, 2023, the Company filed a Motion to Dismiss. On September 5, 2023, the lawsuit was transferred to the U.S. District Court for the Middle District of North Carolina. On September 9, 2023, Plaintiffs filed an Amended Complaint. Among other things, the Amended Complaint contains allegations that in addition to the Meta Pixel, the Company's website uses Google Analytics and other online tracking technologies. On October 11, 2023, the Company filed a Motion to Dismiss the Amended Complaint. On September 27, 2024, the Court denied the Motion to Dismiss the Amended Complaint. The Company will vigorously defend the lawsuit.

On August 14, 2020, the Company was served with a Subpoena Duces Tecum issued by the State of Colorado Office of the Attorney General requiring the production of documents related to urine drug testing in all states. The Company has responded to this request.

On February 7, 2022, the Company was served with a Subpoena Duces Tecum issued by the DOJ in Camden, New Jersey requiring the production of documents related to non-invasive prenatal screening tests. The Company responded to the DOJ.

On June 27, 2022, the Company was served with a Subpoena Duces Tecum issued by the DOJ in Boston, Massachusetts requiring the production of documents related to urine drug testing. The Company is cooperating with the DOJ.

There are various other pending legal proceedings involving the Company including, but not limited to, additional employment-related lawsuits, professional liability lawsuits, and commercial lawsuits. While it is not feasible to predict the outcome of such proceedings, in the opinion of the Company, the likelihood of loss is remote and any reasonably possible loss associated with the resolution of such proceedings is not expected to be material to the Company's financial condition, results of operations, or cash flows, either individually or in the aggregate.

Under the Company's present insurance programs, coverage is obtained for catastrophic exposure as well as those risks required to be insured by law or contract. The Company is responsible for the uninsured portion of losses related primarily to general, professional and vehicle liability, certain medical costs and workers' compensation. The self-insured retentions are on a per-occurrence basis without any aggregate annual limit. Provisions for losses expected under these programs are recorded based upon the Company's estimates of the aggregated liability of claims incurred.

(Dollars and Shares in Millions, Except Per Share Data)

9. FAIR VALUE MEASUREMENTS AND DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The Company's population of financial assets and liabilities subject to fair value measurements were as follows:

	Condensed Consolidated Balance Sheets Classification	Fair Value at March 31, 2025	Fair Value Measurements March 31, 2025 Using Fair Value Hierarchy		
			Level 1	Level 2	Level 3
Noncontrolling interest put	Noncontrolling interest	$ 14.3	$ —	$ 14.3	$ —
Cross currency swaps	Other liabilities	$ 135.7	$ —	$ 135.7	$ —
Interest rate swaps	Other liabilities	$ 65.0	$ —	$ 65.0	$ —
Cash surrender value of life insurance policies	Other assets, net	$ 101.3	$ —	$ 101.3	$ —
Deferred compensation asset	Other assets, net	$ 40.6	$ —	$ 40.6	$ —
Deferred compensation liability	Other liabilities	$ 134.0	$ —	$ 134.0	$ —
Contingent consideration	Accrued expenses and other/Other liabilities	$ 34.8	$ —	$ —	$ 34.8

	Condensed Consolidated Balance Sheets Classification	Fair Value at December 31, 2024	Fair Value Measurements December 31, 2024 Using Fair Value Hierarchy		
			Level 1	Level 2	Level 3
Noncontrolling interest put	Noncontrolling interest	$ 14.3	$ —	$ 14.3	$ —
Cross currency swaps	Other liabilities	$ 142.7	$ —	$ 142.7	$ —
Interest rate swaps	Other liabilities	$ 76.8	$ —	$ 76.8	$ —
Cash surrender value of life insurance policies	Other assets, net	$ 102.1	$ —	$ 102.1	$ —
Deferred compensation asset	Other assets, net	$ 35.7	$ —	$ 35.7	$ —
Deferred compensation liability	Other liabilities	$ 132.5	$ —	$ 132.5	$ —
Contingent consideration	Accrued expenses and other/Other liabilities	$ 10.8	$ —	$ —	$ 10.8

Fair Value Measurement of Level 3 Liabilities:	Contingent Consideration
Balance at December 31, 2024	$ 10.8
Additions	24.0
Balance at March 31, 2025	$ 34.8

The Company has a noncontrolling interest put related to its Ontario subsidiary that has been classified as mezzanine equity in the Company's Condensed Consolidated Balance Sheets. The noncontrolling interest put is valued at its contractually determined value, which approximates fair value.

The fair values of derivative financial instruments have been determined based on market value equivalents at the balance sheet date, taking into account the current interest rate environment and therefore were classified as Level 2 measurements in the fair value hierarchy.

The Company offers certain employees the opportunity to participate in an employee-funded deferred compensation plan (DCP). A participant's deferrals are allocated by the participant to one or more multiple measurement funds, which are indexed to externally managed funds. From time to time, to offset the cost of the growth in the participant's investment accounts, the Company purchases life insurance policies, with the Company named as beneficiary of the policies. Changes in the cash surrender value of the life insurance policies are based upon earnings and changes in the value of the underlying investments, which are typically invested in a similar manner to the participant's allocations. Changes in the fair value of the DCP obligation are derived using quoted prices in active markets based on the market price per unit multiplied by the number of units. The cash surrender value and the DCP obligations are classified within Level 2 because their inputs are derived principally from observable market data by correlation to the hypothetical investments.

Contingent accrued earn-out business acquisition consideration liabilities for which fair values are measured as Level 3 instruments. These contingent consideration liabilities were recorded at fair value on the acquisition date and are remeasured quarterly based on the then assessed fair value and adjusted, if necessary. The increases or decreases in the fair value of contingent consideration payable can result from changes in anticipated revenue levels and changes in assumed discount

(Dollars and Shares in Millions, Except Per Share Data)

periods and rates. As the fair value measure is based on significant inputs that are not observable in the market, they are categorized as Level 3.

The carrying amounts of cash and cash equivalents, accounts receivable, income taxes receivable, and accounts payable are considered to be representative of their respective fair values due to their short-term nature. Although recorded at amortized cost on the Company's Condensed Consolidated Balance Sheets, the fair market value of the Company's senior notes was $4,833.5 and $5,762.6 as of March 31, 2025, and December 31, 2024, respectively. The Company's senior notes are considered Level 2 instruments, as the fair market values of these instruments are based on observable market pricing.

Interest Rate Swap

During the second quarter of 2021, the Company entered into fixed-to-variable interest rate swap agreements for its 2.70% senior notes due 2031 with an aggregate notional amount of $500.0 and variable interest rates based initially on the three-month London Interbank Offered Rate and later changed to the Secured Overnight Financing Rate in 2023, plus 1.7060%.

Interest rate swap agreements, which have been used by the Company from time to time in the management of interest rate exposure, are accounted for at fair value. These derivative financial instruments are accounted for as fair value hedges that increase or decrease the value of the Company's senior notes with the offset being recorded as a component of other long-term assets or liabilities, as applicable. As the specific terms and notional amounts of the derivative financial instruments match those of the fixed-rate debt being hedged, the derivative instruments are assumed to be perfectly effective hedges and accordingly, there is no impact to the Company's Condensed Consolidated Statements of Operations.

Cross Currency Swaps

During the first quarter of 2024, the Company terminated its 2024 and 2025 USD to Swiss Franc cross currency swaps and entered into two new swaps, each with a notional value of $300.0 and maturity dates of 2031 and 2034, respectively.

During the third quarter of 2024, the Company entered into five new USD to Swiss Franc cross currency swaps, with an aggregate notional value of $600.0, of which $300.0 matures in 2029 and $300.0 matures in 2034.

The above instruments are designated as a hedge against the impact of foreign exchange movements on its net investment in a Swiss subsidiary. Changes in the fair value of the cross-currency swaps are charged or credited through Accumulated other comprehensive income in the Condensed Consolidated Balance Sheet until the hedged item is recognized in earnings. The cumulative amount of the fair value hedging adjustments is recognized as currency translation within the Condensed Consolidated Statement of Comprehensive Earnings.

The table below provides information regarding the location and amount of pretax gains of derivatives designated in fair value hedging relationships:

	Amounts included in other comprehensive income	
	Three Months Ended March 31,	
	2025	2024
Cross currency swaps	$ 7.0	$ 17.0

10. SUPPLEMENTAL CASH FLOW INFORMATION

	Three Months Ended March 31,	
	2025	2024
Cash paid during the period for:		
Interest	$ 92.4	$ 71.6
Income taxes, net of refunds	$ 20.3	$ 21.5
Disclosure of non-cash financing and investing activities:		
Change in accrued property, plant, and equipment	$ (15.4)	$ (12.2)

11. BUSINESS SEGMENT INFORMATION

The following table is a summary of segment information for the three months ended March 31, 2025, and 2024. The "management approach" has been used to present the following segment information. This approach is based upon the way the management of the Company organizes segments within an enterprise for making operating decisions and assessing performance. Financial information is reported on the basis that it is used internally by the chief operating decision maker

(Dollars and Shares in Millions, Except Per Share Data)

(CODM) for evaluating segment performance and deciding how to allocate resources to segments. The Company's chief executive officer has been identified as the CODM.

The Company's segment performance measure excludes the amortization of intangibles and other assets, restructuring and other charges, goodwill and other asset impairments, and certain corporate charges for items such as transaction costs, and other special items. This aligns with how the CODM now evaluates segment performance and allocates resources. Other operating expenses are comprised primarily of rent, maintenance, consulting sendouts, utilities, travel and entertainment, and other segment expenses, including shipping costs for Dx. Segment asset information is not presented because it is not used by the CODM.

	Three Months Ended March 31, 2025			
Revenues:	Dx	BLS	Intercompany eliminations and other	LHI
Revenues	$ 2,629.6	$ 721.3	$ (5.8)	$ 3,345.1
Operating Earnings:				
Labor	1,123.6	289.7		
Supplies	586.6	111.1		
Shipping costs		95.0		
Depreciation	61.7	28.6		
Other operating expenses	430.2	90.0		
Segment operating income	$ 427.5	$ 106.9		$ 534.4
General corporate and unallocated expenses				(132.4)
Amortization of intangibles and other assets				(69.6)
Restructuring and other charges				(6.4)
Total Operating income				326.0
Other (expense) income:				
Interest expense				(56.0)
Investment income				6.5
Equity method loss, net				(0.3)
Other, net				(1.0)
Earnings from operations before income taxes				$ 275.2

LABCORP HOLDINGS INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Dollars and Shares in Millions, Except Per Share Data)
(Unaudited)

	Three Months Ended March 31, 2024			
Revenues:	Dx	BLS	Intercompany eliminations and other	LHI
Revenues	$ 2,479.7	$ 710.9	$ (14.0)	$ 3,176.6
Operating Earnings:				
Labor	1,055.7	290.4		
Supplies	560.4	103.5		
Shipping costs		88.4		
Depreciation	61.7	31.2		
Other operating expenses	384.0	97.5		
Segment operating income	$ 417.9	$ 99.9		$ 517.8
General corporate and unallocated expenses				(128.9)
Amortization of intangibles and other assets				(60.1)
Restructuring and other charges				(5.0)
Goodwill and other asset impairments				(2.5)
Total Operating income				321.3
Other (expense) income:				
Interest expense				(46.9)
Investment income				2.9
Equity method income, net				0.1
Other, net				20.0
Earnings from operations before income taxes				$ 297.4

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING STATEMENTS

In this Quarterly Report on Form 10-Q (Quarterly Report), Labcorp® Holdings Inc. together with its subsidiaries (Labcorp or the Company) has made, and from time to time may otherwise make in its public filings, press releases, and discussions by Company management, forward-looking statements concerning the Company's operations, performance, and financial condition, as well as its strategic objectives. Some of these forward-looking statements relate to future events and expectations and can be identified by the use of forward-looking words such as "believes", "expects", "may", "will", "should", "seeks", "approximately", "intends", "plans", "estimates", or "anticipates" or the negative of those words or other comparable terminology. Such forward-looking statements speak only as of the time they are made and are subject to various risks and uncertainties and the Company claims the protection afforded by the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from those currently anticipated due to a number of factors in addition to those discussed elsewhere herein, including in the "Risk Factors" section of the Annual Report on Form 10-K, and in the Company's other public filings, press releases, and discussions with Company management, including:

1. changes in government and third-party payer regulations, reimbursement, or coverage policies or other future reforms in the United States (U.S.) healthcare system (or in the interpretation of current regulations), new insurance or payment systems, including state, regional or private insurance cooperatives (e.g., health insurance exchanges) affecting governmental and third-party coverage or reimbursement for commercial laboratory testing, including the impact of the U.S. Protecting Access to Medicare Act of 2014;
2. significant monetary damages, fines, penalties, assessments, refunds, repayments, damage to the Company's reputation, unanticipated compliance expenditures, and/or exclusion or debarment from or ineligibility to participate in government programs, among other adverse consequences, arising from enforcement of anti-fraud and abuse laws and other laws applicable to the Company in jurisdictions in which the Company conducts business;
3. significant fines, penalties, costs, unanticipated compliance expenditures, and/or damage to the Company's reputation arising from the failure to comply with applicable privacy and security laws and regulations, including the U.S. Health Insurance Portability and Accountability Act of 1996, the U.S. Health Information Technology for Economic and Clinical Health Act, the European Union's General Data Protection Regulation and similar laws and regulations in jurisdictions in which the Company conducts business;
4. loss or suspension of a license or imposition of fines or penalties under, or future changes in, or interpretations of applicable licensing laws or regulations regarding the operation of clinical laboratories, the development and commercialization of laboratory-developed tests (LDTs), and the delivery of clinical laboratory test results, including, but not limited to, the U.S. Clinical Laboratory Improvement Act of 1967, the U.S. Clinical Laboratory Improvement Amendments of 1988, the European Union In Vitro Diagnostics Regulation, and similar laws and regulations in jurisdictions in which the Company conducts business;
5. penalties or loss of license arising from the failure to comply with applicable occupational and workplace safety laws and regulations, including the U.S. Occupational Safety and Health Administration requirements, the U.S. Needlestick Safety and Prevention Act, and similar laws and regulations in jurisdictions in which the Company conducts business;
6. fines, unanticipated compliance expenditures, suspension of manufacturing, enforcement actions, damage to the Company's reputation, injunctions, or criminal prosecution arising from failure to maintain compliance with current good manufacturing practice regulations and similar requirements of various regulatory agencies in jurisdictions in which the Company conducts business;
7. sanctions or other remedies, including fines, unanticipated compliance expenditures, enforcement actions, injunctions or criminal prosecution arising from failure to comply with the Animal Welfare Act or applicable national, state, and local laws and regulations in jurisdictions in which the Company conducts business;
8. changes in testing guidelines or recommendations by government agencies, medical specialty societies, and other authoritative bodies affecting the development, validation, approval, clearance, commercialization, or utilization of laboratory tests;
9. changes in and failure to comply with the applicable regulations of pharmaceutical and medical device regulators affecting the approval, availability of, and the selling and marketing of diagnostic tests, including LDTs, drug development, or the conduct of drug development and medical device and diagnostic studies and trials, including regulations and policies of the U.S. Food and Drug Administration (FDA), the U.S. Department of Agriculture, the

Medicine and Healthcare products Regulatory Agency in the United Kingdom, the National Medical Products Administration in China, the Pharmaceutical and Medical Devices Agency in Japan, the European Union, the European Medicines Agency, and similar regulations and policies of agencies in other jurisdictions in which the Company conducts business;

10. changes in government regulations or reimbursement pertaining to the pharmaceutical, biotechnology and medical device and diagnostic industries, changes in reimbursement of pharmaceutical products, or reduced spending on research and development by pharmaceutical, biotechnology and medical device, and diagnostic customers;
11. liabilities that result from the failure to comply with corporate governance requirements;
12. increased competition, including price competition, potential reduction in rates in response to price transparency initiatives and consumerism, competitive bidding and/or changes or reductions to fee schedules, and competition from companies that do not comply with existing applicable laws or regulations or otherwise disregard compliance standards in the industry;
13. changes in payer mix or payment structure or process, including insurance carrier participation in health insurance exchanges, an increase in capitated reimbursement mechanisms, the impact of clearinghouses on the claims reimbursement process, the impact of a shift to consumer-driven health plans or plans carrying an increased level of member cost-sharing, and adverse changes in payer reimbursement or payer coverage policies (implemented directly or through a third-party utilization management organization) related to specific diagnostic tests, categories of testing, or testing methodologies;
14. failure to retain or attract business from managed care organizations (MCOs) as a result of changes in business models, including risk based or network approaches, out-sourced laboratory network management or utilization management companies, or other changes in strategy or business models by MCOs;
15. failure to obtain and retain new customers, an unfavorable change in the mix of testing services ordered, or a reduction in tests ordered, specimens submitted, or services requested by existing customers, and delays in payments from customers;
16. consolidation and convergence of customers, competitors, and suppliers, potentially causing material shifts in insourcing, utilization, pricing, reimbursement, and supply chain access;
17. failure to invest in or effectively develop and deploy new systems, system modifications or enhancements required in response to evolving market, business, and customer trends and needs;
18. customers choosing to insource services that are or could be purchased from the Company;
19. failure to identify, successfully close, and effectively integrate and/or manage acquisitions of new businesses or failure to maintain key customers and/or employees as a result of uncertainty surrounding the integration of acquisitions;
20. inability to achieve the expected benefits and synergies of newly acquired businesses, including due to items not discovered in the due diligence process, and the impact on the Company's cash position, levels of indebtedness, and stock price;
21. termination, loss, delay, reduction in scope, or increased costs of contracts, including large contracts and multiple contracts;
22. liability arising from errors or omissions in the performance of testing and other services or other contractual arrangements;
23. changes or disruption in the provision or transportation of services or supplies provided by third parties; or their termination for failure to follow the Company's performance standards and requirements;
24. damage or disruption to the Company's facilities;
25. damage to the Company's reputation, loss of business, or other harm from acts of animal rights activists or potential harm and/or liability arising from animal research activities;
26. adverse results in litigation matters;
27. inability to attract, retain, and develop experienced and qualified personnel or the loss of significant personnel as a result of illness, increased competition for talent, wage growth, or other market factors beyond the Company's control;
28. failure to develop or acquire licenses for new or improved technologies, such as point-of-care testing, mobile health technologies, and digital pathology, or potential use of new technologies by customers and/or consumers to perform their own tests;

29. substantial costs arising from the inability to commercialize newly licensed tests or technologies or to obtain appropriate coverage or reimbursement for such tests;

30. failure to obtain, maintain, and enforce intellectual property rights for protection of the Company's offerings and defend against challenges to those rights;

31. scope, validity, and enforceability of patents and other proprietary rights held by third parties that may impact the Company's ability to develop, perform, or market the Company's offerings or operate its business;

32. business interruption, receivables impairment, delays in cash collection impacting days sales outstanding, supply chain disruptions or inventory obsolescence, increases in material cost or other operating costs, or other impacts on the business due to natural disasters, including adverse weather, fires and earthquakes; geopolitical crises, including terrorism and war; public health crises and disease epidemics and pandemics, including, but not limited to the continued impact of COVID-19; and other events beyond the Company's control;

33. discontinuation or recalls of existing products used in the performance of testing;

34. a failure in the Company's information technology systems, including with respect to testing turnaround time and billing processes, the failure of the Company or its third-party suppliers and vendors to maintain the security of business information or systems or to protect against cybersecurity incidents such as denial of service attacks, malware, ransomware, and computer viruses, delays or failures in the development and implementation of the Company's automation platforms, or adverse effects from the use of or regulation of artificial intelligence (AI) and machine learning tools, any of which could result in a negative effect on the Company's performance of services, a loss of business or increased costs, delays in cash collections, damages to the Company's reputation, significant litigation exposure, an inability to meet required financial reporting deadlines, or the failure to meet future regulatory or customer information technology, data security and connectivity requirements;

35. business interruption, increased costs, and other adverse effects on the Company's operations due to the unionization of employees, union strikes, work stoppages, general labor unrest or failure to comply with labor or employment laws;

36. failure to maintain the Company's days sales outstanding levels, cash collections (in light of increasing levels of patient responsibility), profitability and/or reimbursement arising from unfavorable changes in third-party payer policies, payment delays introduced by third-party utilization management organizations, and increasing levels of patient payment responsibility;

37. impact on the Company's revenues, cash collections, and the availability of credit for general liquidity or other financing needs arising from a significant deterioration in the economy or financial markets or in the Company's credit ratings by Standard & Poor's and/or Moody's;

38. failure to maintain the expected capital structure for the Company, including failure to maintain the Company's investment grade rating, or leverage ratio covenants under its revolving credit facility;

39. changes in reimbursement by foreign governments and foreign currency fluctuations;

40. inability to obtain certain billing information from physicians, resulting in increased costs and complexity, a temporary disruption in receipts, and ongoing reductions in reimbursements and revenues;

41. expenses and risks associated with international operations, including, but not limited to, compliance with the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act, other applicable anti-corruption laws and regulations, trade sanction laws and regulations, and economic, political, legal, and other operational risks associated with foreign jurisdictions;

42. failure to achieve expected efficiencies, benefits, and savings in connection with the Company's business process improvement initiatives;

43. changes in tax laws and regulations or changes in their interpretation;

44. changing global economic conditions and government and regulatory changes; and

45. risks associated with the impacts and expected benefits and costs of the completed spin-off of the Company's former clinical development and commercialization services business (Spin-off) Fortrea Holdings Inc. (Fortrea), including but not limited to factors that could adversely affect the Company's ability to realize the expected benefits of the Spin-off, the failure of the Spin-off to qualify as a tax-free transaction for U.S. federal income tax purposes.

Except as may be required by applicable law, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Given these uncertainties, one should not put undue reliance on any forward-looking statements.

GENERAL (dollars in millions)

For three months ended March 31, 2025, the Company's revenues were $3,345.1, an increase of 5.3% from $3,176.6 for the corresponding period in 2024. The 5.3% increase for three months ended March 31, 2025, as compared to the corresponding period in 2024 was due to acquisitions, net of divestitures, of 3.7% and organic revenue of 2.1%, partially offset by unfavorable foreign currency translation of 0.5%.

The Company defines organic growth as the change in revenue excluding the year-over-year impact of acquisitions, divestitures, and currency. Acquisition and divestiture impact is considered for a 12-month period following the closing of each transaction. On June 30, 2023, the Company completed the Spin-off.

RESULTS OF OPERATIONS (dollars in millions)

The following tables present the financial measures that management considers to be the most significant indicators of the Company's performance.

Revenues

	Three Months Ended March 31,		
	2025	2024	Change
Dx	$ 2,629.6	$ 2,479.7	6.0 %
BLS	721.3	710.9	1.5 %
Intercompany eliminations and other	(5.8)	(14.0)	(58.8)%
Total	$ 3,345.1	$ 3,176.6	5.3 %

Dx revenues for the three months ended March 31, 2025, were $2,629.6, an increase of 6.0% over $2,479.7 in the first quarter of 2024. The increase was due to acquisitions, net of divestitures, of 4.7% and organic revenue of 1.6%, which includes an unfavorable impact from weather and one fewer revenue day, partially offset by unfavorable foreign currency translation of 0.3%.

Total volume, measured by requisitions, increased by 3.0% as acquisition volume, net of divestitures, contributed 2.1% and organic volume increased by 0.9%. Price/mix increased by 3.0% due to acquisitions, net of divestitures, of 2.6% and organic growth of 0.7%, partially offset by unfavorable foreign currency translation of 0.3%.

BLS revenues for the three months ended March 31, 2025, were $721.3, an increase of 1.5% over $710.9 in the first quarter of 2024. The increase was due to organic growth of 2.6%, partially offset by unfavorable foreign currency translation of 1.1%.

Cost of Revenues

	Three Months Ended March 31,		
	2025	2024	Change
Cost of revenues	$ 2,397.1	$ 2,279.3	5.2 %
Cost of revenues as a % of revenues	71.7 %	71.8 %	

Cost of revenues increased 5.2% during the three months ended March 31, 2025, as compared with the corresponding period in 2024. Cost of revenues as a percentage of revenues during the three months ended March 31, 2025, decreased to 71.7% as compared to 71.8% in the corresponding period in 2024. This decrease in cost of revenues as a percent of revenues was primarily due to increased demand and LaunchPad savings, partially offset by higher personnel costs.

Selling, General, and Administrative Expenses

	Three Months Ended March 31,		
	2025	2024	Change
Selling, general, and administrative expenses	$ 546.0	$ 508.4	7.4 %
Selling, general, and administrative expenses as a % of revenues	16.3 %	16.0 %	

Selling, general, and administrative expenses as a percentage of revenues was 16.3% and 16.0% during the three months ended March 31, 2025, and 2024, respectively. The increase is primarily due to higher personnel costs and the impact from Invitae. partially offset by LaunchPad savings and increased demand.

Amortization of Intangibles and Other Assets

	Three Months Ended March 31,		
	2025	2024	Change
Amortization of intangibles and other assets	$ 69.6	$ 60.1	15.8 %

The increase in amortization of intangibles and other assets primarily reflects additional amortization for assets acquired subsequent to March 31, 2024.

Goodwill and Other Asset Impairments

	Three Months Ended March 31,		
	2025	2024	Change
Goodwill and other asset impairments	$ —	$ 2.5	(100.0)%

The impairment charges for the three months ended March 31, 2024, were primarily due to the decommissioning of a robotic asset.

Restructuring and Other Charges

	Three Months Ended March 31,		
	2025	2024	Change
Restructuring and other charges	$ 6.4	$ 5.0	27.6 %

During the three months ended March 31, 2025, the Company recorded net restructuring and other charges of $6.4. The charges were comprised of $7.6 related to severance and other personnel costs. The charges were adjusted by the reversal of a previously established liability of $1.1 in unused facility-related costs and $0.1 in unused severance-related costs.

During the three months ended March 31, 2024, the Company recorded net restructuring and other charges of $5.0. The charges were comprised of $5.8 related to severance. The charges were adjusted by the reversal of a previously established liability of $0.8 in facility-related costs.

Interest Expense

	Three Months Ended March 31,		
	2025	2024	Change
Interest expense	$ 56.0	$ 46.9	19.4 %

For the three months ended March 31, 2025, interest expense increased 19.4% as compared with the corresponding period in 2024. The increase is primarily due to a higher average amount of total debt outstanding during the three months ended March 31, 2025, when compared to the three months ended March 31, 2024.

Equity Method (Loss) Income, Net

	Three Months Ended March 31,		
	2025	2024	Change
Equity method (loss) income, net	$ (0.3)	$ 0.1	(610.5)%

Equity method (loss) income, net represents the Company's ownership share in joint venture partnerships along with equity investments in other companies in the healthcare industry. The increase in equity method losses for the three months ended March 31, 2025, as compared with the corresponding period in 2024, was due to losses from investments made prior to 2025.

Other, Net

	Three Months Ended March 31,		
	2025	2024	Change
Other, net	$ (1.0)	$ 20.0	(104.9)%

The change in Other, net for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, is primarily due to a $19.1 decrease of transition services fees charged to Fortrea related to administrative and information technology systems support. The costs to provide these transition services are included in operating income, but the service fees are included in other income.

Provision for Income Taxes

	Three Months Ended March 31,		
	2025	2024	Change
Provision for income taxes	$ 62.2	$ 69.1	(10.0)%
Provision for income taxes as a % of earnings before taxes	22.6 %	23.2 %	

The decrease in the effective tax rate for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, is primarily attributable to incremental tax benefits on the vesting of employee stock plan awards.

Operating Results by Segment

	Three Months Ended March 31,		
	2025	2024	Change
Dx segment operating income	$ 427.5	$ 417.9	2.3 %
Dx segment operating margin	*16.3 %*	*16.9 %*	*(0.6)%*
BLS segment operating income	106.9	99.9	7.0 %
BLS segment operating margin	*14.8 %*	*14.1 %*	*0.8 %*
Segment operating income	534.4	517.8	3.2 %
General corporate and unallocated expenses	(132.4)	(128.9)	2.7 %
Amortization of intangibles and other assets	(69.6)	(60.1)	15.8 %
Goodwill and other asset impairments	—	(2.5)	(100.0)%
Restructuring and other charges	(6.4)	(5.0)	27.6 %
Total operating income	$ 326.0	$ 321.3	1.5 %

Dx operating income was $427.5 for the three months ended March 31, 2025, an increase of $9.6 over operating income of $417.9 in the corresponding period of 2024, and Dx operating margin decreased 60 basis points year-over-year. The decrease in operating margin was due to Invitae and the unfavorable impact of weather.

BLS operating income was $106.9 for the three months ended March 31, 2025, an increase of $7.0 over operating income of $99.9 in the corresponding period of 2024, and BLS operating margin increased 80 basis points year-over-year. The increase was due to organic demand and LaunchPad savings, partially offset by higher personnel costs.

General corporate and unallocated expenses are comprised primarily of administrative services such as executive management, human resources, legal, finance, corporate affairs, and information technology. General corporate and unallocated expenses were $132.4 for the three months ended March 31, 2025, an increase of $3.5 over corporate expenses of $128.9 in the corresponding period of 2024, primarily due to higher personnel costs.

LIQUIDITY AND CAPITAL RESOURCES (dollars, except per share data, in millions)

The Company's cash-generating capability and financial condition typically have provided ready access to capital markets. The Company's principal source of liquidity is operating cash flow, supplemented by proceeds from debt offerings. The Company's senior unsecured revolving credit facility is further discussed in Note 6 Debt to the Company's Condensed Consolidated Financial Statements.

The Company's cash flows were as follows:

	Three Months Ended March 31,	
	2025	2024
Net cash provided by (used for) operating activities	$ 18.5	$ (29.8)
Net cash used for investing activities	(336.0)	(393.1)
Net cash used for financing activities	(839.7)	(11.7)
Effect of exchange rate changes on Cash and cash equivalents	7.9	(2.9)
Net decrease in Cash and cash equivalents	$ (1,149.3)	$ (437.5)

Cash and Cash Equivalents

Cash and cash equivalents at March 31, 2025, and 2024, totaled $369.4 and $99.3, respectively. Cash and cash equivalents consist of highly liquid instruments, such as time deposits, and other money market investments, which have original maturities of three months or less.

Cash Flows from Operating Activities

During the three months ended March 31, 2025, the Company's operations provided $18.5 of cash as compared to using $29.8 of cash during the same period in 2024. The $48.3 increase in cash provided by operations in 2025 as compared with the corresponding 2024 period is primarily due to timing of working capital requirements.

Cash Flows from Investing Activities

Net cash used for investing activities for the three months ended March 31, 2025, was $336.0 as compared to $393.1 for the three months ended March 31, 2024. The decrease in cash used for investing activities for the three months ended March 31, 2025, and 2024, was primarily due to a decrease in business acquisitions and lower capital expenditures, partially offset by an equity method investment in SYNLAB during the three months ended March 31, 2025.

Capital expenditures were $126.0 and $133.8 for the three months ended March 31, 2025, and 2024, respectively. Capital expenditures for the three months ended March 31, 2025, were 3.8% of revenues, primarily in connection with projects to support growth in the Company's core businesses. The Company expects this level of spending to remain consistent for the remainder of 2025, primarily in connection with projects to support growth in the Company's core businesses, facility expansion and updates, projects related to its LaunchPad initiative, and further acquisition integration initiatives.

Cash Flows from Financing Activities

Net cash used for financing activities for the three months ended March 31, 2025, was $839.7 as compared to $11.7 for the three months ended March 31, 2024. The change in cash flows from financing activities for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, was primarily due to the $1,000.0 payment of the 3.60% senior notes due February 2025, partially offset by proceeds of $225.0 from its accounts receivable securitization facility.

At March 31, 2025, the Company had $369.4 of cash and cash equivalents and $1,000.0 of available borrowings under its revolving credit facility, which does not mature until 2026. Under the Company's credit facilities and indentures relating to the Company's senior notes, the Company is subject to negative covenants limiting subsidiary indebtedness and certain other covenants typical for investment grade-rated borrowers, and with respect to the credit facilities, the Company is required to maintain certain leverage ratios. The Company was in compliance with all covenants under the credit facilities and the indentures related to the Company's outstanding senior notes as of March 31, 2025. The Company expects that it will remain in compliance with all covenants associated with its existing debt obligations for the next 12 months.

At March 31, 2025, the Company had outstanding authorization from its board of directors (Board) to purchase up to $1,280.4 maximum value of Company common stock, par value $0.10 per share (Common Stock). The repurchase authorization has no expiration date.

For the three months ended March 31, 2025, the Company paid $61.6 in Common Stock dividends. On April 10, 2025, the Company announced a cash dividend of $0.72 per share of Common Stock, or approximately $61.2 in the aggregate. The dividend will be payable on June 11, 2025, to stockholders of record of all issued and outstanding shares of Common Stock at the close of business on May 29, 2025. The declaration and payment of any future dividends will be at the discretion of the Board.

Guarantor Information

In 2024, the Company, Laboratory Corporation of America Holdings (LCAH) and U.S. Bank Trust Company, National Association (the Trustee) entered into a seventeenth supplemental indenture (the Seventeenth Supplemental Indenture) to the indenture, dated as of November 19, 2010, between LCAH and the Trustee (2010 Indenture). In addition, the Company, LCAH and the Trustee entered into the 2024 Indenture on September 23, 2024 (the 2024 Indenture, together with the 2010 Indenture, the Indentures). The Seventeenth Supplemental Indenture, among other things, provides for the full and unconditional guarantee by the Company of LCAH's obligations under the 2010 Indenture, and each series of senior unsecured notes issued and outstanding thereunder, and the 2024 Indenture provides for the full and unconditional guarantee by the Company of LCAH's obligations, and each series of senior unsecured notes issued and outstanding, thereunder (collectively, the Labcorp Holdings Guarantees). Also, the Indentures permit the Company to satisfy LCAH's reporting obligations so long as the Labcorp Holdings Guarantees remain in place and the Company's Condensed Consolidated Financial Statements and other information comply with the requirements of Rule 3-10 of Regulation S-X.

At March 31, 2025, there was $3,610.6 and $2,000.0 aggregate principal amount of issued and outstanding senior notes of LCAH, issued under the 2010 Indenture and the 2024 Indenture, respectively, that are fully and unconditionally guaranteed by the Company. Accordingly, pursuant to Rule 3-10 of Regulation S-X, separate consolidated financial statements of LCAH have not been presented. As permitted under Rule 13-01(a)(4)(vi) of Regulation S-X, we have excluded the summarized financial information for LCAH because the assets, liabilities and results of operations of LCAH are not materially different than the corresponding amounts in the Company's Condensed Consolidated Financial Statements and management believes such summarized financial information would be repetitive and would not provide incremental value to investors.

Credit Ratings

The investment grade debt ratings from Moody's and S&P Global Ratings contribute to the Company's ability to access capital markets.

Off-balance Sheet Arrangements

The Company does not have any variable interest entities or special purpose entities whose financial results are not included in the Company's Condensed Consolidated Financial Statements and the Company does not have any off-balance sheet financing other than normal, short-term leases and letters of credit.

Other Commercial Commitments

The Company has outstanding debt instruments. At March 31, 2025, the Company had total future payments of $5,610.6, with $0.4 of payments due within 12 months.

The Company has leases for patient service centers, laboratories and testing facilities, clinical facilities, general office spaces, vehicles, and office and laboratory equipment. At March 31, 2025, the Company had total future payments for short-term and long-term leases of $1,153.0, with $223.3 of payments due within 12 months.

At March 31, 2025, the Company had provided letters of credit aggregating approximately $102.8, primarily in connection with certain insurance programs which are renewed annually.

Based on current and projected levels of cash flows from operations, coupled with availability under its revolving credit facility, the Company believes it has sufficient liquidity to meet both its anticipated short-term and long-term cash needs for the next 12 months and the reasonably foreseeable future; however, the Company continually reassesses its liquidity position in light of market conditions and other relevant factors.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK (dollars in millions)

Market risk is the potential loss arising from adverse changes in market rates and prices, such as foreign currency exchange rates, interest rates, and other relevant market rate or price changes. In the ordinary course of business, the Company is exposed to various market risks, including changes in foreign currency exchange and interest rates, and the Company regularly evaluates the exposure to such changes. The Company addresses its exposure to market risks, principally the market risks associated with changes in foreign currency exchange rates and interest rates, through a controlled program of risk management that includes, from time to time, the use of derivative financial instruments such as foreign currency forward contracts, cross currency swaps and interest rate swap agreements. The Company does not hold or issue derivative financial instruments for trading purposes.

Foreign Currency Exchange Rates

Approximately 13.0% and 13.8% of the Company's revenues for the three months ended March 31, 2025 and 2024, respectively, were denominated in currencies other than the U.S. dollar (USD). The Company's Condensed Consolidated Financial Statements are reported in USD and, accordingly, fluctuations in exchange rates will affect the translation of revenues and expenses denominated in foreign currencies into USD for purposes of reporting the Company's consolidated financial results. In the first quarter of 2025 and the year ended December 31, 2024, the most significant currency exchange rate exposures were to the Canadian dollar, Swiss franc, euro, and British pound. Excluding the impacts from any outstanding or future hedging transactions, a hypothetical change of 10% in average exchange rates used to translate all foreign currencies to USD would have impacted income before income taxes for the three months ended March 31, 2025, by approximately $6.3. Accumulated currency translation adjustments recorded as a separate component of Shareholders' equity were $69.7 and $(124.3) for the quarter ended March 31, 2025 and 2024, respectively. The Company does not have significant operations in countries in which the economy is considered to be highly inflationary.

The Company earns revenue from service contracts over a period of several months, and in some cases, over a period of several years. Accordingly, exchange rate fluctuations during this period may affect the Company's profitability with respect to such contracts. The Company is also subject to foreign currency transaction risk for fluctuations in exchange rates during the period of time between the consummation and cash settlement of transactions. The Company limits its foreign currency transaction risk through exchange rate fluctuation provisions stated in some of its contracts with customers, or it may hedge transaction risk with foreign currency forward contracts. At March 31, 2025, the Company had 14 open foreign exchange forward contracts with various amounts maturing monthly through April 2025 with a notional value totaling approximately $496.4. At December 31, 2024, the Company had 12 open foreign exchange forward contracts with various amounts maturing monthly through January 2025 with a notional value totaling approximately $302.4.

The Company is party to USD to Swiss Franc cross-currency swap agreements with an aggregate notional amount of $1,200.0, $300.0 maturing in 2029, $300.0 maturing in 2031, and $600.0 maturing in 2034, as a hedge against the impact of foreign exchange movements on its net investment in a Swiss Franc functional currency subsidiary.

Interest Rates

Some of the Company's debt is subject to interest at variable rates. As a result, fluctuations in interest rates affect the Company's financial results. The Company attempts to manage interest rate risk and overall borrowing costs through an appropriate mix of fixed and variable rate debt including the utilization of derivative financial instruments, primarily interest rate swaps.

Borrowings under the Company's term loan credit facilities, and revolving credit facility are subject to variable interest rates, unless fixed through interest rate swaps or other agreements.

In May 2021, to hedge against changes in the fair value portion of the Company's long-term debt, the Company entered into fixed-to-variable interest rate swap agreements for the 2.70% senior notes due 2031 with an aggregate notional value of $500.0 and variable interest rates based on three-month Secured Overnight Financing Rate plus 1.0706%.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this Quarterly Report, the Company carried out, under the supervision and with the participation of the Company's management, including the Company's principal executive officer and principal financial officer, an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules13a-15 and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based upon this evaluation, the Company's principal executive officer and principal financial officer concluded that the Company's disclosure controls and procedures were effective as of March 31, 2025.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting (as defined in Rules13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) that occurred during the quarter ended March 31, 2025, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART I - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Note 8 Commitments and Contingencies to the Company's Condensed Consolidated Financial Statements.

ITEM 1A. RISK FACTORS

There have been no material changes in the risk factors that appear in Part I - Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS (dollars in millions)

During the three months ended March 31, 2025, the Company did not repurchase any of its shares of Common Stock.

At March 31, 2025, the Company had outstanding authorization from its Board to purchase up to $1,280.4 maximum value of the Common Stock. The repurchase authorization has no expiration date.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Insider Adoption or Termination of Trading Arrangements:

During the fiscal quarter ended March 31, 2025, none of the Company's directors or officers informed it of the adoption, modification or termination of a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as those terms are defined in Regulation S-K, Item 408, except as described in the table below:

Name and Title	Date Adopted	Character of Trading Agreement	Aggregate Number of Shares of Common Stock to be (Sold) Purchased Pursuant to Trading Agreement	Duration
Kerrii B. Anderson *Director*	March 6, 2025	Rule 10b5-1 Trading Arrangement	Up to (4,500) [1]	1/31/2026 [2]

[1] The figure presented represents the shares to be sold on the vesting of equity awards before reduction for shares to be withheld for tax purposes

[2] This trading arrangement permits transactions through and including the earlier to occur of (a) the completion of all sales on the respective order entry date or (b) the date listed in the table.

ITEM 6. EXHIBITS

(a)

10.1	First Amendment to Receivables Purchase Agreement, dated January 31, 2025, by and among Labcorp Receivables LLC, Laboratory Corporation of America Holdings, PNC Bank National Association and PNC Capital Markets LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 31, 2025).
22.1*	Subsidiary Issuers of Guaranteed Securities
31.1*	Certification by the Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a)
31.2*	Certification by the Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a)
32**	Written Statement of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)
101.INS*	Inline XBRL Instance Document - The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101)

* filed herewith

** furnished herewith

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, thereunto duly authorized.

LABCORP HOLDINGS INC.
Registrant

By: /s/ ADAM H. SCHECHTER
Adam H. Schechter
President and Chief Executive Officer
(Principal Executive Officer)

By: /s/ JULIA A. WANG
Julia A. Wang
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Dated: April 29, 2025

Exhibit 22.1

Subsidiary Issuers of Guaranteed Securities

Guaranteed Securities

The following securities (collectively referred to in this exhibit as the "Senior Notes") issued by Laboratory Corporation of America Holdings ("LCAH"), a Delaware corporation and wholly-owned subsidiary of Labcorp Holdings Inc. ("LHI"), a Delaware corporation, were outstanding as of March 31, 2025.

Description of Senior Notes

1.55% Senior Notes due 2026 (issued under the Fifteenth Supplemental Indenture to the Indenture, dated as of November 19, 2010, by and between LCAH and U.S. Bank Trust Company, National Association, as trustee (the "2010 Indenture"))

3.60% Senior Notes due 2027 (issued under the Twelfth Supplemental Indenture to the 2010 Indenture)

2.95% Senior Notes due 2029 (issued under the Fourteenth Supplemental Indenture to the 2010 Indenture)

4.35% Senior Notes due 2030 (issued under the First Supplemental Indenture to the Indenture, dated as of September 23, 2024, by and between LCAH and U.S. Bank Trust Company, National Association, as trustee (the "2024 Indenture"))

2.70% Senior Notes due 2031 (issued under the Sixteenth Supplemental Indenture to the 2010 Indenture)

4.55% Senior Notes due 2032 (issued under the Second Supplemental Indenture to the 2024 Indenture)

4.80% Senior Notes due 2034 (issued under the Third Supplemental Indenture to the 2024 Indenture)

4.70% Senior Notes due 2045 (issued under the Tenth Supplemental Indenture to the 2010 Indenture)

Obligors

As of March 31, 2025, the obligors under the Senior Notes consisted of LHI, as guarantor, and LCAH, as issuer.

Exhibit 31.1

Certification

I, Adam H. Schechter, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Labcorp Holdings Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2025

By: /s/ ADAM H. SCHECHTER
Adam H. Schechter
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

Certification

I, Julia A. Wang, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Labcorp Holdings Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2025

By: /s/ JULIA A. WANG
Julia A. Wang
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32

Written Statement of
Chief Executive Officer and Chief Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)

The undersigned, the Chief Executive Officer and the Chief Financial Officer of Labcorp Holdings Inc. (the "Company"), each hereby certifies that, to his knowledge on the date hereof:

(a) the Form 10-Q of the Company for the Period Ended March 31, 2025, filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(b) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ ADAM H. SCHECHTER
Adam H. Schechter
Chief Executive Officer
April 29, 2025

By: /s/ JULIA A. WANG
Julia A. Wang
Chief Financial Officer
April 29, 2025

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Labcorp Holdings Inc. and will be retained by Labcorp Holdings Inc. and furnished to the Securities and Exchange Commission or its staff upon request.