

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

October 25, 2007
(Date of earliest event reported)

**LABORATORY CORPORATION OF
AMERICA HOLDINGS**

(Exact Name of Registrant as Specified in its Charter)

DELAWARE

(State or other jurisdiction
of Incorporation)

1-11353

(Commission
File Number)

13-3757370

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

**358 SOUTH MAIN STREET,
BURLINGTON, NORTH CAROLINA**

(Address of principal executive offices)

27215

(Zip Code)

336-229-1127

(Registrant's telephone number including area code)

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

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

ITEM 7.01. Regulation FD Disclosure

Summary information of the Company dated October 25, 2007.

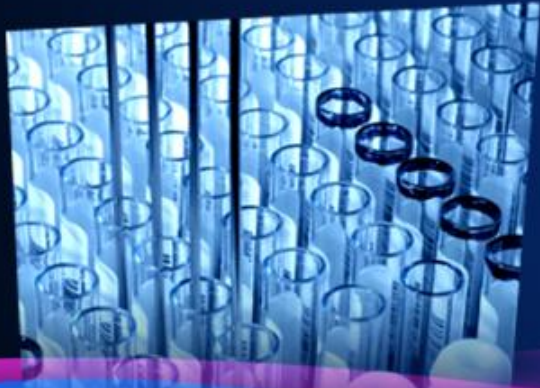
SIGNATURES

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

Laboratory Corporation of America Holdings
(Registrant)

Date: October 25, 2007

By: /s/Bradford T. Smith
Bradford T. Smith, Executive Vice President
and Secretary



 **LabCorp**
Laboratory Corporation of America

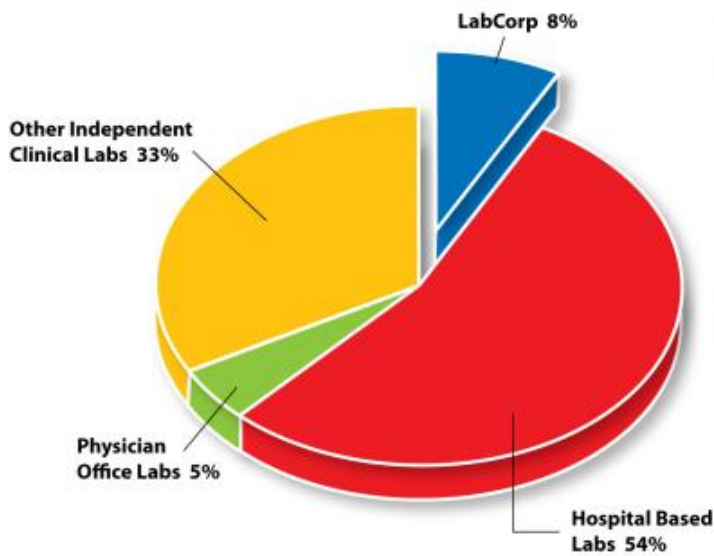
8-K Filed October 25, 2007



This slide presentation contains forward-looking statements which are subject to change based on various important factors, including without limitation, competitive actions in the marketplace and adverse actions of governmental and other third-party payors.

Actual results could differ materially from those suggested by these forward-looking statements. Further information on potential factors that could affect the Company's financial results is included in the Company's Form 10-K for the year ended December 31, 2006, and subsequent SEC filings.

The Clinical Laboratory Testing Market >\$40-\$50 billion Annually



- Industry CAGR of 5% - 7%
- Market segments:
 - Routine—\$30-\$35 billion
 - Esoteric—\$4-\$5 billion
 - Anatomic pathology—\$6-\$10 billion
- Growth opportunities:
 - Consolidation
 - Esoteric and anatomic pathology testing
 - Hospital outpatient and outreach

Source: Company estimates, industry reports and 2006 revenue for LabCorp.



Industry Profile

- **Integral to quality healthcare**
 - Screening for and early diagnosis of disease leads to improved outcomes
 - Monitoring of treatment effectiveness and disease recurrence
 - Correct therapy decisions based on known genetic markers
- **Cost effectiveness**
- **Cutting-edge technologies**
- **Influences 70% - 80% of healthcare decisions**
- **Rigorous quality standards**



Profile of LabCorp

- **A leader in the esoteric and genomic testing market and second-largest clinical laboratory company in North America**
- **Offers the broadest range of clinical and anatomic pathology services to aid clinicians in diagnosis, monitoring, prediction and prevention of disease**
- **Conducts > 270 million tests annually**
- **Connectivity with physicians offices**
 - 90% of results delivered electronically
 - 70% of tests ordered electronically

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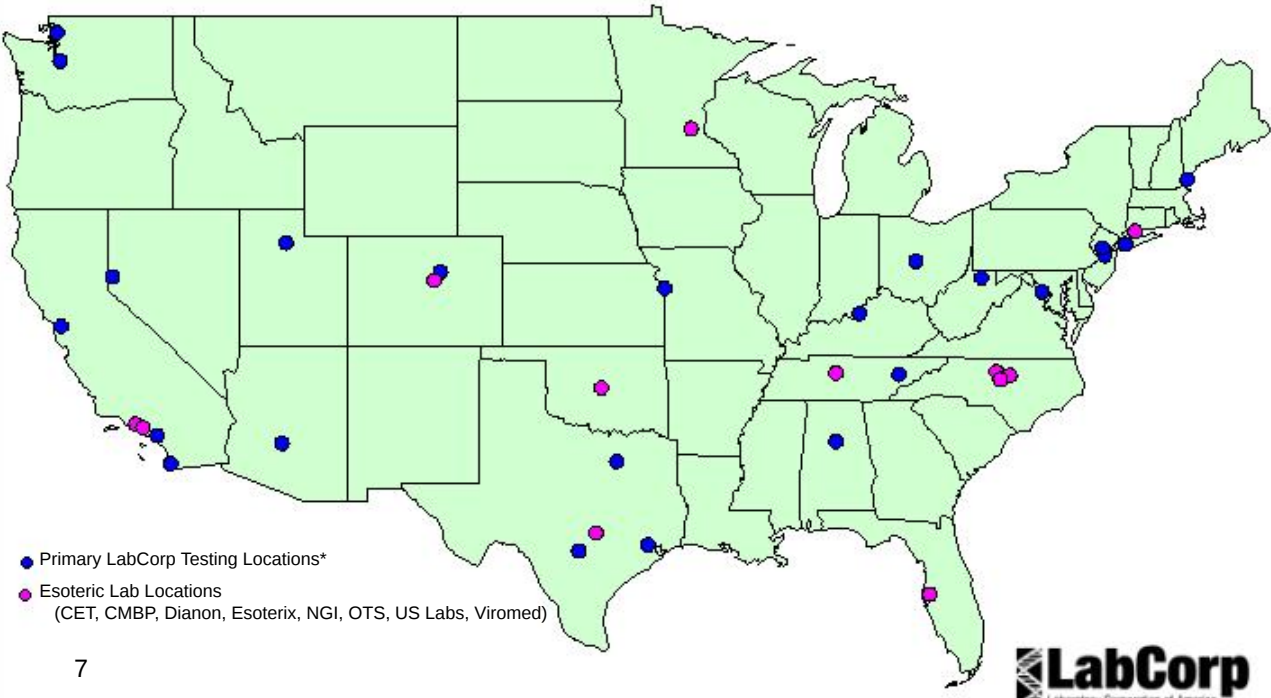




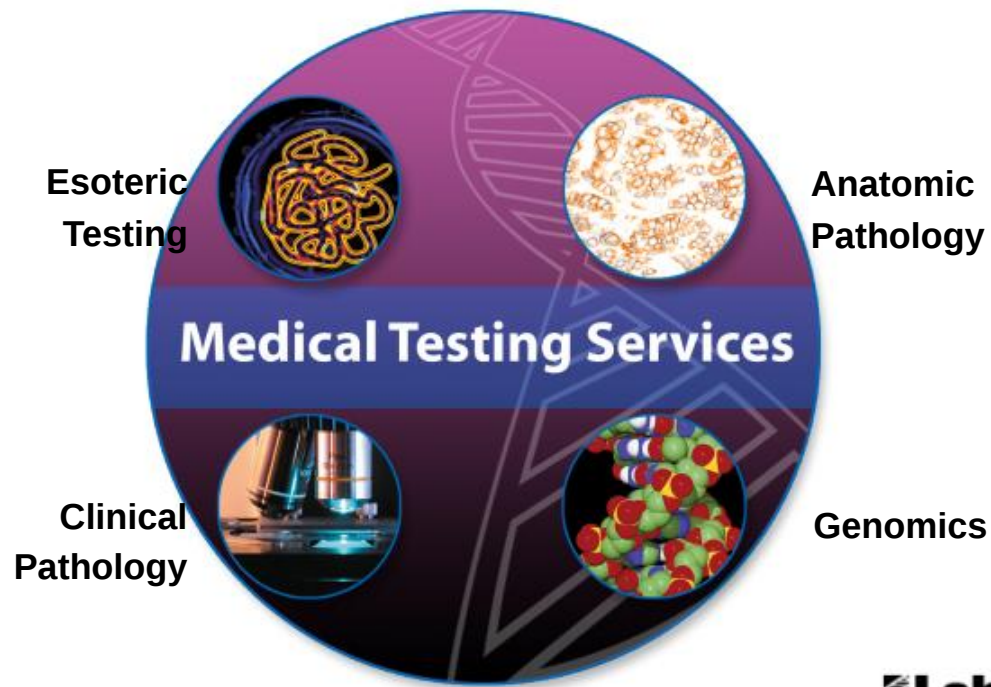
Profile of LabCorp

- **More than 25,000 people nationwide**
 - 6,200 phlebotomists
 - 2,600 couriers
- **700 MDs and PhDs**
- **1,600+ conveniently located patient service centers**
- **Rigorously monitored, industry-leading quality and service metrics**
- **Highest quality, CAP inspected and CLIA certified laboratories**

Primary Testing Locations



What is LabCorp?



Strategic Focus Areas



Scientific Leadership

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



Managed Care

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



Customer Focus

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

Revenue Growth Drivers

- **Managed Care**
 - Partner of choice for major managed care organizations
 - Recognition of value from standardized lab data
 - Breadth of test menu, quality, convenience
- **Hospital market**
 - Over 50% of market of which approximately 2/3 available to clinical labs
 - Pricing pressures from managed care
 - DSI acquisition: “win-win” for hospital, community and commercial lab
- **Companion diagnostics/Personalized medicine**
 - ARCA
 - Warfarin
 - Clinical trials link
- **Cancer diagnostics**
 - Anatomic pathology - \$6 - \$10 billion fragmented market
 - Treatment decisions/monitoring
 - Recurrence testing
- **Cardiovascular disease**

Lab testing is foundation for determining need for imaging, invasive procedures, pharmaceutical treatments
VAP, NMR, high-sensitivity CRP





EBITDA Margin Growth Drivers

- **Increased volumes through fixed-cost infrastructure**
- **Larger number of esoteric tests offered, more esoteric tests ordered**
- **Further operational efficiencies**
 - Increase automation in pre-analytic processes
 - Logistics / route structure optimization
 - Supply chain management
 - Facility consolidation/cost optimization
- **Improvement in collections / bad debt**

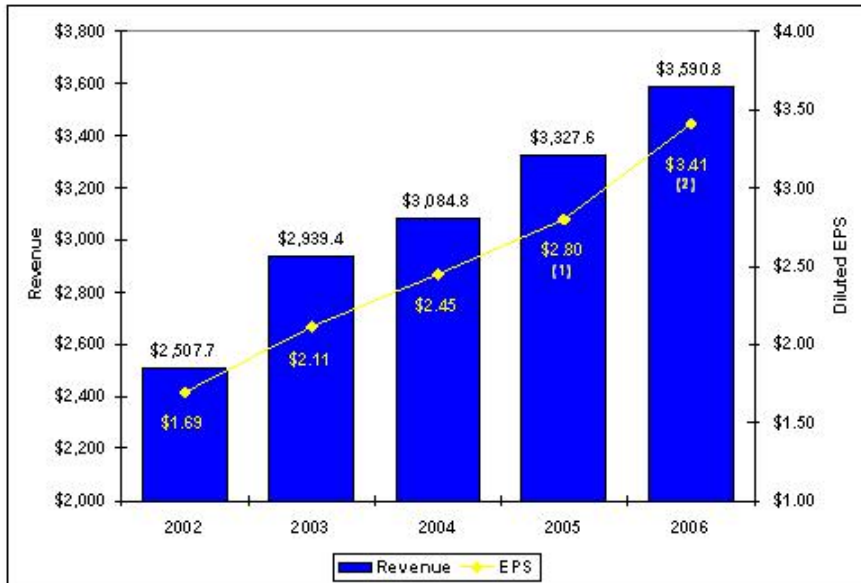


LabCorp's Investment and Performance Fundamentals

- **Industry-leading EBITDA margins**
- **Significant free cash flow**
- **Focus on returning value to shareholders**
 - Strategic acquisitions
 - Organic growth opportunities
 - Share repurchase – additional \$500 million authorization announced 3/13/07
 - \$329 Million available as of 9/30/07
- **Flexibility for future growth opportunities**

Five-Year Revenue and EPS Trend

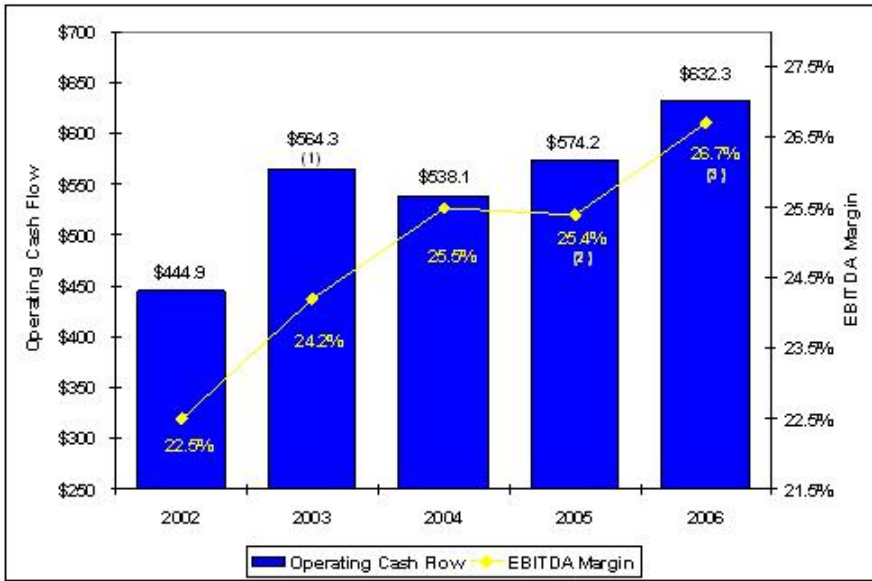
Revenue CAGR of 9% – Diluted EPS CAGR of 19%



1. Excluding the \$0.09 per diluted share impact in 2005 of restructuring and other special charges, and a non-recurring investment loss.
2. Excluding the \$0.07 per diluted share impact in 2006 of restructuring and other special charges, and the \$0.10 per diluted share impact in 2006 of adoption of SFAS 123(R).

Five-Year OCF and EBITDA Margin Trend

OCF CAGR of 9% – EBITDA Margin Growth of 420 bps



1. Includes approximately \$50 million of benefit from one-time tax credits recorded in 2003.
2. Excluding the impact in 2005 of restructuring and other special charges and a non-recurring investment loss.
3. Excluding the impact in 2006 of restructuring and other special charges and of the adoption of SFAS 123(R).

Third Quarter Results

(In millions, except per share data)

	<u>9/30/2006</u>	<u>9/30/2007</u>	<u>+/(-)</u>
Revenue	\$ 909.9	\$ 1,020.6	12.2%
EBITDA ⁽¹⁾	\$ 237.1	\$ 272.5	14.9%
EBITDA Margin	26.1%	26.7%	60 bp
Diluted EPS ⁽²⁾	\$ 0.84	\$ 1.07	27.4%

(1) Excludes restructuring and other special charges of \$5.6 and \$31.3 million recorded by the Company in the third quarter of 2006 and 2007, respectively.

(2) Excludes the \$0.03 and \$0.15 per diluted share impact of the restructuring and other special charges recorded in the third quarter of 2006 and 2007, respectively.

Nine-Month Results

(In millions, except per share data)

	<u>9/30/2006</u>	<u>9/30/2007</u>	<u>+/(-)</u>
Revenue	\$ 2,692.2	\$ 3,062.5	13.8%
EBITDA ⁽¹⁾	\$ 708.0	\$ 812.6	14.8%
EBITDA Margin	26.3%	26.5%	20 bp
Diluted EPS ⁽²⁾	\$ 2.46	\$ 3.13	27.2%

(1) Excludes restructuring and other special charges of \$5.6 and \$38.3 million recorded by the Company through the third quarter of 2006 and 2007, respectively.

(2) Excludes the \$0.03 and \$0.18 per diluted share impact of the restructuring and other special charges by the Company through the third quarter of 2006 and 2007, respectively.



2007 Third Quarter Financial Achievements

- **Diluted EPS of \$1.07 ⁽¹⁾**
- **EBITDA margin of 26.7% of net sales⁽²⁾**
- **Operating cash flow of \$130.4 million**
- **Increased revenues 12.2% (11.9% volume; 0.3% price)**
- **Repurchased approximately \$111.3 million of LabCorp stock**

(1) Excludes the \$0.15 per diluted share impact of the restructuring and other special charges recorded in the third quarter of 2007.

(2) Based on EBITDA of \$272.5 million, excluding the \$31.3 million impact of restructuring and other special charges recorded in the third quarter of 2007.



2007 First Nine Months Financial Achievements

- **Diluted EPS of \$3.13 ⁽¹⁾**
- **EBITDA margin of 26.5% of net sales ⁽²⁾**
- **Operating cash flow of \$469.3 million**
- **Increased revenues 13.8% (12.8% volume; 1.0% price)**
- **Repurchased approximately \$520.8 million of LabCorp stock**

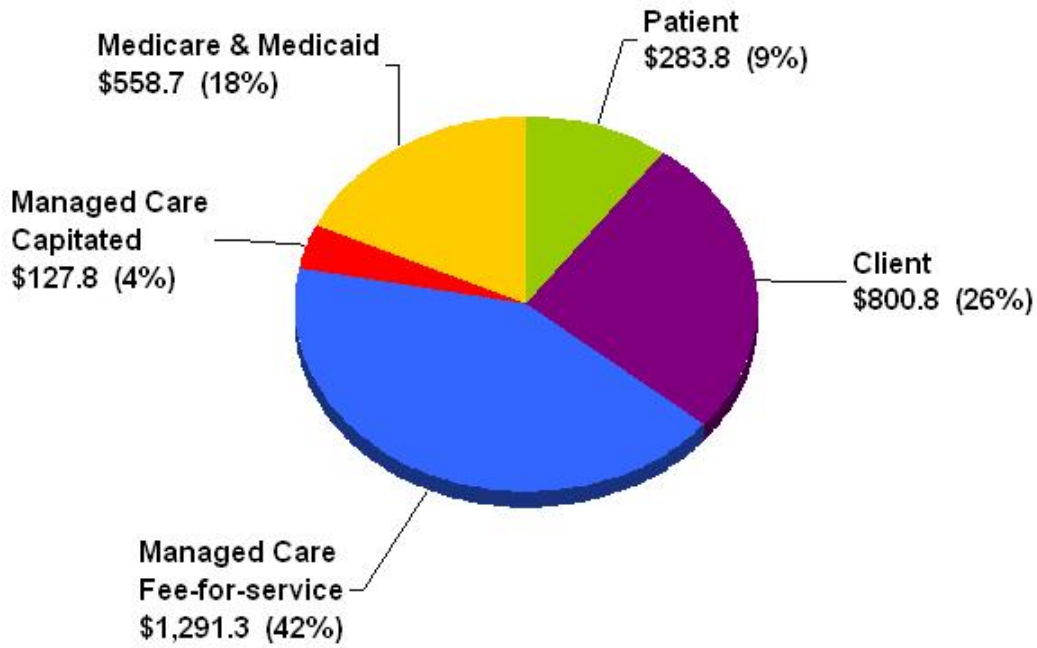
(1) Excludes the \$0.18 per diluted share impact of the restructuring and other special charges recorded through the third quarter of 2007.

(2) Based on EBITDA of \$812.6 million, excluding the \$38.3 million impact of restructuring and other special charges recorded through the third quarter of 2007.

Revenue by Payor

Q3-YTD-2007

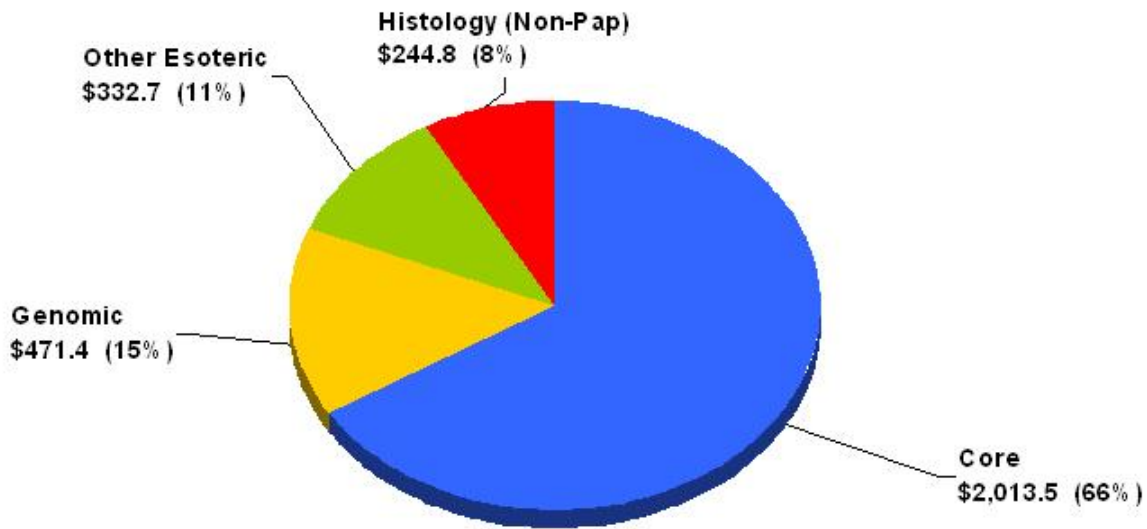
(In millions)



Revenue by Business Area

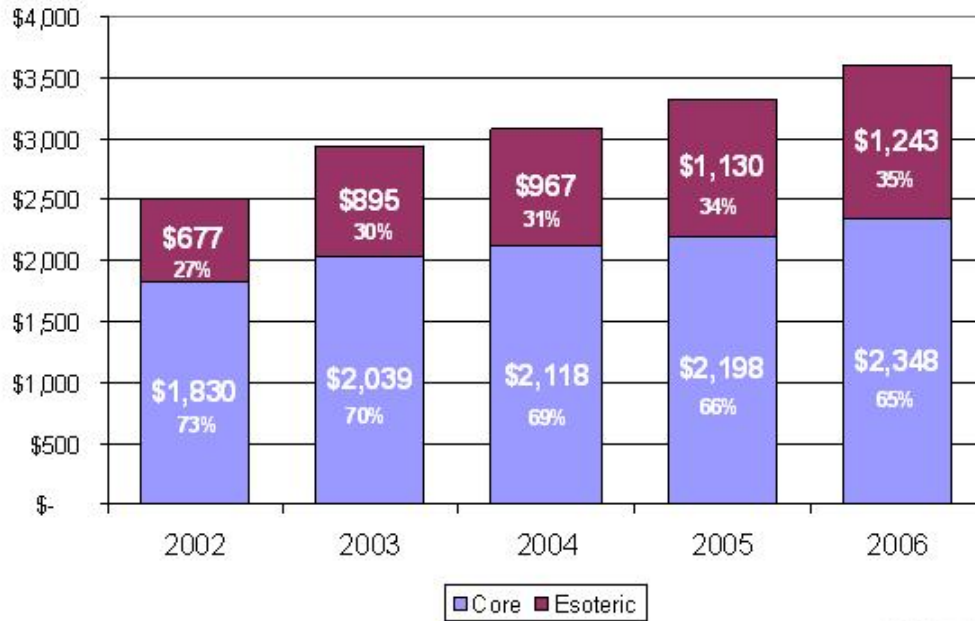
Q3-YTD-2007

(In millions)



Revenue Mix by Business Area

(In millions)



Revenue by Payer

(In millions, except PPA)

	YTD Q3-2005				YTD Q3-2006				YTD Q3-2007			
	Revenue		Accns	PPA	Revenue		Accns	PPA	Revenue		Accns	PPA
	\$'s	%			\$'s	%			\$'s	%		
Client	\$ 701.9	28%	24.181	\$ 29.03	\$ 725.7	27%	24.821	\$ 29.24	\$ 800.8	26%	25.701	\$ 31.16
Patient	\$ 232.2	9%	1.732	\$134.08	256.5	10%	1.720	\$149.12	283.8	9%	1.787	\$158.83
Third Party (Medicare/Medicaid)	\$ 570.4	23%	14.808	\$ 38.52	577.3	21%	14.369	\$ 40.17	558.7	18%	13.816	\$ 40.44
Managed Care:												
- Capitated	\$ 102.2	4%	9.809	\$ 10.42	106.5	4%	10.031	\$ 10.61	127.8	4%	11.463	\$ 11.15
- Fee for service	898.6	36%	19.077	\$ 47.10	1,026.3	38%	20.841	\$ 49.24	1,291.3	42%	28.169	\$ 45.84
Total Managed Care	1,000.8	40%	28.886	\$ 34.65	1,132.7	42%	30.872	\$ 36.69	1,419.1	46%	39.632	\$ 35.81
LabCorp Total	\$2,505.3	100%	69.607	\$ 35.99	\$2,692.2	100%	71.782	\$ 37.50	\$3,062.4	100%	80.936	\$ 37.84

Revenue Mix by Business Area

(In millions, except PPA)

	YTD Q3-2005				YTD Q3-2006				YTD Q3-2007			
	Revenue				Revenue				Revenue			
	\$'s	%	Accns	PPA	\$'s	%	Accns	PPA	\$'s	%	Accns	PPA
All Genomic	\$ 379.8	15%	5.058	\$ 75.09	\$ 415.6	15%	5.383	77.20	\$ 471.4	15%	6.382	\$ 73.87
Other Esoteric	251.3	10%	6.047	41.55	286.6	11%	6.866	41.75	332.7	11%	8.118	40.98
Histology	210.7	8%	1.807	116.61	223.4	8%	1.813	123.22	244.8	8%	2.013	121.64
All Genomic / Esoteric	841.8	34%	12.912	65.19	925.6	34%	14.062	65.82	1,049.0	34%	16.513	63.52
Core	1,663.5	66%	56.695	29.34	1,766.5	66%	57.720	30.61	2,013.5	66%	64.423	31.25
LabCorp Total	\$ 2,505.3	100%	69.607	\$ 35.99	\$2,692.2	100%	71.782	\$ 37.50	\$3,062.4	100%	80.936	\$ 37.84

2007 Financial Guidance

- Excluding the impact of any share repurchase activity after September 30, 2007, and excluding restructuring and other special charges recorded in 2007, guidance for 2007 is as follows:
 - Net sales growth of approximately 12.7% to 13.2% compared to 2006
 - EBITDA margins of 26.0% to 26.5% of net sales
 - Diluted EPS in the range of \$4.11 to \$4.18
 - Operating cash flow of between \$690 and \$710 million, excluding any transition payments related to the Company's agreement with UnitedHealthcare
 - Capital expenditures of between \$100 and \$110 million, excluding any additional capital expenditures related to the Company's agreement with UnitedHealthcare
 - Net interest expense of approximately \$45 million
 - Bad debt rate of approximately 4.8% of net sales



2008 Preliminary Financial Guidance

- Excluding the impact of any share repurchase activity after September 30, 2007, guidance for 2008 is as follows:
 - Net sales growth of approximately 6.5% to 8.5% compared to 2007
 - EPS growth of approximately 11% to 14% compared to 2007

Supplemental Financial Information

Laboratory Corporation of America
Other Financial Information
September 30, 2007
(\$ in million's)

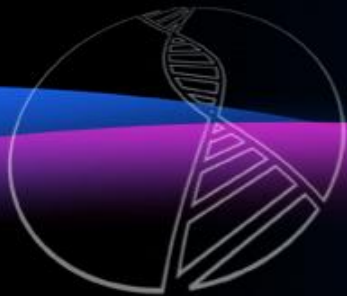
	<u>Q1 07</u>	<u>Q2 07</u>	<u>Q3 07</u>	<u>YTD 2007</u>
Depreciation	\$ 26.3	\$ 26.1	\$ 26.6	\$ 79.0
Amortization	\$ 13.3	\$ 13.4	\$ 13.9	\$ 40.6
Capital expenditures	\$ 40.8	\$ 32.2	\$ 35.5	\$ 108.5
Cash flows from operations	\$ 185.8	\$ 153.1	\$ 130.4	\$ 469.3
Bad debt as a percentage of sales	4.82%	4.82%	4.82%	4.82%
Effective interest rate on debt:				
Zero coupon-subordinated notes	2.00%	2.00%	2.00%	2.00%
5 1/2% Senior Notes (including effect of interest rate swap)	5.38%	5.38%	5.38%	5.38%
5 5/8% Senior Notes	5.75%	5.75%	5.75%	5.75%
Revolving credit facility (weighted average)	5.80%	5.80%	6.19%	6.19%
Days sales outstanding	55	55	58	58

Reconciliation of Non-GAAP Financial Measures

(In millions)

- 1) EBITDA represents earnings before interest, income taxes, depreciation, amortization, and nonrecurring charges, and includes the Company's proportional share of the underlying EBITDA of the income from joint venture partnerships. The Company uses EBITDA extensively as an internal management performance measure and believes it is a useful, and commonly used measure of financial performance in addition to earnings before taxes and other profitability measurements under generally accepted accounting principles ("GAAP"). EBITDA is not a measure of financial performance under GAAP. It should not be considered as an alternative to earnings before income taxes (or any other performance measure under GAAP) as a measure of performance or to cash flows from operating, investing or financing activities as an indicator of cash flows or as a measure of liquidity. The following table reconciles earnings before income taxes, representing the most comparable measure under GAAP, to EBITDA for the three- and nine-month periods ended September 30, 2007 and 2006:

	Three Months Ended Sept 30,		Nine Months Ended Sept 30,	
	2007	2006	2007	2006
Earnings before income taxes	\$ 187.1	\$ 183.1	\$ 615.4	\$ 551.1
Add (subtract):				
Interest expense	12.6	11.9	37.8	35.4
Investment income	(0.5)	(2.8)	(3.3)	(4.4)
Other (income) expense, net	0.6	0.1	1.5	1.9
Depreciation	26.6	25.3	79.1	76.1
Amortization	13.9	13.0	40.6	39.0
Restructuring and other special charges	31.3	5.6	38.3	5.6
Joint venture partnerships' depreciation and amortization	<u>0.9</u>	<u>0.9</u>	<u>3.2</u>	<u>3.3</u>
EBITDA	\$ 272.5	\$ 237.1	\$ 812.6	\$ 708.0



 **LabCorp**
Laboratory Corporation of America