

**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

September 12, 2012
(Date of earliest event reported)

**LABORATORY CORPORATION OF
AMERICA HOLDINGS**

(Exact Name of Registrant as Specified in its Charter)

Delaware

1-11353

13-3757370

(State or other jurisdiction of Incorporation)

(Commission File Number)

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

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

27215

336-229-1127

(Address of principal executive offices)

(Zip Code)

(Registrant's telephone number including area
code)

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

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

Item 7.01 Regulation FD Disclosure

Summary information of the Company dated September 12, 2012.

SIGNATURES

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

LABORATORY CORPORATION OF AMERICA HOLDINGS

Registrant

By:

/s/ F. SAMUEL EBERTS III

F. Samuel Eberts III

Chief Legal Officer and Secretary

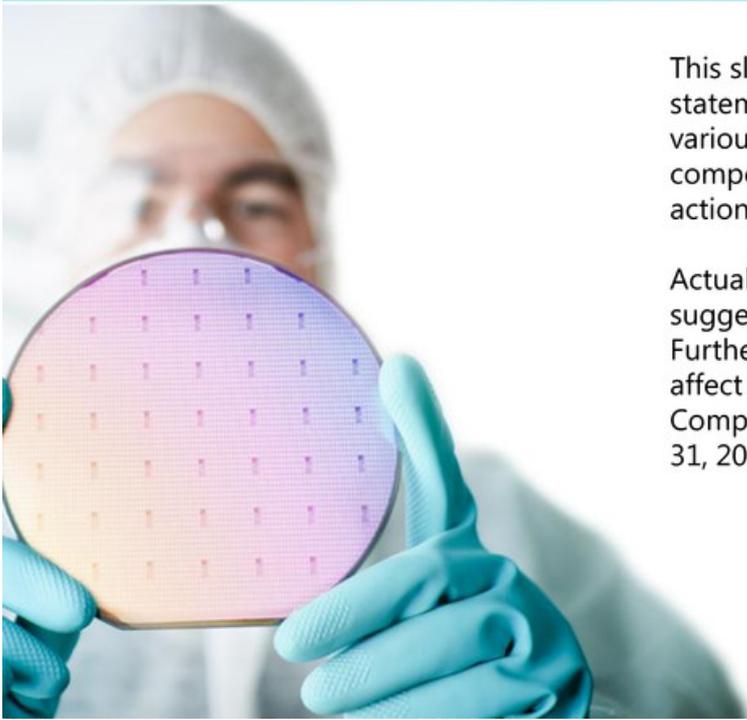
September 12, 2012

Morgan Stanley Healthcare Conference

September 12, 2012
New York, NY



Forward Looking Statement



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.

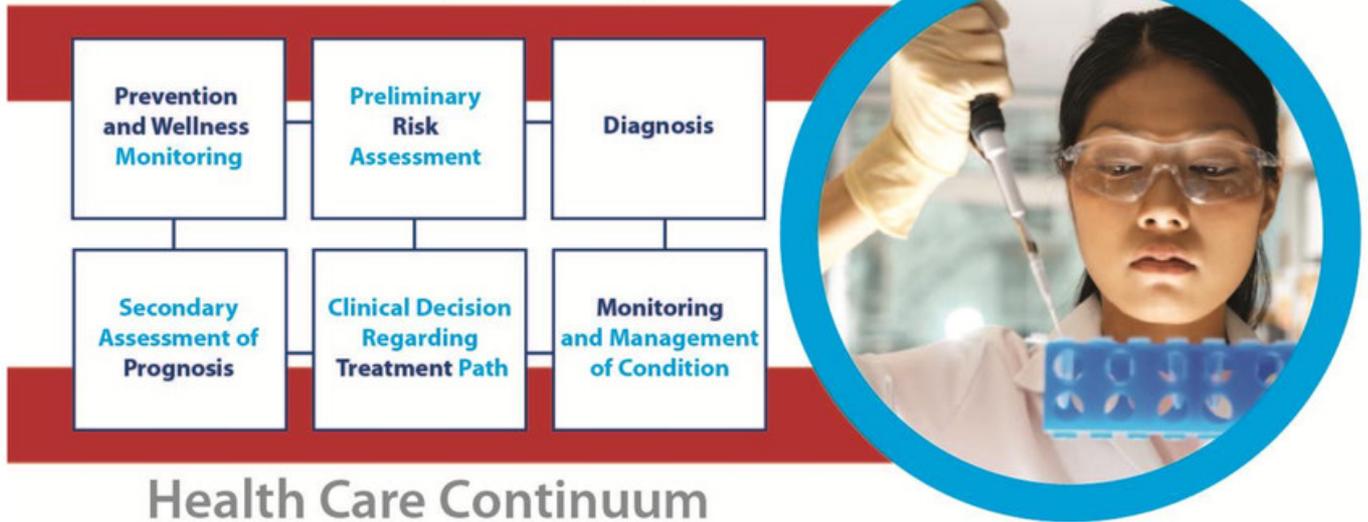
Actual results could differ materially from those suggested by these forward-looking statements. Further information on potential factors that could affect the Company's financial results is included in the Company's Form 10-K for the year ended December 31, 2011, and subsequent SEC filings.

Leading National Lab Provider

- Fastest growing national lab
- \$55 billion market
- Clinical, Anatomic and Genomic testing
- Serving clients in all 50 states and Canada
- Foremost worldwide clinical trials testing business



Laboratory Testing



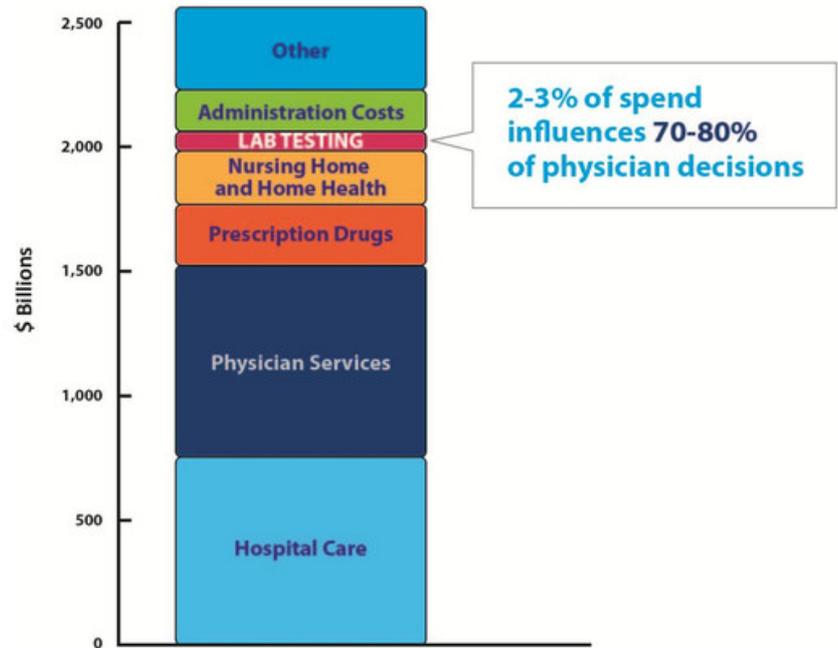
Source: Deloitte (OAML)

Attractive Market

Valuable Service

- Small component of total cost influences large percentage of clinical decisions
- Screening, early detection, and monitoring reduce downstream costs
- Companion diagnostics improve drug efficacy and safety

2011 Projected US Health Care Spend \$2.7 Trillion

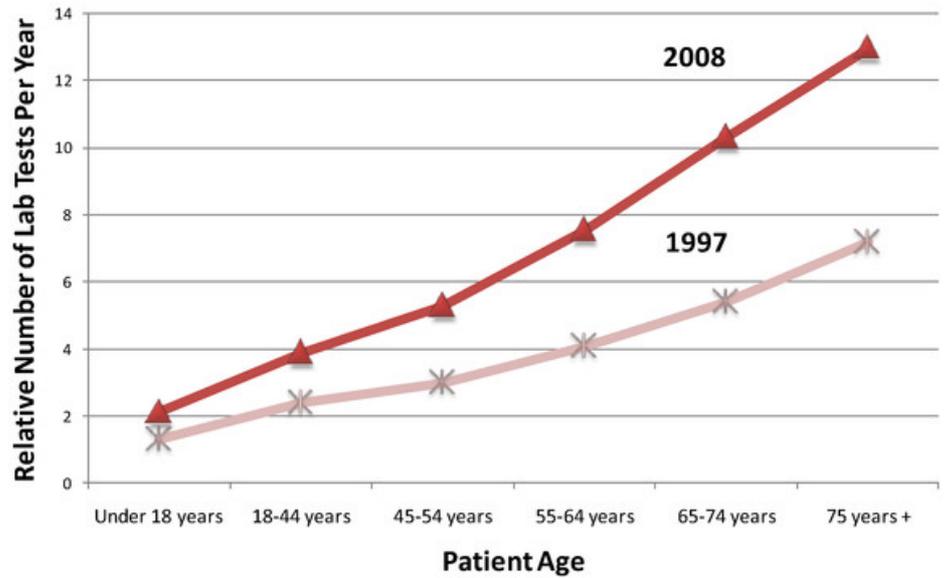


Source: Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Statistics Group; and U.S. Department of Commerce, Bureau of Economic Analysis and U.S. Bureau of the Census, and company estimates.

Attractive Market

Growth Drivers

- Aging population
- Industry consolidation
- Advances in genomics
- Pharmacogenomics/
companion diagnostics
- Cost pressures will reward
lower cost and more
efficient labs



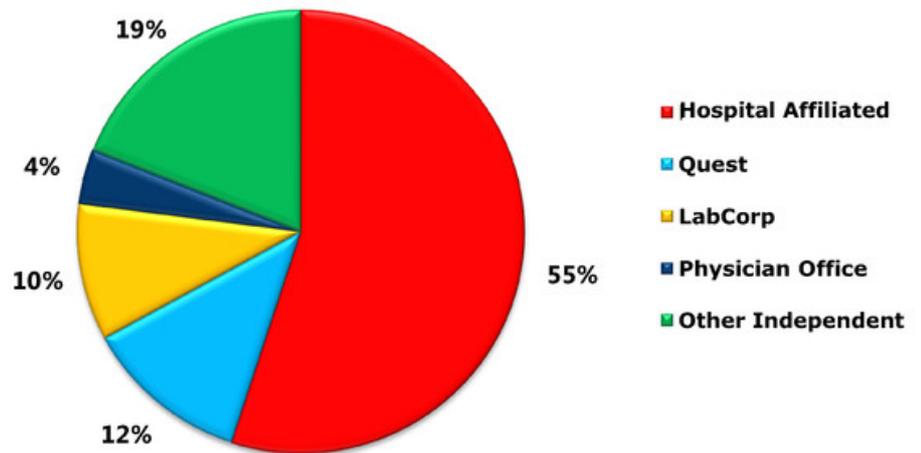
Source: CDC National Ambulatory Medical Care Survey and Company Estimates

Attractive Market

Opportunity to Take Share

- Approximately 5,000 independent labs
- Less efficient, higher cost competitors

\$55 Billion US Lab Market



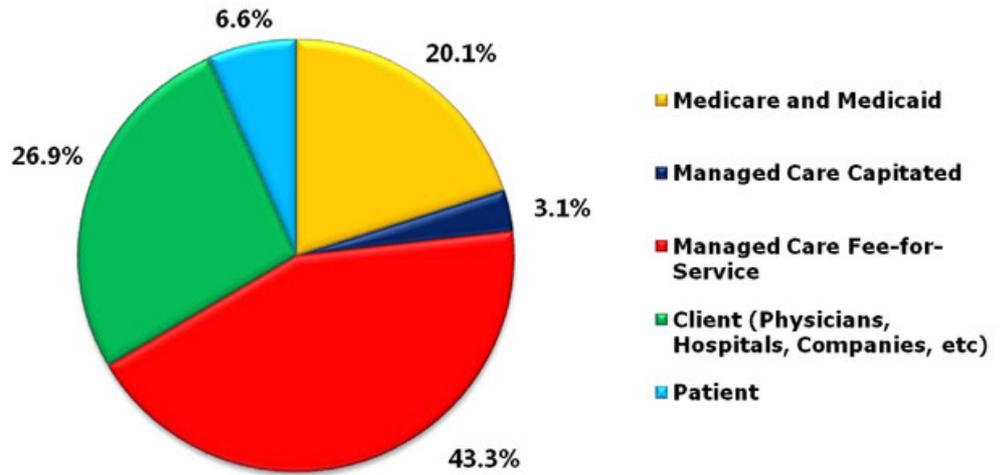
Source: Washington G-2 Reports and Company estimates

Attractive Market

Diversified Payor Mix

- No customer > 10% of revenue
- Limited government exposure

LabCorp U.S. Payor Mix % of revenue, 2011

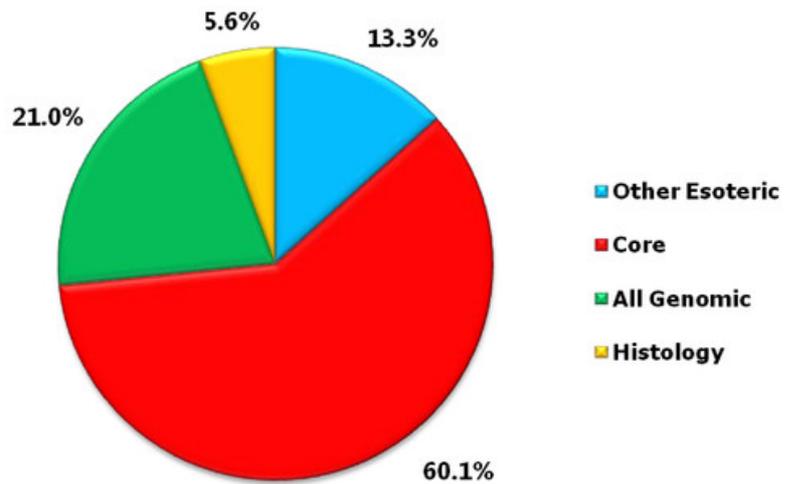


Attractive Market

Diversified Test Mix

With recent acquisitions, esoteric testing comprises approximately 41% of revenue

LabCorp U.S. Test Mix
% of revenue, 2011



Mission Statement

Five Pillar Strategy

**We Will Offer The Highest
Quality Laboratory Testing
and Most Compelling Value
to Our Customers**

We Will Execute This Mission Through
Our **Five Pillar Strategy**

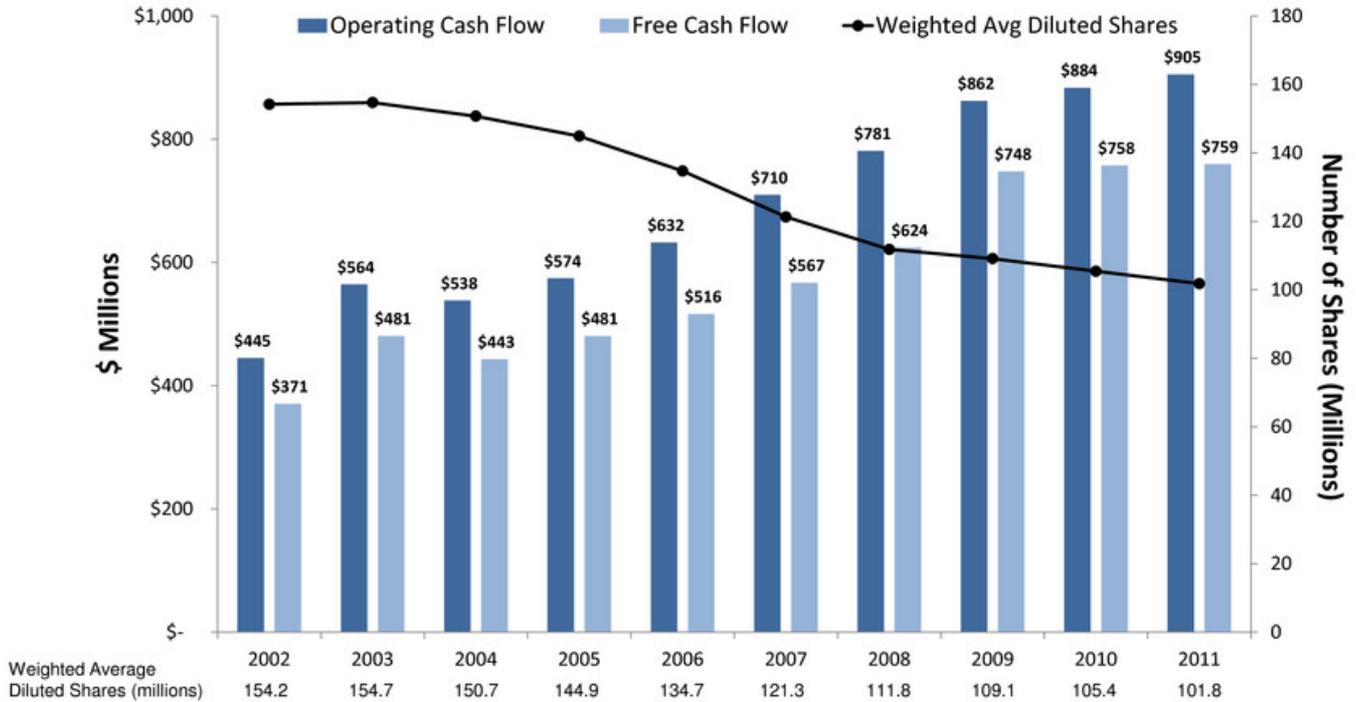


**Deploy Cash to Enhance
Footprint and Test Menu
and to Buy Shares**



Cash Flow Trends

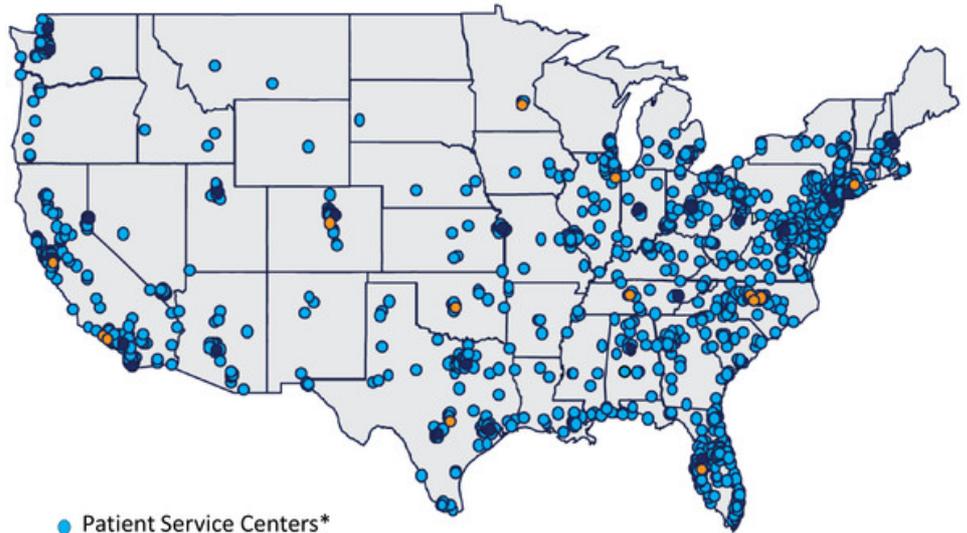
12.8% FCF CAGR from 2001-2011



Note: 2011 Free Cash Flow calculation above does not include the \$49.5 million Hunter Labs settlement
 Free Cash Flow is a non-GAAP metric (see reconciliation of non-GAAP Financial Measures included herein)
 Free Cash Flow CAGR calculation uses 2001 data (2001 Free Cash Flow was \$228 million)

Scale and Scope

- National infrastructure
- Broad test offering
- Managed care contracts
- Economies of scale



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

Key Uses of Cash

- **Acquisitions**

- Genzyme Genetics*
- Orchid Cellmark
- MEDTOX Scientific

- **Share Repurchase**

- \$337 million in 2010
- \$644 million in 2011
- \$253 million in 1H 2012



*GENZYME GENETICSSM and its logo are trademarks of Genzyme Corporation and used by Esoterix Genetic Laboratories, LLC, a wholly-owned subsidiary of LabCorp, under license. Esoterix Genetic Laboratories and LabCorp are operated independently from Genzyme Corporation.

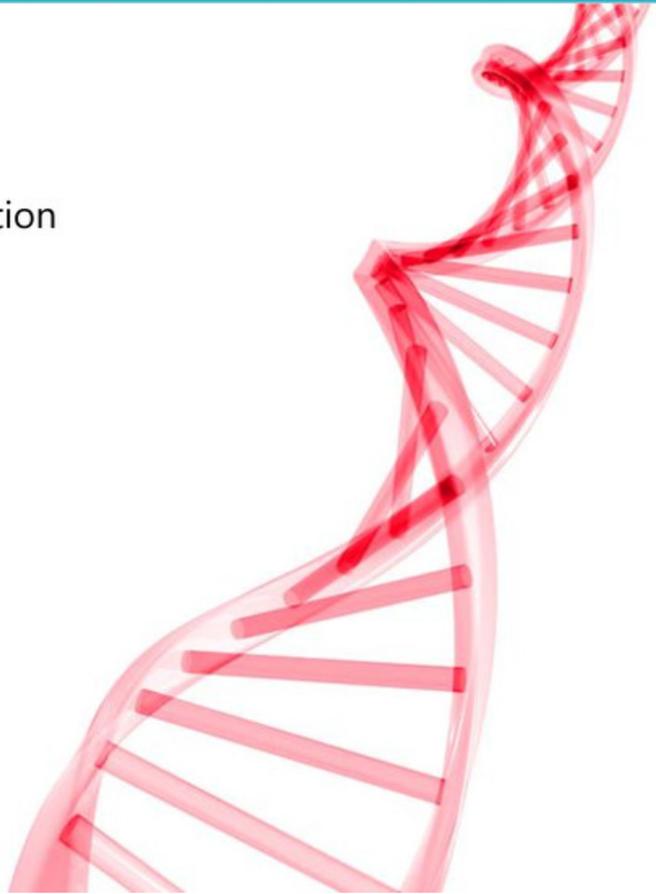
Two new names in specialized testing

- As part of a broad rebranding of LabCorp's specialty testing capabilities, we adopted the name Integrated Genetics for the reproductive portion of the Genzyme Genetics business and LabCorp's legacy genetics business.
- We adopted the name Integrated Oncology for the oncology portion of the Genzyme Genetics business and LabCorp's legacy oncology business.



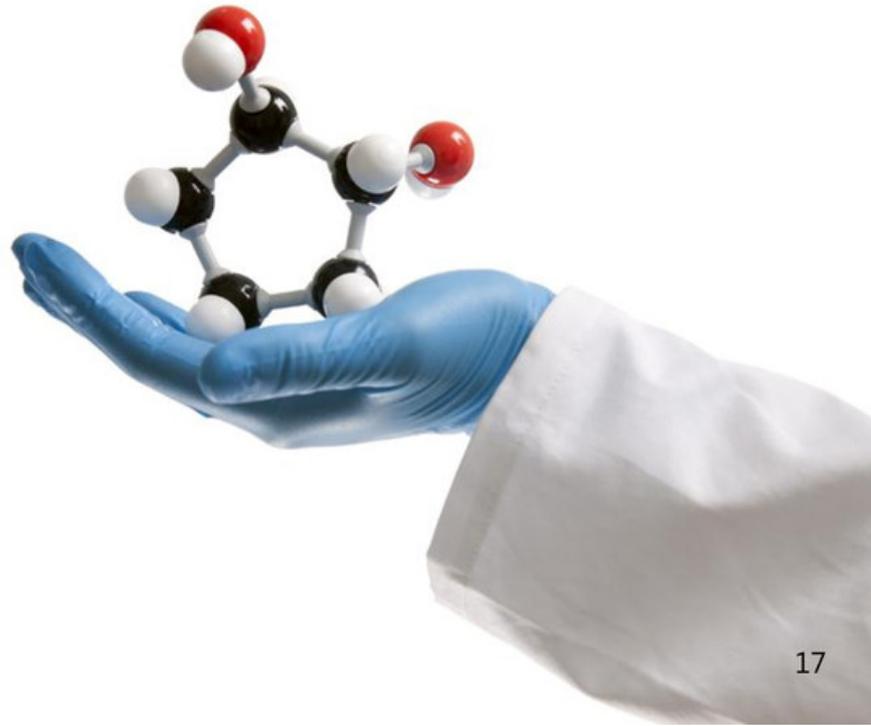
Five Pillar Strategy—**Pillar One**
Importance of Genetics

- Preconception
- Pre- and post-natal
- Identification of disease carriers
- Identification of disease predisposition
- Diagnosis of genetically caused or influenced conditions (e.g., developmental delay)
- Disease prognosis and treatment (especially cancer)



Five Pillar Strategy—**Pillar One**
Importance of Oncology

- More sophisticated methods of cancer testing complement traditional biopsies
- Value of diagnostics for disease prognosis, and monitoring of progression and recurrence
- Critical role of testing in therapy selection



**Enhance IT Capabilities
To Improve Physician
and Patient Experience**



Intuitive Order Entry

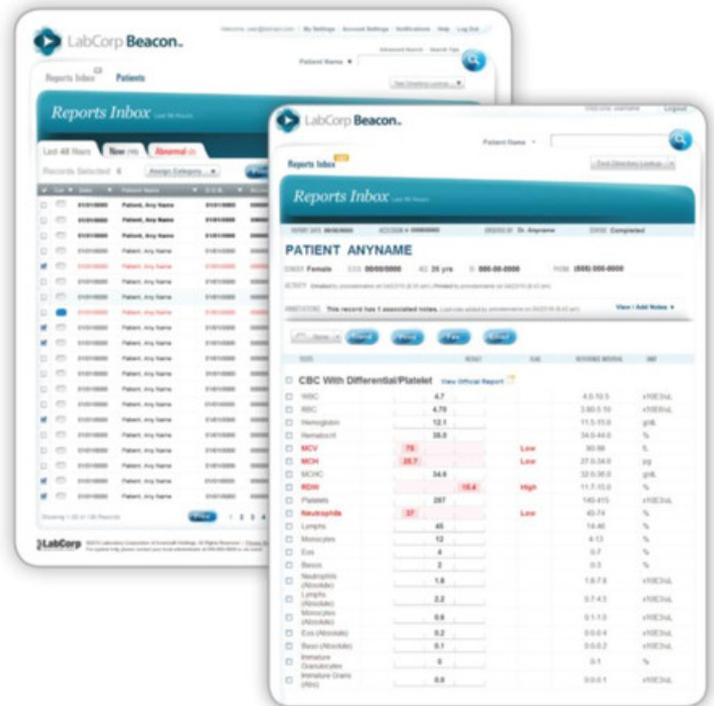
- **Streamlined ordering**
Provider, Diagnosis, Test and Collection information are all displayed in a single screen
- **Requisition and account logic**
Automatically generates requisitions with appropriate account numbers
- **Key time-saving features**
 - Send to PSC
 - Standing orders
 - Electronic add-on testing
 - User-defined pick lists

The screenshot displays the LabCorp Beacon 'New Order' interface. At the top, there are navigation tabs for Home, Results, Orders, Patients, and Trends. The main header indicates 'Orders / New Order'. Below this, patient information is shown, including 'Patient, Anonymized', gender (Male), date of birth (02/14/1932), age (84 yrs), SSN (000000000), phone (000-000-0000), and bill method (Medicare). The 'Patient Visit Information' section includes fields for provider location, provider name, and patient classification type. The 'Diagnosis Codes' section lists three codes: I22.40 (Echinococcal granulomatous infection unspecified), I28.90 (Fungal infection unspecified), and J63.00 (Chronic rheumatic pericarditis). The 'Tests and Panels' section contains a table with columns for ICD CODE, TEST NAME, SPECIMEN TYPE, QTY (ONES), and SPINNING. The table lists three tests: Complete Blood Count (CBC) with Differential, Basic Metabolic Panel (B), and Lipid Panel with LDL, HDL, Ratio. At the bottom, there are buttons for 'Cancel', 'Save Order', and 'Collect & Send'.

ICD CODE	TEST NAME	SPECIMEN TYPE	QTY (ONES)	SPINNING
005009	Complete Blood Count (CBC) with Differential (Details)	Whole Blood	85025	CBC
322750	Basic Metabolic Panel (B) (Details)	Serum (preferred) or plasma	80048	BMP Basic Metabolic Panel
230070	Lipid Panel with LDL, HDL, Ratio (Details)	Serum (preferred) or plasma	80061	

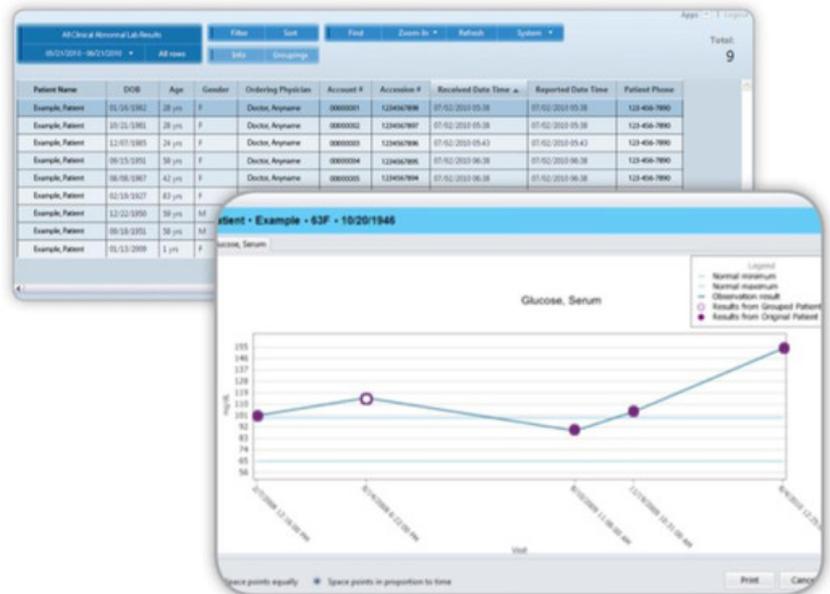
Unified Results

- **Centralizes lab connectivity**
View lab reports from DIANON Systems, Esoterix, LabCorp, Litholink, US Labs, and CMBP
- **Share results**
Email, fax, print and annotations make it easy to share critical information
- **Visual cues**
Supports physician decision making, enhances the timeliness of patient care and facilitates follow-up with abnormal results in red and unread reports in bold



Trends & Analytics

- **One-click trending**
 Physicians and staff can quickly view a single test or analyte for one patient and the trended history for that patient
- **Sort and filter results**
 Providers can filter their entire patient population on demographics and test results to identify trends and patients at risk
- **View lab history**

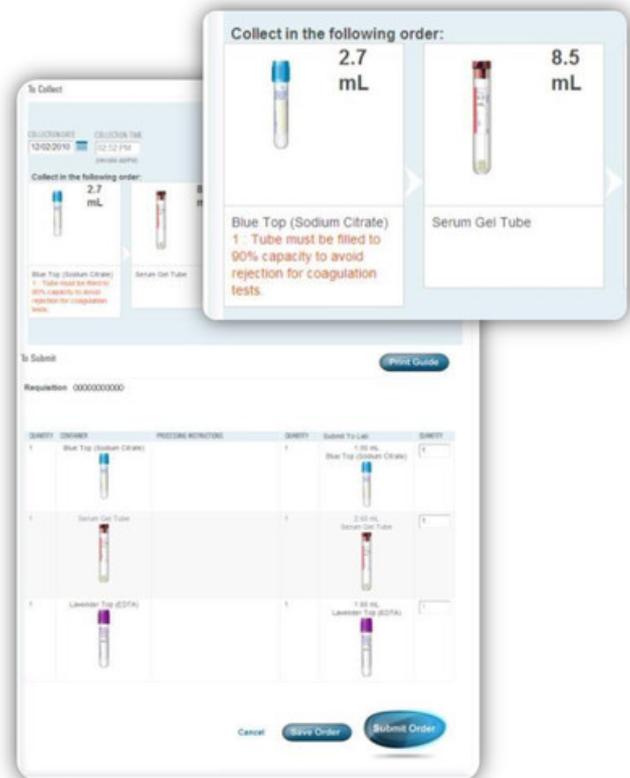


AccuDraw Integration

- **Reduce errors**
- **Reduce training time**
- **Proven results**
Success in LabCorp Patient Service Centers will be extended to customers

Online Appointment Scheduling

- **Patient convenience**
- **Improved service experience**
- **2011 enhancements improve the collection of payment at the time of scheduling**



LabCorp Beacon™ | Five Pillar Strategy—Pillar Two Patient Experience

Patient Portal

- **Make an appointment**
24 hours a day
- **Receive lab results**
as easily as checking email
- **Share lab results**
securely and privately
- **Pay bills online**
easily and securely
- **Get notifications and alerts**
automatically
- **Manage health care information**
for the entire family

The screenshot displays the LabCorp Beacon Patient Portal. At the top, it says "Welcome, Patient Name" with links for "Account Settings", "Help", and "Log Out". The main header includes the LabCorp logo and "LabCorp Beacon™: Patient". Below this is a navigation bar with "Home", "Lab Results", and "Profile".

The main content area is divided into several sections:

- Lab Test Results:** A table showing "New lab test results" and "Recently viewed lab test results". Each row includes "Date of Service", "Ordering Physician", "Account Name", and a "View" link.
- I Want to...:** A sidebar with quick actions: "Pay My Bill", "Schedule a Lab Appointment" (with a zip code field), "Find a Lab" (with a zip code field), "Share Health Information", and "Get Answers to Questions".
- Personal Profile:** A section titled "KEEP INFO UP TO DATE" with "Current Information" (Patient Name, Address, City, State, Zip) and an "Update" link.
- Calendar:** A section titled "NEXT APPOINTMENT | View all" showing an appointment for "Nov 10, 2011 8:30 AM" at "Conf#123456789" with a "Schedule an Appointment" search box.
- Health Library:** A section titled "LEARN ABOUT TESTS" with a "Search tests" box and a "Lab Tests Online" logo.

At the bottom right, there is a copyright notice: "© 2011 Laboratory Corporation of America Holdings. All Rights Reserved. Visit www.labcorp.com Privacy Statement" and the LabCorp logo.

**Continue to Improve Efficiency to
Offer the Most Compelling Value in
Laboratory Services**



Five Pillar Strategy—Pillar Three Most Efficient Provider

- Standardized lab and billing IT systems
- Automation of pre-analytics
- Supply chain optimization
- Sysmex fully automated hematology operations
- Consistent gross margin improvement (net of acquisitions)
- Bad debt reduction of approximately 90 bp since the beginning of 2009



**Scientific Innovation
At Appropriate Pricing**



• **Companion diagnostics and personalized medicine**

- IL-28B
- BRAF V600E metastatic melanoma (Zelboraf)
- Vysis ALK Break Apart FISH probe (XALKORI)
- K-RAS
- HLA-B* 5701
- EGFR Mutation Analysis
- HCV GenoSure® NS3/4A
- PhenoSense®, PhenoSense GT®
- HERmark®
- CYP 450 2C19

• **Women's health**

- ROMA
- Nuswab STD testing on a single swab
- Expanded Vaginosis and Candida testing
- Expanded options for HPV DNA testing

• **Outcome improvement programs**

- CKD and CVD programs
- Litholink kidney stone program
- Bone (osteoporosis) program

• **Clearstone acquisition**

- Global clinical trials capability
- Presence in China

FDA approves Zelboraf and companion diagnostic test for late-stage skin cancer

"This has been an important year for patients with late-stage melanoma. Zelboraf is the second new cancer drug approved that demonstrates an improvement in overall survival."

Richard Pazdur, M.D., director of the Office of Oncology Drug Products in the FDA's Center for Drug Evaluation and Research.

FDA approves Xalkori with companion diagnostic for a type of late-stage lung cancer

"The approval of Xalkori with a specific test allows the selection of patients who are more likely to respond to the drug. Targeted therapies such as Xalkori are important options for treating patients with this disease and may ultimately result in fewer side effects."

Richard Pazdur, M.D., director of the Office of Oncology Drug Products in the FDA's Center for Drug Evaluation and Research.

FDA clears HE4 test in ROMA for ovarian malignancy risk

"Using ROMA with HE4 and CA 125 significantly improves our ability to identify women who are at high or low likelihood of ovarian cancer when they present with an ovarian cyst or mass."

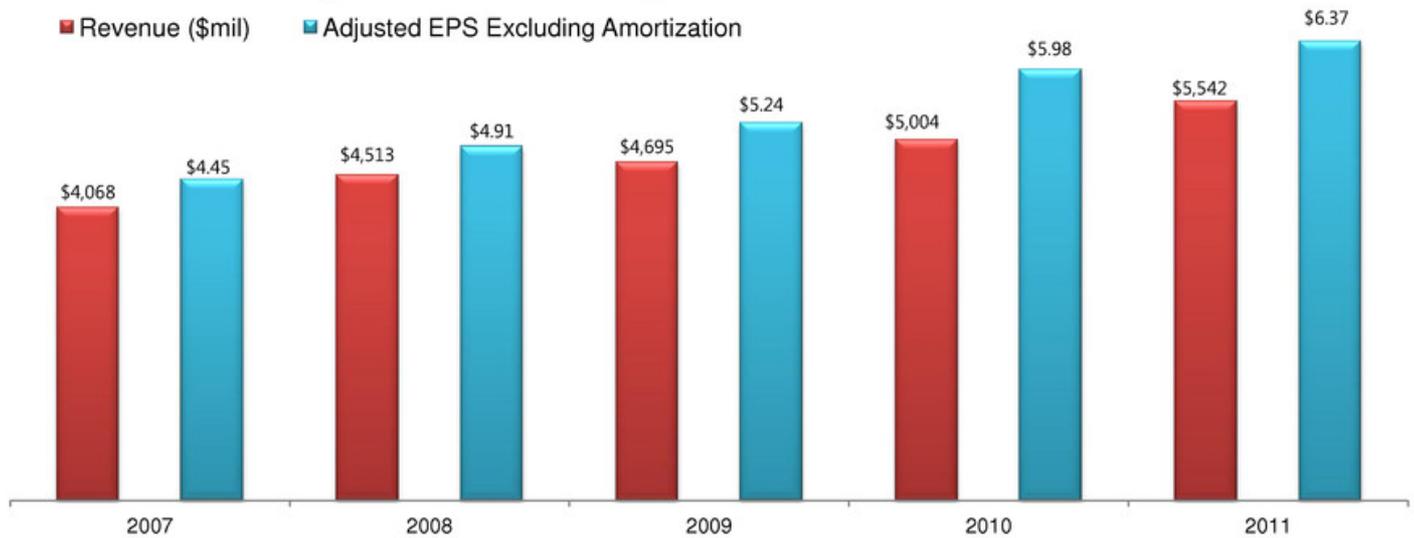
Richard Moore, MD, associate professor of Obstetrics and Gynecology at the Alpert School of Medicine at **Brown University** and director of the Center for Biomarkers and Emerging Technologies in the Program for Women's Oncology at **Women and Infants' Hospital** (Providence, Rhode Island).

Alternative Delivery Models



Excellent Performance

Revenue and Adjusted EPS Excluding Amortization Growth: 2007 – 2011 ⁽¹⁾ ⁽²⁾ ⁽³⁾



(1) Excluding the \$0.25 per diluted share impact of restructuring and other special charges and the \$0.27 per diluted share impact from amortization in 2007; excluding the \$0.44 per diluted share impact of restructuring and other special charges and the \$0.31 per diluted share impact from amortization in 2008; excluding the (\$0.09) per diluted share impact of restructuring and other special charges and the \$0.35 per diluted share impact from amortization in 2009; excluding the \$0.26 per diluted share impact of restructuring and other special charges and the \$0.43 per diluted share impact from amortization in 2010; excluding the \$0.72 per diluted share impact of restructuring and other special charges, the \$0.03 per diluted share impact from a loss on the divestiture of assets and the \$0.51 per diluted share impact from amortization in 2011.

(2) EPS, as presented represents adjusted, non-GAAP financial measures. Diluted EPS, as reported in the Company's Annual Report were: \$2.45 in 2004; \$2.71 in 2005; \$3.24 in 2006; \$3.93 in 2007; \$4.16 in 2008; \$4.98 in 2009; \$5.29 in 2010; and \$5.11 in 2011.

(3) 2008 revenue includes a \$7.5 million adjustment related to the Company's acquisition of U.S. Labs.

Recent Accomplishments

Our Results

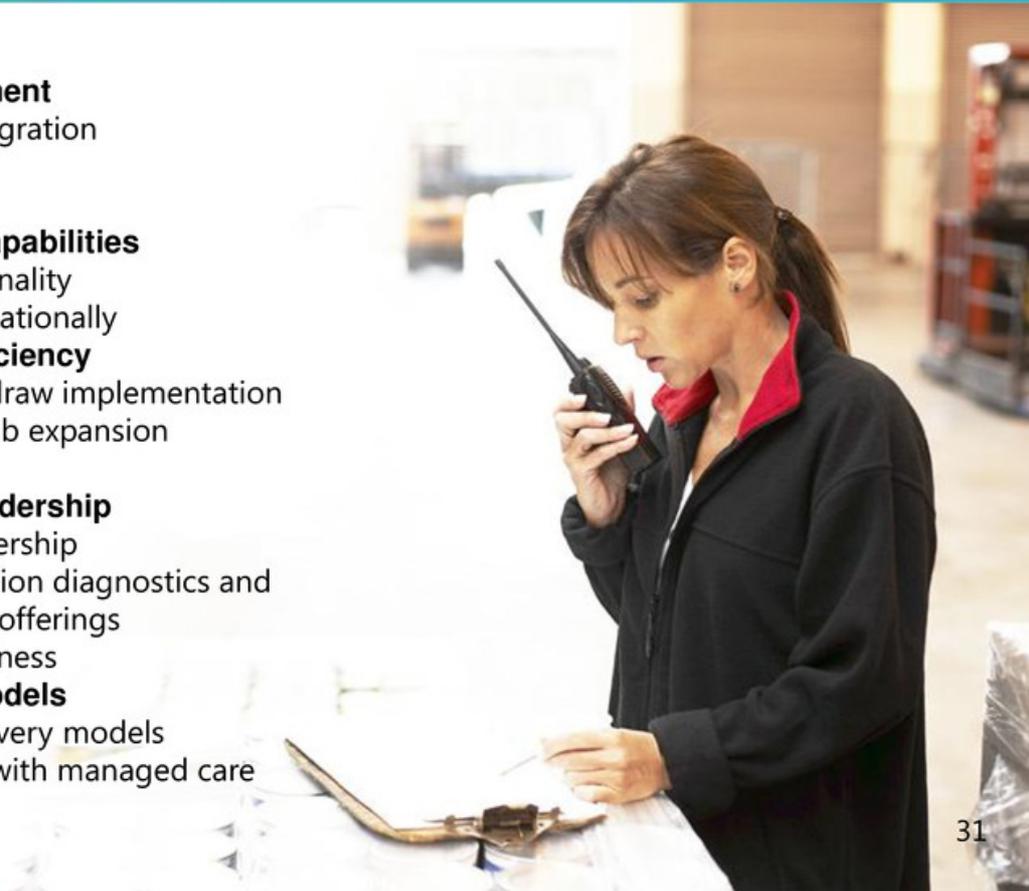
- **Profitable growth and capital deployment**
 - Esoteric growth
 - Maintained price
 - Acquisitions
- **Improved IT and client connectivity**
 - Beacon order entry rollout
 - Introduced LabCorp Patient Portal
 - Enhanced physician and patient experience
- **Continued efficiency programs**
 - Increased throughput (specimens per employee up 40% since 2007)
 - Call center consolidation
 - Lowered bad debt
- **Furthered scientific leadership**
 - Clearstone acquisition
 - New offerings in Women's Health and companion diagnostics
- **Extended UnitedHealthcare contract through the end of 2018; multi-year extension of the Wellpoint and Horizon contracts**



2012 Priorities

Our Focus

- **Pillar One – Cash Deployment**
 - Genzyme Genetics integration
 - Accretive acquisitions
 - Repurchase shares
- **Pillar Two – Enhance IT Capabilities**
 - Expand Beacon functionality
 - Deploy Patient Portal nationally
- **Pillar Three – Improve Efficiency**
 - Complete Touch/Accudraw implementation
 - Complete Burlington lab expansion
 - Facility rationalization
- **Pillar Four – Scientific Leadership**
 - Enhance scientific leadership
 - Introduce new companion diagnostics and personalized medicine offerings
 - Grow clinical trials business
- **Pillar Five – Alternative Models**
 - Explore alternative delivery models
 - Broaden relationships with managed care



Full Year 2011 Results

	Twelve Months Ended Dec 31,		+ / (-)
	2011	2010	
Revenue	\$5,542.3	\$5,003.9	10.8%
Adjusted Operating Income ⁽¹⁾	\$1,064.9	\$1,016.5	4.8%
Adjusted Operating Income Margin ⁽¹⁾	19.2%	20.3%	-110bp
Adjusted EPS Excluding Amortization ⁽¹⁾	\$6.37	\$5.98	6.5%
Operating Cash Flow ⁽²⁾	\$855.6	\$883.6	-3.2%
Less: Capital Expenditures	<u>(\$145.7)</u>	<u>(\$126.1)</u>	15.5%
Free Cash Flow	\$709.9	\$757.5	-6.3%

(1) See Reconciliation of non-GAAP Financial Measures (included herein)

(2) Operating Cash Flow was reduced by \$49.5 million as a result of the Hunter Labs settlement

Operating Cash Flow	\$855.6
Hunter Labs settlement	<u>\$49.5</u>
Adjusted Operating Cash Flow	\$905.1

Note: During both the first quarter of 2010 and the first quarter of 2011, inclement weather reduced Adjusted EPS Excluding Amortization by approximately eight cents

Second Quarter 2012 Results

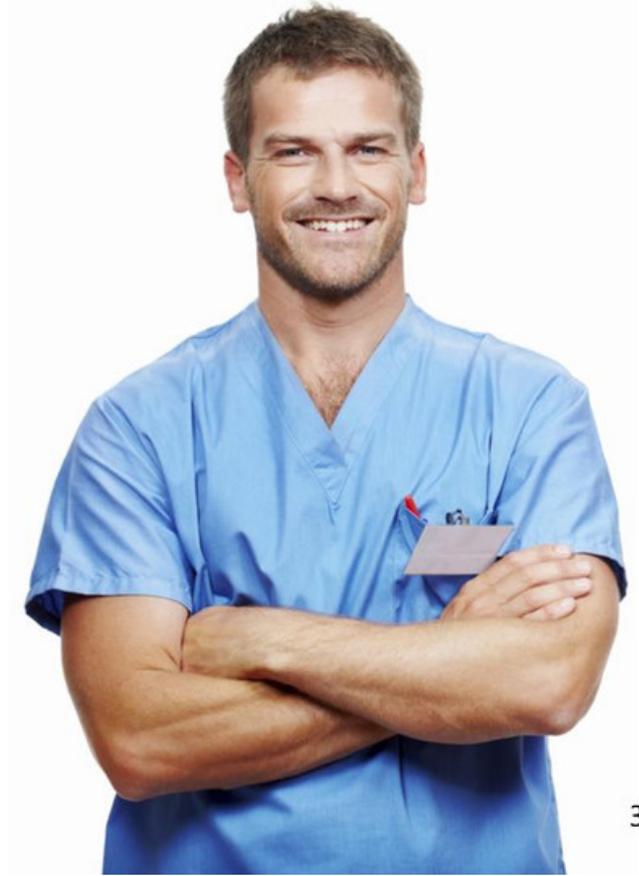
	Three Months Ended Jun 30,		+ / (-)
	2012	2011	
Revenue	\$ 1,423.4	\$ 1,403.3	1.4%
Adjusted Operating Income ⁽¹⁾	\$ 280.3	\$ 279.6	0.3%
Adjusted Operating Income Margin ⁽¹⁾	19.7%	19.9%	(20) bp
Adjusted EPS Excluding Amortization ⁽¹⁾	\$ 1.77	\$ 1.64	7.9%
Operating Cash Flow	\$ 186.3	\$ 184.9	0.8%
Less: Capital Expenditures	\$ (34.1)	\$ (45.8)	(25.5%)
Free Cash Flow	\$ 152.2	\$ 139.1	9.4%

(1) See Reconciliation of non-GAAP Financial Measures (included herein)

Conclusion

Key Points

- Critical position in health care delivery system
- Attractive market
- Consistent strategy
 - Excellent cash flow deployed to enhance strong competitive position
 - IT innovation to improve physician and patient experience
 - Most efficient provider delivering greatest value
 - Scientific leadership
 - Alternative delivery models
- Track record of execution and success



Reconciliation of non-GAAP Financial Measures

Reconciliation of non-GAAP Financial Measures

(In millions, except per share data)

	Twelve Months Ended Dec 31,	
	2011	2010
<u>Adjusted Operating Income</u>		
Operating income	\$ 948.4	\$ 978.8
Restructuring and other special charges ⁽¹⁾⁽³⁾	116.5	37.7
Adjusted operating income	<u>\$ 1,064.9</u>	<u>\$ 1,016.5</u>
<u>Adjusted EPS Excluding Amortization</u>		
Diluted earnings per common share	\$ 5.11	\$ 5.29
Impact of restructuring and other special charges ⁽¹⁾⁽³⁾	0.72	0.26
Loss on divestiture of assets ⁽²⁾	0.03	-
Amortization expense	0.51	0.43
Adjusted EPS Excluding Amortization ⁽⁴⁾	<u>\$ 6.37</u>	<u>\$ 5.98</u>

Note: Please see footnotes for this reconciliation on the following slide

Reconciliation of non-GAAP Financial Measures - Footnotes

- 1) During the fourth quarter of 2011, the Company recorded net restructuring and other special charges of \$10.6 million, consisting of \$6.3 million in severance related liabilities and \$1.7 million in net facility-related costs primarily associated with integration of the Orchid Cellmark and Genzyme Genetics acquisitions as well as internal cost reduction initiatives. The charges also included a \$2.6 million write-off of an uncollectible receivable from a past installment sale of one of the Company's lab operations. The after tax impact of these charges decreased net earnings for the three months ended December 31, 2011, by \$6.5 million and diluted earnings per share by \$0.06 (\$6.5 million divided by 101.0 million shares).

During the first nine months of 2011, the Company recorded restructuring and other special charges of \$105.9 million (\$66.3 million after tax). The restructuring charges included \$18.8 million in net severance and other personnel costs along with \$36.7 million in net facility-related costs primarily associated with the ongoing integration of the Clearstone, Genzyme Genetics and Westcliff acquisitions. The special charges also included \$34.5 million (\$49.5 million, net of previously recorded reserves of \$15.0 million) relating to the settlement of the Hunter Labs litigation in California, along with \$1.1 million for legal costs associated with the planned acquisition of Orchid Cellmark incurred during the second quarter of 2011, both of which were recorded in Selling, General and Administrative Expenses in the Company's Consolidated Statements of Operations. The charges also included a \$14.8 million write-off of an investment made in a prior year.

For the year ended December 31, 2011, the after tax impact of these combined charges of \$116.5 million decreased net earnings by \$73.3 million and diluted earnings per share by \$0.72 (\$73.3 million divided by 101.8 million shares).

- 2) Following the closing of its acquisition of Orchid Cellmark Inc. ("Orchid") in mid-December, the Company recorded a net \$2.8 million loss on its divestiture of certain assets of Orchid's U.S. government paternity business, under the terms of the agreement reached with the U.S. Federal Trade Commission. This non-deductible loss on disposal was recorded in Other Income and Expense in the Company's Consolidated Statements of Operations and decreased net earnings for the three and twelve months ended December 31, 2011, by \$2.8 million and diluted earnings per share by \$0.03 (\$2.8 million divided by 101.0 million shares and \$2.8 million divided by 101.8 million shares, respectively).

- 3) During the fourth quarter of 2010, the Company recorded restructuring and other special charges of \$13.6 million, consisting of \$14.8 million in professional fees and expenses associated with acquisitions, which are recorded in Selling, General and Administrative Expenses in the Company's Consolidated Statements of Operations; offset by a net restructuring credit of \$1.2 million, resulting from the reversal of unused severance and facility closure liabilities. The after tax impact of these charges decreased net earnings for the three months ended December 31, 2010, by \$8.3 million and diluted earnings per share by \$0.08 (\$8.3 million divided by 104.5 million shares).

During the first nine months of 2010, the Company recorded restructuring and other special charges of \$31.1 million (\$19.1 million after tax), consisting of \$10.9 million in professional fees and expenses associated with acquisitions; \$7.0 million bridge financing fees (recorded as interest expense) associated with the signing of an asset purchase agreement for Genzyme Genetics; and \$13.2 million severance related liabilities associated with workforce reduction initiatives.

For the year ended December 31, 2010, the after tax impact of these combined charges of \$44.7 million decreased net earnings by \$27.4 million and diluted earnings per share by \$0.26 (\$27.4 million divided by 105.4 million shares).

- 4) The Company continues to grow its business through acquisitions and uses Adjusted EPS Excluding Amortization as a measure of operational performance, growth and shareholder returns. The Company believes adjusting EPS for amortization will provide investors with better insight into the operating performance of the business. For the quarters ended December 31, 2011 and 2010, intangible amortization was \$21.2 million and \$19.6 million, respectively (\$12.9 million and \$12.0 million net of tax, respectively) and decreased EPS by \$0.13 (\$12.9 million divided by 101.0 million shares) and \$0.12 (\$12.0 million divided by 104.5 million shares), respectively. For the years ended December 31, 2011 and 2010, intangible amortization was \$85.8 million and \$72.7 million respectively (\$52.4 million and \$44.5 million net of tax, respectively) and decreased EPS by \$0.51 (\$52.4 million divided by 101.8 million shares) and \$0.43 (\$44.5 million divided by 105.4 million shares), respectively.

Note: GENZYME GENETICS and its logo are trademarks of Genzyme Corporation and used by Esoterix Genetic Laboratories, LLC, a wholly-owned subsidiary of LabCorp, under license. Esoterix Genetic Laboratories and LabCorp are operated independently from Genzyme Corporation.

Reconciliation of non-GAAP Financial Measures

Reconciliation of non-GAAP Financial Measures

(In millions, except per share data)

	Three Months Ended Jun 30,	
	2012	2011
<u>Adjusted Operating Income</u>		
Operating income	\$ 276.0	\$ 225.7
Restructuring and other special charges ^{(1) (2)}	3.4	53.9
Acquisition fees and expenses ⁽¹⁾	0.9	-
Adjusted operating income	<u>\$ 280.3</u>	<u>\$ 279.6</u>
<u>Adjusted EPS Excluding Amortization</u>		
Diluted earnings per common share	\$ 1.56	\$ 1.20
Impact of restructuring and other special charges ^{(1) (2)}	0.08	0.32
Amortization expense	0.13	0.12
Adjusted EPS Excluding Amortization ⁽³⁾	<u>\$ 1.77</u>	<u>\$ 1.64</u>

Note: Please see footnotes for this reconciliation on following slide

Reconciliation of non-GAAP Financial Measures - Footnotes

- 1) During the second quarter of 2012, the Company recorded \$3.4 million in restructuring and other special charges. The restructuring charges include \$4.5 million in severance and other personnel costs along with \$0.4 million in facility-related costs primarily associated with the ongoing integration of the Clearstone Central Laboratories acquisition and costs associated with the previously announced termination of an executive vice president. These charges were partially offset by the reversal of previously established restructuring reserves of \$1.5 million. The Company recorded \$0.9 million in acquisition fees and expenses relating to its planned acquisition of MEDTOX Scientific, Inc, which was recorded in Selling, General and Administrative Expenses in the Company's Statement of Operations. As part of the Clearstone integration, the Company also recorded a \$6.9 million loss on the disposal of one of its European subsidiaries. In addition, in conjunction with the liquidation of one of its joint ventures, the Company recorded a one-time increase of \$2.9 million in equity method income. The after tax impact of these net charges decreased net earnings for the quarter ended June 30, 2012 by \$7.8 million and diluted earnings per share by \$0.08 (\$7.8 million divided by 98.0 million shares).

During the first quarter of 2012, the Company recorded a net credit of \$3.6 million in restructuring and other special charges. The Company reversed previously established reserves of \$3.8 million in unused severance and \$2.4 million in unused facility-related costs. This net credit also includes charges of \$1.7 million in severance and other personnel costs along with \$0.9 million in facility-related costs primarily related to ongoing integration activities for Orchid and Genzyme Genetics.

The after tax impact of the combined net charges decreased net earnings for the six months ended June 30, 2012, by \$5.6 million and diluted earnings per share by \$0.06 (\$5.6 million divided by 98.6 million shares).

- 2) During the second quarter of 2011, the Company recorded restructuring and other special charges of \$53.9 million. The restructuring charges include \$7.5 million in net severance and other personnel costs along with \$10.8 million in net facility-related costs primarily associated with the ongoing integration of the Genzyme Genetics and Westcliff acquisitions. The special charges also include \$34.5 million (\$49.5 million, net of previously recorded reserves of \$15.0 million) relating to the settlement of the Hunter Labs litigation in California, along with \$1.1 million for legal costs associated with the planned acquisition of Orchid Cellmark incurred during the quarter, both of which were recorded in Selling, General and Administrative Expenses in the Company's Statement of Operations. The after tax impact of these charges decreased net earnings for the quarter ended June 30, 2011, by \$32.6 million and diluted earnings per share by \$0.32 (\$32.6 million divided by 102.8 million shares).

During the first quarter of 2011, the Company recorded restructuring and other special charges of \$27.9 million. The charges included \$4.0 million in severance and other personnel costs along with \$9.8 million in facility-related costs associated with the integration of Genzyme Genetics. The charges also included a \$14.8 million write-off of an investment made in a prior year.

The after tax impact of these combined charges decreased net earnings for the six months ended June 30, 2011, by \$49.4 million and diluted earnings per share by \$0.48 (\$49.4 million divided by 102.6 million shares).

- 3) The Company continues to grow the business through acquisitions and uses Adjusted EPS Excluding Amortization as a measure of operational performance, growth and shareholder returns. The Company believes adjusting EPS for amortization provides investors with better insight into the operating performance of the business. For the quarters ended June 30, 2012 and 2011, intangible amortization was \$20.6 million and \$21.5 million, respectively (\$12.5 million and \$13.1 million net of tax, respectively) and decreased EPS by \$0.13 (\$12.5 million divided by 98.0 million shares) and \$0.12 (\$13.0 million divided by 102.8 million shares), respectively. For the six months ended June 30, 2012 and 2011, intangible amortization was \$42.0 million and \$43.4 million, respectively (\$25.7 million and \$26.5 million net of tax, respectively) and decreased EPS by \$0.26 (\$25.7 million divided by 98.6 million shares) and \$0.26 (\$26.5 million divided by 102.6 million shares), respectively.

Note: GENZYME GENETICS and its logo are trademarks of Genzyme Corporation and used by Esoterix Genetic Laboratories, LLC, a wholly-owned subsidiary of LabCorp, under license. Esoterix Genetic Laboratories and LabCorp are operated independently from Genzyme Corporation.

Reconciliation of Free Cash Flow

Reconciliation of non-GAAP Financial Measures

(In millions, except per share data)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Cash flows from operations ¹	\$905.1	\$883.6	\$862.4	\$780.9	\$709.7	\$632.3	\$574.2	\$538.1	\$564.3	\$444.9
Capital expenditures	(145.7)	(126.1)	(114.7)	(156.7)	(142.6)	(115.9)	(93.6)	(95.0)	(83.6)	(74.3)
Free cash flow ²	<u>759.4</u>	<u>757.5</u>	<u>747.7</u>	<u>624.2</u>	<u>567.1</u>	<u>516.4</u>	<u>480.6</u>	<u>443.1</u>	<u>480.7</u>	<u>370.6</u>
Weighted average diluted shares outstanding	101.8	105.4	109.1	111.8	121.3	134.7	144.9	150.7	154.7	154.2

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

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

Supplemental Financial Information

Laboratory Corporation of America Other Financial Information Q3 2009 - Q2 2012

	<u>Q3 09</u>	<u>Q4 09</u>	<u>Q1 10</u>	<u>Q2 10</u>	<u>Q3 10</u>	<u>Q4 10</u>	<u>Q1 11</u>	<u>Q2 11</u>	<u>Q3 11</u>	<u>Q4 11</u>	<u>Q1 12</u>	<u>Q2 12</u>
Bad debt as a percentage of sales	5.3%	5.3%	5.0%	4.8%	4.8%	4.7%	4.7%	4.7%	4.5%	4.5%	4.4%	4.4%
Days sales outstanding ¹	48	44	46	45	44	46	47	46	46	46	48	47
A/R coverage (Allow. for Doubtful Accts. / A/R) ²	21.9%	23.2%	21.7%	20.7%	20.4%	18.5%	19.4%	20.6%	21.1%	22.0%	21.5%	21.6%

(1) Excluding the impact from Genzyme Genetics, DSO was 43 days in Q4 of 2010, 45 days in Q1 of 2011, 43 days in Q2 of 2011. We did not track Genzyme Genetics' impact on DSO after Q2 of 2011

(2) Excluding the impact from Genzyme Genetics, A/R Coverage was 19.9% in Q4 of 2010, 20.4% in Q1 of 2011, 21.1% in Q2 of 2011, 20% in Q3 of 2011, 20.8% in Q4 of 2011, 20.4% in Q1 of 2012 and 21.5% in Q2 of 2012

