

First Quarter 2025 Supplemental Financial Information

April 29, 2025

labcorp

Cautionary Statement Regarding Forward-Looking Statements

This presentation contains forward-looking statements, including, but not limited to, statements with respect to (i) the estimated 2025 guidance and related assumptions, (ii) the impact of various factors on operating and financial results, including the projected impact of global economic and market conditions on the company's businesses, operating results, cash flows and/or financial condition, (iii) future business strategies, (iv) expected savings, synergies and other benefits to the Company, customers or patients from acquisitions and other transactions and partnerships, and (v) opportunities for future growth.

Each of the forward-looking statements is subject to change based on various important factors, many of which are beyond the company's control, including without limitation: (i) the effect of the holding company reorganization on the company's business generally; (ii) the failure to receive tax-free treatment with respect to the spin-off of the company's Clinical Development and Commercialization Services business, now Fortrea Holdings Inc. for U.S. federal income purposes; (iii) the impact of spin-off related items; (iv) personnel costs and potential difficulties with employee relations and retention; (v) the trading price of the company's stock, competitive actions and other unforeseen changes and general uncertainties in the marketplace; (vi) changes in government regulations, including healthcare reform; (vii) customer purchasing decisions, including changes in payer regulations or policies; (viii) adverse actions of governmental and third-party payers; (ix) changes in testing guidelines or recommendations; (x) the volume of COVID-19 Testing performed by the company; (xi) the impact of global geopolitical events; (xii) the effect of public opinion on the company's reputation; (xiii) adverse results in material litigation matters; (xiv) changes in laws and regulations applicable to the company, including healthcare reform, and changes to their interpretation and application and the impact of any such changes; (xv) failure to maintain or develop customer relationships; (xvi) the company's ability to develop or acquire new products and adapt to technological changes; (xvii) failure of the company's information technology, systems, or data security; (xviii) the impact of potential losses under repurchase agreements; (xix) adverse weather conditions; (xx) the number of revenue days in a financial period; (xxi) inflation; (xxii) increased competition; and (xxiii) the effect of exchange rate fluctuations. These factors, in some cases, have affected and in the future (together with other factors) could affect the company's ability to implement the company's business strategy, and actual results could differ materially from those suggested by these forward-looking statements. As a result, readers are cautioned not to place undue reliance on any of the forward-looking statements.

The company has no obligation to provide any updates to these forward-looking statements even if its expectations change. All forward-looking statements are expressly qualified in their entirety by this cautionary statement. Further information on potential factors, risks and uncertainties that could affect operating and financial results is included in the company's most recent Annual Report on Form 10-K under the heading RISK FACTORS and in the company's other filings with the SEC. The information in this presentation should be read in conjunction with a review of the company's filings with the SEC including the information in the company's most recent Annual Report on Form 10-K under the heading "MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS".

Use of Adjusted Measures

The company has provided in this presentation and accompanying tables “adjusted” financial information that has not been prepared in accordance with GAAP, including adjusted net income, adjusted EBITDA, adjusted EPS (or adjusted net income per share), adjusted operating income, adjusted operating margin, free cash flow, and certain segment information. The company believes these adjusted measures are useful to investors as a supplement to, but not as a substitute for, GAAP measures, in evaluating the company’s operational performance. The company further believes that the use of these non-GAAP financial measures provides an additional tool for investors in evaluating operating results and trends, and growth and shareholder returns, as well as in comparing the company’s financial results with the financial results of other companies. However, the company notes that these adjusted measures may be different from and not directly comparable to the measures presented by other companies. Reconciliations of these non-GAAP measures to the most comparable GAAP measures and an identification of the components that comprise “special items” used for certain adjusted financial information are included in the tables accompanying this presentation.

Select Financial Metrics

(Dollars in Millions)

| | <u>1Q24</u> | <u>2Q24</u> | <u>3Q24</u> | <u>4Q24</u> | <u>1Q25</u> |
|--|-------------|-------------|-------------|-------------|-------------|
| Depreciation | \$94.4 | \$94.6 | \$97.9 | \$100.2 | \$91.6 |
| Amortization of intangibles and other assets | \$60.1 | \$62.2 | \$63.7 | \$70.4 | \$69.6 |
| Total Adjusted EBITDA ⁽¹⁾ | \$547.2 | \$574.6 | \$538.9 | \$523.4 | \$560.6 |
| Total Debt to Last Twelve Months Adjusted EBITDA ⁽¹⁾ | 2.5x | 2.4x | 3.2x | 2.9x | 2.5x |
| Total Net Debt to Last Twelve Months Adjusted EBITDA ⁽¹⁾⁽²⁾ | 2.5x | 2.3x | 2.4x | 2.2x | 2.4x |

(1) Adjusted EBITDA excludes restructuring charges and special items. See Reconciliation on slide 10.

(2) Net debt equals total debt less cash and cash equivalents.

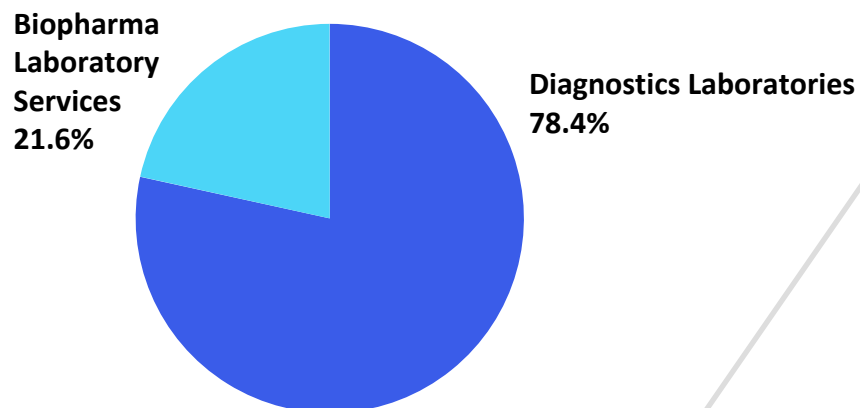
First Quarter 2025 Foreign Exchange Impact to Revenues⁽¹⁾ (Dollars in Millions)

| | Dollars | Year over Year % Growth |
|---|---------|----------------------------|
| <u>Enterprise</u> | | |
| Revenues, Constant Currency | \$3,360 | 5.8% |
| Foreign Exchange Impact | (15) | (0.5%) |
| Revenues, as Reported | \$3,345 | 5.3% |
| <u>Diagnostics Laboratories</u> | | |
| Revenues, Constant Currency | \$2,636 | 6.3% |
| Foreign Exchange Impact | (7) | (0.3%) |
| Revenues, as Reported | \$2,630 | 6.0% |
| <u>Biopharma Laboratory Services</u> | | |
| Revenues, Constant Currency | \$729 | 2.6% |
| Foreign Exchange Impact | (8) | (1.1%) |
| Revenues, as Reported | \$721 | 1.5% |

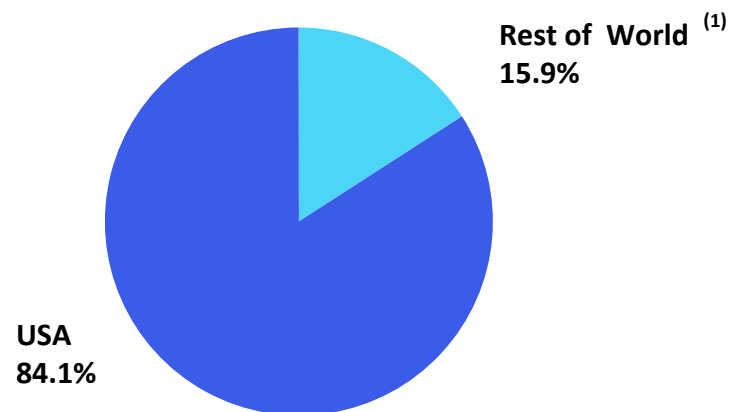
(1) May not foot due to rounding.

First Quarter 2025 Revenue Distribution

Segment Distribution



Geographic Distribution



(1) Revenues recognized in several currencies; the largest foreign currency accounts for less than 10% of total revenues.

Additional Quarterly Business Segment Information (Dollars in Millions)

| | 2023 ⁽¹⁾ | | | | 2024 ⁽¹⁾ | | | | 2025 |
|---|---------------------|-------|-------|-------|---------------------|-------|-------|-------|-------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 |
| Diagnostics Laboratories Revenue | | | | | | | | | |
| Routine vs. Esoteric Mix: | | | | | | | | | |
| Routine ⁽²⁾ | 62.5% | 61.8% | 61.3% | 61.5% | 61.8% | 61.2% | 60.3% | 59.9% | 60.3% |
| Esoteric | 37.5% | 38.2% | 38.7% | 38.5% | 38.2% | 38.8% | 39.7% | 40.1% | 39.7% |
| Payer Mix: | | | | | | | | | |
| Clients | 32.0% | 32.0% | 31.1% | 31.9% | 32.0% | 31.0% | 31.7% | 30.7% | 31.1% |
| Patients | 12.5% | 13.0% | 12.0% | 12.4% | 13.0% | 13.4% | 13.1% | 12.2% | 12.5% |
| Medicare and Medicaid | 10.2% | 10.1% | 10.2% | 10.1% | 9.8% | 10.1% | 9.8% | 10.3% | 9.8% |
| Third Party | 45.3% | 44.9% | 46.8% | 45.5% | 45.2% | 45.6% | 45.5% | 46.8% | 46.6% |
| Biopharma Laboratory Services | | | | | | | | | |
| Quarterly Book-to-Bill | 0.96 | 1.06 | 0.88 | 1.26 | 0.81 | 1.03 | 0.96 | 1.17 | 1.13 |
| Quarterly Net Orders | 637.1 | 742.8 | 635.0 | 878.3 | 577.5 | 729.4 | 711.0 | 895.1 | 813.2 |
| Business Unit Revenue: | | | | | | | | | |
| Early Development Research Labs | 207.9 | 225.4 | 239.3 | 213.2 | 199.9 | 191.2 | 212.8 | 239.4 | 208.8 |
| Central Laboratories | 453.4 | 473.6 | 479.8 | 481.6 | 510.9 | 515.8 | 524.9 | 527.6 | 512.5 |
| Total Biopharma Laboratory Services Revenue | 661.3 | 699.0 | 719.1 | 694.8 | 710.9 | 707.0 | 737.7 | 767.0 | 721.3 |

(1) Routine vs Esoteric Mix and Payer Mix reflect the base business in 2023 and 2024.

(2) Revenue from lab management agreements are reflected in Routine.

Diagnostics Laboratories Price / Mix & Days

| Revenue breakdown by Volume and Price / Mix | | | | | | | | |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| Year over Year % Change | Q2 2023 | Q3 2023 | Q4 2023 | Q1 2024 | Q2 2024 | Q3 2024 | Q4 2024 | Q1 2025 |
| Revenue ⁽¹⁾ | 3.8% | 6.2% | 2.6% | 4.1% | 7.9% | 8.9% | 10.2% | 6.0% |
| Volume (in requisitions) ⁽²⁾ | 1.4% | 2.3% | 2.4% | 3.4% | 5.7% | 5.1% | 6.8% | 3.0% |
| Price / mix ⁽³⁾ | 2.4% | 3.9% | 0.2% | 0.6% | 2.1% | 3.8% | 3.4% | 3.0% |

| Days in 2025 Versus 2024 ⁽⁴⁾ | | | | | |
|---|---------------|----------------|---------------|----------------|--------------------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Full Year ⁽⁵⁾ |
| Revenue Day Variance | - 1.00 Day | — | + 0.50 Day | + 0.25 Day | - 0.25 Day |
| Payroll Day Variance | - 1.00 Day | — | — | — | - 1.00 Day |

(1) Revenue variance percent: YOY change in revenue divided by prior year revenue.

(2) Volume (in requisitions) variance percent: YOY change in volume divided by prior year volume.

(3) Price / mix percent: Calculated as revenue variance percent, less volume (in requisitions) variance percent.

(4) Day variances are rounded to the nearest quarter day.

(5) May not cross-foot due to rounding.

Biopharma Laboratory Services: Select Financial Metrics ⁽¹⁾

| Trailing Twelve Month (TTM) Results | | |
|-------------------------------------|----------------|------------------|
| | Net Orders | Net Book-to-Bill |
| TTM Ending March 31, 2025 | \$3.15 billion | 1.07x |
| TTM Ending December 31, 2024 | \$2.91 billion | 1.00x |
| TTM Ending September 30, 2024 | \$2.90 billion | 1.02x |
| TTM Ending June 30, 2024 | \$2.82 billion | 1.00x |
| TTM Ending March 31, 2024 | \$2.83 billion | 1.00x |

| | Backlog | Estimated revenue expected to convert from backlog in the next twelve months |
|--------------------------|----------------|--|
| As of March 31, 2025 | \$8.18 billion | \$2.56 billion |
| As of December 31, 2024 | \$7.99 billion | \$2.53 billion |
| As of September 30, 2024 | \$8.14 billion | \$2.59 billion |
| As of June 30, 2024 | \$7.92 billion | \$2.50 billion |
| As of March 31, 2024 | \$7.90 billion | \$2.46 billion |

(1) Results shown include the impact from cancellations and foreign currency translation.

Outlook for 2025 as of April 29, 2025

(Dollars in billions, except per share data)

| | Full Year Results | Updated 2025 Guidance | | Updated 2025 Guidance | |
|--|-------------------|-----------------------|-------------|-------------------------|-------------|
| | (in Dollars) | (in Dollars) | | (% Versus 2024 Results) | |
| | <u>2024</u> | <u>Low</u> | <u>High</u> | <u>Low</u> | <u>High</u> |
| Revenue | | | | | |
| Labcorp Enterprise ⁽¹⁾⁽²⁾ | \$13.01 | \$13.88 | \$14.05 | 6.7% | 8.0% |
| Diagnostics Laboratories ⁽³⁾ | \$10.14 | \$10.80 | \$10.93 | 6.5% | 7.7% |
| Biopharma Laboratory Services ⁽⁴⁾ | \$2.92 | \$3.01 | \$3.07 | 3.0% | 5.0% |
| Adjusted EPS | \$14.57 | \$15.70 | \$16.40 | 7.7% | 12.5% |
| Free Cash Flow | \$1.10 | \$1.10 | \$1.25 | 0.4% | 14.1% |

(1) 2025 Guidance includes an impact from foreign currency translation of (0.2%).

(2) Enterprise level revenue is presented net of intercompany transaction eliminations.

(3) 2025 Guidance includes an impact from foreign currency translation of (0.2%).

(4) 2025 Guidance includes an impact from foreign currency translation of (0.3%).

Reconciliation of Non-GAAP Financial Measures – Adjusted EBITDA (In Millions)

| | <u>1Q24</u> | <u>2Q24</u> | <u>3Q24</u> | <u>4Q24</u> | <u>1Q25</u> |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Operating Income | \$ 321.3 | \$ 294.8 | \$ 254.1 | \$ 216.5 | \$ 326.0 |
| Add: | | | | | |
| Restructuring and other charges | 5.0 | 11.6 | 18.0 | 11.4 | 6.4 |
| Goodwill and other asset impairments | 2.5 | — | — | 2.8 | — |
| Other special charges ⁽¹⁾ | 63.9 | 111.3 | 105.3 | 122.1 | 67.0 |
| Depreciation | 94.4 | 94.6 | 97.9 | 100.2 | 91.6 |
| Amortization of intangibles and other assets | 60.1 | 62.2 | 63.7 | 70.4 | 69.6 |
| Other | — | 0.1 | (0.1) | — | — |
| Adjusted EBITDA | <u>\$ 547.2</u> | <u>\$ 574.6</u> | <u>\$ 538.9</u> | <u>\$ 523.4</u> | <u>\$ 560.6</u> |

(1) Other special charges represent the summation of the adjustments that impacted operating income excluding Restructuring and other charges, Goodwill and other asset impairments, and Amortization of intangibles and other assets.

Reconciliation of Non-GAAP Income Statement (In Millions, Except Per Share Data)

| | GAAP | | Non-GAAP | |
|--|------------------------------|------------|------------------------------|------------|
| | Three Months Ended March 31, | | Three Months Ended March 31, | |
| | 2025 | 2024 | 2025 | 2024 |
| Revenues | \$ 3,345.1 | \$ 3,176.6 | \$ 3,345.1 | \$ 3,176.6 |
| Cost of revenues | 2,397.1 | 2,279.3 | 2,371.4 | 2,257.6 |
| Gross profit | 948.0 | 897.3 | 973.7 | 919.0 |
| Selling, general, and administrative expenses | 546.0 | 508.4 | 504.7 | 466.2 |
| 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 | 469.0 | 452.8 |
| Other (expense) income: | | | | |
| Interest expense | (56.0) | (46.9) | (56.0) | (46.9) |
| Investment income | 6.5 | 2.9 | 6.5 | 2.9 |
| Equity method (loss) income, net | (0.3) | 0.1 | (0.3) | 0.1 |
| Other, net | (1.0) | 20.0 | (0.9) | (3.1) |
| Earnings from continuing operations before income taxes | 275.2 | 297.4 | 418.3 | 405.8 |
| Provision for income taxes | 62.2 | 69.1 | 94.1 | 93.3 |
| Net earnings | 213.0 | 228.3 | 324.2 | 312.5 |
| Less: Net earnings attributable to the noncontrolling interest | (0.2) | (0.3) | (0.2) | (0.3) |
| Net earnings attributable to Labcorp Holdings Inc. | \$ 212.8 | \$ 228.0 | \$ 324.0 | \$ 312.2 |
| Weighted average diluted shares outstanding | 84.3 | 84.7 | 84.3 | 84.7 |
| Diluted earnings per common share | \$ 2.52 | \$ 2.69 | \$ 3.84 | \$ 3.68 |

Reconciliation of Non-GAAP Financial Measures⁽¹⁾ (Dollars and Shares In Millions, Except Per Share Data)

| | Three Months Ended March 31, | |
|---|-------------------------------------|-----------------|
| | 2025 | 2024 |
| <u>Adjusted Operating Income</u> | | |
| Operating income | \$ 326.0 | \$ 321.3 |
| Amortization of intangibles and other assets ^(a) | 69.6 | 60.1 |
| Restructuring and other charges ^(b) | 6.4 | 5.0 |
| Acquisition and disposition-related costs ^(c) | 29.1 | 20.9 |
| Launchpad costs ^(d) | 20.1 | 8.9 |
| Asset impairments ^(e) | — | 2.5 |
| Other | 14.5 | 11.7 |
| TSA reimbursement ^(f) | 3.3 | 22.4 |
| Adjusted operating income | <u>\$ 469.0</u> | <u>\$ 452.8</u> |
| Adjusted operating profit margin | 14.0 % | 14.3 % |
| <u>Adjusted Net Income</u> | | |
| Net income | \$ 212.8 | \$ 228.0 |
| Impact of adjustments to operating income | 143.0 | 131.5 |
| Loss on venture fund investments, net ^(g) | 3.4 | 4.2 |
| Gain on sale of business ^(h) | — | (4.9) |
| TSA reimbursement ^(f) | (3.3) | (22.4) |
| Income tax impact of adjustments ⁽ⁱ⁾ | (31.9) | (24.2) |
| Adjusted net income | <u>\$ 324.0</u> | <u>\$ 312.2</u> |
| Weighted average diluted shares outstanding | 84.3 | 84.7 |
| Adjusted earnings per share | \$ 3.84 | \$ 3.68 |

Reconciliation of Non-GAAP Financial Measures – Footnotes

- (a) Amortization of intangible assets acquired as part of business acquisitions.
- (b) Restructuring and other charges represent amounts incurred in connection with the elimination of redundant positions and facilities within the organization in connection with our LaunchPad initiatives, and acquisitions or dispositions of businesses by the company.
- (c) Acquisition and disposition-related costs include due-diligence legal and advisory fees, retention bonuses, impact of delayed contract or license transfers, and other integration or disposition related activities.
- (d) LaunchPad costs include non-capitalized costs associated with the implementation of systems, consolidation of processes, and consulting costs incurred as part of various business process improvement initiatives.
- (e) The company impaired certain fixed assets which are no longer realizable by the business.
- (f) Represents transition services fees charged to Fortrea Holdings Inc. related to administrative and IT systems support. The costs to provide these services are included in operating income but the service fees are included in other income.
- (g) The company makes investments in companies or investment funds developing promising technology related to its operations. The company recorded net gains and losses related to several distributions from venture funds, increases in the market value of investments, and impairments of other investments due to the underlying performance of the investments.
- (h) The company recorded a gain on the disposition of the Beacon Laboratory Benefits Solutions business.
- (i) Income tax impact of adjustments calculated based on the tax rate applicable to each item.