

2008 - A Year of Strong Performance



January 26, 2009

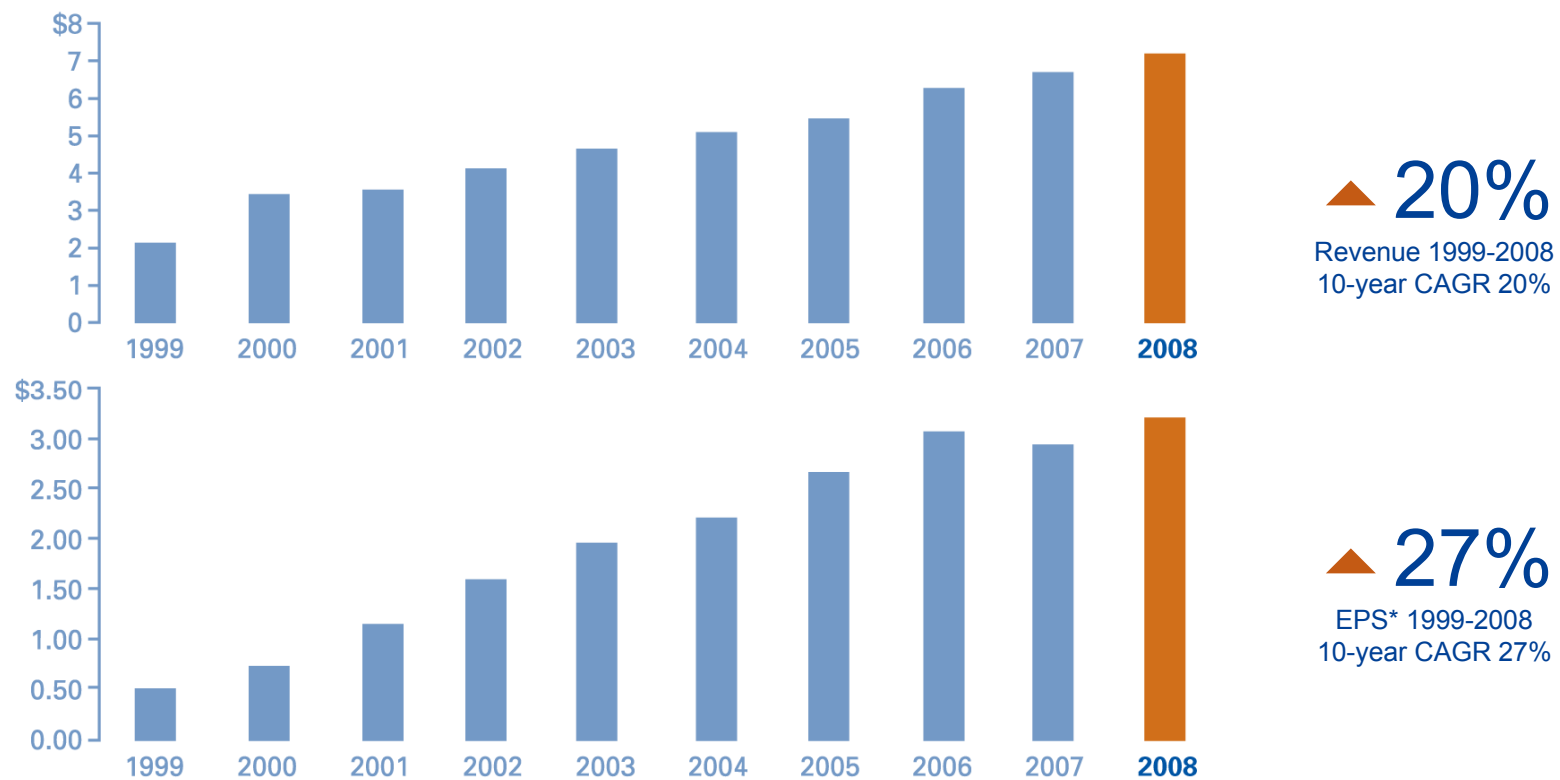


This presentation may contain forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date that they are made and which reflect management's current estimates, projections, expectations or beliefs and which involve risks and uncertainties that could cause actual results and outcomes to be materially different. Risks and uncertainties that may affect the future results of the Company include, but are not limited to, adverse results from pending or future government investigations, lawsuits or private actions, the competitive environment, changes in government regulations, changing relationships with customers, payers, suppliers and strategic partners and other factors discussed in "Business" in Part I, Item 1, "Risk Factors" and "Cautionary Factors that May Affect Future Results" in Part I, Item 1A, "Legal Proceedings" in Part I, Item 3, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 and "Quantitative and Qualitative Disclosures About Market Risk" in Part II, Item 7A in the Quest Diagnostics 2007 Annual Report on Form 10-K and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Quantitative and Qualitative Disclosures About Market Risk" in the Company's 2008 Quarterly Reports on Form 10-Q and other items throughout the Form 10-K and the Company's 2008 Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

“2008 was a year of solid performance, and our business is healthy and growing. We delivered strong revenue and earnings growth, despite the current economic environment. I am very pleased with our continued progress, and expect continued growth in both revenues and earnings in 2009.”

Surya N. Mohapatra, Ph.D.
Chairman and Chief Executive Officer

History of Strong Growth



\$ in Billions except EPS

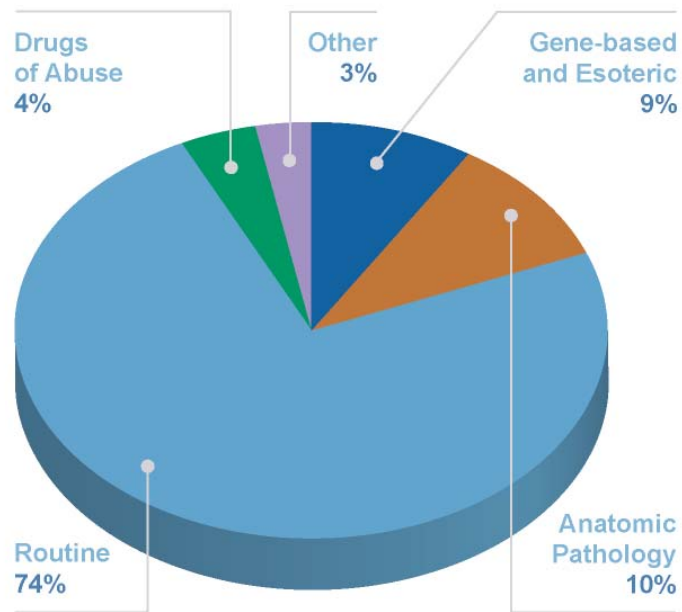
*EPS is from continuing operations

Patients | Growth | People



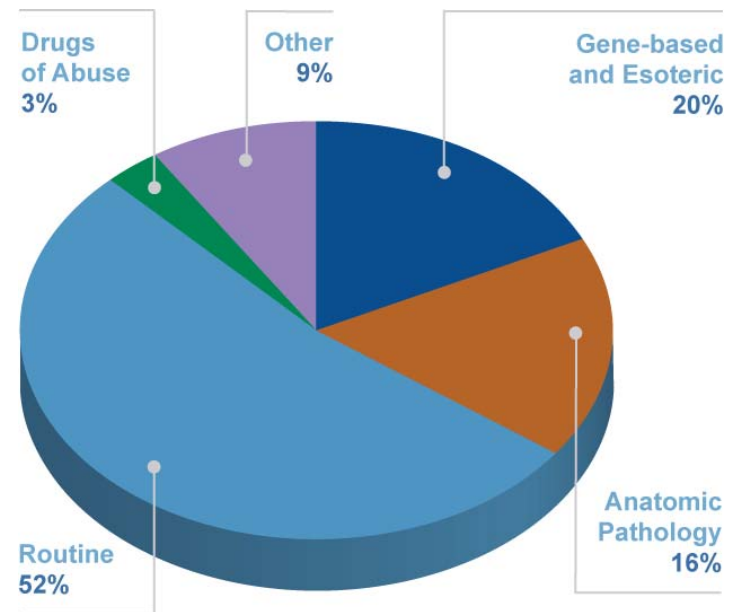
Moving to Higher Growth, Higher Margin Testing Segments

2000 Revenue



Total Revenue: \$3.4 Billion

2008 Revenue



Total Revenue: \$7.2 Billion

Our Longer Term Goals

Undisputed World Leader in Diagnostic Testing,
Information and Services

Profitably Grow > Industry Rate

Expand Operating Income to 20% of Revenues

Expand International Operations to ~10% of Revenues

Strategy to Drive Profitable Growth

Sustainable Competitive Advantage

Deliver Superior Patient Experience

Continuously Drive Six Sigma Quality

Lead in Medical Innovation/Information

Leverage Unparalleled Assets & Capabilities

Expand Diagnostic Scope

Expand Geographic Reach



Solid Q4 2008 Performance

Continuing Operations

(\$ in millions – except EPS)

	\$	<u>Δ 2007</u>
Revenues	\$1,800	+1.7%
- Rev/Req		+2.8%
- Volume		- 0.4%
Operating Income	\$ 317	+1.6%
- % of Revenues	17.6%	—
Earnings	\$170	+10%
Diluted EPS	\$0.87	+10%
Operating Cash	\$363	+2%

Q4 Discussion Points

Revenues impacted by:

- Improved test mix
- Reduced drugs of abuse testing
- Lab management contracts

\$16 charge reduced operating income % by ~1% and EPS \$0.05

Tax contingency resolution increased EPS \$0.05



Strong Full Year 2008 Results

Continuing Operations

(\$ in millions – except EPS)

	<u>\$</u>	<u>Δ 2007</u>
Revenues	\$7,249	+8.1%
- Rev/Req		+5.5%
- Volume		+2.7%
Operating Income	\$1,222	+12%
- % of Revenues	16.9%	+0.6%
Earnings	\$632	+14%
Diluted EPS	\$3.23	+14%
Operating Cash	\$1,063	+15%

FY Discussion Points

Revenues impacted by:

AmeriPath acquisition (+5%)

Improved test mix

Reduced drugs of abuse testing

Improvement driven by top-line growth and efficiencies



2008 – A Year of Considerable Accomplishments

Financial

- 8.1% Revenue growth
- 14% Earnings growth
- 0.6% Margin expansion
- \$ 1.1B Cash from operations
- \$300M Annualized cost savings, on track for \$500M savings

Corporate Recognition

- ✓ Joined list of Fortune’s Most Admired Companies
- ✓ Dow Jones Sustainability Indexes
- ✓ “Best Employer for Healthy Lifestyles” by National Business Group on Health

Patient Experience

- ✓ Empowering patients by providing lab results through Google Health™
- ✓ Blueprint for Wellness™ available directly to consumers through web and expanded employer access
- ✓ Expanded use of popular Patient Appointment Scheduling

2008 – A Year of Considerable Accomplishments

Medical Leadership

- ✓ 20% growth in gene-based, esoteric and AP revenues
- ✓ Gene-based, esoteric and AP is 36% of revenues
- ✓ Launched HE4 -- FDA cleared test to monitor women with ovarian cancer
- ✓ Expanded Leumeta™ test offering to 22 tests
- ✓ Introduced KRAS -- assists treatment decisions for lung and colon cancer patients
- ✓ Licensed Septin 9 biomarker -- developing plasma-based colorectal cancer test
- ✓ Introduced first commercially available test for Chikungunya
- ✓ Launched UroRisk and StoneRisk – gold standard for kidney stone evaluation
- ✓ Introduced age-related macular degeneration susceptibility test
- ✓ Acquired additional biomarker capability to aid development of companion diagnostics



2008 – A Year of Considerable Accomplishments

Unparalleled Assets

- ✓ Added 15,000 physician Care360™ users, bringing total to >140,000
- ✓ Increased medication e-prescribing volume ~120% to annualized rate of 4.5 million
- ✓ ChartMaxx™ named “Best in KLAS”
- ✓ Completed implementation of clinical portal for 7 Health Information Exchanges

International & Product Expansion

- ✓ International presence
 - Obtained cervical cancer testing contract with National Cancer Screening Service of Ireland
 - Launched India lab, received CAP, NABL and NGSP Level 1 certification
- ✓ Point of Care and Near Patient Testing
 - Received CLIA waiver for HemoCue Micro-albumin test
 - Launched DoYouHaveTheGuts.com to increase colorectal cancer awareness

Continued Revenue & Earnings Growth

Revenues	↑ ~3%
Operating Income %	approaching 18%
EPS	\$3.50 - \$3.70, ↑ 8% - 15%
Cash from Operations *	~\$1 billion
CapEx	~\$200 million

Improving Operational Efficiencies

*Excludes expected payment of the \$316 million reserve established for the previously disclosed NID matter

Clear Leader in an Attractive and Growing Industry

Differentiated Offering

Bi-focal Business Approach— Doing What is Right in the Short Term and Planning for the Long Term

Operationally and Financially Strong

Committed to Driving Superior Shareholder Returns

