



26th Annual JPMorgan Healthcare Conference



January 8, 2008



Safe Harbor Disclaimer

The statements in this presentation which are not historical facts or information are forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause the outcome to be materially different. Certain of these risks and uncertainties are described in the Quest Diagnostics Incorporated SEC filings, including our latest Form 10-K. Additional risks may arise from unanticipated events.

A copy of this presentation is available on our website at www.questdiagnostics.com



Who is Quest Diagnostics?

» Leader in Providing Healthcare Insights and Solutions

Comprehensive Diagnostic Testing

Routine —» Esoteric

- Diagnose
- Monitor
- Predict
- Prevent

Advanced Information Technology Solutions

Improve Care and Efficiency

Facilitate Introduction of New Therapeutics

Clinical Trials Testing

Innovative Diagnostic Products

Enable Care Closer to the Patient

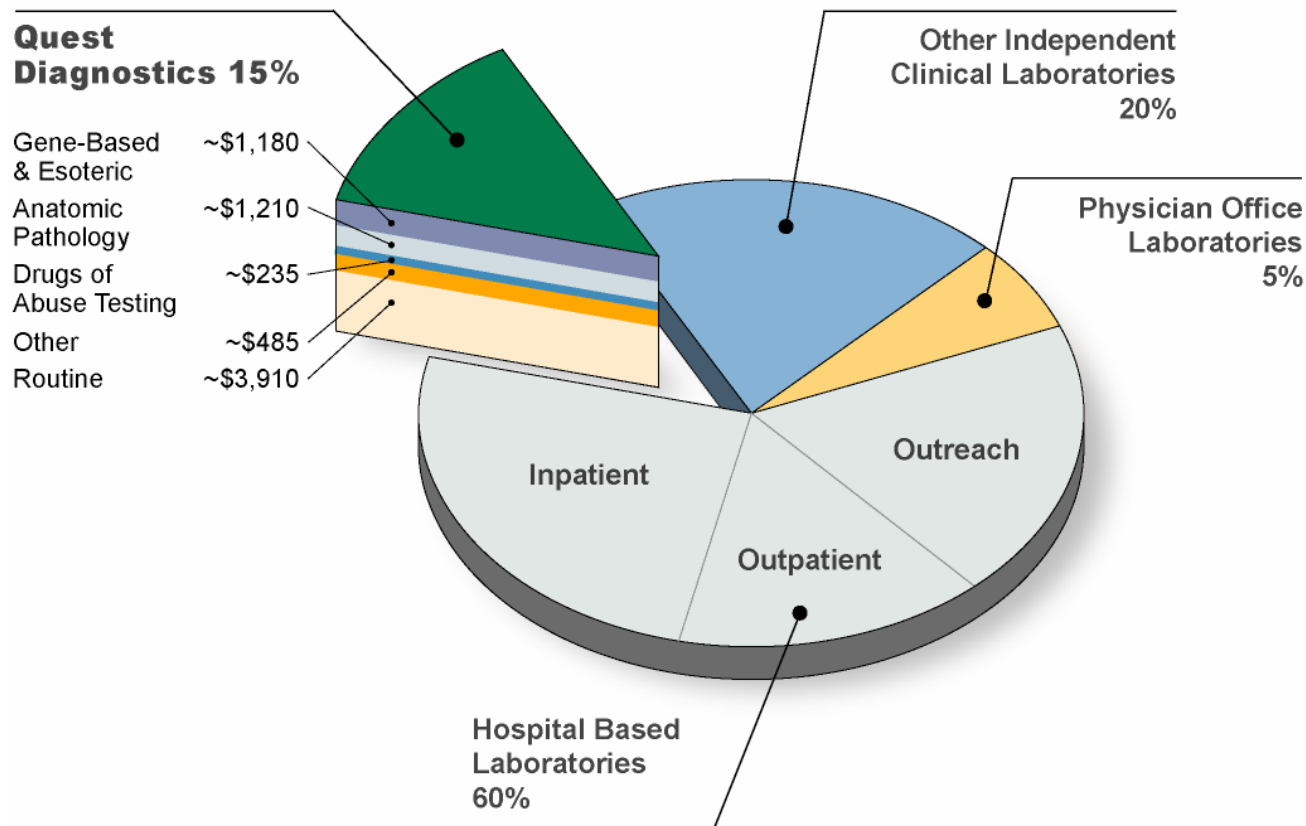
Risk Assessment Solutions to Life Insurance Industry

Touching Patients ~150 Million Times Each Year



The Leader in Diagnostic Testing

**US Diagnostic Testing
Market: >\$45 B**



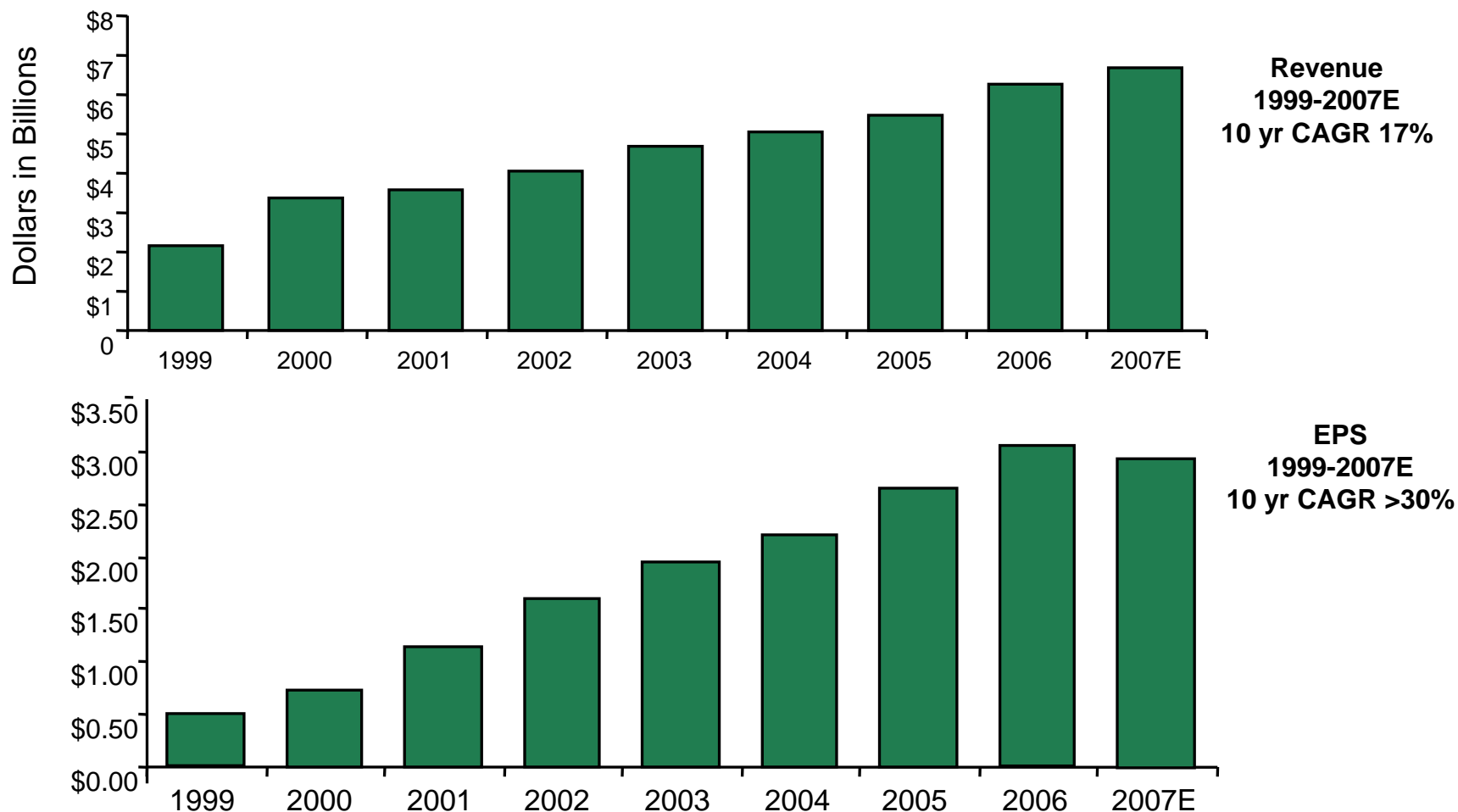
Source: Washington G-2 Reports and company information

Patients Growth People



Consistently Strong Growth

#11 Fortune 500 Ranking: 10-year Total Shareholder Return



Fortune Ranking based on years 1997-2006

Patients Growth People

Expanding Market Leadership»

	<u>2000</u>	<u>2007</u>
» Clinical Testing	✓	✓
Gene-based & Esoteric Testing	✓	✓
Employer Services	✓	✓
Risk Assessment Services	-	✓
Anatomic Pathology Testing	P	✓
Clinical Trials Testing	P	P
Healthcare Information Technology	-	P
Point of Care (Near Patient) Testing	-	P
International Market	-	P

✓ Overall Market Leader/Niche Leadership

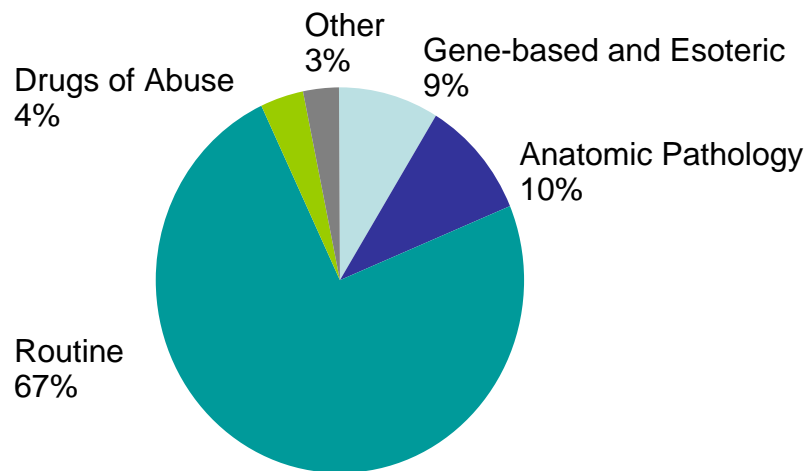
P Market Participant

- Not in Market



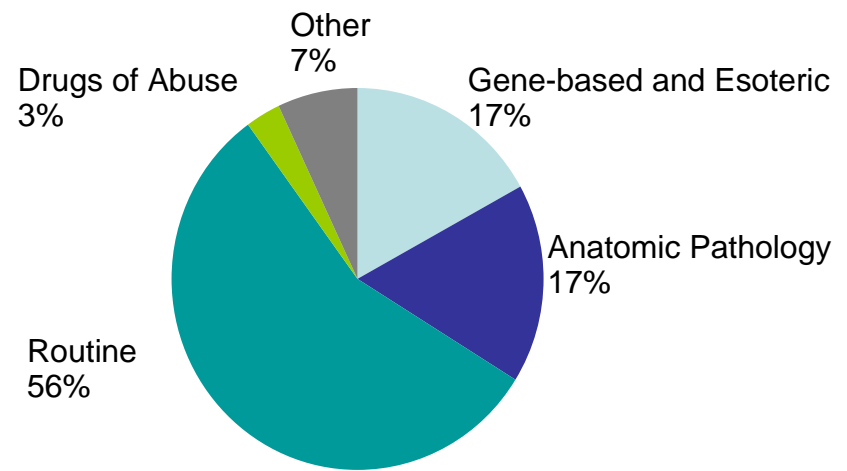
Moving to Higher Growth, Higher Margin Segments»

2000 Revenue



Total Revenue: \$3.4 Billion

2006 Pro Forma Revenue



Total Pro Forma Revenue: ~\$7.0 Billion

Favorable Industry Trends

» Essential Healthcare Service

Growing and Aging Population

Innovations in Science & Medicine

Personal Interest in Health

Convergence of Information

Genetic Predisposition

Diagnostic Testing

Diagnostic Imaging

Information Technology

Influences >70% of Healthcare Decisions

» Undisputed World Leader in Diagnostic Testing,
Information and Services

Profitably Grow > Industry Rate

Expand Operating Income to 20%

Expand International Operations to ~10% of Revenues



Strategy to Drive Profitable Growth

» Sustainable Competitive Advantage

Deliver Superior Patient Experience

Continuously Drive Six Sigma Quality

Leverage Unparalleled Assets & Capabilities

Lead in Medical Innovation/Information

Expand Geographic Reach

Expand Diagnostic Scope



Expanding Usage by Patients of PSC Appointment Scheduling »

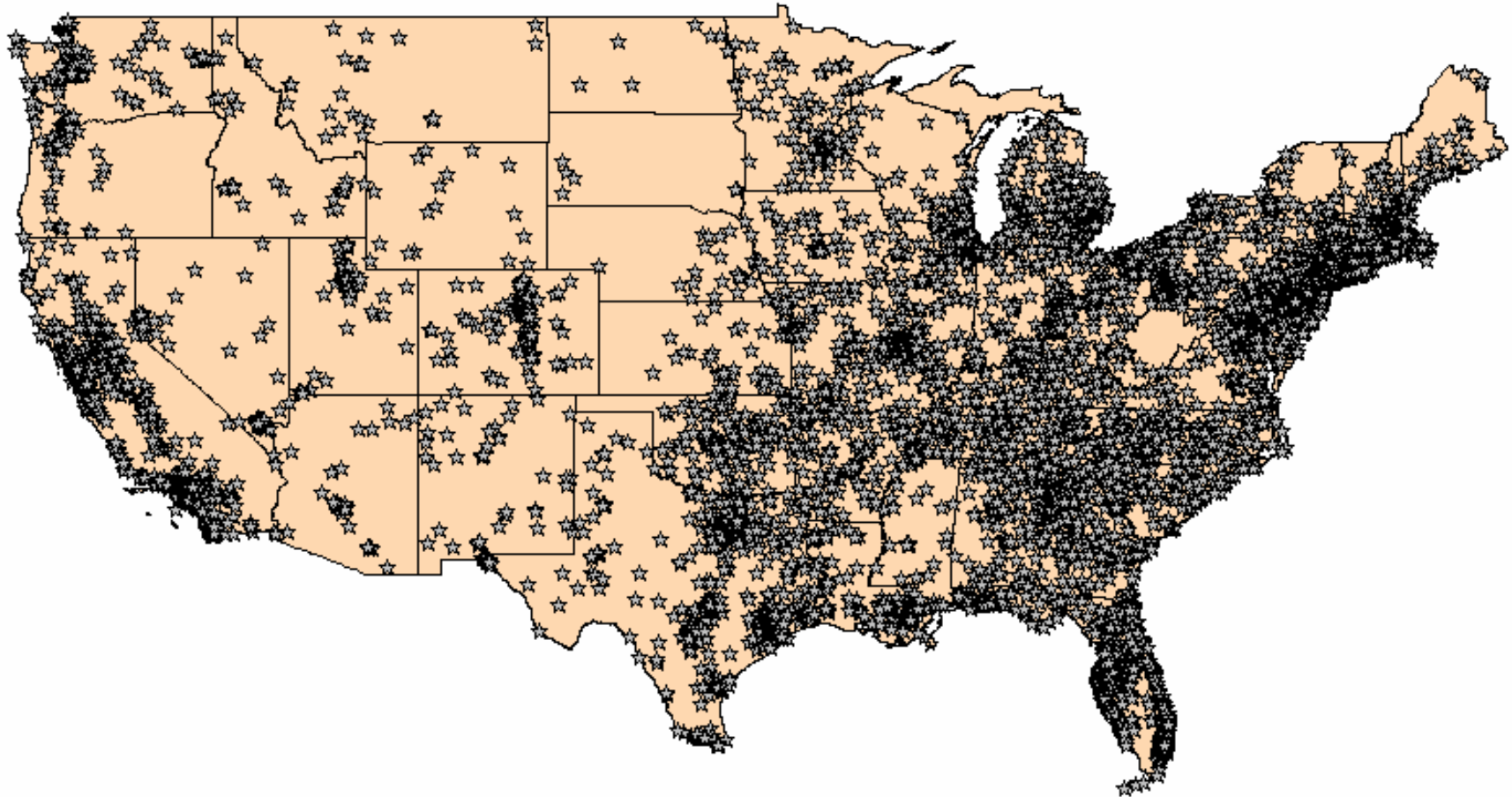
Only Laboratory with
Appointment
Scheduling at PSC's

Reduces Patient Wait
Time

Improves Patient
Convenience



Electronic Connectivity: Care360 Network



120,000 Physician Users and Growing by >1,000 Physicians Each Month

Patients Growth People



Unparalleled Access & Distribution

» Serving 50% of US Hospitals & Physicians

31 Regional Laboratories

2 Comprehensive Esoteric Laboratories

150 Rapid Response Laboratories

40 Outpatient AP Facilities in 19 States

~2,100 Patient Service Centers

- serving 45 million patients each year

8,500 Phlebotomists &

5,000 Paramedical professionals

4,000 Vans and 20 Airplanes

- making 85,000 stops each day

Testing >500,000 Patients Each Night

» Broadest Product and Service Offering

Multiple Channels to Access New Technology

- Internal Development – Nichols Institute

- Joint Development Relationships

- Licensing/Distribution Relationships

Most Comprehensive Test Menu

- Leader in Cancer, CVD & Infectious Disease Testing

- Pioneer in Molecular Diagnostics, LC-MS/MS & Micro-array

Leading Experts for Medical Consultation

- 900 MDs & PhDs

- >30 Academic Associates

Unmatched Medical & Technical Expertise

The Leader in Cancer Diagnostics

» Improving Detection & Monitoring

National Network of ~800
Board Certified Pathologists &
Dermatopathologists

Centers of Excellence & Strong
Local Presence

Consultative Services

Comprehensive Menu

Unique Medical & Reporting
Capabilities

Leading Sites of New Cancer Cases

Estimated New Cases*

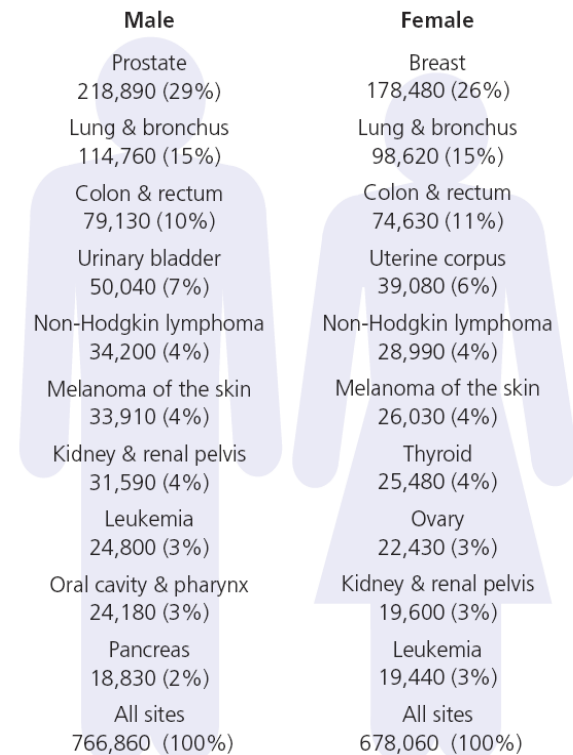


Chart from American Cancer Society: Facts & Figures 2007



Enabling Personalized & Targeted Medicine»

» Improving Patient Care

Enables More Appropriate Drug Therapy

Rituxan®	Rituxan® Sensitivity (CD20)
Herceptin®	Her2
Campath®	Campath Sensitivity (CD2)
Irinotecan	UGT1A1
Warfarin	CYP450 2C9

Improves Disease Management

Leumeta™	CellSearch
Hepascore	Cancer of Unknown Primary

Reducing Medical Costs

Expanding Geographic Reach

» Broadening Our Geographical Coverage

Clear Leadership in US....with Room to Grow

Leverage Existing Labs in Puerto Rico, Mexico, and UK

Entering India – Serving Multiple Markets

Exploit Point of Care Distribution Network in 130 Countries

Expand Number of Countries Using Nichols Institute Tests

Increasing Market Opportunity



Expanding Diagnostic Scope Near Patient Testing

» Opportunity to Improve Patient Care

Attractive Benefits For Hospitals,
Physician Offices & International
Markets

Enables More Timely And Effective
Decisions

Expanding Product Menu

Platform Technology

Results Integrated into Care360

Reducing Medical Costs



Patients Growth People

» Margin Expansion and Earnings Growth

Drive Top-Line Growth

Integrate AmeriPath

Reduce Costs by \$500 million

Expand International and Products Businesses

Excellence in Execution



Reducing Costs by \$500 Million

» Leverage Lean Six Sigma to Improve Efficiency

Streamline Lab Operations

Optimize Logistics Routes and PSC Resources

Improve Billing and Call Center Operations

Leverage Purchasing Capabilities

Maintaining High Service Levels



2007 Q3 YTD Results *

» A Challenging Environment in 2007

Revenues	\$4.9 billion
Operating Income	15.9%
EPS	\$2.09*
Cash from Operations	\$571 million
CapEx	\$143 million

Performance impacted by efforts to retain UNH business.

Returning to Revenue and Earnings Growth in 2008

*Excludes \$0.04 EPS in Q1 charges.

Patients Growth People

- » Industry Leader in a Vital and Growing Industry
- Track Record of Successfully Integrating Acquisitions
- Strong Cash Generator
- A History of Disciplined Growth
- Proven Management Team
- Uniquely Positioned with Unparalleled Assets & Capabilities

