

QUEST DIAGNOSTICS INCORPORATED AND SUBSIDIARIES

(in thousands, except per share data)
Quarterly Operating Results (unaudited)

	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>Total Year</u>
<u>2005 (a)</u>					
Net revenues	\$1,319,485	\$1,377,529	\$1,371,821	\$1,434,876	\$5,503,711
Gross profit	539,403	578,851	564,801	563,321	2,246,376
Net income	131,611	149,089	135,248 (b)	130,329 (c)	546,277
Basic earnings per common share	0.65 (d)	0.74	0.67	0.65	2.71
Diluted earnings per common share	0.64 (d)	0.72	0.66	0.64	2.66

	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>Total Year</u>
<u>2004</u>					
Net revenues	\$1,255,742	\$1,297,674	\$1,289,897	\$1,283,288	\$5,126,601
Gross profit	518,461	550,097	541,473	525,858	2,135,889
Net income	116,149	126,829 (e)	130,144	126,073	499,195
Basic earnings per common share (d) ...	0.56	0.62	0.64	0.63	2.45
Diluted earnings per common share (d)	0.54	0.59	0.62	0.60	2.35

(a) On November 1, 2005, Quest Diagnostics completed the acquisition of LabOne. The quarterly operating results include the results of operations of LabOne subsequent to the closing of the acquisition (see Note 3).

(b) During the third quarter of 2005, the Company recorded a \$6.2 million charge primarily related to forgiveness of amounts owed by patients and physicians, and related property damage as a result of hurricanes in the Gulf Coast. In addition, the Company recorded a \$7.1 million charge associated with the write-down of an investment.

(c) During the fourth quarter of 2005, the Company recorded a \$16 million charge to write-off certain assets in connection with a product hold at NID.

(d) Previously reported basic and diluted earnings per share have been restated to give retroactive effect of the Company's two-for-one stock split effected on June 20, 2005 (see Note 2).

(e) During the second quarter of 2004, the Company recorded a \$10.3 million charge associated with the acceleration of certain pension obligations in connection with the succession of the Company's prior CEO and a \$2.9 million charge to interest expense, net representing the write-off of deferred financing costs associated with the refinancing of the Company's bank debt and credit facility.