

PART II

Item 5. Market for Registrant's Common Stock, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock is listed and traded on the New York Stock Exchange under the symbol "DGX". The following table sets forth, for the periods indicated, the high and low sales price per share as reported on the New York Stock Exchange Consolidated Tape and dividend information (all per share data has been restated to reflect the two-for-one stock split effected on June 20, 2005):

	Common Stock Market Price		Dividends Declared
	High	Low	
2005			
First Quarter	\$52.95	\$44.32	\$0.09
Second Quarter	54.80	50.58	0.09
Third Quarter	54.45	46.80	0.09
Fourth Quarter	52.97	45.00	0.09
2006			
First Quarter	\$54.33	\$48.79	\$0.10
Second Quarter	60.35	49.26	0.10
Third Quarter	64.69	57.69	0.10
Fourth Quarter	61.11	48.59	0.10

As of February 21, 2007, we had approximately 6,100 record holders of our common stock.

We expect to fund future dividend payments with cash flows from operations, and do not expect the dividend to have a material impact on our ability to finance future growth.

Issuer Purchases Of Equity Securities

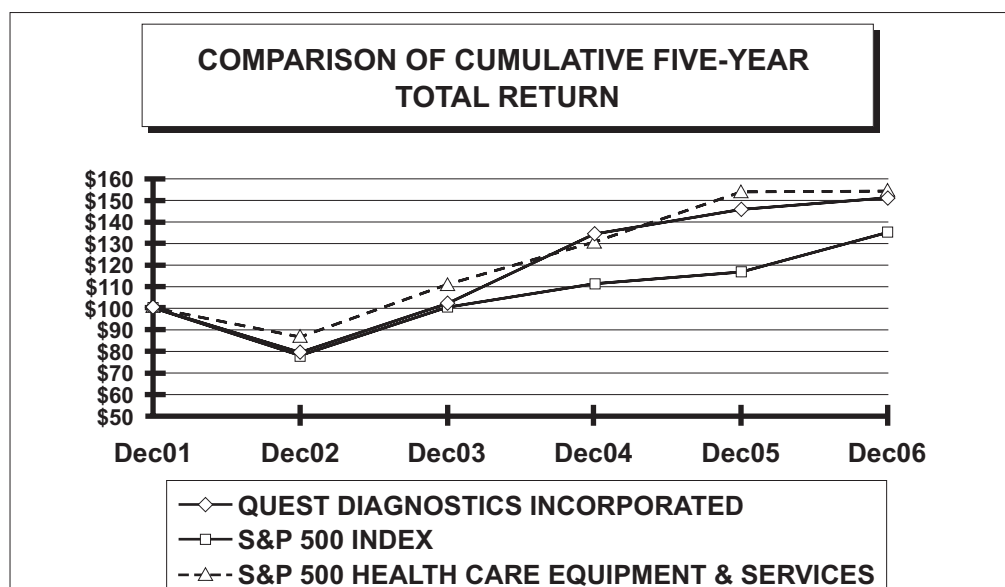
Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in thousands)
October 1, 2006 – October 31, 2006	2,826,200	\$50.15	2,826,200	\$304,351
November 1, 2006 – November 30, 2006	1,077,910	\$50.70	1,077,910	\$249,697
December 1, 2006 – December 31, 2006	—	—	—	\$249,697
Total	3,904,110	\$50.31	3,904,110	\$249,697

In 2003, our Board of Directors authorized a share repurchase program, which permitted us to purchase up to \$600 million of our common stock. In July 2004, our Board of Directors authorized us to purchase up to an additional \$300 million of our common stock. Under a separate authorization from our Board of Directors, in December 2004 we repurchased 5.4 million shares of our common stock for approximately \$254 million from GlaxoSmithKline plc. In January 2005, our Board of Directors expanded the share repurchase authorization by an additional \$350 million. In January 2006, our Board of Directors expanded the share repurchase authorization by an additional \$600 million. As of December 31, 2006 and since the inception of the share repurchase program in May 2003, we have repurchased 41.3 million shares of our common stock at an average price of \$44.89 for \$1.9 billion. At December 31, 2006, approximately \$250 million of the share repurchase authorizations remained available.

Information required by this section is incorporated by reference to the information in the Company's Proxy Statement to be filed before April 28, 2007, or the Proxy Statement, appearing under the caption "Equity Compensation Plan Information".

Quest Diagnostics Incorporated Performance Graph

Set forth below is a line graph comparing the cumulative total shareholder return on Quest Diagnostics' common stock since December 31, 2001, based on the market price of the Company's common stock and assuming reinvestment of dividends, with the cumulative total shareholder return of companies on the Standard & Poor's 500 Stock Index and the S&P 500 Healthcare Equipment & Services Index.



Date	Closing DGX Price(1)	Total Shareholder Return			Performance Graph Values		
		DGX	S&P 500	S&P 500 H.C.	DGX	S&P 500	S&P 500 H.C.
12/31/2001	\$35.86				\$100.00	\$100.00	\$100.00
12/31/2002	\$28.45	-20.65%	-22.10%	-13.53%	\$ 79.35	\$ 77.90	\$ 86.47
12/31/2003	\$36.56	28.49%	28.68%	28.16%	\$101.95	\$100.25	\$110.82
12/31/2004	\$47.78	31.62%	10.88%	17.75%	\$134.19	\$111.15	\$130.50
12/31/2005	\$51.48	8.51%	4.91%	17.81%	\$145.61	\$116.61	\$153.73
12/31/2006	\$53.00	3.71%	15.79%	0.25%	\$151.00	\$135.03	\$154.11

(1) All values are adjusted to reflect the Company's two-for-one stock splits that occurred on May 31, 2001 and June 20, 2005.

Item 6. Selected Financial Data

See page 46.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

See page 48.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

See Management's Discussion and Analysis of Financial Condition and Results of Operations.

Item 8. Financial Statements and Supplementary Data

See Item 15 (a) 1 and 2.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.