

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." As of February 1, 2008, we had approximately 5,800 record holders of our common stock; we believe that the number of beneficial holders of our common stock exceeds the number of record holders. 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.

	Common Stock Market Price		Dividends Declared
	<u>High</u>	<u>Low</u>	
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
2007			
First Quarter	\$54.29	\$48.07	\$0.10
Second Quarter	54.75	47.98	0.10
Third Quarter	58.63	51.36	0.10
Fourth Quarter	58.23	51.91	0.10

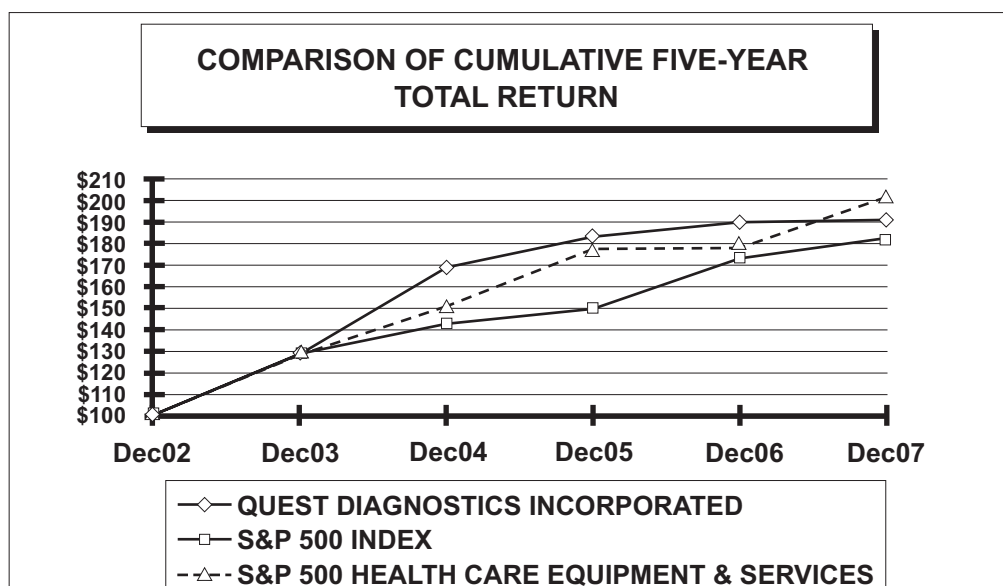
We expect to fund future dividend payments with cash flows from operations, and do not expect the dividend to have a material impact on our ability to finance future growth.

We did not repurchase any shares of our common stock during the fourth quarter of our fiscal year ended December 31, 2007.

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. Our Board of Directors expanded the share repurchase authorization in January 2005 and January 2006 by an additional \$350 million and an additional \$600 million, respectively. As of December 31, 2007 and since the inception of the share repurchase program in May 2003, we have repurchased 44.1 million shares of our common stock at an average price of \$45.35 for \$2.0 billion. At December 31, 2007, approximately \$104 million of the share repurchase authorizations remained available. The share repurchase program has no set expiration or termination date.

Performance Graph

Set forth below is a line graph comparing the cumulative total shareholder return on Quest Diagnostics' common stock since December 31, 2002, 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.
12/31/2003	\$36.56	28.49%	28.68%	28.16%	\$128.49	\$128.68	\$128.16
12/31/2004	\$47.78	31.62%	10.88%	17.75%	\$169.12	\$142.69	\$150.91
12/31/2005	\$51.48	8.51%	4.91%	17.81%	\$183.51	\$149.70	\$177.78
12/31/2006	\$53.00	3.71%	15.79%	0.25%	\$190.30	\$173.34	\$178.23
12/31/2007	\$52.90	0.58%	5.49%	13.37%	\$191.40	\$182.86	\$202.05

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

Item 6. Selected Financial Data

See page 41.

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

See page 43.

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 Item 15(a)2.

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

None.