First Quarter 2016

April 21, 2016

Quest Diagnostics™

Safe Harbor Disclosure

The statements in this presentation which are not historical facts may be 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 or strategic partners and other factors discussed in the Company's most recently filed Annual Report on Form 10-K and in any of the Company's subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, including those discussed in the "Business," "Risk Factors," "Cautionary Factors that May Affect Future Results" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of those reports.

Q1 2016 Performance
($ in millions, except per share data)

	Q1	Δ Prior Year
Net Revenues, As Reported	$ 1,863	1.3%
Net Revenue Growth, on an Equivalent Basis*		3.6%
DIS Revenues	$ 1,756	3.8%
Rev/Req		1.1%
Volume		2.6%
Adjusted Operating Income*	$ 281	4.4%
% of Revenues*	15.1%	50 bps
Adjusted Net Income*	$ 147	4.9%
Adjusted Diluted EPS Excluding Amortization Expense*	$ 1.12	6.7%
Adjusted Cash Provided by Operations*	$ 190	45.2%
Capital Expenditures	$ 47	NM

* Revenue on an equivalent basis represents 2015 net revenues excluding clinical trials testing revenues. Adjusted operating income, adjusted operating income as a percentage of net revenues and adjusted net income represent results that exclude special items, such as the retirement of debt and related refinancing charges, restructuring and integration charges and other items. Adjusted diluted EPS excluding amortization expense represents results before the impact of special items and amortization expense. Adjusted cash provided by operations represents results that exclude the cash impact of charges on retirement of debt. See non-GAAP reconciliations on pages 5 to 9.

NM = Not meaningful

2016 Outlook*

- Revenues to be between $7.52 billion and $7.59 billion, an increase of 1.5% to 2.5% over 2015 revenues on an equivalent basis.

- Adjusted diluted EPS excluding amortization expense to be between $5.02 and $5.17.

- Adjusted cash provided by operations to approximate $1 billion.

- Capital expenditures to be between $250 million and $300 million.

The company will provide an update on its revenue outlook after the close of the Focus Products divestiture, which is expected in the second quarter of 2016.

* Before special items. See non-GAAP reconciliations on pages 10 to 12.

Non-GAAP Reconciliations

The adjusted measures on page 3 are presented because management believes those measures are useful adjuncts to reported results under accounting principles generally accepted in the United States when comparing results of operations from period to period. Adjusted measures should not be considered as an alternative to the corresponding measures determined under accounting principles generally accepted in the United States. The following tables reconcile adjusted results to reported results under accounting principles generally accepted in the United States.

	Three Months Ended March 31,	
	2016	**2015**
	(dollars in millions, except per share data)	
Adjusted operating income:		
Operating income	$ 257	$ 228
Restructuring and integration charges (a)	19	31
Other (b)	5	10
Adjusted operating income	$ 281	$ 269
Adjusted operating income as a percentage of net revenues:		
Operating income as a percentage of net revenues	13.8%	12.4%
Restructuring and integration charges (a)	1.0	1.7
Other (b)	0.3	0.5
Adjusted operating income as a percentage of net revenues	15.1%	14.6%
Adjusted net income:		
Net income attributable to Quest Diagnostics	$ 102	$ 61
Retirement of debt and related refinancing charges (c) (d)	30	53
Restructuring and integration charges (a) (d)	12	19
Other (b) (d)	3	8
Adjusted net income	$ 147	$ 141

Non-GAAP Reconciliations

	Three Months Ended March 31,	
	2016	2015
	(dollars in millions, except per share data)	
Adjusted diluted EPS excluding amortization expense:		
Diluted earnings per common share	$ 0.70	$ 0.42
Retirement of debt and related refinancing charges (c) (d)	0.21	0.36
Restructuring and integration charges (a) (d)	0.09	0.13
Other (b) (d)	0.02	0.05
Amortization expense (e)	0.10	0.09
Adjusted diluted EPS excluding amortization expense	$ 1.12	$ 1.05
Revenue on an equivalent basis:		
Net revenues	$ 1,863	$ 1,839
Excluded revenue (f)	—	(40)
Revenue on an equivalent basis	$ 1,863	$ 1,799
Adjusted cash provided by operations:		
Cash provided by operations	$ 143	$ 52
Cash charges on retirement of debt (g)	47	78
Adjusted cash provided by operations	$ 190	$ 130

Non-GAAP Reconciliations

(a) For the three months ended March 31, 2016, represents costs primarily associated with systems conversions and integration costs incurred in connection with further restructuring and integrating our business. For the three months ended March 31, 2015, represents costs primarily associated with workforce reductions and professional fees incurred in connection with further restructuring and integrating our business. The following table summarizes the pre-tax impact of restructuring and integration charges on the company's consolidated statements of operations:

	Three Months Ended March 31,	
	2016	**2015**
	(dollars in millions)	
Cost of services	$ 7	$ 20
Selling, general and administrative	12	11
Operating income	$ 19	$ 31
Equity in earnings of equity method investees, net of taxes	$ 2	$ —

(b) For the three months ended March 31, 2016, primarily represents costs associated with winding down subsidiaries, non-cash asset impairment charges and costs incurred related to legal matters. For the three months ended March 31, 2015, principally represents non-cash asset impairment charges and costs incurred related to legal matters. The following table summarizes the pre-tax impact of these other items on the company's consolidated statements of operations:

	Three Months Ended March 31,	
	2016	**2015**
	(dollars in millions)	
Selling, general and administrative	$ 3	$ 2
Other operating expense, net	2	8
Operating income	$ 5	$ 10
Other non-operating expense, net	$ 1	$ —

Non-GAAP Reconciliations

(c) Retirement of debt and related refinancing charges represent charges associated with cash tender offers where the company purchased $200 million and $250 million in March 2016 and March 2015, respectively, of its 6.95% Senior Notes due July 2037 and 5.75% Senior Notes due January 2040. The following table summarizes the pre-tax impact of retirement of debt and related refinancing charges on the company's consolidated statements of operations:

	Three Months Ended March 31,	
	2016	**2015**
	(dollars in millions)	
Interest expense, net	$ —	$ 5
Other non-operating expense, net	48	79
	$ 48	$ 84

(d) For the retirement of debt and related refinancing charges, income tax benefits were calculated using a combined tax rate of 38.9% in 2016 and 40% in 2015. For the restructuring and integration charges and other items, income tax impacts, where recorded, were calculated using combined tax rate of 38.9% for both 2016 and 2015.

(e) Represents the impact of amortization expense on diluted earnings per common share, net of the income tax benefit. The income tax benefit was primarily calculated using a combined tax rate of 38.9% for 2016 and 2015. The pre-tax amortization expense that is excluded from the calculation of adjusted diluted EPS excluding amortization expense is recorded in the company's statements of operations as follows:

	Three Months Ended March 31,	
	2016	**2015**
	(dollars in millions)	
Amortization of intangible assets	$ 19	$ 21
Equity in earnings of equity method investees, net of taxes	4	—
	$ 23	$ 21

Non-GAAP Reconciliations

(f) Effective July 1, 2015, the company contributed its clinical trials testing business to the Q^2 Solutions joint venture. Clinical trials testing revenues reported in the first quarter of 2015 are excluded to provide 2015 revenue on an equivalent basis.

(g) For the three months ended March 31, 2016, represents $47 million of pre-tax cash charges on retirement of debt in connection with the March 2016 cash tender offer. For the three months ended March 31, 2015, represents $78 million of pre-tax cash charges on retirement of debt in connection with the March 2015 cash tender offer.

2016 Outlook Non-GAAP Reconciliations

The outlook for adjusted diluted EPS excluding amortization expense represents management's estimates for the full year 2016 before the impact of special items and amortization expense. The outlook for adjusted cash provided by operations represents management's estimate for the full year 2016 before the cash impact of charges on retirement of debt. These measures are presented because management believes they are useful adjuncts to the corresponding amounts determined under accounting principles generally accepted in the United States since they are meaningful to evaluate the company's ongoing operating performance. Adjusted diluted EPS excluding amortization expense and adjusted cash provided by operations are not measures of financial performance under accounting principles generally accepted in the United States and should not be considered as alternatives to the corresponding amount determined under accounting principles generally accepted in the United States.

The following table reconciles our 2016 outlook for adjusted diluted EPS excluding amortization expense and adjusted cash provided by operations to the corresponding amounts determined under accounting principles generally accepted in the United States:

	Low	High
	(dollars in millions, except per share data)	
Adjusted diluted EPS excluding amortization expense:		
Diluted earnings per common share	$ 4.31	$ 4.46
Retirement of debt and related refinancing charges (a)	0.21	0.21
Restructuring and integration charges (b)	0.09	0.09
Other (c)	0.02	0.02
Amortization expense (d)	0.39	0.39
Adjusted diluted EPS excluding amortization expense	$ 5.02	$ 5.17
Adjusted cash provided by operations:		
Cash provided by operations	$ 903	$ 1,003
Cash charges on retirement of debt (e)	47	47
Adjusted cash provided by operations	$ 950	$ 1,050

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2016 Outlook Non-GAAP Reconciliations

(a) Represents pre-tax charges of $48 million, incurred through March 31, 2016, associated with the retirement of debt and related refinancing charges in connection with the March 2016 cash tender offer.

(b) Represents pre-tax charges of $21 million primarily associated with systems conversions and integration costs incurred in connection with further restructuring and integrating our business through March 31, 2016. Further charges to earnings may be incurred as additional restructuring and integration activities are executed throughout the remainder of the year.

(c) Represents pre-tax charges of $6 million primarily associated with winding down subsidiaries, non-cash asset impairment charges and costs incurred related to legal matters through March 31, 2016.

(d) Represents the full year impact of amortization expense on the calculation of adjusted diluted EPS excluding amortization expense. Amortization expense used in the calculation is as follows (dollars in millions):

Amortization of intangible assets	$	74
Amortization expense included in equity in earnings of equity method investees		17
Total pre-tax amortization expense	$	91
Total amortization expense, net of an estimated tax benefit	$	56

(e) Represents pre-tax cash charges of $47 million on retirement of debt in connection with the March 2016 cash tender offer through March 31, 2016.

2016 Outlook Non-GAAP Reconciliations

The outlook for 1.5% to 2.5% revenue growth on an equivalent basis in 2016 represents management's estimates for 2016 versus reported 2015 revenues adjusted to exclude the 2015 revenues from the clinical trials testing business. In 2015, the company contributed its clinical trials testing business to the Q^2 Solutions joint venture. Consequently, our 2016 revenues will not include revenues associated with that business. Revenues for 2015 have been adjusted to exclude clinical trials testing revenues to provide an equivalent basis for our growth outlook.

The following table reconciles our 2015 net revenues determined under accounting principles generally accepted in the United States with equivalent revenue for 2015:

	Three Months Ended				Year Ended
	March 31, 2015	**June 30, 2015**	**September 30, 2015**	**December 31, 2015**	**December 31, 2015**
			(dollars in millions)		
2015 Revenue on an equivalent basis:					
Net revenues	$ 1,839	$ 1,925	$ 1,880	$ 1,849	$ 7,493
Excluded revenue (a)	(40)	(45)	—	—	(85)
2015 Revenue on an equivalent basis	$ 1,799	$ 1,880	$ 1,880	$ 1,849	$ 7,408

(a) The 2015 excluded revenue is comprised of clinical trials testing revenues reported in 2015.

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