

LABORATORY CORP OF AMERICA HOLDINGS
Form 8-K
May 17, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

May 17, 2006

(Date of earliest event reported)

**LABORATORY CORPORATION OF
AMERICA HOLDINGS**

(Exact Name of Registrant as Specified in its Charter)

DELAWARE

1-11353

13-3757370

(State or other jurisdiction
of Incorporation)

(Commission
File Number)

(I.R.S.
Employer
Identification
No.)

**358 SOUTH MAIN STREET,
BURLINGTON, NORTH CAROLINA**

27215

336-229-1127

(Address of principal executive offices)

(Zip
Code)

(Registrant's telephone number including area
code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 7.01. Regulation FD Disclosure

Summary information of the Company dated May 17, 2006.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Laboratory Corporation of America Holdings
(Registrant)

Date: May 17, 2006

By: /s/Bradford T. Smith
Bradford T. Smith, Executive Vice
President
and Secretary

Thomas P. Mac Mahon
Chairman and Chief Executive Officer
Annual Meeting
May 17, 2006

This slide presentation contains forward-looking statements which are subject to change based on various important factors, including without limitation, competitive actions in the marketplace and adverse actions of governmental and other third-party payors. Actual results could differ materially from those suggested by these forward-looking statements. Further information on potential factors that could affect the Company's financial results is included in the Company's Form 10-K for the year ended December 31, 2005, and subsequent filings.

2

The Clinical Laboratory Testing
Market - \$40 billion Annually

Independent clinical lab share
is \$16 billion

Represents 2% to 3% of all
health care spending

Influences /directs
approximately 80% of health
care spending

Rapidly evolving technology,
emphasis on preventative
medicine and aging of
population are all driving
growth

Has grown at a CAGR of
between 5% and 6%

Source: Company estimates, industry reports and 2005 revenue for LabCorp.

3

Profile of LabCorp

A leader in the esoteric and genomic testing market and second-largest clinical laboratory company in North America

Offers a broad range of routine and esoteric/genomic tests

Conducts approximately 1.1 million tests daily on more than 360,000 specimens

Provides lab services to physicians and other health care providers

Approximately 24,000 employees nationwide

4

Primary Testing Locations

Primary LabCorp Testing Locations

Corporate Headquarters

Burlington, NC

5

LabCorp's Strategy

To lead the industry in achieving long-term growth and profitability by strengthening our nationwide core testing business and expanding our higher-growth, higher-value esoteric and genomic businesses.

6

Strategic Focus Areas

Scientific

Leadership

Managed

Care

Customer

Retention

-Licensing/partnerships

-Cancer

-Specimen tracking

-Call center consolidation

-Report improvement

-Acquisitions

-Appropriate prices

-Reduce leakage

-Value of new lab tests

-Customer connectivity

7

LabCorp's Investment and
Performance Fundamentals

History of Strong Financial
Performance

Significant Cash Generator

Industry leading EBITDA margins

Strong Balance Sheet

Investment Grade Credit Ratings

8

2005 Achievements

Expanded our national strategic partnership with
Wellpoint Georgia, Nevada

1st national laboratory to offer Cytoc s ThinPrep
Imaging System

Completed acquisitions of US LABS and
Esoterix

Operating cash flow of \$574.2 million

Repurchased approximately \$588.5 million of
LabCorp stock

9

2006 Achievements To Date

Diluted EPS of \$0.78 (1)

EBITDA margin of 26.1% of sales

Increased revenues 9.9% (4.6% volume;
5.3% price)

Operating cash flow of \$178.6 million

Repurchased \$185.1 million of LabCorp
stock

(1) Excluding the \$0.02 per diluted share impact of the required change in accounting for stock based compensation.

10

Five-Year Revenue and EPS Trend

Revenue CAGR of 11% - Diluted EPS CAGR of 22%

(1)

(1) Excluding the \$0.09 per diluted share impact in 2005 of restructuring and other special charges, and a non-recurring investment loss.

11

LabCorp Common Stock Performance

Stock Price On Annual Meeting Date

(1) Closing price on May 16, 2006

(1)

12

Reconciliation of Non-GAAP Financial Measures (\$ in millions)

13

