Guidance for Full Year 2025

January 30, 2025

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, the complexity of billing, reimbursement and revenue recognition for clinical laboratory testing, changes in government regulations, changing relationships with customers, payers, suppliers or strategic partners, acquisitions 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.

Note on Non-GAAP Financial Measures

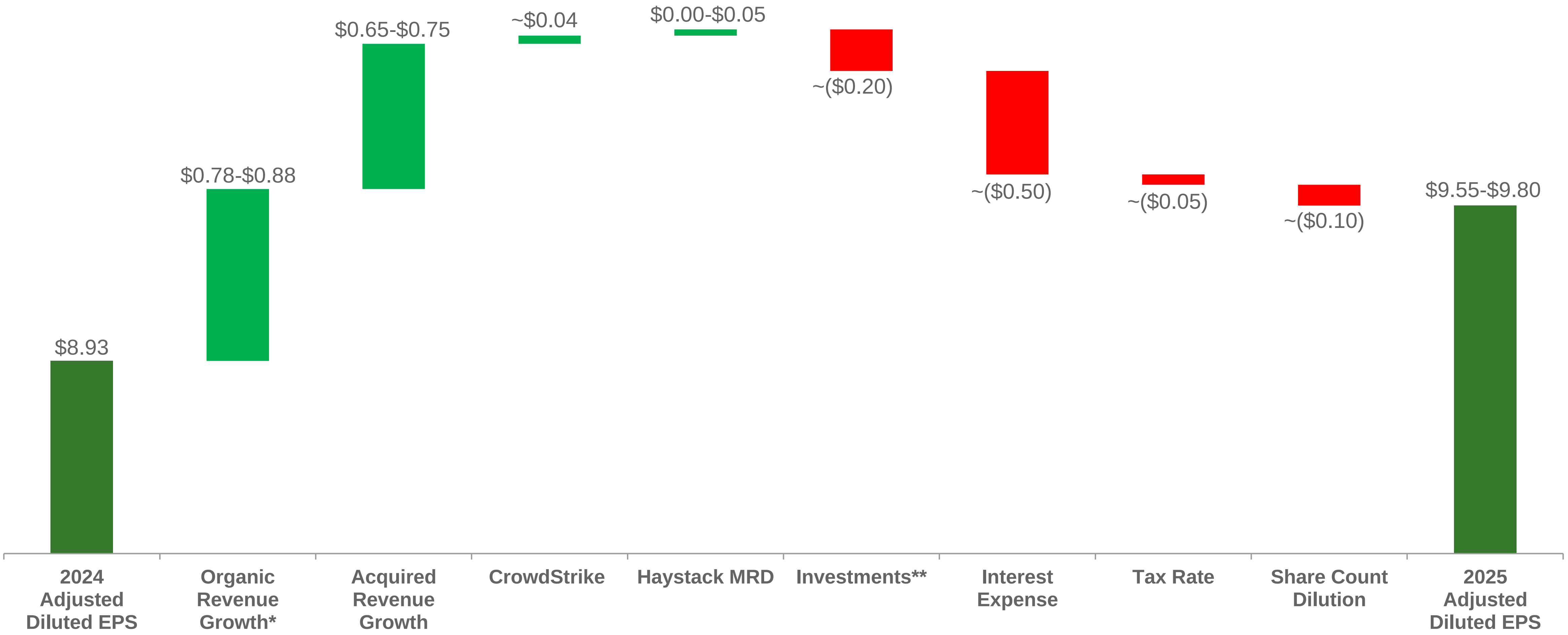
As used in this presentation the term “reported” refers to measures under accounting principles generally accepted in the United States (“GAAP”). The term “adjusted” refers to non-GAAP operating performance measures that exclude special items such as restructuring and integration charges, amortization expense, excess tax benefits (“ETB”) associated with stock-based compensation, gains and losses associated with changes in the carrying value of our strategic investments, and other items.

Non-GAAP adjusted measures are presented because management believes those measures are useful adjuncts to GAAP results. Non-GAAP adjusted measures should not be considered as an alternative to the corresponding measures determined under GAAP. Management may use these non-GAAP measures to evaluate our performance period over period and relative to competitors, to analyze the underlying trends in our business, to establish operational budgets and forecasts and for incentive compensation purposes. We believe that these non-GAAP measures are useful to investors and analysts to evaluate our performance period over period and relative to competitors, as well as to analyze the underlying trends in our business and to assess our performance. The additional tables below include reconciliations of non-GAAP adjusted measures to GAAP measures.

Guidance for full year 2025

	Low	High
Net revenues	$10.70 billion	$10.85 billion
Net revenues increase	8.4%	9.9%
Reported diluted EPS	$8.34	$8.59
Adjusted diluted EPS	$9.55	$9.80
Cash provided by operations	Approximately $1.45 billion	
Capital expenditures	Approximately $500 million	

2025 Adjusted Diluted EPS Guidance Bridge



*Contribution margin on organic revenue growth enabled by Invigorate savings and productivity.
**Includes investments to modernize IT infrastructure and to comply with FDA regulations of laboratory developed tests.

Underlying assumptions for full year 2025 guidance

- Revenue guidance assumes approximately 3% organic revenue growth with the remainder coming from the acquisitions closed in 2024. It does not assume any contribution from prospective M&A that could be completed in 2025.
- The company absorbed a headwind in 2024 related to the CrowdStrike® IT outage which is not expected to repeat in 2025.
- The company expects to begin generating revenue from the launch of its Haystack MRD test in 2025. Haystack MRD is expected to be slightly less dilutive in 2025 versus the prior year.
- The company is making investments in 2025 to modernize its IT infrastructure as well as to comply with FDA regulations of laboratory developed tests that are scheduled to begin later this year.
- Operating margin is expected to expand versus the prior year.
- Net interest expense expected to be approximately $275 million.
- Adjusted tax rate is expected to be approximately 25%.
- Average share count for the full year is expected to be approximately 114 million diluted shares outstanding.

Non-GAAP Reconciliations

- The following table reconciles adjusted results to reported results under accounting principles generally accepted in the United States.

	Year ended December 31, 2024	Year ended December 31, 2025	
		Low	High
Reported diluted EPS	$7.69	$8.34	$8.59
Amortization of intangible assets (a)	0.84	1.05	1.05
Restructuring and integration charges (b)	0.42	0.11	0.11
Gains and losses on investments (c)	0.10	-	-
Other charges (d)	0.04	0.13	0.13
Other gains (e)	(0.08)	-	-
ETB	(0.08)	(0.08)	(0.08)
Adjusted diluted EPS	$8.93	$9.55	$9.80

(a) Income tax impacts were primarily calculated using combined statutory tax rates of 25.5%.

(b) Represents costs primarily associated with workforce reductions and integration incurred in connection with further restructuring and integrating our business. Income tax impacts were primarily calculated using combined statutory tax rates of 25.5%.

(c) Primarily represents (gains) and losses associated with changes in the carrying value of our strategic investments. Income tax impacts were primarily calculated using combined statutory tax rates of 25.5%.

(d) Includes pre-tax losses associated with the change in the fair value of the contingent consideration accrual associated with previous acquisitions. No income tax impacts are recorded for such change.

(e) Principally includes a non-recurring $8 million pre-tax gain associated with a foreign exchange forward contract utilized in conjunction with an acquisition. Income tax impacts were primarily calculated using combined statutory tax rates of 25.5%.

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