



## **Quest Diagnostics Increases Quarterly Dividend By 20% And Expands Share Repurchase Authorization By \$350 Million**

January 27, 2005

TETERBORO, N.J., Jan 27, 2005 /PRNewswire-FirstCall via COMTEX/ -- Quest Diagnostics Incorporated (NYSE: DGX), the nation's leading provider of diagnostic testing, information and services, announced that its Board of Directors declared a quarterly cash dividend of \$0.18 per common share, a 20% increase, payable on April 20, 2005, to shareholders of record on April 6, 2005. Additionally, the Board expanded its share repurchase authorization by an additional \$350 million, bringing the total amount authorized and available for repurchases to \$512 million.

"The increase in the quarterly dividend and the expansion of the share repurchase program reflect confidence in our ability to continue generating strong cash flow," said Surya N. Mohapatra, Ph.D., Chairman and Chief Executive Officer. "We are increasing the value we return to shareholders while continuing to invest to drive growth."

During 2004 the company repurchased 8.3 million common shares for \$735 million. Since the inception of the share repurchase program in May, 2003, the company has repurchased 12.3 million common shares for almost \$1 billion. The company had approximately 101 million common shares outstanding as of January 24, 2005.

Quest Diagnostics will hold its Fourth Quarter and Full Year 2004 conference call on January 27 at 8:30 A.M. Eastern Time. To hear a simulcast of the call over the Internet or a replay, registered analysts may access StreetEvents at: <http://www.streetevents.com>, and all others may access the Quest Diagnostics website at: <http://www.questdiagnostics.com>. In addition, a replay of the call will be available from 10:30 A.M. on January 27 through 11 P.M. on February 25 to investors in the U.S. by dialing 866-481-6893. Investors outside the U.S. may dial 203-369-1572. No password is required for either number.

Quest Diagnostics Incorporated is the nation's leading provider of diagnostic testing, information and services, providing insights that enable healthcare professionals to make decisions that improve health. The company offers the broadest access to diagnostic testing services through its national network of laboratories and patient service centers, and provides interpretive consultation through its extensive medical and scientific staff. Quest Diagnostics is the leading provider of esoteric testing, including gene-based medical testing, and provides advanced information technology solutions to improve patient care. Additional company information is available at: <http://www.questdiagnostics.com>.

The statements in this press release which are not historical facts or information may be forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause actual results and outcomes to be materially different. Certain of these risks and uncertainties may include, but are not limited to, competitive environment, changes in government regulations, changing relationships with customers, payers, suppliers and strategic partners and other factors described in the Quest Diagnostics Incorporated 2003 Form 10-K and subsequent filings.

SOURCE Quest Diagnostics Incorporated

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