

Q2 2025 Performance

Strong revenue growth from acquisitions, enterprise accounts, and innovative clinical solutions

Q2 2025



Company overview

Quest is a leader in diagnostic testing insights and information services.

- **\$9.87 billion** in revenues in 2024
- **Serving 50% of US** hospitals and physicians
- **Over 55,000** Quest and LifeLabs employees

Read our Q2 earnings press release on our [Investor Relations site](#).

“

Through continued execution of our strategy, **we delivered a strong second quarter, with revenues growing 15.2%, which includes 5.2% from organic revenues, as well as adjusted EPS growth of 11.5%.**

Demand for our innovative clinical solutions and expanded business from enterprise accounts complemented growth from acquisitions. **We also realized productivity gains as we continued to deploy automation and digital technologies across our Operations.** Given our performance in the quarter and continued utilization trends, we are raising our full-year 2025 guidance. ”

— Jim Davis, Chairman, CEO, and President

Q2 2025 Highlights



Drove robust growth in brain health with our AD-Detect® blood test and continued to expand our portfolio with our new beta-amyloid (Aβ) 42/40 and p-tau217 AD-Detect panel

Quest Shop Tests Help Me Choose Discover Register TestKit View Results Search

Save up to 20% on select hormone tests

Make sense of your hormonal shifts with lab testing that can give you the health insights you need to take action. Terms apply.

Save now

The journey to your healthiest self can start today

Shop all tests

 Hormone Health  Women's Health  Men's Health  Sexual Health  Vitamin & Nutrition

Fulfilled our millionth customer order on [questhealth.com](#) since launching our enhanced online platform in the fall of 2022



Continued to support public health needs, including launching a molecular test to diagnose the Oropouche virus, aiding the CDC with national preparedness for infectious diseases

1. All percentages are based on comparisons to the same period of 2024. 2. This is a non-GAAP financial measure. Please refer to our earnings press release for a reconciliation to the comparable GAAP measure. 3. Reported diluted EPS of \$2.47, up 21.7% over prior year period



Supplemental Financial Information

Q2 2025

July 22, 2025



Safe harbor disclosure

The statements in this presentation that 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, uncertain and volatile economic conditions, 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 policies, including related to trade, and 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, impairment charges 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.

Second quarter 2025 financial results

(dollars in millions, except per share data)	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	Change	2025	2024	Change
Reported						
Net revenues	\$2,761	\$2,397	15.2%	\$5,413	\$4,763	13.7%
Diagnostic information services revenues	\$2,699	\$2,333	15.7%	\$5,288	\$4,631	14.2%
Revenue per requisition			(0.4%)			—%
Requisition volume			16.3%			14.3%
Organic requisition volume			2.1%			0.6%
Operating income (a)	\$438	\$355	23.3%	\$784	\$655	19.7%
Operating income as a percentage of net revenues (a)	15.9%	14.8%	1.1%	14.5%	13.7%	0.8%
Net income attributable to Quest Diagnostics (a)	\$282	\$229	23.1%	\$502	\$423	18.6%
Diluted EPS (a)	\$2.47	\$2.03	21.7%	\$4.41	\$3.75	17.6%
Cash provided by operations	\$544	\$360	51.5%	\$858	\$514	67.1%
Capital expenditures	\$108	\$92	17.3%	\$225	\$196	14.4%
Adjusted (a)						
Operating income	\$466	\$398	17.3%	\$872	\$747	16.8%
Operating income as a percentage of net revenues	16.9%	16.6%	0.3%	16.1%	15.7%	0.4%
Net income attributable to Quest Diagnostics	\$298	\$266	12.3%	\$549	\$496	10.7%
Diluted EPS	\$2.62	\$2.35	11.5%	\$4.83	\$4.39	10.0%

(a) For further details impacting the year-over-year comparisons related to operating income, operating income as a percentage of net revenues, net income attributable to Quest Diagnostics, and diluted EPS, see non-GAAP reconciliations.

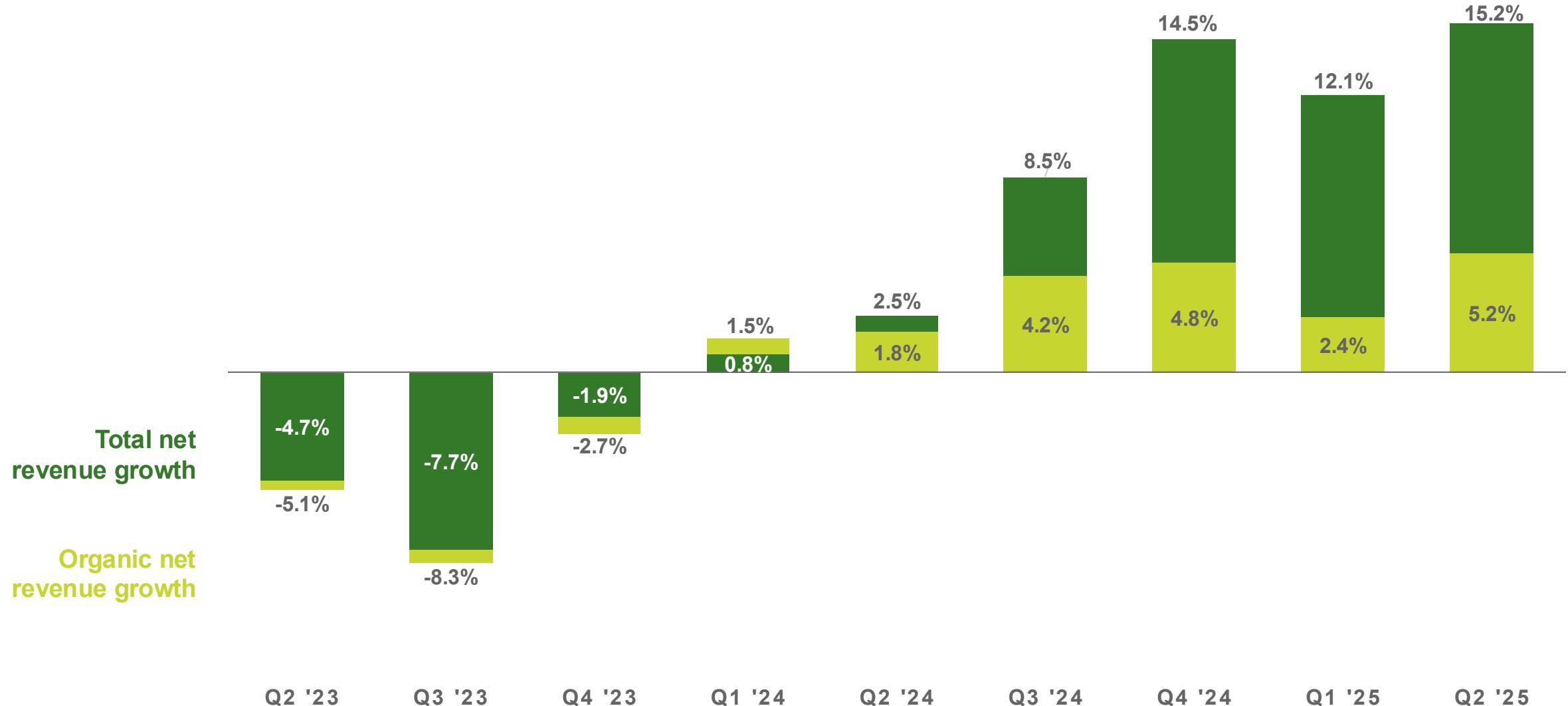
Guidance for full year 2025

	Updated guidance		Prior guidance	
	Low	High	Low	High
Net revenues	\$10.80B	\$10.92B	\$10.70B	\$10.85B
Net revenues increase	9.4%	10.6%	8.4%	9.9%
Reported diluted EPS	\$8.60	\$8.80	\$8.62	\$8.87
Adjusted diluted EPS	\$9.63	\$9.83	\$9.55	\$9.80
Cash provided by operations	Approximately \$1.55B		Approximately \$1.5B	
Capital expenditures	Approximately \$500M		Approximately \$500M	

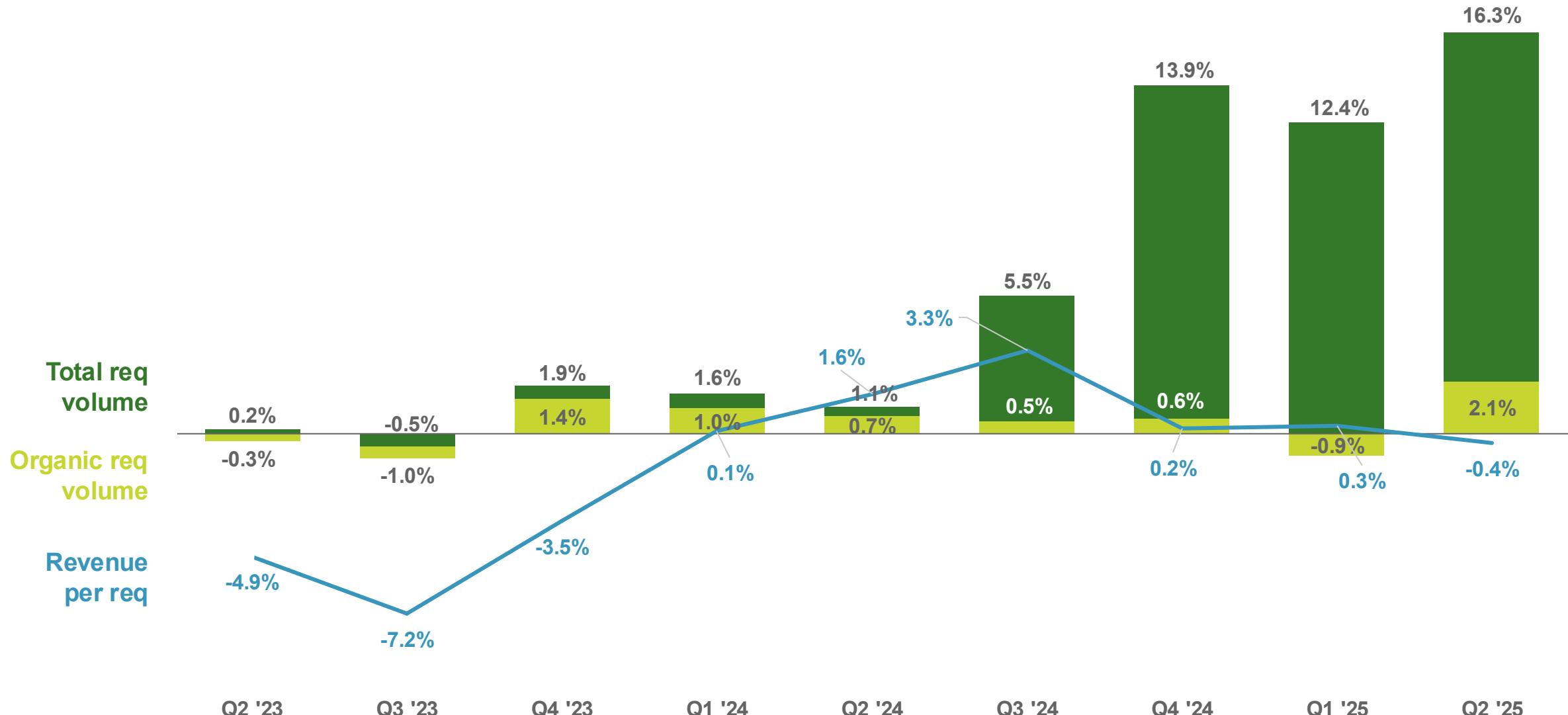
Underlying assumptions for full year 2025 guidance

- Updated revenue guidance assumes approximately 3.5 to 4% organic revenue growth in addition to contributions from acquisitions completed in 2024 and announced to date. It does not assume any contribution from prospective M&A.
- 2025 guidance includes investments related to Project Nova, which is expected to modernize the company's entire order-to-cash process. Most of these investments will occur in the second half of the year.
- Operating margin is expected to expand versus the prior year.
- Below-the-line assumptions for net interest expense, adjusted tax rate, and full-year share count remain unchanged from our prior guidance.
- Updated EPS guidance assumes that we can absorb the impact of tariffs currently in place, primarily in Europe and China.

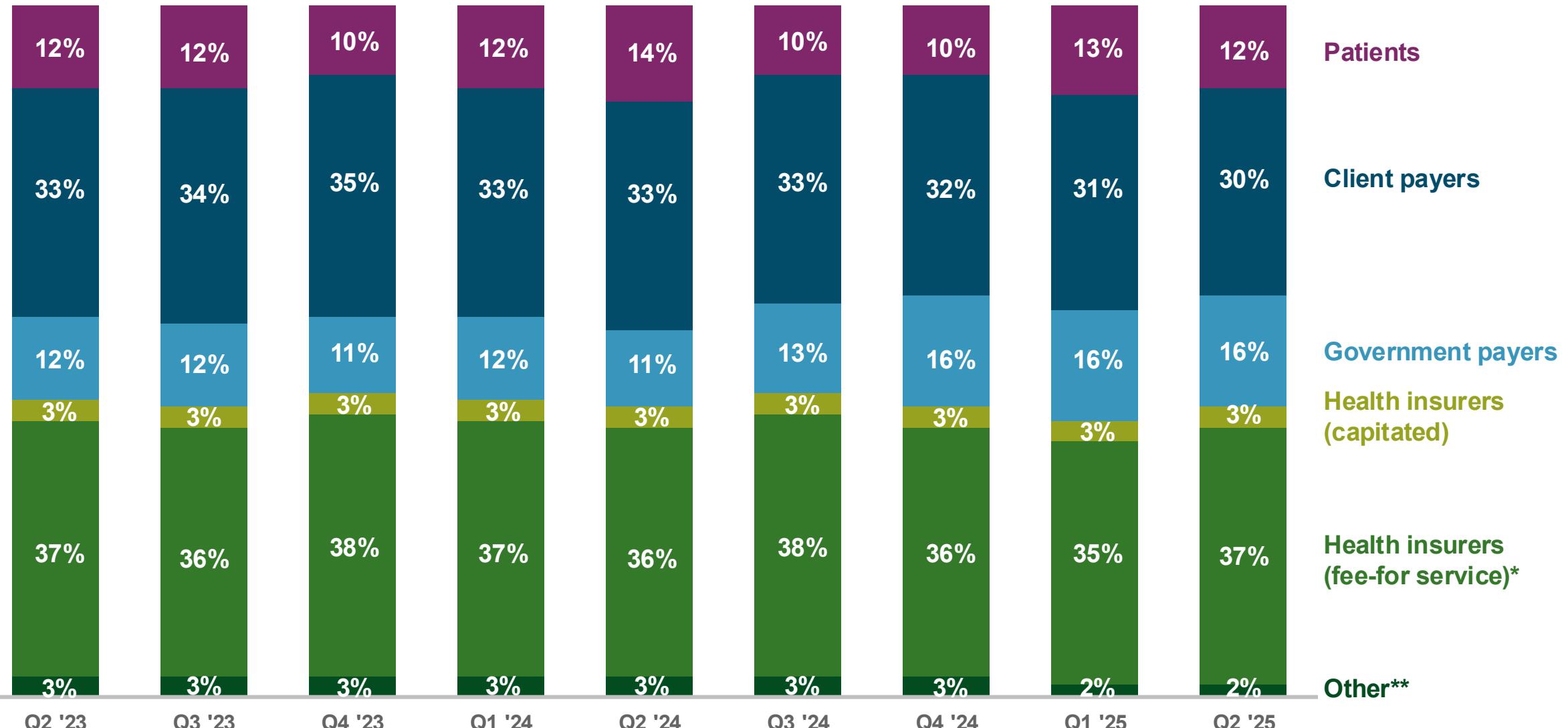
Trended quarterly total and organic net revenue growth



Trended quarterly volume and revenue per requisition metrics



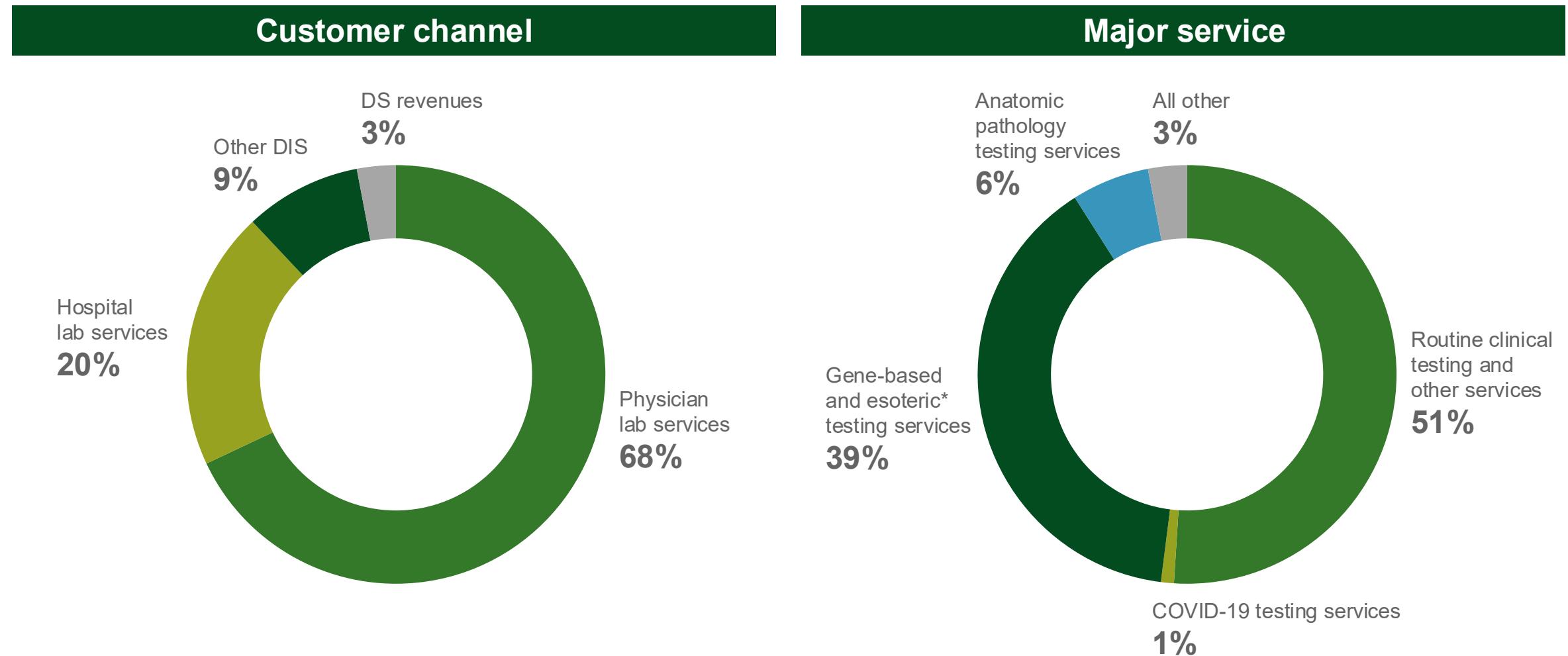
Trended quarterly net revenues by type of payer customer



*Includes Medicare Advantage and Managed Medicaid.

**DS businesses revenues.

2024 net revenues by customer channel and major service



Note: Net revenues by customer channel and major service are provided annually. Data for the last three years can be found in the data tables below.

*Includes advanced diagnostics

Data tables

Trended quarterly growth metrics

	2023				2024					2025	
	Q2	Q3	Q4	YTD	Q1	Q2	Q3	Q4	YTD	Q1	Q2
Total net revenue growth	(4.7%)	(7.7%)	(1.9%)	(6.4%)	1.5%	2.5%	8.5%	14.5%	6.7%	12.1%	15.2%
Organic net revenue growth	(5.1%)	(8.3%)	(2.7%)	(6.9%)	0.8%	1.8%	4.2%	4.8%	2.9%	2.4%	5.2%
DIS revenue growth	(4.9%)	(7.9%)	(2.0%)	(6.6%)	1.7%	2.8%	9.0%	15.1%	7.1%	12.7%	15.7%
Revenue per requisition	(4.9%)	(7.2%)	(3.5%)	(5.9%)	0.1%	1.6%	3.3%	0.2%	1.3%	0.3%	(0.4%)
Total requisition volume	0.2%	(0.5%)	1.9%	(0.6%)	1.6%	1.1%	5.5%	13.9%	5.5%	12.4%	16.3%
Organic requisition volume	(0.3%)	(1.0%)	1.4%	(1.0%)	1.0%	0.7%	0.5%	0.6%	0.7%	(0.9%)	2.1%
DS revenue growth	1.6%	(0.5%)	(0.7%)	0.7%	(5.0%)	(8.8%)	(7.9%)	(3.5%)	(6.3%)	(7.7%)	(3.1%)

Trended quarterly net revenues by type of payer customer

	2023				2024					2025	
	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
Healthcare insurers:											
Fee-for-service	37%	36%	38%	37%	37%	36%	38%	36%	37%	35%	37%
Capitated	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Total healthcare insurers	40%	39%	41%	40%	40%	39%	41%	39%	40%	38%	40%
Government payers	12%	12%	11%	11%	12%	11%	13%	16%	13%	16%	16%
Client payers	33%	34%	35%	34%	33%	33%	33%	32%	33%	31%	30%
Patients (a)	12%	12%	10%	12%	12%	14%	10%	10%	11%	13%	12%
Total DIS	97%	97%	97%	97%	97%	97%	97%	97%	97%	98%	98%
DS	3%	3%	3%	3%	3%	3%	3%	3%	3%	2%	2%
Net revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(a) Including coinsurance and deductibles.

Trended annual net revenues by customer channel

	2022	2023	2024
Physician lab services	68%	66%	68%
Hospital lab services	18%	21%	20%
Other DIS	11%	10%	9%
Total DIS revenues	97%	97%	97%
DS revenues	3%	3%	3%
Total net revenues	100%	100%	100%

Trended annual net revenues by major service

	2022	2023	2024
Routine clinical testing and other services	44%	51%	51%
COVID-19 testing services	15%	2%	1%
Gene-based and esoteric (including advanced diagnostics) testing services	32%	38%	39%
Anatomic pathology testing services	6%	6%	6%
All other	3%	3%	3%
Net revenues	100%	100%	100%

Non-GAAP reconciliations

Notes to Financial Tables

1) The computation of basic and diluted earnings per common share is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	(in millions, except per share data)			
Amounts attributable to Quest Diagnostics' common stockholders:				
Net income attributable to Quest Diagnostics	\$ 282	\$ 229	\$ 502	\$ 423
Less: earnings allocated to participating securities	1	1	2	2
Earnings available to Quest Diagnostics' common stockholders - basic and diluted	<u>\$ 281</u>	<u>\$ 228</u>	<u>\$ 500</u>	<u>\$ 421</u>
Weighted average common shares outstanding - basic	112	111	112	111
Effect of dilutive securities:				
Stock options and performance share units	1	1	1	1
Weighted average common shares outstanding - diluted	<u>113</u>	<u>112</u>	<u>113</u>	<u>112</u>
Earnings per share attributable to Quest Diagnostics' common stockholders:				
Basic	\$ 2.51	\$ 2.05	\$ 4.48	\$ 3.79
Diluted	<u>\$ 2.47</u>	<u>\$ 2.03</u>	<u>\$ 4.41</u>	<u>\$ 3.75</u>

2) The following tables reconcile reported GAAP results to non-GAAP adjusted results:

Non-GAAP reconciliations

Three Months Ended June 30, 2025 (dollars in millions, except per share data)							
	Operating income	Operating income as a percentage of net revenues	Income tax expense (e)	Equity in earnings of equity method investees, net of taxes	Net income attributable to Quest Diagnostics	Diluted EPS	
As reported	\$ 438	15.9 %	\$ (97)	\$ 9	\$ 282	\$ 2.47	
Restructuring and integration charges (a)	7	0.3	(2)	—	5	0.04	
Other charges (b)	28	1.0	(6)	—	22	0.19	
Gains and losses on investments (c)	—	—	1	(1)	(2)	(0.01)	
Other gains (d)	(46)	(1.7)	12	—	(34)	(0.30)	
Amortization expense	39	1.4	(11)	—	28	0.25	
ETB	—	—	(3)	—	(3)	(0.02)	
As adjusted	\$ 466	16.9 %	\$ (106)	\$ 8	\$ 298	\$ 2.62	

Six Months Ended June 30, 2025 (dollars in millions, except per share data)							
	Operating income	Operating income as a percentage of net revenues	Income tax expense (e)	Equity in earnings of equity method investees, net of taxes	Net income attributable to Quest Diagnostics	Diluted EPS	
As reported	\$ 784	14.5 %	\$ (156)	\$ 27	\$ 502	\$ 4.41	
Restructuring and integration charges (a)	26	0.5	(7)	—	19	0.17	
Other charges (b)	30	0.6	(6)	—	24	0.21	
Gains and losses on investments (c)	—	—	1	(1)	(2)	(0.01)	
Other gains (d)	(46)	(0.9)	14	(8)	(40)	(0.36)	
Amortization expense	78	1.4	(20)	—	58	0.51	
ETB	—	—	(12)	—	(12)	(0.10)	
As adjusted	\$ 872	16.1 %	\$ (186)	\$ 18	\$ 549	\$ 4.83	

Non-GAAP reconciliations

Three Months Ended June 30, 2024

(dollars in millions, except per share data)

	Operating income	Operating income as a percentage of net revenues	Income tax expense (e)	Equity in earnings of equity method investees, net of taxes	Net income attributable to Quest Diagnostics	Diluted EPS
As reported	\$ 355	14.8 %	\$ (74)	\$ —	\$ 229	\$ 2.03
Restructuring and integration charges (a)	10	0.4	(3)	—	7	0.06
Other charges (b)	4	0.2	—	—	4	0.03
Gains and losses on investments (c)	—	—	(3)	9	6	0.05
Amortization expense	29	1.2	(8)	—	21	0.19
ETB	—	—	(1)	—	(1)	(0.01)
As adjusted	<u>\$ 398</u>	<u>16.6 %</u>	<u>\$ (89)</u>	<u>\$ 9</u>	<u>\$ 266</u>	<u>\$ 2.35</u>

Six Months Ended June 30, 2024

(dollars in millions, except per share data)

	Operating income	Operating income as a percentage of net revenues	Income tax expense (e)	Equity in earnings of equity method investees, net of taxes	Net income attributable to Quest Diagnostics	Diluted EPS
As reported	\$ 655	13.7 %	\$ (140)	\$ 8	\$ 423	\$ 3.75
Restructuring and integration charges (a)	27	0.6	(7)	—	20	0.17
Other charges (b)	7	0.2	—	—	7	0.06
Gains and losses on investments (c)	—	—	(3)	9	6	0.05
Amortization expense	58	1.2	(15)	—	43	0.39
ETB	—	—	(3)	—	(3)	(0.03)
As adjusted	<u>\$ 747</u>	<u>15.7 %</u>	<u>\$ (168)</u>	<u>\$ 17</u>	<u>\$ 496</u>	<u>\$ 4.39</u>

Non-GAAP reconciliations

(a) For each of the three and six months ended June 30, 2025 and 2024, the pre-tax impact represents costs primarily associated with workforce reductions and integration costs incurred in connection with further restructuring and integrating our business. The following table summarizes the pre-tax impact of restructuring and integration charges on our consolidated statements of operations:

	Three Months Ended		Six Months Ended	
	June 30.		June 30.	
	2025	2024	2025	2024
(dollars in millions)				
Cost of services	\$ 1	\$ 1	\$ 7	\$ 14
Selling, general and administrative	6	9	19	13
Operating income	<u>\$ 7</u>	<u>\$ 10</u>	<u>\$ 26</u>	<u>\$ 27</u>

(b) For both the three and six months ended June 30, 2025, the pre-tax impact primarily represents a \$24 million impairment charge on certain long-lived assets related to the potential exit of a business. Additionally, each of the three and six months ended June 30, 2025 and June 30, 2024 include losses associated with the change in the fair value of the contingent consideration accrual associated with previous acquisitions. The following table summarizes the pre-tax impact of these other charges on our consolidated statements of operations:

	Three Months Ended		Six Months Ended	
	June 30.		June 30.	
	2025	2024	2025	2024
(dollars in millions)				
Selling, general and administrative	\$ —	\$ 1	\$ —	\$ 1
Other operating (income) expense, net	28	3	30	6
Operating income	<u>\$ 28</u>	<u>\$ 4</u>	<u>\$ 30</u>	<u>\$ 7</u>

(c) For each of the three and six months ended June 30, 2025 and 2024, the pre-tax impact represents gains and losses associated with changes in the carrying value of our strategic investments, recorded in equity in earnings of equity method investees, net of taxes, and other income, net.

(d) The three and six months ended June 30, 2025 include a \$46 million pre-tax gain, recorded in other operating (income) expense, net, from a payroll tax credit under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") associated with the retention of employees. Additionally, the six months ended June 30, 2025 includes an \$8 million gain, recorded in equity in earnings of equity method investees, net of taxes, representing a non-recurring gain related to a lease.

Non-GAAP reconciliations

(e) For restructuring and integration charges, other gains/charges, gains and losses on investments and amortization expense, income tax impacts, where recorded, were primarily calculated using combined statutory income tax rates of 25.5% for both 2025 and 2024.

3) The outlook for adjusted diluted EPS represents management's estimates for the full year 2025 before the impact of special items. Further impacts to earnings related to special items may occur throughout 2025. Additionally, the amount of ETB is dependent upon employee stock option exercises and our stock price, which are difficult to predict. The following table reconciles our 2025 outlook for diluted EPS under GAAP to our outlook for adjusted diluted EPS:

	Low	High
Diluted EPS	\$ 8.60	\$ 8.80
Restructuring and integration charges (a)	0.24	0.24
Amortization expense (b)	1.03	1.03
Other charges (c)	0.27	0.27
Other gains (d)	(0.36)	(0.36)
Gains and losses on investments	(0.01)	(0.01)
ETB	(0.14)	(0.14)
Adjusted diluted EPS	<u>\$ 9.63</u>	<u>\$ 9.83</u>

(a) Represents estimated pre-tax charges of \$37 million primarily associated with workforce reductions and integration costs incurred in connection with further restructuring and integrating our business. Income tax benefits were primarily calculated using a combined statutory income tax rate of 25.5%.

(b) Represents estimated pre-tax amortization expenses of \$157 million. Income tax benefits were primarily calculated using a combined statutory income tax rate of 25.5%.

(c) Principally represents a \$24 million pre-tax impairment charge on certain long-lived assets related to the potential exit of a business. Also includes estimated pre-tax net charges of \$12 million associated with the increase in the fair value of the contingent consideration accrual associated with previous acquisitions. Income tax benefits on the impairment charge were calculated using a combined statutory income tax rate of 25.5%. No income tax benefits were recorded on the changes associated with the contingent consideration accrual.

(d) Includes a pre-tax gain of \$46 million related to a payroll tax credit under the CARES Act associated with the retention of employees. Also, includes a non-recurring pre-tax gain of \$8 million related to a lease. Income tax impacts on the gains were calculated using a combined statutory income tax rate of 25.5%.