



1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
32.69	30.74	32.18	32.97	13.76	15.59	16.97	20.51	22.65	26.31	29.38	36.65	41.60	44.84	50.04	56.67	59.65	92.75	Sales per sh	74.10
1.99	1.48	1.62	1.93	1.40	2.07	2.41	3.19	3.68	4.24	4.87	6.03	6.40	6.96	7.89	8.15	8.90	9.75	"Cash Flow" per sh	12.20
.28	d.28	d.05	.30	.83	1.34	1.84	2.23	2.58	2.80	3.32	4.18	4.60	4.89	5.55	6.37	6.95	7.65	Earnings per sh ^A	9.70
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1.10	.70	1.17	1.35	.40	.62	.50	.58	.70	.74	.95	1.28	1.45	1.10	1.26	1.49	1.60	1.60	Cap'l Spending per sh	1.65
5.25	2.61	3.08	3.41	6.29	7.69	10.91	13.23	14.68	14.91	16.18	15.54	15.59	20.12	24.66	25.60	30.70	36.60	Book Value per sh ^C	55.55
49.17	49.42	50.11	51.52	139.48	141.11	147.74	143.33	136.20	126.50	122.20	111.00	108.30	104.70	100.00	97.80	96.00	94.50	Common Shs Outst'g ^B	90.00
55.1	--	--	21.1	26.2	28.1	20.0	13.6	16.2	17.6	19.0	18.0	15.4	13.4	13.9	14.0	14.0	14.0	Avg Ann'l P/E Ratio	15.0
3.45	--	--	1.20	1.70	1.44	1.09	.78	.86	.94	1.03	.96	.93	.89	.88	.87	.87	.87	Relative P/E Ratio	1.00
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CAPITAL STRUCTURE as of 12/31/11		2007	2008	2009	2010	2011	2012	2013	Sales (\$mill)		
Total Debt	\$2221.0 mill. Due in 5 Yrs \$1621.0 mill.	2507.7	2939.4	3084.8	3327.6	3590.8	4068.2	4505.2	5003.9	5542.3	6670
LT Debt	\$2085.5 mill. LT Interest \$75.0 mill.	23.1%	24.1%	25.3%	25.1%	24.1%	25.7%	25.8%	25.3%	22.8%	25.0%
(45% of Capital)		101.8	135.6	138.8	149.8	155.0	162.8	179.7	195.1	203.6	200
Leases, Uncapitalized Annual rentals \$161.4 mill.		254.6	321.0	363.0	386.2	439.6	506.9	513.1	533.5	585.6	900
Pension Assets-12/11 \$244.5 mill. Oblig. \$383.2 mill.		41.1%	40.6%	41.0%	39.7%	40.1%	40.6%	39.9%	37.2%	37.6%	36.0%
Preferred Stock None		10.2%	10.9%	11.8%	11.6%	12.2%	12.5%	11.4%	11.4%	11.7%	13.5%
Common Stock 97,800,000 shares		367.9	d99.7	439.2	d185.8	d43.9	d30.4	485.9	d82.8	23.3	340
MARKET CAP: \$8.7 billion (Large Cap)		516.0	356.3	889.3	604.5	603.0	1077.5	1600.5	977.2	1826.7	1470
CURRENT POSITION		1611.7	1895.9	1999.3	1885.7	1977.1	1725.3	1688.3	2106.1	2466.3	5000
2009		12.4%	15.2%	13.2%	16.2%	17.9%	19.1%	16.6%	18.3%	14.3%	14.5%
2010		15.8%	16.9%	18.2%	20.5%	22.2%	29.4%	30.4%	25.3%	23.7%	21.5%
2011		15.8%	16.9%	18.2%	20.5%	22.2%	29.4%	30.4%	25.3%	23.7%	21.5%
2012		15.8%	16.9%	18.2%	20.5%	22.2%	29.4%	30.4%	25.3%	23.7%	21.5%
2013		--	--	--	--	--	--	--	--	--	Nil

BUSINESS: Laboratory Corporation of America Hldgs. is one of the nation's largest independent clinical laboratory companies. It provides a full range of clinical and anatomical tests to individual physicians, managed-care organizations, hospitals, clinics, and long-term care facilities. Also offers substance-abuse tests. At 12/31/11, it had 54 full-service laboratories and over 1,700 service sites. Medicare and Medicaid account for roughly 17.6% of volume. Has over 31,000 employees. Harris Associates owns 7.4% of common; T. Rowe Price, 5.9%; BlackRock, 5.4%; Officers and directors own 1.8% (4/11 proxy). Chairman, President & CEO: David P. King. Inc.: DE. Addr.: 358 S. Main St., Burlington, NC 27215. Tel.: 336-229-1127. Internet: www.labcorp.com.

Timely shares of Laboratory Corporation of America have been on the rise since the onset of 2012. Indeed, thanks to a combination of a solid fourth-quarter performance and the broader market's robust rally, this issue has risen a few percentage points since early January. We think the equity has plenty of room to run, and advise momentum investors to take a closer look.

We expect the company to get off on the right foot this year. The top line is set to rise about 3%, to just over \$1.4 billion, and share earnings ought to climb almost 9%, to \$1.65. Volumes are likely to inch up, thanks to increasing demand for testing services, and pricing should remain firm. Operating margins will probably widen considerably, though, due to ongoing restructuring and integration efforts. Indeed, we expect the purchase of Genzyme Genetics to turn accretive in 2012, and more synergies associated with the Orchid Cellmark acquisition should surface.

We are introducing our 2013 targets in this Issue. For now, we expect the top line will rise another 4% or so, and look for bottom-line growth of about 10%.

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	1155.7	1188.8	1185.1	1165.1	4694.7
2010	1193.6	1238.4	1276.5	1295.4	5003.9
2011	1368.4	1403.3	1404.5	1366.1	5542.3
2012	1410	1445	1445	1425	5725
2013	1460	1495	1495	1480	5930

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	1.22	1.30	1.22	1.16	4.89
2010	1.30	1.46	1.47	1.34	5.55
2011	1.52	1.64	1.61	1.56	6.37
2012	1.65	1.80	1.80	1.70	6.95
2013	1.80	1.95	2.00	1.90	7.65

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008					
2009					
2010					
2011					
2012					

NO CASH DIVIDENDS BEING PAID

(A) Based on average shares outstanding thru '96, diluted thereafter. Excludes nonrecurring items: '96, d\$3.40; '97, d\$2.38; '98, 55¢; '00, d3¢; '01, d6¢; '02, d7¢; '05, d9¢; '06, d8¢; '07, d25¢; '08, d56¢; '09, 9¢; '10, d26¢; '11, d\$1.26. Figures may not sum due to rounding. Next earnings report due late April. **(B)** In millions, adjusted for stock splits. **(C)** Includes intangibles. In '11: \$4302.5 mill., \$43.99/sh.