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## **IQVIA Reports First-Quarter Results; Raises Full-Year 2021 Guidance**

- Revenue of \$3,409 million for the first quarter grew 23.8 percent year-over-year
- Adjusted EBITDA of \$744 million for the first quarter increased 32.4 percent year-over-year
- GAAP Diluted Earnings per Share of \$1.09 for the first quarter; Adjusted Diluted Earnings per Share of \$2.18 for the first quarter grew 45.3 percent year-over-year
- R&D Solutions contracted backlog of \$23.2 billion grew 18.3 percent year-over-year; next twelve months revenue from backlog increased to \$6.5 billion, up 31.1 percent year-over-year
- Full-year 2021 guidance raised for revenue, Adjusted EBITDA and Adjusted Diluted EPS

**RESEARCH TRIANGLE PARK, N.C. April 22, 2021** – IQVIA Holdings Inc. (“IQVIA”) (NYSE:IQV), a leading global provider of advanced analytics, technology solutions, and clinical research services to the life sciences industry, today reported financial results for the quarter ended March 31, 2021.

### **First-Quarter 2021 Operating Results**

Revenue for the first quarter of \$3,409 million increased 23.8 percent on a reported basis and 21.4 percent at constant currency, compared to the first quarter of 2020. Technology & Analytics Solutions (TAS) revenue of \$1,348 million grew 20.7 percent on a reported basis and 17.1 percent at constant currency. Research & Development Solutions (R&DS) revenue of \$1,868 million grew 29.6 percent on a reported basis and 28.1 percent at constant currency. Excluding the impact of pass throughs, R&DS revenue increased 21.9 percent year-over-year on a reported basis. Contract Sales & Medical Solutions (CSMS) revenue of \$193 million was lower by 1.5 percent on a reported basis and by 4.1 percent at constant currency.

R&DS contracted backlog, including reimbursed expenses, grew 18.3 percent year-over-year to \$23.2 billion at March 31, 2021. The company expects approximately \$6.5 billion of this backlog to convert to revenue in the next twelve months, representing growth of 31.1 percent compared to March 31, 2020. The first-quarter contracted net book-to-bill ratio was 1.41x including reimbursed expenses and 1.41x excluding reimbursed expenses. For the last twelve months ended March 31, 2021, the contracted net book-to-bill ratio was 1.52x including reimbursed expenses and 1.45x excluding reimbursed expenses.

“We had a record quarter, with strong double-digit growth across all key financial metrics and strong free cash flow conversion,” said Ari Bousbib, chairman and CEO of IQVIA. “Our business momentum continues to accelerate, with TAS and R&DS reporting exceptional organic growth rates in the quarter. As a result of this outstanding performance, and the sustained strength of our new business wins, we are raising our 2021 financial guidance. We expect demand for our differentiated clinical and commercial offerings will continue to grow beyond 2021, on top of an increasingly favorable outlook for the life sciences industry.”

First-quarter 2021 Adjusted EBITDA was \$744 million, up 32.4 percent compared to the first quarter of 2020. GAAP net income was \$212 million, and GAAP diluted earnings per share was \$1.09. Adjusted Net Income was \$425 million and Adjusted Diluted Earnings per Share was \$2.18, up 45.3 percent compared to the first quarter of 2020.

## Financial Position

As of March 31, 2021, cash and cash equivalents were \$2,305 million and debt was \$12,236 million, resulting in net debt of \$9,931 million. IQVIA's Net Leverage Ratio was 3.9x trailing twelve month Adjusted EBITDA. Free Cash Flow for the first quarter was \$718 million.

## Share Repurchase

During the first quarter of 2021, the company repurchased approximately \$50 million of its common stock. IQVIA had \$867 million of share repurchase authorization remaining as of March 31, 2021.

## Full-Year 2021 Guidance

For full-year 2021, the company is raising its guidance ranges as follows:

(\$ in millions, except per share data)	Updated Guidance April 22	Updated Guidance April 1 <sup>(1)</sup>	Guidance Feb 10 <sup>(2)</sup>
<b>Revenue</b>	<b>\$13,200 - \$13,500</b>	<b>\$12,550 - \$12,900</b>	<b>\$12,550 - \$12,900</b>
VPY% <sup>(3)</sup>	16.2% - 18.8%	10.5% - 13.6%	10.5% - 13.6%
<b>Adjusted EBITDA</b>	<b>\$2,900 - \$2,965</b>	<b>\$2,760 - \$2,840</b>	<b>\$2,760 - \$2,840</b>
VPY% <sup>(3)</sup>	21.6% - 24.4%	15.8% - 19.1%	15.8% - 19.1%
<b>Adjusted Diluted EPS</b>	<b>\$8.50 - \$8.75</b>	<b>\$7.89 - \$8.20</b>	<b>\$7.77 - \$8.08</b>
VPY% <sup>(3)</sup>	32.4% - 36.3%	22.9% - 27.7%	21.0% - 25.9%

(1) Updated on April 1, 2021 as a result of the Q<sup>2</sup> Solutions transaction.

(2) As disclosed on Q4 2020 earnings call on February 10, 2021.

(3) Growth rates are at actual foreign currency exchange rates.

## Second-Quarter 2021 Guidance

For the second quarter of 2021, the company is providing guidance as follows:

(\$ in millions, except per share data)	Guidance	VPY% <sup>(1)</sup>
<b>Revenue</b>	<b>\$3,225 - \$3,300</b>	<b>27.9% - 30.9%</b>
<b>Adjusted EBITDA</b>	<b>\$690 - \$715</b>	<b>42.9% - 48.0%</b>
<b>Adjusted Diluted EPS</b>	<b>\$2.00 - \$2.10</b>	<b>69.5% - 78.0%</b>

(1) Growth rates are at actual foreign currency exchange rates.

All financial guidance assumes current foreign currency exchange rates remain in effect for the forecast period.

## **Webcast & Conference Call Details**

IQVIA will host a conference call at 9:00 a.m. Eastern Time today to discuss its first-quarter 2021 results and its second-quarter and full-year 2021 guidance. To listen to the event and view the presentation slides via webcast, join from the IQVIA Investor Relations website at <http://ir.iqvia.com>. To participate in the conference call, interested parties must register in advance by clicking on this [link](#). Following registration, participants will receive a confirmation email containing details on how to join the conference call, including the dial-in and a unique passcode and registrant ID. At the time of the live event, registered participants connect to the call using the information provided in the confirmation email and will be placed directly into the call.

## **About IQVIA**

IQVIA (NYSE:IQV) is a leading global provider of advanced analytics, technology solutions, and clinical research services to the life sciences industry. IQVIA creates intelligent connections across all aspects of healthcare through its analytics, transformative technology, big data resources and extensive domain expertise. IQVIA Connected Intelligence™ delivers powerful insights with speed and agility — enabling customers to accelerate the clinical development and commercialization of innovative medical treatments that improve healthcare outcomes for patients. With approximately 72,000 employees, IQVIA conducts operations in more than 100 countries.

IQVIA is a global leader in protecting individual patient privacy. The company uses a wide variety of privacy-enhancing technologies and safeguards to protect individual privacy while generating and analysing information on a scale that helps healthcare stakeholders identify disease patterns and correlate with the precise treatment path and therapy needed for better outcomes. IQVIA's insights and execution capabilities help biotech, medical device and pharmaceutical companies, medical researchers, government agencies, payers and other healthcare stakeholders tap into a deeper understanding of diseases, human behaviour and scientific advances, in an effort to advance their path toward cures. To learn more, visit [www.iqvia.com](http://www.iqvia.com).

## **Cautionary Statements Regarding Forward-Looking Statements**

This press release contains “forward-looking statements” within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including, without limitation, our second-quarter and full-year 2021 guidance. In this context, forward-looking statements often address expected future business and financial performance and financial condition, and often contain words such as “expect,” “assume,” “anticipate,” “intend,” “plan,” “forecast,” “believe,” “seek,” “see,” “will,” “would,” “target,” similar expressions, and variations or negatives of these words. Actual results may differ materially from our expectations due to a number of factors, including, but not limited to, the following: business disruptions caused by natural disasters, pandemics such as the COVID-19 (coronavirus) outbreak and the public health policy responses to the outbreak, international conflicts or other disruptions outside of our control; our ability to accurately model or forecast the impact of the spread and/or containment of COVID-19, among other sources of business interruption, on our operations and financial results; most of our contracts may be terminated on short notice, and we may lose or experience delays with large client contracts or be unable to enter into new contracts; the market for our services may not grow as we expect; we may be unable to successfully develop and market new services or enter new markets; imposition of restrictions on our use of data by data suppliers or their refusal to license data to us; any failure by us to comply with contractual, regulatory or ethical requirements under our contracts, including current or changes to data protection and privacy laws; breaches or misuse of our or our outsourcing partners’ security or communications systems; failure to meet our productivity or business transformation objectives; failure to successfully invest in growth opportunities; our ability to protect our intellectual property rights and our susceptibility to claims by others that we are infringing on their intellectual property rights; the expiration or inability to acquire third party licenses for technology or intellectual property; any failure by us to accurately and timely price and formulate cost estimates for contracts, or to document change orders; hardware and software failures, delays in the operation of our computer and communications systems or the failure to implement system enhancements; the rate at which our backlog converts to revenue; our ability to acquire, develop and implement technology necessary for our business; consolidation in the industries in which our clients operate; risks related to client or therapeutic concentration; government regulators or our customers may limit the scope of prescription or withdraw products from the market, and government regulators may impose new regulatory requirements or may adopt new regulations affecting the biopharmaceutical industry; the risks associated with operating on a global basis, including currency or exchange rate fluctuations and legal compliance, including anti-corruption laws; risks related to changes in accounting standards; general economic conditions in the markets in which we operate, including financial market conditions and risks related to sales to government entities; the impact of changes in tax laws and regulations; and our ability to successfully integrate, and achieve expected benefits from, our acquired businesses. For a further discussion of the risks relating to the company’s business, see the “Risk Factors” in our annual report on Form 10-K for the fiscal year ended December 31,

2020, filed with the SEC, as such factors may be amended or updated from time to time in our subsequent periodic and other filings with the SEC, which are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov). These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release and in our filings with the SEC. We assume no obligation to update any such forward-looking statement after the date of this release, whether as a result of new information, future developments or otherwise.

#### **Note on Non-GAAP Financial Measures**

Non-GAAP results, such as Adjusted EBITDA, Adjusted Net Income, and Adjusted Diluted EPS, are presented only as a supplement to the company's financial statements based on GAAP. Non-GAAP financial information is provided to enhance understanding of the company's financial performance, but none of these non-GAAP financial measures are recognized terms under GAAP, and non-GAAP measures should not be considered in isolation from, or as a substitute analysis for, the company's results of operations as determined in accordance with GAAP. Definitions and reconciliations of non-GAAP measures to the most directly comparable GAAP measures are provided within the schedules attached to this release. The company uses non-GAAP measures in its operational and financial decision making, and believes that it is useful to exclude certain items in order to focus on what it regards to be a more meaningful indicator of the underlying operating performance of the business. For example, the Company excludes all the amortization of intangible assets associated with acquired customer relationships and backlog, databases, non-compete agreements and trademarks, trade names and other from non-GAAP expense and income measures as such amounts can be significantly impacted by the timing and size of acquisitions. Although we exclude amortization of acquired intangible assets from our non-GAAP expenses, we believe that it is important for investors to understand that revenue generated from such intangibles is included within revenue in determining net income attributable to IQVIA Holdings Inc. As a result, internal management reports feature non-GAAP measures which are also used to prepare strategic plans and annual budgets and review management compensation. The company also believes that investors may find non-GAAP financial measures useful for the same reasons, although investors are cautioned that non-GAAP financial measures are not a substitute for GAAP disclosures.

Our second-quarter and full-year 2021 guidance measures (other than revenue) are provided on a non-GAAP basis because the company is unable to reasonably predict certain items contained in the GAAP measures. Such items include, but are not limited to, acquisition related expenses, restructuring and related expenses, stock-based compensation and other items not reflective of the company's ongoing operations.

Non-GAAP measures are frequently used by securities analysts, investors and other interested parties in their evaluation of companies comparable to the company, many of which present non-GAAP measures when reporting their results. Non-GAAP measures have limitations as an analytical tool. They are not presentations made in accordance with GAAP, are not measures of financial condition or liquidity and should not be considered as an alternative to profit or loss for the period determined in accordance with GAAP or operating cash flows determined in accordance with GAAP. Non-GAAP measures are not necessarily comparable to similarly titled measures used by other companies. As a result, you should not consider such performance measures in isolation from, or as a substitute analysis for, the company's results of operations as determined in accordance with GAAP.

#### **IQVIAFIN**

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**Table 1**  
**IQVIA HOLDINGS INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(preliminary and unaudited)

<b>(in millions, except per share data)</b>	<b>Three Months Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Revenues	\$ 3,409	\$ 2,754
Costs of revenue, exclusive of depreciation and amortization	2,293	1,824
Selling, general and administrative expenses	442	407
Depreciation and amortization	323	316
Restructuring costs	9	14
Income from operations	342	193
Interest income	(1)	(2)
Interest expense	99	106
Loss on extinguishment of debt	24	—
Other income, net	(37)	(13)
Income before income taxes and equity in earnings of unconsolidated affiliates	257	102
Income tax expense	44	17
Income before equity in earnings of unconsolidated affiliates	213	85
Equity in earnings of unconsolidated affiliates	4	6
Net income	217	91
Net income attributable to non-controlling interests	(5)	(9)
Net income attributable to IQVIA Holdings Inc.	\$ 212	\$ 82
Earnings per share attributable to common stockholders:		
Basic	\$ 1.11	\$ 0.43
Diluted	\$ 1.09	\$ 0.42
Weighted average common shares outstanding:		
Basic	191.5	191.6
Diluted	194.9	195.7

**Table 2**  
**IQVIA HOLDINGS INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(preliminary and unaudited)

<b>(in millions, except per share data)</b>	<b>March 31, 2021</b>	<b>December 31, 2020</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 2,305	\$ 1,814
Trade accounts receivable and unbilled services, net	2,361	2,410
Prepaid expenses	159	159
Income taxes receivable	64	56
Investments in debt, equity and other securities	97	88
Other current assets and receivables	593	563
Total current assets	<u>5,579</u>	<u>5,090</u>
Property and equipment, net	472	482
Operating lease right-of-use assets	437	471
Investments in debt, equity and other securities	74	78
Investments in unconsolidated affiliates	88	84
Goodwill	12,415	12,654
Other identifiable intangibles, net	4,915	5,205
Deferred income taxes	107	114
Deposits and other assets	380	386
Total assets	<u>\$ 24,467</u>	<u>\$ 24,564</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 2,819	\$ 2,813
Unearned income	1,554	1,252
Income taxes payable	135	102
Current portion of long-term debt	144	149
Other current liabilities	216	242
Total current liabilities	<u>4,868</u>	<u>4,558</u>
Long-term debt	12,092	12,384
Deferred income taxes	337	338
Operating lease liabilities	347	371
Other liabilities	586	633
Total liabilities	<u>18,230</u>	<u>18,284</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock and additional paid-in capital, 400.0 shares authorized at March 31, 2021 and December 31, 2020, \$0.01 par value, 255.4 shares issued and 191.6 shares outstanding at March 31, 2021; 254.7 shares issued and 191.2 shares outstanding at December 31, 2020	11,068	11,095
Retained earnings	1,489	1,277
Treasury stock, at cost, 63.8 and 63.5 shares at March 31, 2021 and December 31, 2020, respectively	(6,228)	(6,166)
Accumulated other comprehensive loss	(376)	(205)
Equity attributable to IQVIA Holdings Inc.'s stockholders	<u>5,953</u>	<u>6,001</u>
Non-controlling interests	284	279
Total stockholders' equity	<u>6,237</u>	<u>6,280</u>
Total liabilities and stockholders' equity	<u>\$ 24,467</u>	<u>\$ 24,564</u>

**Table 3**  
**IQVIA HOLDINGS INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(preliminary and unaudited)

(in millions)	Three Months Ended March 31,	
	2021	2020
<b>Operating activities:</b>		
Net income	\$ 217	\$ 91
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	323	316
Amortization of debt issuance costs and discount	5	3
Stock-based compensation	32	—
(Earnings) from unconsolidated affiliates	(4)	(6)
Gain on investments, net	3	8
Benefit from deferred income taxes	(39)	(40)
Changes in operating assets and liabilities:		
Change in accounts receivable, unbilled services and unearned income	342	(84)
Change in other operating assets and liabilities	(12)	(125)
Net cash provided by operating activities	867	163
<b>Investing activities:</b>		
Acquisition of property, equipment and software	(149)	(141)
Acquisition of businesses, net of cash acquired	(19)	(14)
Purchases of marketable securities, net	(7)	(7)
Investments in unconsolidated affiliates, net of payments received	(1)	17
Investments in equity securities	(1)	(6)
Other	1	1
Net cash used in investing activities	(176)	(150)
<b>Financing activities:</b>		
Proceeds from issuance of debt	1,751	800
Payment of debt issuance costs	(32)	(11)
Repayment of debt and principal payments on capital lease obligations	(1,758)	(25)
Proceeds from revolving credit facility	—	990
Repayment of revolving credit facility	—	(1,250)
(Payments) related to employee stock option plans	(56)	(41)
Repurchase of common stock	(62)	(345)
Distributions to non-controlling interest, net	—	(5)
Contingent consideration and deferred purchase price payments	(11)	(6)
Net cash (used in) provided by financing activities	(168)	107
Effect of foreign currency exchange rate changes on cash	(32)	(30)
Increase in cash and cash equivalents	491	90
Cash and cash equivalents at beginning of period	1,814	837
Cash and cash equivalents at end of period	\$ 2,305	\$ 927

**Table 4**  
**IQVIA HOLDINGS INC. AND SUBSIDIARIES**  
**NET INCOME TO ADJUSTED EBITDA RECONCILIATION**  
(preliminary and unaudited)

(in millions)	Three Months Ended March 31,	
	2021	2020
<b>Net Income Attributable to IQVIA Holdings Inc.</b>	<b>\$ 212</b>	<b>\$ 82</b>
Provision for income taxes	44	17
Depreciation and amortization	323	316
Interest expense, net	98	104
Income in unconsolidated affiliates	(4)	(6)
Income from non-controlling interests	5	9
Stock-based compensation	32	—
Other income, net	(27)	(15)
Loss on extinguishment of debt	24	—
Restructuring and related expenses	19	15
Acquisition related expenses	18	40
<b>Adjusted EBITDA</b>	<b>\$ 744</b>	<b>\$ 562</b>

**Table 5**  
**IQVIA HOLDINGS INC. AND SUBSIDIARIES**  
**NET INCOME TO ADJUSTED NET INCOME RECONCILIATION**  
(preliminary and unaudited)

(in millions, except per share data)	Three Months Ended March 31,	
	2021	2020
<b>Net Income Attributable to IQVIA Holdings Inc.</b>	<b>\$ 212</b>	<b>\$ 82</b>
Provision for income taxes	44	17
Purchase accounting amortization <sup>(1)</sup>	225	239
Income in unconsolidated affiliates	(4)	(6)
Income from non-controlling interests	5	9
Stock-based compensation	32	—
Other income, net	(27)	(15)
Loss on extinguishment of debt	24	—
Restructuring and related expenses	19	15
Acquisition related expenses	18	40
<b>Adjusted Pre Tax Income</b>	<b>\$ 548</b>	<b>\$ 381</b>
Adjusted tax expense	(114)	(78)
Income from non-controlling interests	(5)	(9)
Minority interest effect in non-GAAP adjustments <sup>(2)</sup>	(4)	—
<b>Adjusted Net Income</b>	<b>\$ 425</b>	<b>\$ 294</b>
 <b>Adjusted earnings per share attributable to common stockholders:</b>		
Basic	\$ 2.22	\$ 1.53
Diluted	\$ 2.18	\$ 1.50
 <b>Weighted average common shares outstanding:</b>		
Basic	191.5	191.6
Diluted	194.9	195.7

(1) Reflects all the amortization of acquired intangible assets.

(2) Reflects the portion of Q<sup>2</sup> Solutions' after-tax non-GAAP adjustments attributable to the minority interest partner.

**Table 6**  
**IQVIA HOLDINGS INC. AND SUBSIDIARIES**  
**CALCULATION OF GROSS AND NET LEVERAGE RATIOS**  
**AS OF MARCH 31, 2021**  
(preliminary and unaudited)

<b>(in millions)</b>	
Gross Debt, net of Original Issue Discount, as of March 31, 2021	<b>\$ 12,236</b>
Net Debt as of March 31, 2021	<b>\$ 9,931</b>
Adjusted EBITDA for the twelve months ended March 31, 2021	<b>\$ 2,566</b>
Gross Leverage Ratio (Gross Debt/LTM Adjusted EBITDA)	<b>4.8x</b>
Net Leverage Ratio (Net Debt/LTM Adjusted EBITDA)	<b>3.9x</b>