

# Jefferies 2015 Global Healthcare Conference

June 2, 2015



# Forward Looking Statements and Use of Non-GAAP Financial Measures

*This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements reflect, among other things, the Company's current expectations and anticipated results of operations, all of which are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements, market trends or industry results to differ materially from those expressed or implied by such forward-looking statements. Therefore, any statements contained herein that are not statements of historical fact may be forward-looking statements and should be evaluated as such. Without limiting the foregoing, the words "anticipates," "believes," "estimates," "expects," "intends," "may," "plans," "projects," "should," "guidance," "targets," "will" and the negative thereof and similar words and expressions are intended to identify forward-looking statements. Actual results may differ materially from the Company's expectations due to a number of factors, including that most of the Company's contracts may be terminated on short notice, the Company may be unable to maintain large customer contracts or to enter into new contracts, the Company may under-price its contracts, overrun its cost estimates, or fail to receive approval for or experience delays in documenting change orders, the historical indications of the relationship of backlog to revenues may not be indicative of their future relationship, the Company is subject to the complex and changing regulatory and international environments in which the Company operates, the Company may be unable to successfully identify, acquire and integrate businesses, the Company's substantial indebtedness, and other risks more fully set forth in the Company's filings with the SEC, including the Company's annual report on Form 10-K for the fiscal year ended December 31, 2014, filed with the SEC on February 12, 2015, as such factors may be amended or updated from time to time in the Company's periodic filings with the SEC, which are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov). The Company assumes no obligation to update any forward-looking statement after the date of this presentation, whether as a result of new information, future developments or otherwise.*

*This presentation includes financial measures not prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). Management believes that these non-GAAP financial measures provide useful supplemental information to management and investors regarding the underlying performance of the Company's business operations and are more indicative of core operating results as they exclude certain items whose fluctuations from period-to-period do not necessarily correspond to changes in the core operations of the Company's business. Investors and potential investors are encouraged to review the reconciliations of the non-GAAP financial measures to their most directly comparable GAAP measures attached to this presentation.*

# Quintiles

*Leader in BioPharma Services*



**Growing Markets**

**Differentiated  
Service Offerings  
& Relationships**

**Deep & Diverse  
Customer  
Relationships**

**Clear Industry  
Leader**

**Financial Strength and Execution Momentum**

# Strategic Agenda

- Profitable growth at above market rates
- Investments leveraging our scale
- World class customer relationship management
- Productivity, delivery & quality
- Top leadership and people development

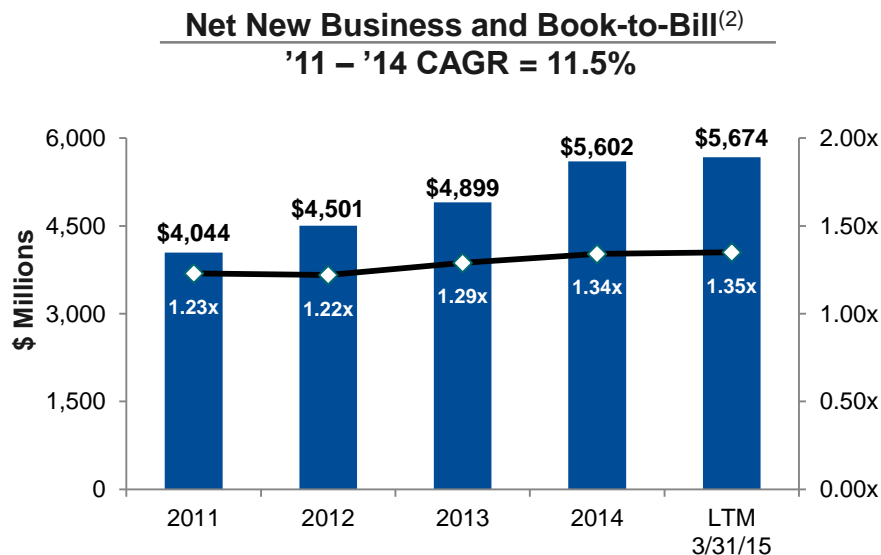
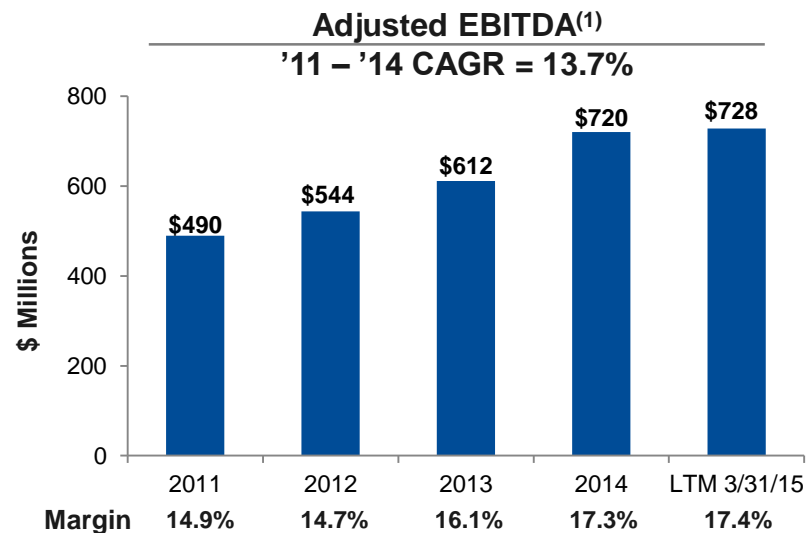
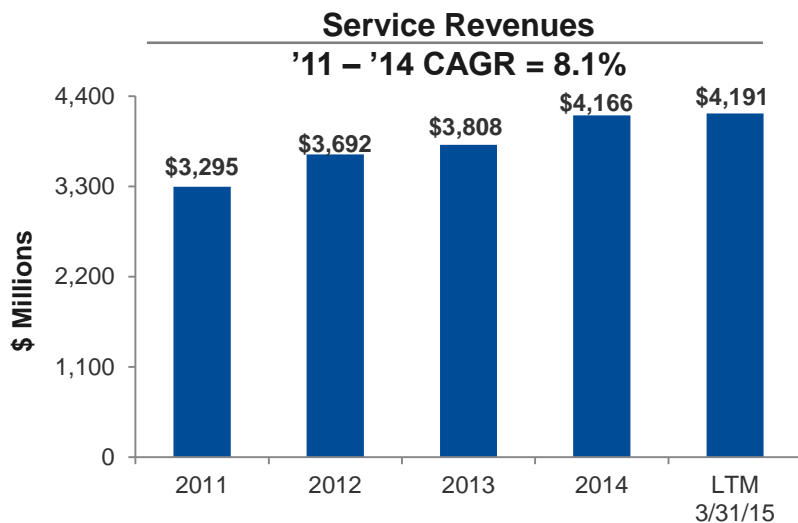
**Improve your probability**  
*of success™*

Connecting insights with superior  
delivery for better outcomes



# Track Record of Profitable Growth and Consistency

*Long-term performance underpinned with a diversified customer portfolio*



# Financial Highlights

## Q1 Financial Highlights

- 10.5%** Constant Currency Net New Business Growth
- 8.4%** Constant Currency Revenue Growth<sup>(1)</sup>
- 5.9%** Diluted Adjusted EPS Growth<sup>(2)</sup>
- 1.35x** Book-to-bill LTM 3/31/15
  - 1.45x in Product Development
  - 1.09x in IHS
- \$11bn** Consolidated Backlog as of 3/31/15

## Other Highlights

- ✓ Announcement of Clinical Laboratory Services Joint Venture with Quest Diagnostics
- ✓ Completion of \$2.75bn debt refinancing
  - Extends maturities and lowers average cost of debt
- ✓ Completion of \$769mm follow-on offering including a \$250mm share repurchase
  - \$415mm in share repurchases in 2014
- ✓ \$779mm cash and cash equivalents as of 3/31/15

Note: IHS = Integrated Healthcare Services.

Note: Financial information is provided for Quintiles Transnational Holdings Inc., which conducts all of its operations through Quintiles Transnational Corp., its wholly-owned subsidiary.

(1) See appendix slide 14.

(2) See appendix slide 15.

# Attractive and Growing Market

~\$200bn total market across both segments with increasing outsourcing penetration which drives estimated growth of 6% – 8% per year from 2014 – 2017

Approval

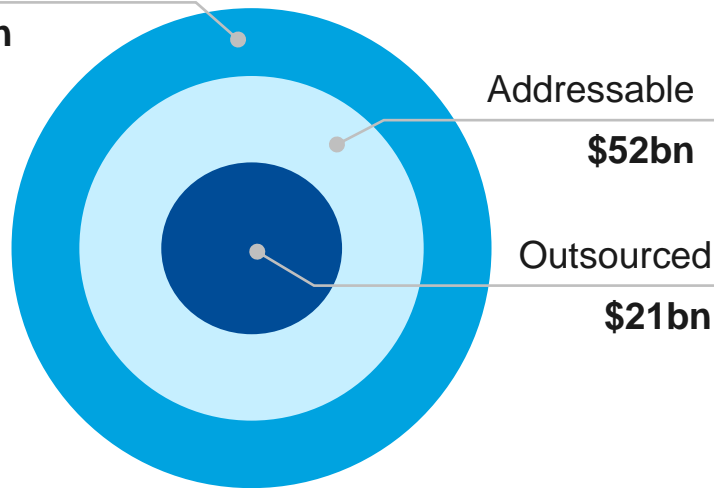


**\$95bn Product Development Market<sup>(2)</sup>**

**\$98bn Integrated Healthcare Services Market<sup>(2,3)</sup>**

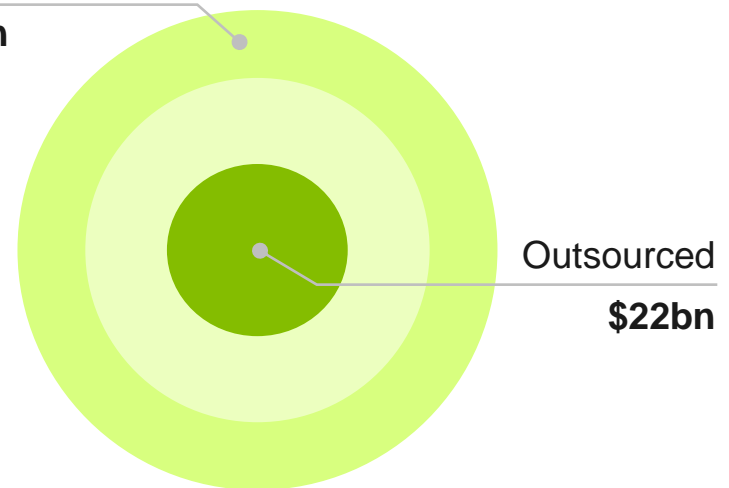
Phase I-IV Clinical Development

\$95bn



Integrated Healthcare Services

\$98bn



(1) For the year ended 12/31/14.

(2) Based on Company estimates.

(3) Includes market access, reimbursement, observational studies, comparative effectiveness research, health economics & outcomes research, and commercial consulting.

# Market drivers

*We understand the needs of biopharma and how the industry is evolving*

Increase R&D  
productivity

Simplify the  
complex –  
Provide global  
scientific  
expertise

Improve  
investigator &  
patient access

Increasing  
demand for  
evidence &  
market access

Using real-  
world data &  
analytics to  
drive decision  
making

Increasing  
importance of  
providers &  
patients



# Deep Customer Relationships

*Largest backlog in industry with diversification and sustainability*

- Helped develop or commercialize **all of 2014's top-75 best-selling drugs on the market**
- **Worked with the top-20 biopharma companies** ranked by 2013 revenues in each of last 12 years
- **11 customer accounts generated \$100mm+ of net new business<sup>(1)</sup>**
- **14 customers with \$100mm+ service revenues<sup>(1)</sup>**
- **~62% of service revenues outside of U.S.**
- **< 10%** of revenues from largest customer – diverse customer base
- **C-Level access and relationships: >550** biopharma customers

Transactional Services

Partnered Services

End-to-End Partnership Solutions

(1) As of 12/31/2014.

# The Quintiles Difference

*The integration of our assets creates differentiated value*

Deep scientific, therapeutic, & regulatory expertise	Global harmonized best in class processes & workforce	Technology & informatics
<p><b>950</b> Medical doctors</p> <p><b>1,000</b> PhDs</p> <p><b>13</b> Therapeutic centers of excellence</p> <p><b>~800</b> Statisticians &amp; statistical programmers</p> <p><b>~5,700</b> Protocols, since 2000</p>	<p><b>&gt;23</b> Prime sites</p> <p><b>&gt;1,200</b> Partner sites</p> <p><b>&gt;260,000</b> Investigators</p> <p><b>~100</b> Countries serviced</p> <p><b>&gt;130</b> Risk Based Monitoring Studies (RBM) – Leader in RBM</p>	<p><b>Quintiles Infosario™ Platform</b> Planning &amp; Design Global Safety System Analytics &amp; Informatics</p> <p><b>Genomics &amp; Biomarkers</b></p> <p><b>Digital Patient Communities</b> Clinicalresearch.com Mediguard.com “I Am More Than Lupus”</p> <p><b>61mm</b> Unique Patient Records (EHR)</p>
<p><b>7,100</b> Sales representatives</p> <p><b>~770</b> Clinical educators</p> <p><b>14,500</b> Tracked HTA reports from 100 agencies</p>	<p><b>100%</b> Compliance trained field resources</p> <p><b>&gt;220</b> Product launches in 20 countries in last 5 years</p> <p><b>&gt;5,600</b> Sites active in observational research</p>	<p><b>Quintiles Infosario™ Platform</b> Infosario Outcome System 3.0</p> <p><b>430</b> Direct-to-Patient projects relying on technology</p>

# Quintiles

*Differentiated market leader*

**Improve your probability  
of success™**





# Appendix

# Adjusted EBITDA Reconciliation

Adjusted EBITDA Reconciliation					
	LTM period ended				
(In Thousands)	3/31/2015	2014	2013	2012	2011
<b>Non-GAAP Adjusted EBITDA:</b>					
Net Income Attributable to Quintiles Transnational Holdings Inc.	\$352,598	\$356,383	\$226,591	\$177,546	\$241,772
Net income (loss) attributable to noncontrolling interests	120	118	(564)	(915)	(1,445)
Interest Expense, Net	98,201	97,179	119,571	131,304	105,126
Income Tax Expense	148,755	150,056	95,965	93,364	15,105
Depreciation and Amortization	122,254	121,013	107,504	98,288	92,004
Restructuring Costs	13,304	8,988	14,071	18,741	22,116
Impairment Charges	–	–	–	–	12,295
Incremental Share-based Compensation Expense <sup>(1)</sup>	–	–	–	13,637	2,553
Bonus Paid to Certain Holders of Stock Options	–	–	–	11,308	10,992
Management Fees <sup>(2)</sup>	–	–	27,694	5,309	5,213
Loss on Extinguishment of Debt	–	–	19,831	1,275	46,377
Other (Income) Expense, Net	(6,995)	(8,978)	(185)	(3,572)	9,073
Equity in Losses (Earnings) from Unconsolidated Affiliates	(388)	(4,368)	1,124	(2,567)	(70,757)
<b>Adjusted EBITDA</b>	<b>\$727,849</b>	<b>\$720,391</b>	<b>\$611,602</b>	<b>\$543,718</b>	<b>\$490,424</b>
<b>% of Service Revenues</b>	<b>17.4%</b>	<b>17.3%</b>	<b>16.1%</b>	<b>14.7%</b>	<b>14.9%</b>

- (1) Incremental expense incurred for repricings of share-based awards. The amount represents only the incremental amount of share-based compensation expense incurred in the quarter that the repricing occurred.
- (2) Management fees were previously paid to affiliates of certain shareholders pursuant to a management agreement. The year ended December 31, 2013 includes a \$25 million fee paid in connection with the termination of the management agreement.

# Constant Currency Reconciliation

## Service Revenues and Income from Operations

<i>(millions of dollars)</i>	Three Months Ended March 31			Year on Year Growth		
	Actual	Exchange Impact	Constant	Actual	Exchange Impact	Constant
<b>Consolidated</b>						
Service Revenues	\$ 1,030.0	\$ (59.0)	\$ 1,089.0	2.5%	(5.9%)	8.4%
Income from Operations	\$ 143.2	\$ 4.4	\$ 138.8	1.3%	3.1%	(1.8%)
Adjusted Income from Operations	\$ 148.5	\$ 4.0	\$ 144.5	4.4%	2.8%	1.6%
Adjusted Income from Operations Margin	14.4%		13.3%			
<b>Product Development</b>						
Service Revenues	\$ 749.5	\$ (36.2)	\$ 785.7	(2.8%)	(4.7%)	1.9%
Income from Operations	\$ 157.0	\$ 5.6	\$ 151.4	(2.3%)	3.5%	(5.8%)
Income from Operations Margin	20.9%		19.3%			
<b>Integrated Healthcare Services</b>						
Service Revenues	\$ 280.5	\$ (22.8)	\$ 303.3	19.6%	(9.7%)	29.3%
Income from Operations	\$ 18.1	\$ (2.5)	\$ 20.6	102.5%	(27.7%)	130.2%
Income from Operations Margin	6.5%		6.8%			

The exchange rate impacts on service revenues equals the current period service revenues at actual rates less the current period service revenues for foreign currency denominated contracts recalculated at the prior period exchange rates. The exchange rate impacts on expenses equals the current period expenses at actual rates less the current period expenses recalculated at the prior period exchange rates.

The segment detail presented above excludes general corporate and unallocated expenses and restructuring costs.

# Reconciliation of Net Income Attributable to Quintiles to Non-GAAP Adjusted Net Income and Diluted Adjusted EPS

<i>(millions of dollars)</i>	Three Months Ended March 31			
	2015		2014	
	\$	EPS <sup>1</sup>	\$	EPS <sup>1</sup>
<b>Net Income Attributable to Quintiles</b>	<b>\$ 86.4</b>	<b>\$ 0.68</b>	<b>\$ 90.2</b>	<b>\$ 0.68</b>
Restructuring Costs	5.3	0.04	1.0	0.01
Adjustment to Estimated Contingent Consideration	1.3	0.01	(0.1)	-
Tax Effect of Adjustments <sup>2</sup>	(1.8)	(0.01)	(0.2)	-
<b>Non-GAAP Adjusted Net Income</b>	<b>\$ 91.2</b>	<b>\$ 0.72</b>	<b>\$ 90.9</b>	<b>\$ 0.68</b>
<b>Number of Diluted Shares Outstanding<sup>3</sup></b>	<b>127,454</b>		<b>133,040</b>	

<sup>1</sup> EPS is represented in dollars.

<sup>2</sup>The tax effect of adjustments was based on the income tax rate of the respective transactions, which was 38.5%, with the exception of i) restructuring costs which were tax effected at 33.3% and 24.5% during the three months ended March 31, 2015 and 2014, respectively and ii) contingent consideration which is not tax effected as it represents a permanent difference between book and tax income.

<sup>3</sup> Diluted shares are represented in thousands.

Note: Totals may not sum due to rounding; percentages are calculated from the actual results rounded to the nearest thousand.