

# J.P. Morgan 2016 Healthcare Conference

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CEO

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# 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, but not limited to, that most of the Company's contracts may be terminated on short notice, and that 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 may be unable to maintain information systems or effectively update them; customer or therapeutic concentration could harm the Company's business; the Company's business is subject to risks associated with international operations, including economic, political and other risks such as compliance with a myriad of laws and regulations, complications from conducting clinical trials in multiple countries simultaneously and changes in exchange rates; the Company may be unable to successfully identify, acquire and integrate businesses, services and technologies; the Company's effective income tax rate may fluctuate, which may adversely affect our operations, earnings, and earnings per share; the Company relies on exemptions for "controlled companies" from certain corporate governance requirements during a one year transition period; certain of the Company's corporate governance documents could make an acquisition of the Company more difficult; and the Company has substantial indebtedness and may incur additional indebtedness in the future, which could adversely affect the Company's financial condition. For a further discussion of the risks relating to the Company's business, see the "Risk Factors" in Quintiles' annual report on Form 10-K for the fiscal year ended December 31, 2014, filed with the SEC, as such factors may be amended or updated from time to time in Quintiles' subsequent periodic 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 Quintiles' filings with the SEC. The Company assumes 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.*

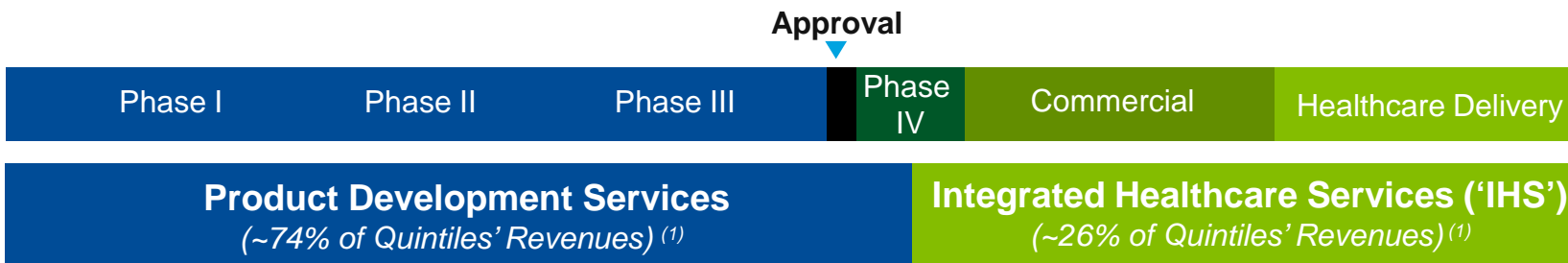
*This presentation includes financial measures not prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). Management believes that these non-GAAP financial measures provide useful supplemental information to management and investors regarding the underlying 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.*

# Enterprise Vision and Strategy



# Attractive and Growing Market

~\$200bn total market across both segments with increasing outsourcing penetration which drives estimated growth of 6% – 8% per year from 2015 – 2018

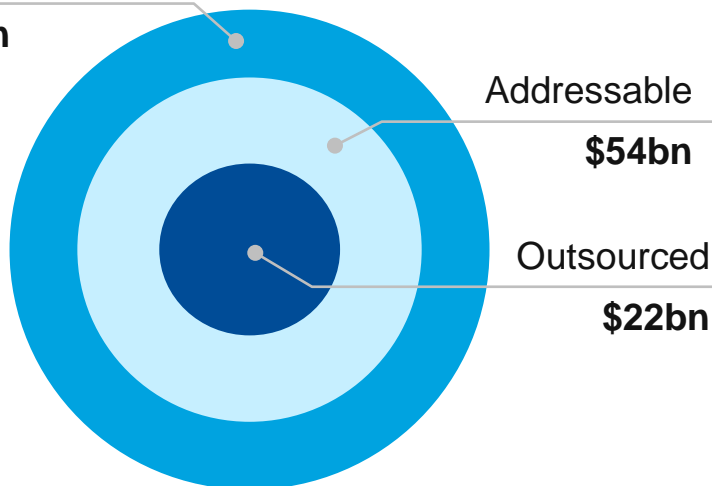


**\$97bn Product Development Market<sup>(2)</sup>**

**\$101bn Integrated Healthcare Services Market<sup>(2,3)</sup>**

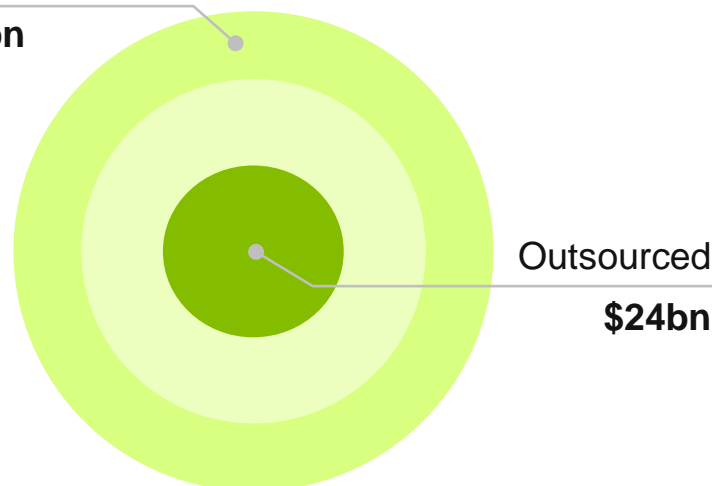
Phase I-IV Clinical Development

\$97bn



Integrated Healthcare Services

\$101bn



(1) For the nine months ended September 30, 2015

(2) Based on Company estimates.

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

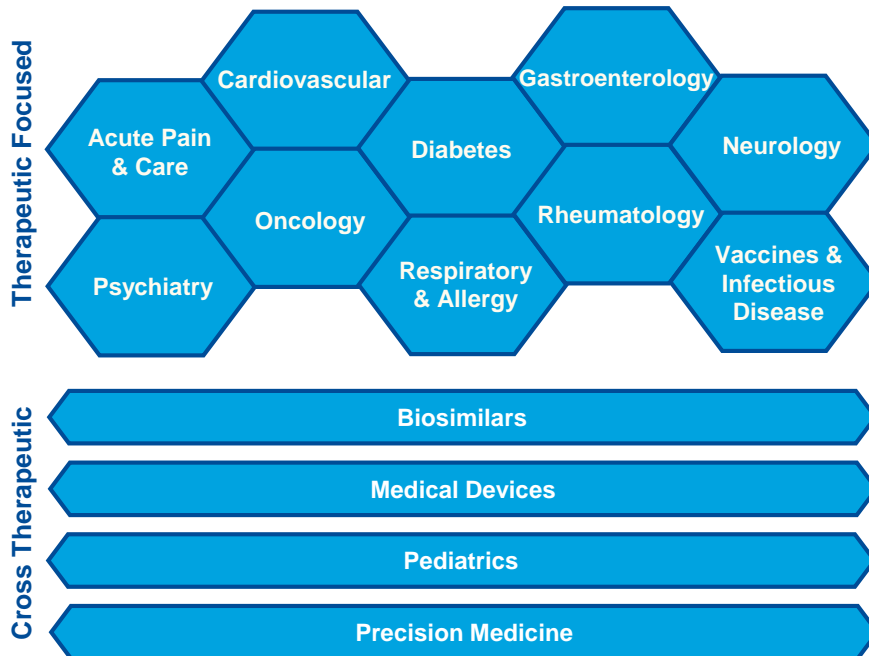
# Deep Therapeutic, Domain, & Regulatory Expertise Across Fast-Growing Therapy Areas

*Our resources provide competitive advantage, breadth of offerings, & ability to innovate*

Apply knowledge & services across therapy areas

Ability to serve the diverse needs of our biopharma customers

## Therapeutic Centers of Excellence



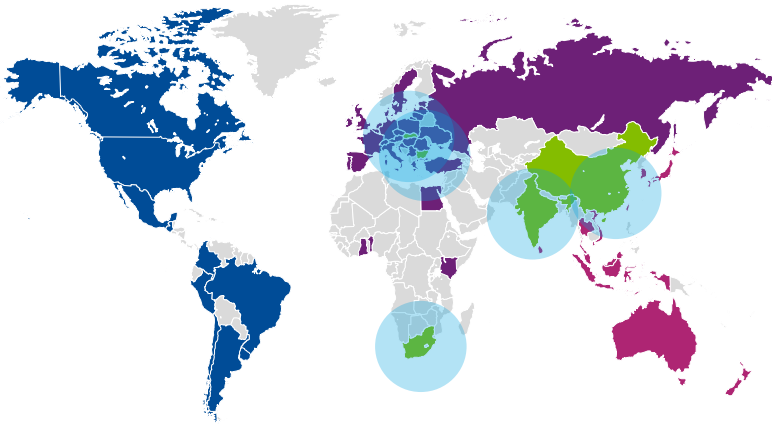
- **>10 sole-source relationships** across large, mid, and small biopharma
- Helped develop or commercialize **98 of the top 100** best-selling products of 2014
  - > All of **Top 30 Oncology** products
  - > All of **Top 30 CNS** products
- **>1,000 oncology studies** in 82 countries<sup>(1)</sup>
- **>375 pediatric studies** in 81 countries<sup>(1)</sup>
- **>230 rare disease studies** in 70 countries<sup>(1)</sup>
- **Market access for >150 products** in the US since 2003
- A **mid-sized pharma company entered two new therapeutic areas** and in-licensed new assets

(1) Study experience since 2010.

# Quintiles' Global Delivery Network (GDN) Extends Our Industry Leadership Position

Strategically leverages our global presence...

...and drives quality, efficiency, & productivity



**>5,100 Employees**

At 7 locations in 5 countries

**Centrally-managed**

For process consistency & standardization

**Operates as 'one'**

In a virtual, coordinated manner



**Source top talent** around the world



**Strategically manage** peaks and troughs of supply and demand in key nodes



**Standardize processes**, industrialized methods, tools, and architectures



**Accelerate best practices** globally



Implement innovative technology solutions to **automate commodity tasks**

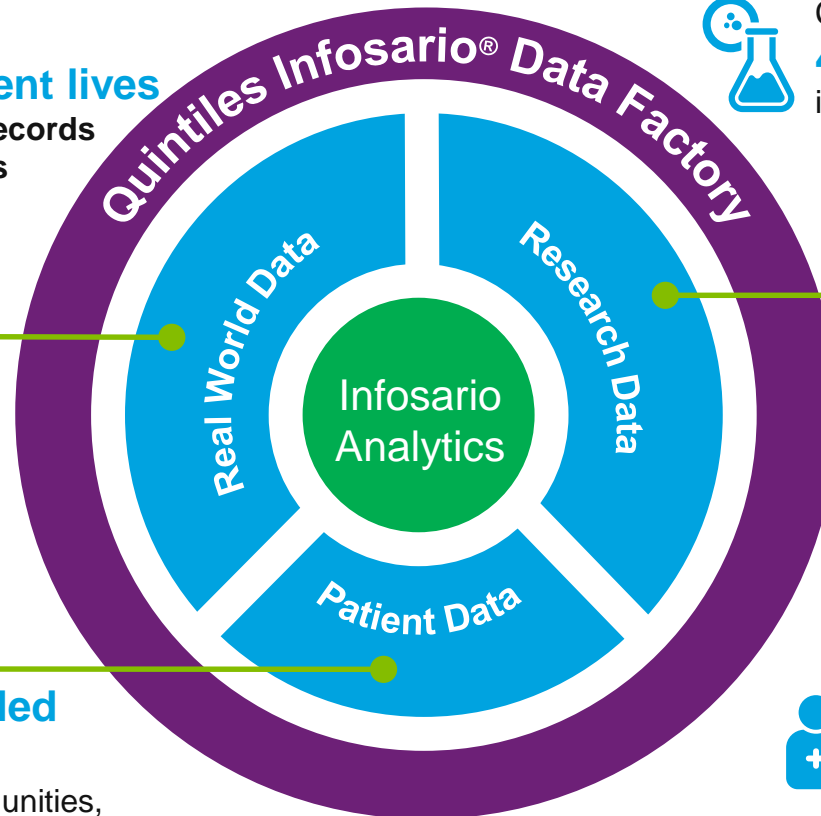
# Integrated Data Assets Combine Our Deep Expertise and Global Scale

*Data Integration is key to unlocking the productivity puzzle*



Access to **>61M patient lives** via **Electronic Health Records** from **>175,000 providers** since 2004

## Electronic Health Records



Clinical research data collected across **487 indications** in **18 therapeutic areas**

## Trial and Subject Data

Data collection experience from **~5,700 studies** and **~430,000 sites** and **~1.8M participants** from protocols

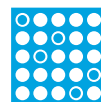
## Patient Communities



**>3.5M enrolled members** in 6 online communities, including MediGuard & ClinicalResearch.com



**>285,000 clinical investigators** in Quintiles' Clinical Trial Management System



**~430 direct-to-patient studies** in more than 30 countries since 2008

# Why Quintiles?

*The integration of our assets creates differentiated value*

Deep therapeutic, domain, & 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>14</b> Therapeutic centers of excellence</p> <p><b>~850</b> Statisticians &amp; statistical programmers</p> <p><b>~5,700</b> Protocols, since 2000</p>	<p><b>&gt;26</b> Prime sites</p> <p><b>&gt;1,200</b> Partner sites</p> <p><b>&gt;285,000</b> Investigators</p> <p><b>~100</b> Countries serviced</p> <p><b>&gt;150</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>&gt;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></p> <p><b>430</b> Direct-to-Patient projects relying on technology</p>

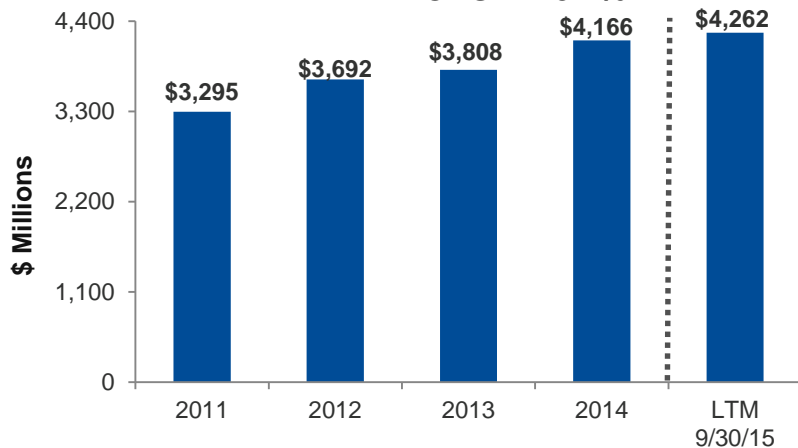


# Track Record of Profitable Growth and Consistency

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

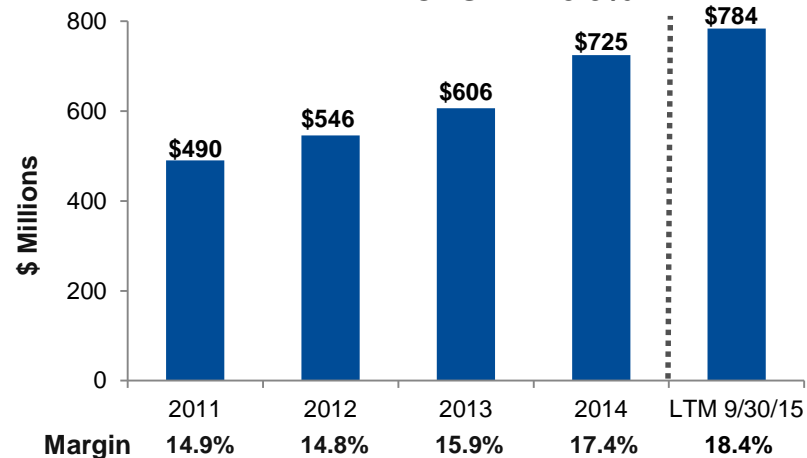
## Service Revenues

'11 – '14 CAGR = 8.1%

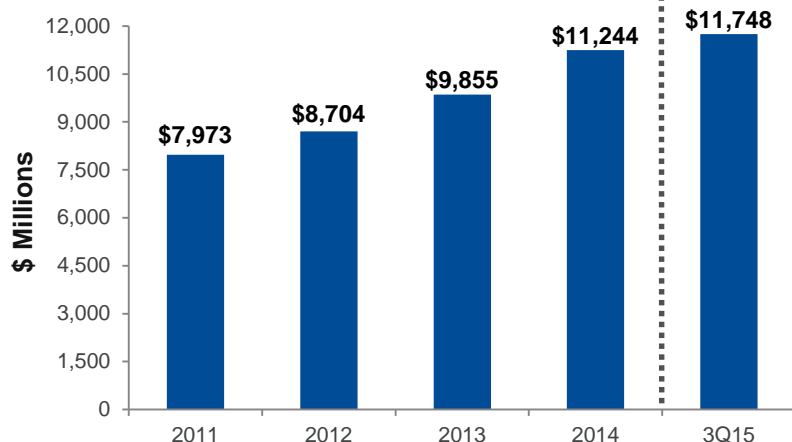


## Adjusted EBITDA<sup>(1)</sup>

'11 – '14 CAGR = 13.9%



## Backlog



## Net New Business Highlights

**1.27x** Last 12 Month Consolidated Book-to-Bill<sup>(2,3)</sup>

**≥1.20x** Product Development Book-to-Bill in 11 of last 12 quarters<sup>(2,3)</sup>

# 2015 Financial Highlights

*Nine months ended September 30, 2015*

**8.8%** Constant Currency Revenue Growth<sup>(1)</sup>

- 5.6% in Product Development
- 18.3% in IHS

**22.7%** Diluted Adjusted EPS Growth<sup>(2)</sup>

**\$212.7M** Free cash flow

**\$11.75B** Consolidated Backlog as of 9/30/15

- ✓ 1.27x Book-to-bill LTM 9/30/15
  - 1.36x in Product Development
  - 1.02x in IHS
- ✓ Completion of \$2.75B debt refinancing
  - Extends maturities and lowers average cost of debt
- ✓ \$512 million of share repurchases as of 11/12/15
  - \$927 million of shares repurchased since beginning of 2014<sup>(3)</sup>
- ✓ \$1.08 billion cash and cash equivalents as of 9/30/15
- ✓ Launch of Q<sup>2</sup> Solutions joint venture with Quest Diagnostics

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 15.

(2) See appendix slide 16.

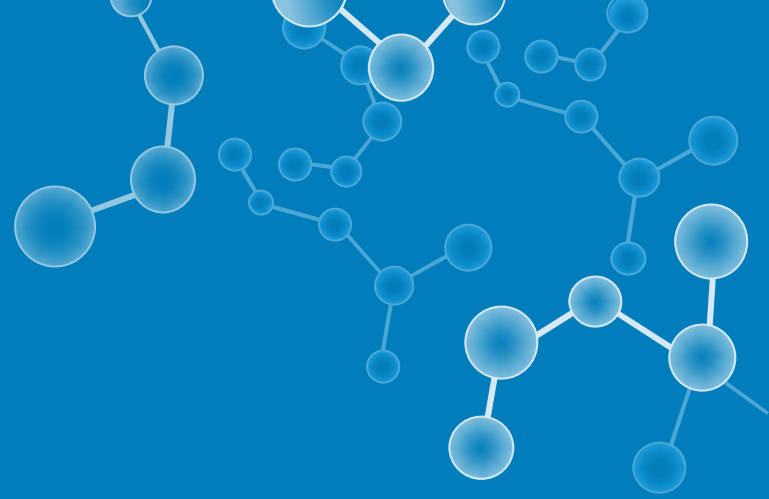
(3) As of November 12, 2015

# Quintiles

*A differentiated market leader*

**Improve your probability  
of success™**





# Appendix

# Adjusted EBITDA Reconciliation

Adjusted EBITDA Reconciliation					
	LTM period ended				
(In Thousands)	9/30/2015	2014	2013	2012	2011
<b>Adjusted EBITDA:</b>					
Net Income Attributable to Quintiles Transnational Holdings Inc.	\$371,061	\$356,383	\$226,591	\$177,546	\$241,772
Interest Expense, Net	98,264	97,179	119,571	131,304	105,126
Income Tax Expense	146,987	150,056	95,965	93,364	15,105
Depreciation and Amortization	125,124	121,013	107,504	98,288	92,004
Restructuring Costs	28,781	8,988	14,071	18,741	22,116
Loss on Extinguishment of Debt	7,780	–	19,831	1,275	46,377
Adjustment to Estimated Contingent Consideration	6,002	(8,839)	(4,910)	(4,922)	–
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
Interest Rate Swap Termination	–	–	–	–	11,630
Gain on Sale of Business Assets	–	–	–	–	(74,880)
<b>Adjusted EBITDA</b>	<b>\$783,999</b>	<b>\$724,780</b>	<b>\$606,317</b>	<b>\$545,850</b>	<b>\$490,303</b>
<b>% of Service Revenues</b>	<b>18.4%</b>	<b>17.4%</b>	<b>15.9%</b>	<b>14.8%</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.

# 2015 Constant Currency Reconciliation

## Service Revenues and Income from Operations

<i>(millions of dollars)</i>	<i>Three Months Ended September 30</i>			<i>Year on Year Growth</i>		
	<i>Actual</i>	<i>Exchange Impact</i>	<i>Constant</i>	<i>Actual</i>	<i>Exchange Impact</i>	<i>Constant</i>
<b>Consolidated</b>						
Service Revenues	\$ 1,093.5	\$ (55.6)	\$ 1,149.1	3.1%	(5.2%)	8.3%
Income from Operations	\$ 167.0	\$ 10.0	\$ 157.0	12.0%	6.7%	5.3%
Adjusted Income from Operations	\$ 179.0	\$ 9.3	\$ 169.7	18.6%	6.2%	12.4%
Adjusted Income from Operations Margin	16.4%		14.8%			
<b>Product Development</b>						
Service Revenues	\$ 810.1	\$ (33.7)	\$ 843.8	5.0%	(4.4%)	9.4%
Income from Operations	\$ 181.4	\$ 10.6	\$ 170.8	14.7%	6.7%	8.0%
Income from Operations Margin	22.4%		20.2%			
<b>Integrated Healthcare Services</b>						
Service Revenues	\$ 283.4	\$ (21.9)	\$ 305.3	(2.1%)	(7.6%)	5.5%
Income from Operations	\$ 24.0	\$ (2.6)	\$ 26.6	20.9%	(12.4%)	33.3%
Income from Operations Margin	8.5%		8.7%			

<i>(millions of dollars)</i>	<i>Nine Months Ended September 30</i>			<i>Year on Year Growth</i>		
	<i>Actual</i>	<i>Exchange Impact</i>	<i>Constant</i>	<i>Actual</i>	<i>Exchange Impact</i>	<i>Constant</i>
<b>Consolidated</b>						
Service Revenues	\$ 3,197.8	\$ (176.8)	\$ 3,374.6	3.1%	(5.7%)	8.8%
Income from Operations	\$ 468.6	\$ 19.3	\$ 449.3	8.6%	4.5%	4.1%
Adjusted Income from Operations	\$ 492.2	\$ 17.4	\$ 474.8	13.1%	4.0%	9.1%
Adjusted Income from Operations Margin	15.4%		14.1%			
<b>Product Development</b>						
Service Revenues	\$ 2,346.0	\$ (107.3)	\$ 2,453.3	1.0%	(4.6%)	5.6%
Income from Operations	\$ 514.6	\$ 22.4	\$ 492.2	7.8%	4.7%	3.1%
Income from Operations Margin	21.9%		20.1%			
<b>Integrated Healthcare Services</b>						
Service Revenues	\$ 851.8	\$ (69.5)	\$ 921.3	9.4%	(8.9%)	18.3%
Income from Operations	\$ 60.9	\$ (8.7)	\$ 69.6	50.2%	(21.5%)	71.7%
Income from Operations Margin	7.1%		7.6%			

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 September 30				Nine Months Ended September 30			
	2015	EPS <sup>1</sup>	2014	EPS <sup>1</sup>	2015	EPS <sup>1</sup>	2014	EPS <sup>1</sup>
<b>Net Income Attributable to Quintiles</b>	<b>\$ 111.3</b>	<b>\$ 0.89</b>	<b>\$ 92.7</b>	<b>\$ 0.71</b>	<b>\$ 282.6</b>	<b>\$ 2.24</b>	<b>\$ 268.0</b>	<b>\$ 2.03</b>
Restructuring Costs	12.0	0.10	1.8	0.01	23.5	0.19	3.7	0.03
Adjustment to Estimated Contingent Consideration	0.1	-	(8.8)	(0.07)	6.0	0.05	(8.8)	(0.07)
Loss on Extinguishment of Debt	-	-	-	-	7.8	0.06	-	-
Noncontrolling Interests Effect of Non-GAAP Adjustments <sup>2</sup>	(2.3)	(0.02)	-	-	(2.3)	(0.02)	-	-
Tax Effect of Adjustments <sup>3</sup>	(3.5)	(0.03)	(0.7)	(0.01)	(10.1)	(0.08)	(1.3)	(0.01)
<b>Non-GAAP Adjusted Net Income</b>	<b>\$ 117.6</b>	<b>\$ 0.94</b>	<b>\$ 85.0</b>	<b>\$ 0.65</b>	<b>\$ 307.5</b>	<b>\$ 2.43</b>	<b>\$ 261.6</b>	<b>\$ 1.98</b>
<b>Number of Diluted Shares Outstanding<sup>4</sup></b>	<b>125,339</b>		<b>130,626</b>		<b>126,443</b>		<b>131,903</b>	

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

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

<sup>3</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 29.2% and 39.3% during the three months ended September 30, 2015 and 2014, respectively, and 30.3% and 34.6% during the nine months ended September 30, 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>4</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.