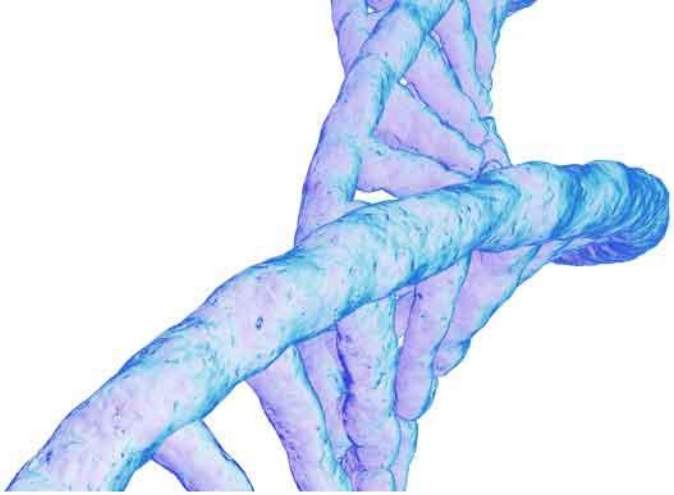


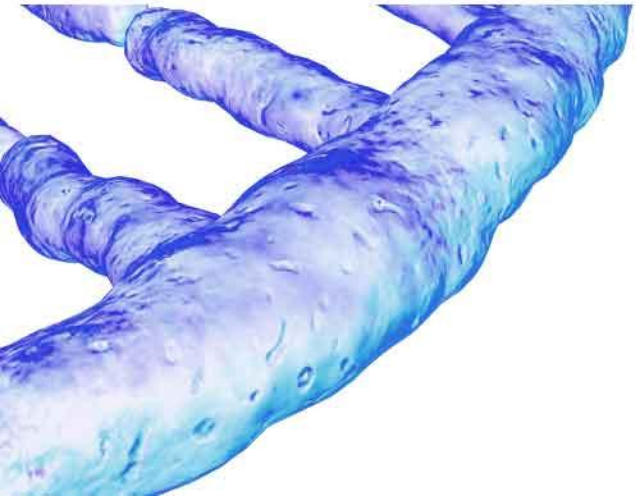
QUINTILES®

Navigating the new health

2013 Morgan Stanley Global Healthcare Conference

September 9, 2013





NYSE: Q

Copyright © 2013 Quintiles

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

This presentation contains forward-looking statements that 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. For this purpose, any statements contained herein that are not statements of historical fact may constitute forward-looking statements. Without limiting the foregoing, words such as "anticipates," "believes," "estimates," "expects," "intends," "may," "plans," "projects," "should," "targets," "will" and similar terms and phrases and the negative thereof are intended to identify forward-looking statements. Actual results may differ materially from these expectations due to a number of factors, including risks related to the Company's customer contracts, such as terminations and delays, cost overruns and under pricing, failure to comply with contractual terms, and the Company's ability to enter into and maintain new contracts; changes in the relationship of the Company's backlog to its revenues; the Company's ability to maintain effective and secure information systems; the complex and changing regulatory and international environments in which the Company operates; the Company's substantial indebtedness; and additional risks more fully set forth in the Company's filings with the Securities and Exchange Commission ("SEC"), including the final prospectus dated May 8, 2013 relating to the Company's initial public offering and the Company's quarterly reports on Form 10-Q. The Company undertakes 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, except as may be required by applicable law.

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
- ✓ Serve an attractive and growing market
- ✓ Deep customer relationships with history of innovative partnerships
- ✓ Clear competitive advantages across the value chain
- ✓ Geographically diversified revenue base
- ✓ Market leader in Product Development services
- ✓ IHS is being reshaped and backdrop remains solid
- ✓ Effective capital and tax structure
- ✓ Long-term consistent financial performance

Strong Financial Track Record

STRONG P&L RESULTS

11%	Adjusted Service Revenues CAGR from ’10 – ‘12
14%	Adjusted Net Income[(1)] CAGR from ’10 – ’12 **(BEST IN CLASS)**
$3.7bn	Service Revenues in 2012
$544mm	Adjusted EBITDA[(1)] in 2012
Best in Class[(2)]	Adjusted EBITDA Margins[(3)] in 2012

OTHER HIGHLIGHTS

$9.0bn	Total Backlog at 6/30/13
$4.8bn	Net New Business (NNB) last four quarters with each quarter exceeding **$1.0bn**
1.21x	Average Book-to-bill ratio from ’10 - ’12
~2.0%-2.5%	Consistent Capital Expenditures as a percent of Service Revenues
$264mm	Free cash flow[(4)] in 2012
$280mm	Investment in acquisitions from ’10 -’12

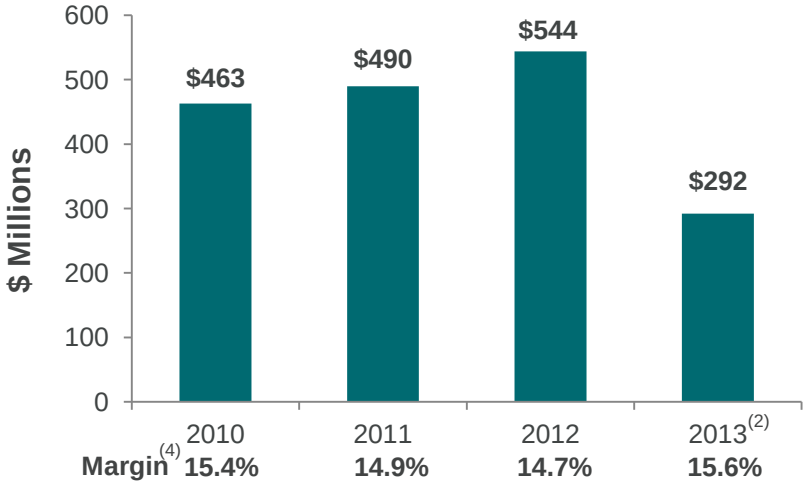
(1) See appendix, slides 23 for the reconciliation of Net Income to Adjusted EBITDA & and slide 24 for the reconciliation of Net Income to Adjusted Net Income
(2) Comparator group for this claim includes Covance, PAREXEL and ICON plc
(3) Adjusted EBITDA margin is defined as Adjusted EBITDA divided by Service Revenues
(4) Calculated as Cash Provided by Operating Activities less Capital Expenditures

Consistent Revenue and EBITDA Gains Driven by Growing Demand

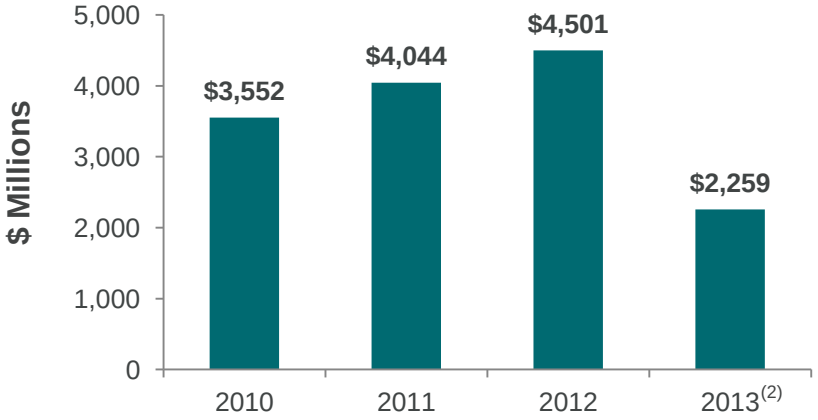
Adjusted Service Revenues[1]
'10 – '12 CAGR = 11.0%



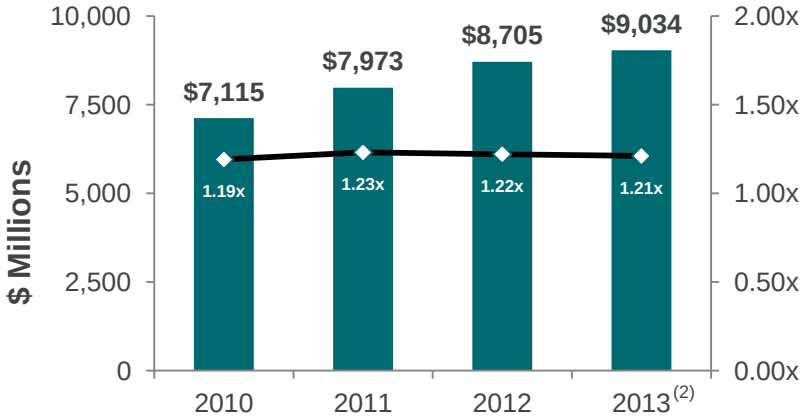
Adjusted EBITDA[3]
'10 – '12 CAGR = 8.4%



Net New Business
'10 – '12 CAGR = 12.6%



Backlog and Book-to-Bill[5]



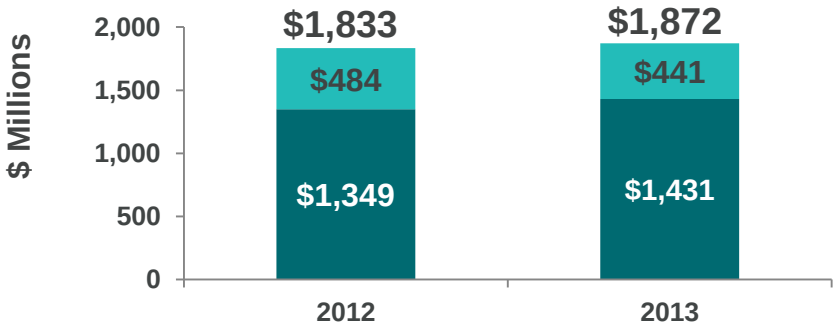
(1) See appendix slide 22 for reconciliation of Service Revenues to Adjusted Service Revenues
(2) For the six months ended June 30, 2013
(3) See slide 23 for reconciliation of Net Income to Adjusted EBITDA
(4) Margin is defined as Adjusted EBITDA divided by Adjusted Service Revenues
(5) Book-to-bill calculated as NNB divided by Adjusted Service Revenues

Segment Performance

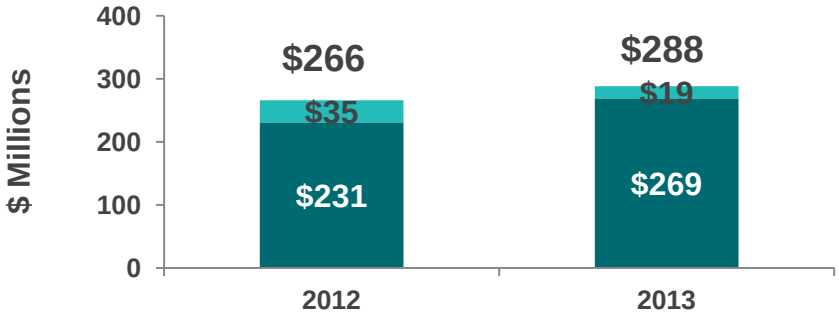
Six Months Ended June 30, 2013

P&L RESULTS

Service Revenues



Segment Income From Operations(1)



Product Development Integrated Healthcare Services

FINANCIAL HIGHLIGHTS

$2.3bn	Net New Business 16% year on year growth
1.21x	Book-to-bill ratio
90 bps	Adjusted Income from Operations margin(2) expansion
11.6%	Adjusted Net Income(3) growth
$586mm	Cash and cash equivalents
$350mm	Debt pay down with IPO proceeds
$1,460mm	Net debt outstanding(4)

(1) Certain costs are not allocated to the Company's segments and are reported as general corporate and unallocated expenses
(2) See appendix slide 35 for the reconciliation of Income from Operations to Adjusted Income from Operations
(3) See appendix slide 36 for the reconciliation of Net Income to Adjusted Net Income
(4) Net debt outstanding is equal to total debt and capital lease obligations less cash and cash equivalents

Executing Our Vision & Strategy

"Foot in Today, Foot in Tomorrow"

Quintiles Vision



We bring people and knowledge together for a healthier world.

Biopharma Product Development

- Clinical Development Services
- Differentiated Offerings
- New Markets

Integrated Healthcare Services

- Commercial Services
- Differentiated Offerings
- Consulting & Outcome
- Providers & Payers

Other Competitive Advantages

Value-added partnership network

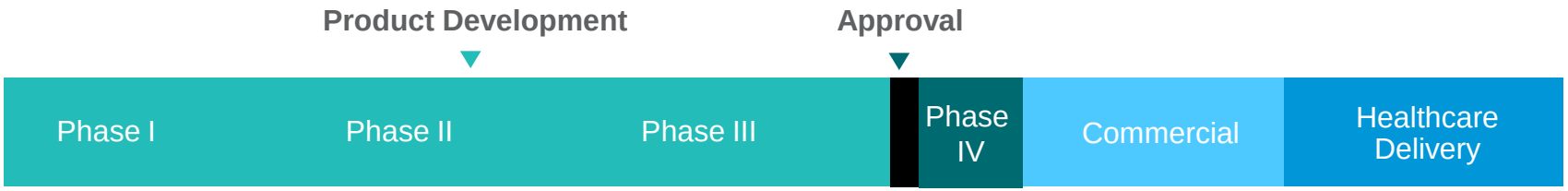


Our Strategic Agenda

- Profitable growth at above market rates
- Lead with investments that leverage our scale and differentiate us (e.g. Science, Technology, Global Workforce)
- World-class customer relationship management and value-added offerings
- Drive Productivity, Delivery and Quality while focusing on the Patient
- Top-quality leadership development and a high-performance workforce

Broad Service Offering

Best In Class Therapeutic and Commercial Expertise Across the Value Chain



Product Development Services
(89% of Operating Profit)

- *Project Management & Clinical Monitoring*
- *Clinical Trial Support (Central Lab, Biostatistics, Data Management, etc.)*
- *Product Development Consulting (Strategic Planning & Design)*
- *Late Phase Interventional*

Integrated Healthcare Services ("IHS")
(11% of Operating Profit)

- *Commercial Focused Services*
- *Late Phase Observational*
- *Consulting, Market Access, HEOR*[(1)]
- *Provider/Payer Solutions*

(1) HEOR = Health Economics & Outcomes Research

Deep Customer Relationships

Largest Backlog in Industry Providing Consistency, Sustainability and Diversity

Worked with all top 20 biopharma companies *in each of last 10 years*

All of our top 25 key customers *worked with both Quintiles segments: PD and IHS*

$100mm+ *service revenues from at least 8 customers in each of past 5 years*

$100mm+ *service revenues from the same 6 customers in each of past 5 years*

> 65% of service revenues outside of US

< 10% *revenues from largest customer – diverse customer base*

Worked with ***over 400*** *biopharma customers*

C-Level access and relationships

These Relationships Provide Durable Performance Today And Position Quintiles For Increases In Addressable Market

Differentiated from the Others

Global Reach, Therapeutic Expertise, Technology & Informatics

Global Reach

27,000 Employees
100 Countries
Greater than 20 Prime sites and 1,200 Partner sites
Over 250,000 Investigators
Globally Harmonized

Deepest Therapeutic Expertise

850 PhDs, 800 Medical Doctors

Development or Commercialization of top 50 Drugs

Involved in 72% of approved drugs 2004-2011

Technology & Informatics

Infosario Tool Suite

Expression Analysis (Genomics)

Web Health Award

InformationWeek 500* (#6)

Computerworld Data + Editors Choice Award



Innovation, Thought Leadership, and Reputation

2012 SCRIP CRO of the Year

Innovation

Leader in Risk-Based Monitoring and global resourcing

Integration of biomarkers and genomics in trials

Design process with EHR data

Leader in adaptive trials

Thought Leadership

Good ReseArch for Comparative Effectiveness Principles

Agency for Healthcare Research and Quality handbook

Over 3,000 employees published

Reputation

Recognized as **industry leader** that best differentiates itself on service quality in Phase II/III(1)

#1 Reputation for 'having scientific and therapeutic expertise' vs. key competitors(2)

Best CRO in the Vaccine Industry Excellence (ViE) Awards

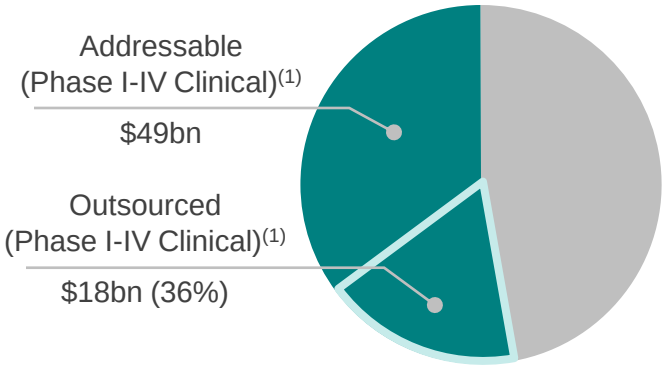
Top 25 World's Best Multinational Workplaces by Great Place to Work Institute

(1) Per ISR 2013 CRO Quality Benchmarking Report – Phase II/III Services
(2) Blinded research conducted by IPSOS on behalf of Quintiles, Q1 '12 to Q2 '13, n=702

Attractive Markets for Quintiles

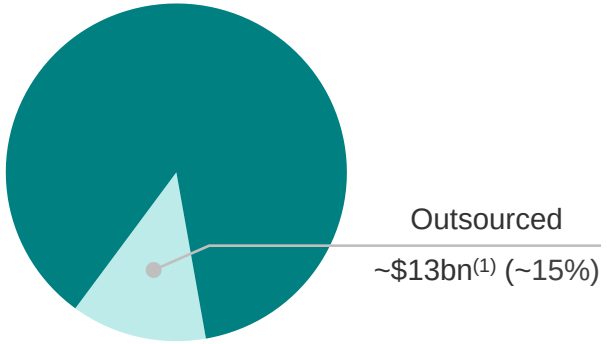
$91bn Product Development Market/$49bn[1] Addressable (2012)

Estimated Growth of 5 - 8% per year from 2012 - 2015



$88bn[1] Relevant Expenditures on Approved Drugs (2012)

Biopharma Industry Evolving



Quintiles Leadership in Product Development

- Largest full service trial provider
- Integration of personalized medicine, genomics, and biomarkers, and data into clinical trials
- Strong presence in emerging markets

Quintiles Leadership in Integrated Health Services

- Leading global Commercial Sales force including Medical Science Liaison (MSL) and Nurse Educators
- Strong market access, reimbursement, observational studies, CER[2] , HEOR[2] and commercial consulting
- Leverages deep clinical skills with Providers & Payers

(1) Based on Company estimates
(2) CER = Comparative Effectiveness Research; HEOR = Health Economics & Outcomes Research

Strategy Drives Growth, Margin Improvement and Quality



Growth

- Dedicated customer relationship teams translate customer needs to Quintiles solutions
- World class sales organization driving proposals and pricing
- Targeted segment solutions for high growth markets
- Commitment to managed innovation
- Selective strategic acquisitions

Margin Improvement

- Margin improvement program leveraging global workforce, processes and investments in technology & informatics to drive higher value services and productivity
- SG&A program

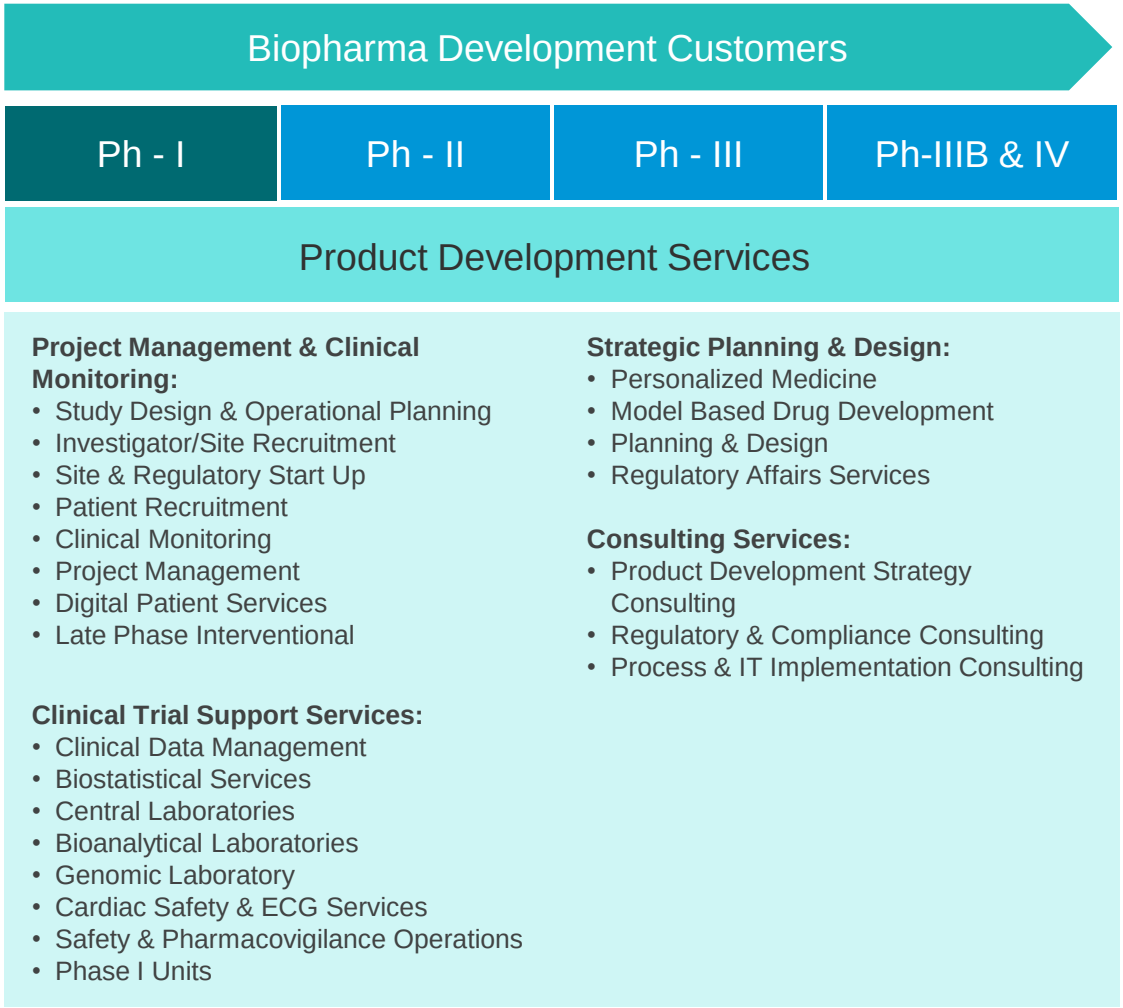
Quality

- Outstanding compliance and quality programs
- QA function is independent from Operations
- Governance with key customers incorporating review of quality to drive customer satisfaction
- Operational focus on excellence in project delivery
- Focus on employee engagement

Product Development at a Glance

Unmatched Breadth of Capabilities and Expertise

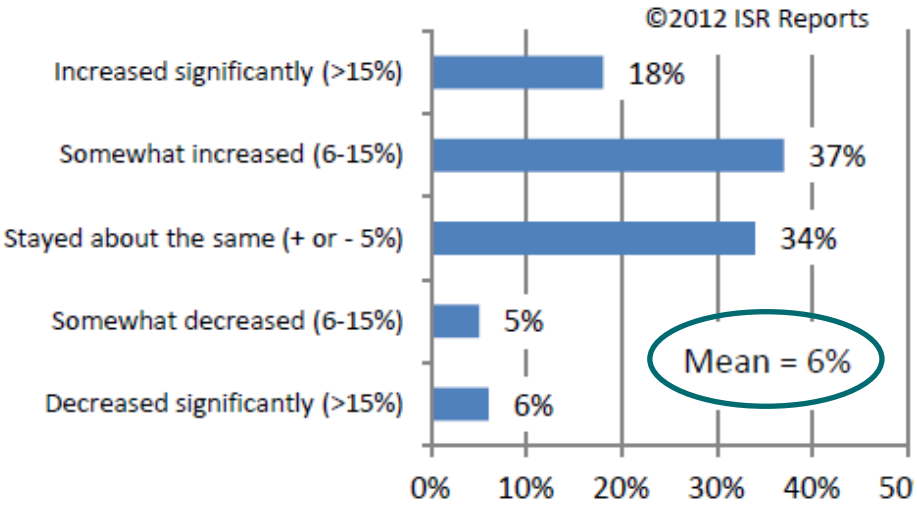
- Market leader in Product Development services
  #1 in Clinical Development
  #2 in Central Lab
- $2.7bn in Service Revenues with $3.5bn in NNB in 2012
- >90% of revenue from Phase II-IV services
- Integrated offerings across services and platforms
- Trial designs that optimize the probability of success



Outsourcing Trends Continue to Favor Our Product Development Segment

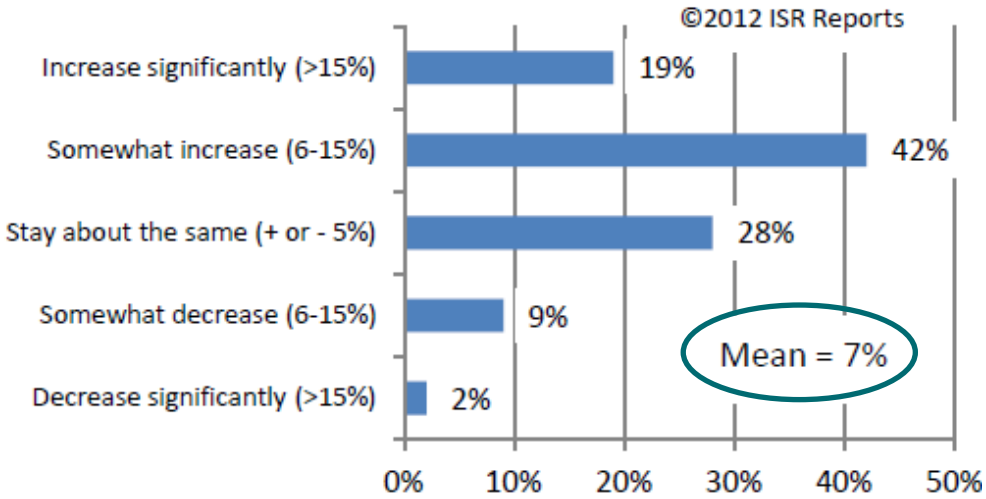
Past 12 Months of Outsourcing Activities

"In terms of volume, how would you describe your last 12 months of outsourcing Phase II/III activities compared to the prior 12 months? Has it..." (Base = 125)



Next 12 Months of Outsourcing Activities

"In terms of volume, how would you predict your next 12 months of outsourcing Phase II/III activities compared to the last 12 months? Will it..." (Base = 125)



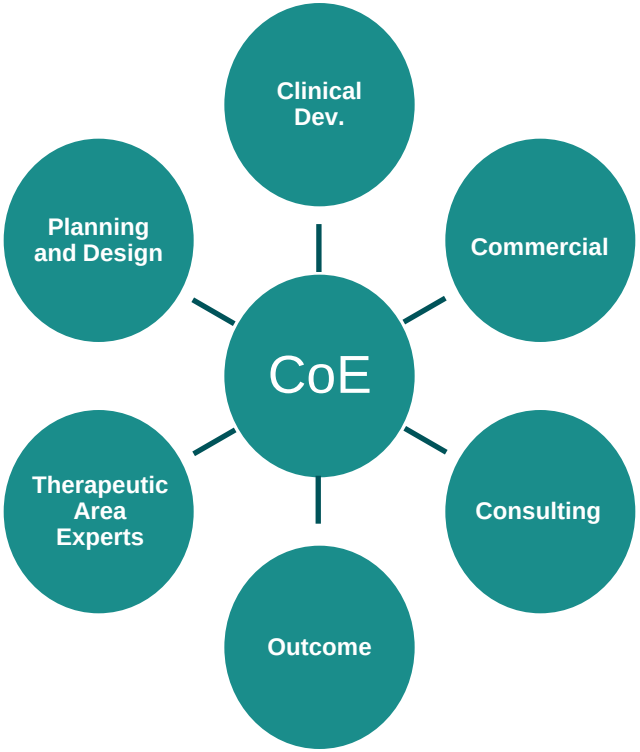
Source: ISR Reports 2012

Quintiles Differentiated Product Offering

Leveraging Capabilities to Deliver Value and Efficiency

Ranked #1 by customers in Leadership and Differentiation(1)

Science	• 13 Therapeutic Centers of Excellence (CoE) • Biomarker, genomics, and personalized medicine capabilities • Center for Integrated Drug Development
Technology & Informatics	• Infosario®: > 45,000 investigative site users, Handles 'big data' • Digital Patient Unit: > 3.0mm consented participants • Integration from EHR to clinical trial systems
Global Workforce	• Optimize capacity by location and skill • Leverage costs and roles across organization
Development Innovation	• Integrated end-to-end offerings • Drive synergies across services • Reduce customer oversight

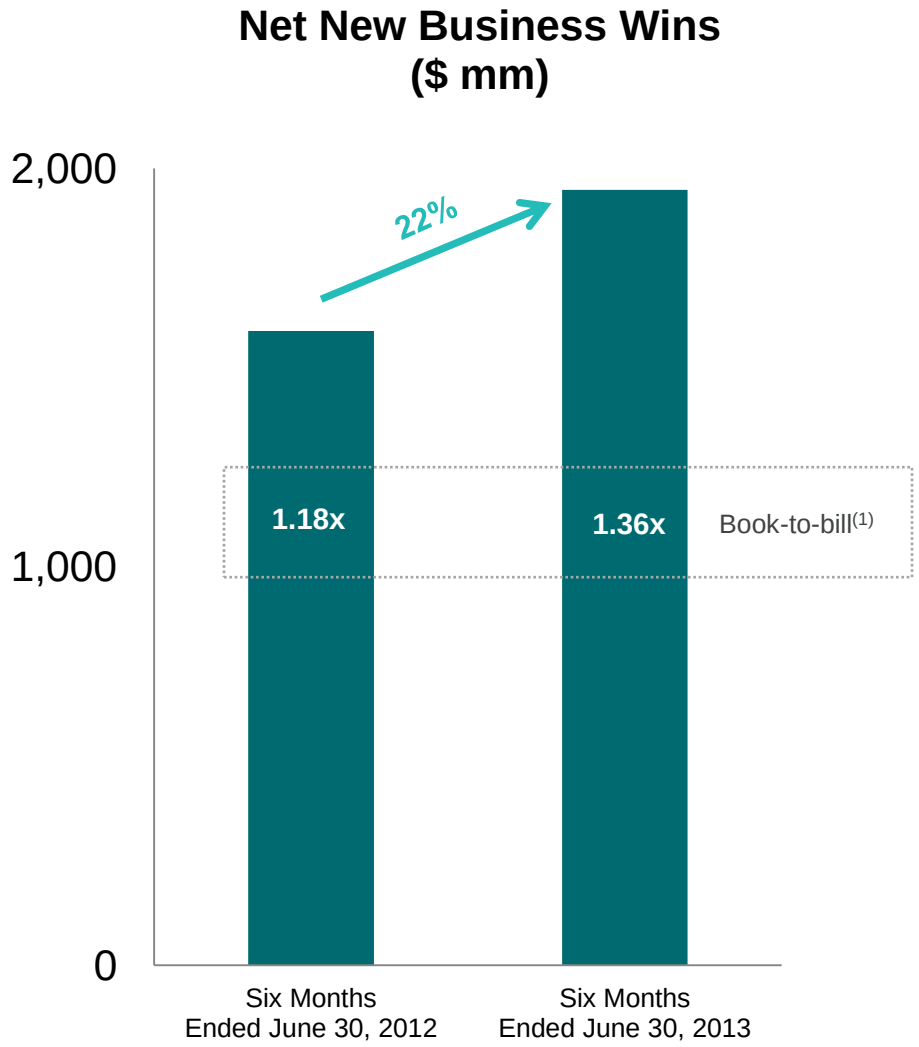


(1) Per ISR 2013 CRO Quality Benchmarking Report – Phase II/III Services

Product Development Demand is Strong

Dedicated customer relationship teams translate customer needs to Quintiles solutions

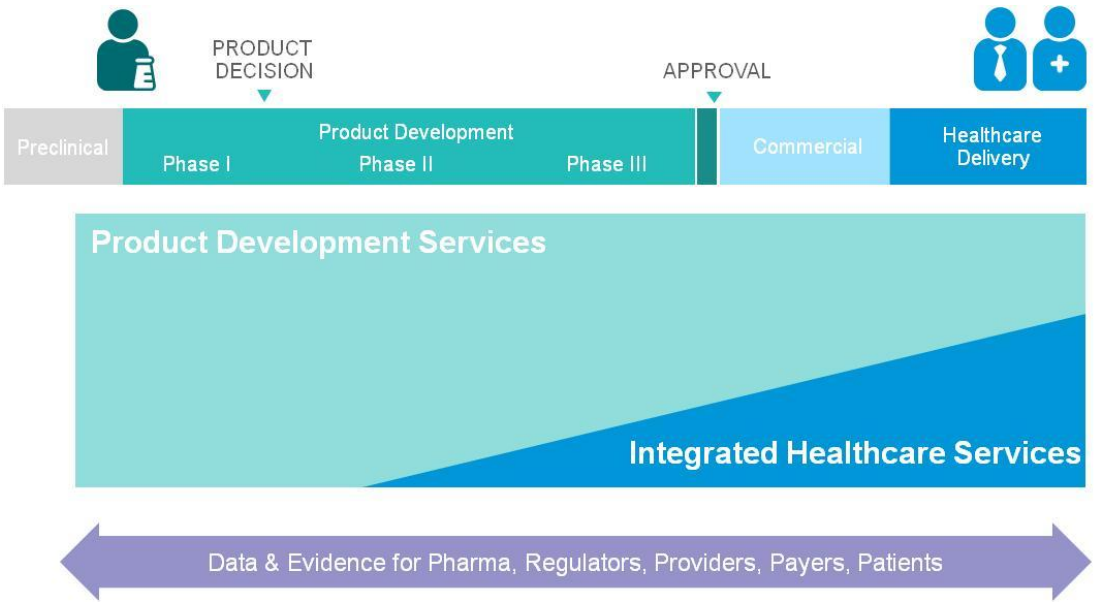
- 22% year over year growth in Net New Business
- Increased RFP volume
- Evolution of new partnership models
- Strong wins with both large pharma and biotech
- Consistently win business from “strategic” partners of other CROs
- Integrated Business Development group with dedicated customer teams



(1) Book-to-bill calculated as NNB divided by Adjusted Service Revenues

IHS at a Glance

Attractive offerings for an evolving market



- IHS includes one of the leading global commercial pharmaceutical sales and services organizations
- $964mm in service revenues with $1.03bn in NNB in 2012

Quintiles' Offerings

Integrated Healthcare Services

Commercial Services:
- Contract Sales
- Market Entry / Market Exit
- Integrated Channel Management
- Patient Engagement Services
- Market Access & Commercialization Consulting
- Brand & Scientific Communications
- Medical Education

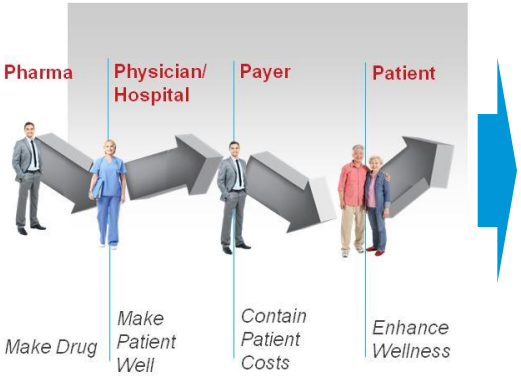
Outcome/Observational:
- Observational Studies
- Product and Disease Registries
- Comparative Effectiveness Studies

Provider/Payer Solutions

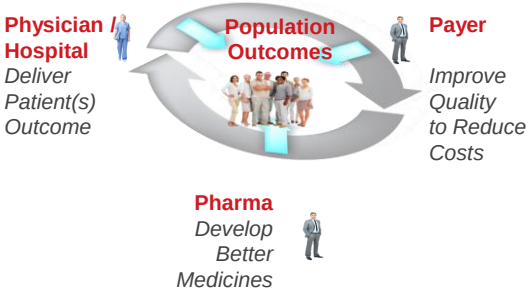
Aligning IHS offerings to capitalize on convergence within healthcare

Commercial Evolution

Traditional: 'Linear' Model



New: 'Interconnected' Evidence-Based Medicine Model



Turning Evidence Into Value



We are well positioned to meet customer needs through our comprehensive portfolio of services

Largest Outsourced Commercial Organization

> 40mm De-identified patient records

> 5,600 Contract Sales Representatives

> 9mm Patients enrolled in registries

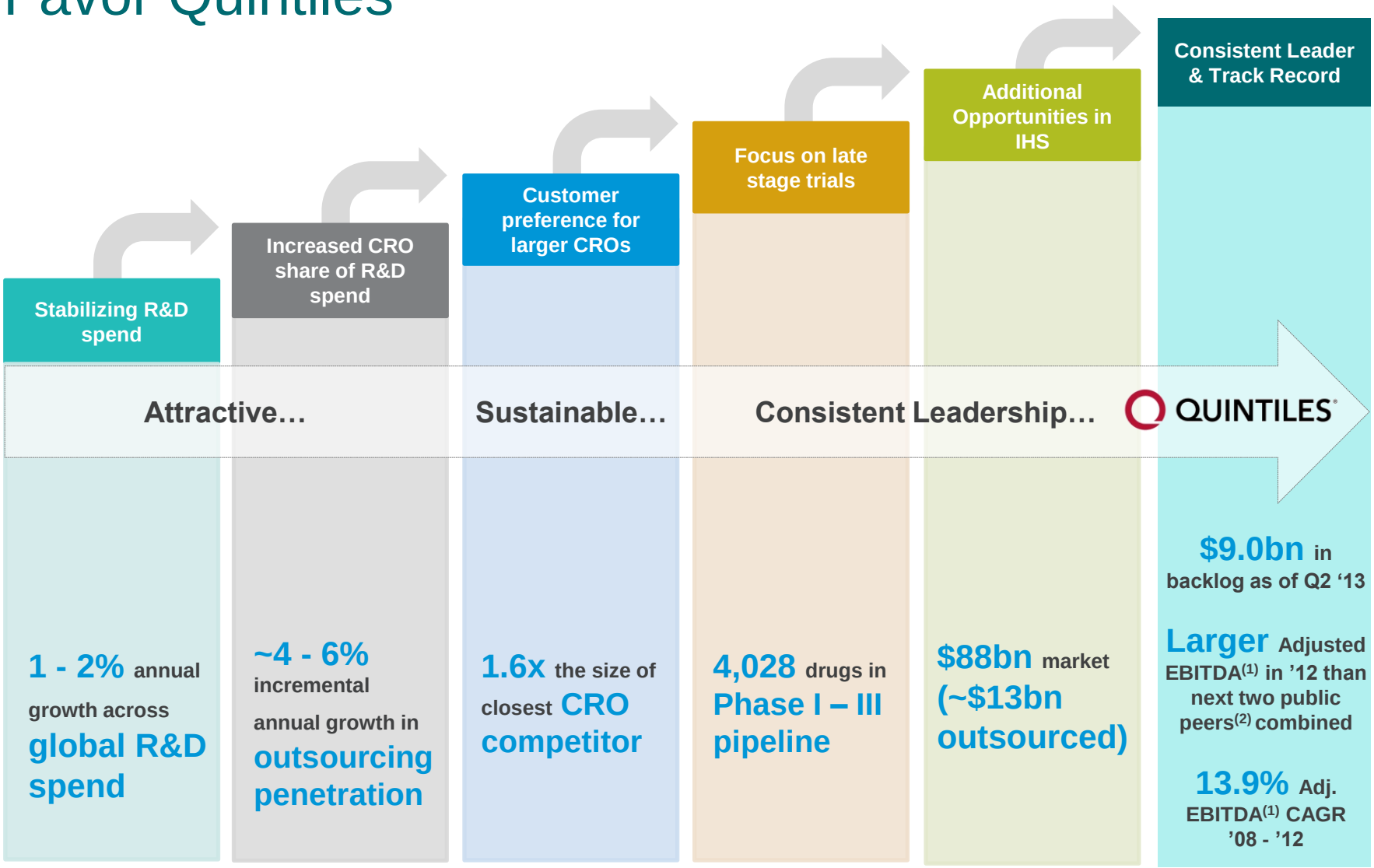
> 450 Clinical Educators

> 120 Launched products to secure formulary coverage in U.S.

~ 100% Field based resources trained on compliance programs

Thought Leadership in Consulting and Observational Research

Global & Industry Dynamics Favor Quintiles



(1) See appendix, slide 23 for the reconciliation of Net Income to Adjusted EBITDA
(2) Covance and PAREXEL

Appendix

Service Revenues Reconciliation

Service Revenues Reconciliation

	Year Ended December 31				
(In Thousands)	2012	2011	2010	2009	2008
Non-GAAP Adjusted Service Revenues:					
GAAP Service Revenues as Reported	$3,692,298	$3,294,966	$3,060,950	$3,010,793	$2,875,595
Deconsolidation of PharmaBio	–	–	(64,198)	(87,002)	(93,651)
Non-GAAP Adjusted Service Revenues	**$3,692,298**	**$3,294,966**	**$2,996,752**	**$2,923,791**	**$2,781,944**

EBITDA Reconciliation

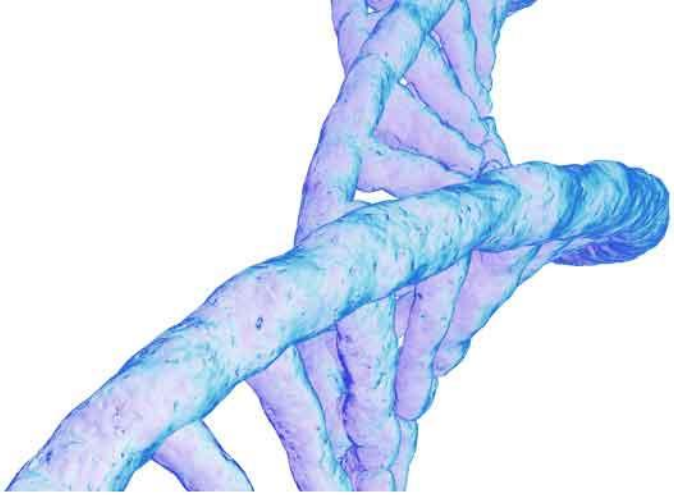
EBITDA Reconciliation

	Year Ended December 31				
(In Thousands)	2012	2011	2010	2009	2008
Non-GAAP Adjusted EBITDA:					
GAAP Net Income as Reported	$176,631	$240,327	$165,255	$209,578	$35,295
Interest Expense, Net	131,304	105,126	137,631	106,037	135,432
Income Tax Expense	93,364	15,105	77,582	88,253	124,854
Depreciation and Amortization	98,288	92,004	84,217	78,379	77,322
Restructuring Costs	18,741	22,116	22,928	(141)	2,369
Transaction Expenses	–	–	–	–	37,500
Impairment Charges	–	12,295	2,844	15,453	26,876
Incremental Share-based Compensation Expense	13,637	2,553	–	7,086	–
Bonus Paid to Certain Holders of Stock Options	11,308	10,992	–	9,962	–
Management Fees	5,309	5,213	5,159	5,068	4,913
Loss on Extinguishment of Debt	1,275	46,377	–	–	–
Other (Income) Expense, Net	(3,572)	9,073	15,647	9,622	(14,792)
Gain on Sale of Business Assets	–	–	–	–	(17,472)
Equity in Losses (Earnings) from Unconsolidated Affiliates	(2,567)	(70,757)	(1,110)	2,729	(8,054)
Gain from Sale of Discontinued Operation	–	–	–	–	(3,833)
Deconsolidation of PharmaBio	–	–	(47,393)	(68,141)	(77,287)
Non-GAAP Adjusted EBITDA	**$543,718**	**$490,424**	**$462,760**	**$463,885**	**$323,123**
% of Adjusted Service Revenues	**14.7%**	**14.9%**	**15.4%**	**15.9%**	**11.6%**

Net Income Reconciliation

Net Income Reconciliation

	Year Ended December 31				
(In Thousands)	**2012**	**2011**	**2010**	**2009**	**2008**
Non-GAAP Adjusted Net Income:					
GAAP Net Income as Reported	$176,631	$240,327	$165,255	$209,578	$35,295
Net (Income) Loss Attributable to Noncontrolling Interests	915	1,445	(4,659)	485	(154)
Restructuring Costs	18,741	22,116	22,928	(141)	2,369
Transaction Expenses	–	–	–	–	37,500
Impairment Charges	–	12,295	2,844	15,453	26,876
Incremental Share-based Compensation Expense	13,637	2,553	–	7,086	–
Bonus Paid to Certain Holders of Stock Options	11,308	10,992	–	9,962	–
Management Fees	5,309	5,213	5,159	5,068	4,913
Loss on Extinguishment of Debt	1,275	46,377	–	–	–
Interest Rate Swap Termination Fee	–	11,630	–	–	–
Gain on Sale of Business Assets	–	(74,880)	–	–	(17,472)
Gain from Sale of Discontinued Operation (Net of Tax)	–	–	–	–	(2,285)
Deconsolidation of PharmaBio	–	–	(28,979)	(31,020)	(21,918)
Tax Effect of Non-GAAP Adjustments	(18,885)	(21,063)	(752)	(2,467)	9,714
Other Income tax Adjustments	–	(66,000)	–	–	(4,600)
Non-GAAP Adjusted Net Income	**$208,931**	**$191,005**	**$161,796**	**$214,004**	**$70,238**
% of Adjusted Service Revenues	**5.6%**	**5.8%**	**5.4%**	**7.3%**	**2.5%**



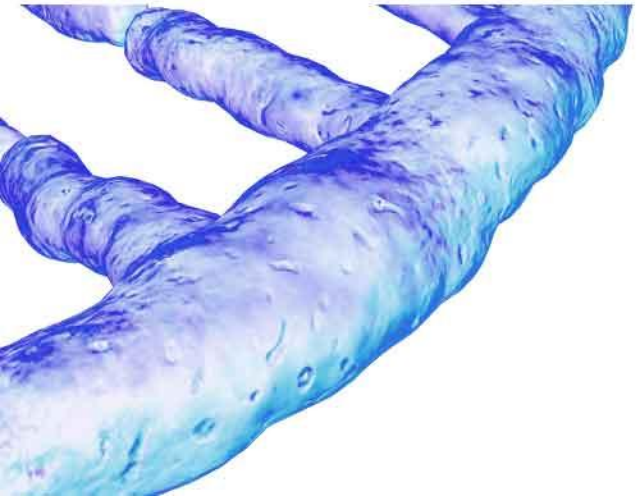
QUINTILES®

Navigating the new health

Second Quarter 2013 Earnings Call



August 1, 2013



Copyright © 2013 Quintiles

Second Quarter 2013 Overview

✓Continue to execute on strategy

- *Our strategy and diversity of our business continue to differentiate Quintiles*
- *Operational delivery excellence will enable us to drive profitable growth*
- *We are focused on bringing a strong value proposition to our customers*

✓New business continues to be strong

- Fourth sequential quarter with at least $1 billion of net new business
- Increased RFP volume in Product Development
- 16% year to date net new business growth led by 22% growth in Product Development
- Year to date consolidated book-to-bill ratio of 1.21x; $9 billion of backlog at of the end of second quarter 2013

✓Solid financial results

- Adjusted income from operations growth of 8.4%
- 100 basis point increase in adjusted operating income margin to 13.1% for the second quarter
- 12.6% growth in adjusted net income with 6.4% increase in diluted adjusted EPS to $0.50 per share

Financial Statement Highlights and Other Metrics

(millions of dollars)	Three Months Ended June 30			Six Months Ended June 30		
	2013	2012	% Change	2013	2012	% Change
Net New Business	$ 1,014.0	$ 900.0	13.0%	$ 2,259.0	$ 1,952.0	16.0%
Service Revenues	$ 944.2	$ 944.9	-0.1%	$ 1,871.7	$ 1,832.9	2.1%
Adjusted Income from Operations	$ 124.1	$ 114.5	8.4%	$ 242.5	$ 220.8	9.8%
Adjusted Income from Operations Margin	13.1%	12.1%	8.5%	13.0%	12.1%	7.5%
Adjusted EBITDA[1]	$ 149.1	$ 138.2	7.9%	$ 292.1	$ 267.8	9.1%
Adjusted Net Income Attributable to Quintiles	$ 62.9	$ 55.9	12.6%	$ 120.5	$ 108.0	11.6%
Diluted Adjusted EPS [1]	$ 0.50	$ 0.47	6.4%	$ 0.98	$ 0.92	6.5%

Second Quarter 2013 Highlights

- ✓ Fourth sequential quarter of at least $1 billion of net new business; 13% growth in the quarter and 16% growth year to date
- ✓ 100 basis points of expansion in adjusted income from operations margin for the quarter
- ✓ 12.6% growth in adjusted net income
- ✓ $21.8 million of negative foreign currency impact on service revenues
- ✓ Tax rate reduced to 31.8% year to date principally due to ASC 740 Income Taxes assertion change
- ✓ Debt pay down of $350 million with IPO proceeds reducing net debt[2] outstanding to $1,460 million compared to $1,854 million at December 31, 2012

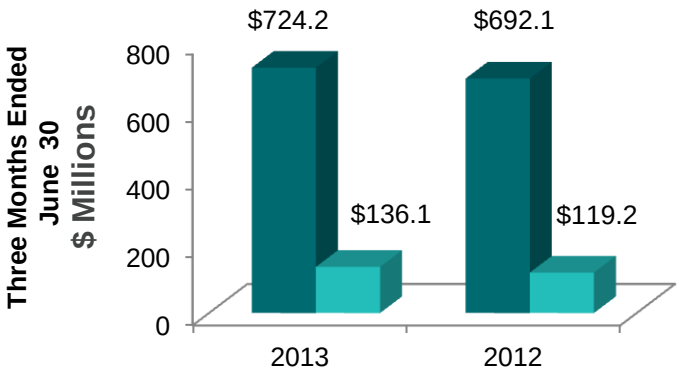
[1]Diluted EPS is represented in dollars versus millions of dollars.
[2]Net debt outstanding is equal to total debt and capital lease obligations less cash and cash equivalents

Reconciliations of the non-GAAP measures adjusted income from operations, adjusted income from operations margin, Adjusted EBITDA, adjusted net income attributable to Quintiles, and diluted adjusted earnings per share to the corresponding GAAP measures are attached in the Supplemental Information section of this presentation.

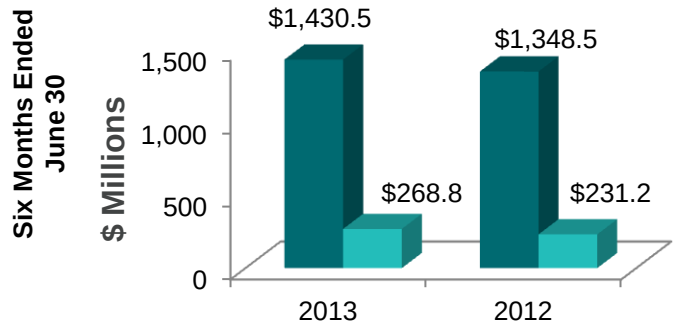
Segment Performance

Service Revenues and Income from Operations

Product Development

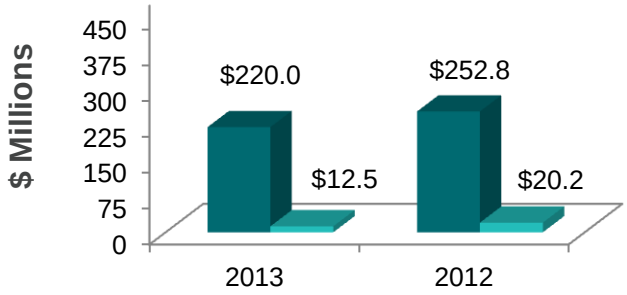


Actual Growth	**4.6% / 14.2%**
Constant Growth [1]	**5.8% / 10.7%**
Margin	**18.8% / 17.2%**

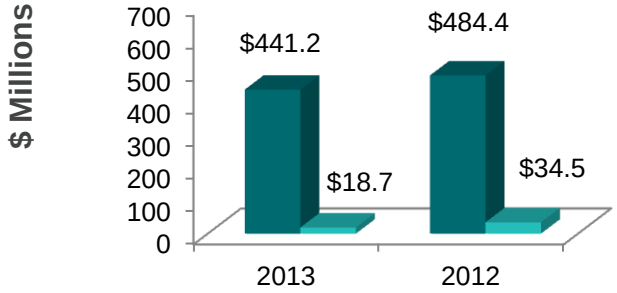


Actual Growth	**6.1% / 16.3%**
Constant Growth[1]	**7.2% / 13.1%**
Margin	**18.8% / 17.1%**

Integrated Healthcare Services



	(13.0%) / (38.1%)
	(7.6%) / (26.7%)
	5.7% / 8.0%



	(8.9%) / (45.8%)
	(4.1%) / (35.8%)
	4.2% / 7.1%

Certain costs are not allocated to the Company's segments and are reported as general corporate and unallocated expenses. These costs primarily consist of share-based compensation and expenses for corporate overhead functions such as finance, human resources, information technology, facilities and legal. The Company does not allocate restructuring or impairment charges to its segments.

[1]The constant currency calculation is provided in the Supplemental Information section of this presentation.

2013 Guidance

Service Revenues range of $3.76 billion to $3.81billion

- 3.8% to 5.2% year over year constant currency growth

Diluted Adjusted Earnings per share range of $1.95 to $2.05

- 10.2% to 15.8% year over year growth range at forecasted rates

Annual Effective Income Tax Rate in the range of 30% to 32%

This financial guidance is based on the actual results for the first half of 2013 combined with the expected results for the second half of 2013 assuming that June foreign currency exchange rates stay in effect for the remainder of the year.

A reconciliation of forecasted diluted adjusted earnings per share to diluted GAAP net income per share is provided in the Supplemental Information section of this presentation.

Summary

1. Strong half year performance
   - ✓ 16% net new business growth
   - ✓ 4.2% constant currency service revenues growth
   - ✓ 11.6% growth in adjusted net income
2. Continue to execute operational strategy
   - ✓ Increase market penetration with profitable growth
   - ✓ Leverage scientific knowledge and clinical experience
   - ✓ Continued refinement of technology platforms and data driven platforms
   - ✓ Driving productivity, delivery, and quality while focusing on the patient
   - ✓ Supplement capabilities and growth through acquisitions
3. Full year guidance
   - ✓ 3.8% to 5.2% service revenues growth at constant currency
   - ✓ 10.2% to 15.8% diluted adjusted EPS growth

Supplemental Information

Constant Currency Reconciliation

Contractual Revenue Currency Mix and Foreign Exchange Analysis

Income Statement Non-GAAP Reconciliation

Adjusted Net Income and EPS Reconciliation

Adjusted EBITDA Reconciliation

Non-GAAP 2013 Guidance Reconciliation



Constant Currency Reconciliation
Service Revenues and Income from Operations

(millions of dollars)	*Three Months Ended June 30, 2013*			*Year on Year Growth*		
Consolidated	**Actual**	**Exchange Impact**	**Constant**	**Actual**	**Exchange Impact**	**Constant**
Service Revenues	$ 944.2	$ (21.8)	$ 966.0	-0.1%	-2.3%	2.2%
Income from Operations	$ 94.9	$ 2.1	$ 92.8	-5.9%	2.1%	-8.0%
Adjusted Income from Operations	$ 124.1	$ 2.2	$ 121.9	8.4%	1.9%	6.5%
Product Development						
Service Revenues	$ 724.2	$ (8.3)	$ 732.5	4.6%	-1.2%	5.8%
Income from Operations	$ 136.1	$ 4.2	$ 131.9	14.2%	3.5%	10.7%
Integrated Healthcare Services						
Service Revenues	$ 220.0	$ (13.5)	$ 233.5	-13.0%	-5.3%	-7.6%
Income from Operations	$ 12.5	$ (2.3)	$ 14.8	-38.1%	-11.5%	-26.7%

(millions of dollars)	*Six Months Ended June 30, 2013*			*Year on Year Growth*		
Consolidated	**Actual**	**Exchange Impact**	**Constant**	**Actual**	**Exchange Impact**	**Constant**
Service Revenues	$ 1,871.7	$ (38.4)	$ 1,910.1	2.1%	-2.1%	4.2%
Income from Operations	$ 210.1	$ 4.4	$ 205.7	8.9%	2.3%	6.6%
Adjusted Income from Operations	$ 242.5	$ 4.4	$ 238.0	9.8%	2.0%	7.8%
Product Development						
Service Revenues	$ 1,430.5	$ (15.1)	$ 1,445.6	6.1%	-1.1%	7.2%
Income from Operations	$ 268.8	$ 7.4	$ 261.4	16.3%	3.2%	13.1%
Integrated Healthcare Services						
Service Revenues	$ 441.2	$ (23.3)	$ 464.5	-8.9%	-4.8%	-4.1%
Income from Operations	$ 18.7	$ (3.4)	$ 22.1	-45.8%	-10.0%	-35.8%

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

Contractual Revenue Currency Mix and Foreign Exchange Analysis

	Consolidated Service Revenues (millions of dollars)					
	USD	Sterling	Euro	Yen	Other [1]	Total
2Q '13	$582.7	$65.1	$161.5	$96.7	$38.3	$944.2
% of total	*62%*	*7%*	*17%*	*10%*	*4%*	*100%*
2Q '12	$577.3	$86.4	$164.6	$116.6	$0.0	$944.9
% of total	*61%*	*9%*	*17%*	*12%*	*0%*	*100%*

2Q '13 Average Rate	$1.54	$1.31	¥98.75
2Q '12 Average Rate	$1.58	$1.28	¥80.08
% Increase (Decrease)	(3.0%)	1.7%	(18.9%)

	Consolidated Service Revenues (millions of dollars)					
	USD	Sterling	Euro	Yen	Other [1]	Total
YTD 2013	$1,160.1	$140.3	$321.7	$192.4	$57.1	$1,871.7
% of total	*62%*	*7%*	*17%*	*10%*	*3%*	*100%*
YTD 2012	$1,138.8	$152.3	$310.1	$227.8	$4.0	$1,832.9
% of total	*62%*	*8%*	*17%*	*12%*	*0%*	*100%*

YTD '13 Average Rate	$1.54	$1.31	¥95.52
YTD '12 Average Rate	$1.58	$1.30	¥79.68
% Increase (Decrease)	(2.1%)	1.2%	(16.6%)

(1) Other includes a mix of more than 40 currencies.

Income Statement
GAAP – Non-GAAP Reconciliation

Three Months Ended June 30, 2013 *(millions of dollars)*	Selling, General and Administrative	Income from Operations	Net Income Attributable to Quintiles
As Reported	**$ 228.8**	**$ 94.9**	**$ 38.5**
Adjustments			
Restructuring Costs	-	2.8	2.8
Management Fees	(26.4)	26.4	26.4
Loss on Extinguishment of Debt	-	-	16.5
Tax Effect of Adjustments	-	-	(17.1)
Other Income Tax Adjusments	-	-	(4.2)
Adjusted Non-GAAP Basis	**$ 202.4**	**$ 124.1**	**$ 62.9**
% of Service Revenues	**21.4%**	**13.1%**	**6.7%**

Three Months Ended June 30, 2012 *(millions of dollars)*	Selling, General and Administrative	Income from Operations	Net Income Attributable to Quintiles
As Reported	**$ 203.5**	**$ 100.9**	**$ 47.2**
Adjustments			
Restructuring Costs	-	12.3	12.3
Management Fees	(1.3)	1.3	1.3
Tax Effect of Adjustments	-	-	(4.9)
Adjusted Non-GAAP Basis	**$ 202.2**	**$ 114.5**	**$ 55.9**
% of Service Revenues	**21.4%**	**12.1%**	**5.9%**

Income Statement
GAAP – Non-GAAP Reconciliation

Six Months Ended June 30, 2013 *(millions of dollars)*	Selling, General and Administrative	Income from Operations	Net Income Attributable to Quintiles
As Reported	**$ 428.1**	**$ 210.1**	**$ 86.8**
Adjustments			
Restructuring Costs	-	4.7	4.7
Management Fees	(27.7)	27.7	27.7
Loss on Extinguishment of Debt	-	-	16.5
Tax Effect of Adjustments	-	-	(18.3)
Other Income Tax Adjusments	-	-	3.1
Adjusted Non-GAAP Basis	**$ 400.4**	**$ 242.5**	**$ 120.5**
% of Service Revenues	**21.4%**	**13.0%**	**6.4%**

Six Months Ended June 30, 2012 *(millions of dollars)*	Selling, General and Administrative	Income from Operations	Net Income Attributable to Quintiles
As Reported	**$ 409.3**	**$ 192.9**	**$ 90.5**
Adjustments			
Restructuring Costs	-	12.0	12.0
Incremental Share-Based Compensation	(4.5)	4.5	4.5
Bonus paid to Holders of Stock Options	(8.9)	8.9	8.9
Management Fees	(2.6)	2.6	2.6
Tax Effect of Adjustments	-	-	(10.5)
Adjusted Non-GAAP Basis	**$ 393.3**	**$ 220.9**	**$ 108.0**
% of Service Revenues	**22.2%**	**12.1%**	**5.9%**

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

(millions of dollars)	Three Months Ended June 30				Six Months Ended June 30			
	2013	EPS [1]	2012	EPS [1]	2013	EPS [1]	2012	EPS [1]
Net Income Attributable to Quintiles	**$ 38.5**	**$ 0.30**	**$ 47.2**	**$ 0.40**	**$ 86.8**	**$ 0.71**	**$ 90.5**	**$ 0.77**
Restructuring Charges	2.8	0.02	12.3	0.10	4.7	0.04	12.0	0.10
Incremental Share-Based Compensation	-	-	-	-	-	-	4.5	0.04
Bonus Paid to Holders of Stock Options	-	-	-	-	-	-	8.9	0.08
Management Fees	26.4	0.21	1.3	0.01	27.7	0.23	2.6	0.02
Loss on Extinguishment of Debt	16.5	0.13	-	-	16.5	0.13	-	-
Tax Effect of Adjustments [2]	(17.1)	(0.13)	(4.9)	(0.04)	(18.3)	(0.15)	(10.5)	(0.09)
Other Income Tax Adjusments	(4.2)	(0.03)	-	-	3.1	0.02	-	-
Non-GAAP Adjusted Net Income	**$ 62.9**	**$ 0.50**	**$ 55.9**	**$ 0.47**	**$ 120.5**	**$ 0.98**	**$ 108.0**	**$ 0.92**

[1]EPS is represented in dollars versus millions of dollars.
[2]The tax effect of adjustments was based on the respective transactions income tax rate, which was 38.5%, with the exception of restructuring costs which were tax effected at 26.4% in the 2013 periods and 36.0% in the 2012 periods.

Reconciliation of Net Income Attributable to Quintiles to Non-GAAP Adjusted EBITDA

(millions of dollars)	Three Months Ended June 30 2013	Three Months Ended June 30 2012	Six Months Ended June 30 2013	Six Months Ended June 30 2012
Net Income Attributable to Quintiles	$ 38.5	$ 47.2	$ 86.8	$ 90.5
Income from Noncontrolling Interests	(0.1)	(0.2)	(0.3)	(0.7)
Interest Expense, Net	31.1	32.8	66.7	61.7
Income Tax Expense	8.8	27.6	41.0	51.8
Depreciation and Amortization	25.0	23.7	49.6	47.0
Restructuring Charges	2.8	12.3	4.7	12.0
Incremental Share-Based Compensation	-	-	-	4.5
Bonus Paid to Holders of Stock Options	-	-	-	8.9
Management Fees	26.4	1.3	27.7	2.6
Loss on Extinguishment of Debt	16.5	-	16.5	-
Other Income	0.6	(6.2)	(1.8)	(8.6)
(Gain) Loss from Unconsolidated Affiliates	(0.5)	(0.3)	1.2	(1.9)
Non-GAAP Adjusted EBITDA	$ 149.1	$ 138.2	$ 292.1	$ 267.8
% of Service Revenues	15.8%	14.6%	15.6%	14.6%

Non-GAAP 2013 Guidance Reconciliation

	Non-GAAP Adjusted Net Income *(millions of dollars)*			Diluted Adjusted Earnings Per Share		
	Low		High	Low		High
Net income attributable to Quintiles	$208	-	$220	$1.63	-	$1.73
Restructuring costs	15	-	15	0.12	-	0.12
Management fees	28	-	28	0.22	-	0.22
Loss on extinguishment of debt	17	-	17	0.13	-	0.13
Tax effect of adjustments	(21)	-	(21)	(0.17)	-	(0.17)
Other income tax adjustments[1]	3	-	3	0.02	-	0.02
Adjusted net income and diluted adjusted earnings per share	$250	-	$262	$1.95	-	$2.05

(1) The tax effect of adjustments is based on the respective transaction's income tax rate, which is 38.5% with the exception of restructuring costs which are tax effected at approximately 30%.