



Myriad Genetics Fiscal Fourth-Quarter 2017 Earnings Call

08/08/2017

Forward Looking Statements

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Some of the information presented here today may contain projections or other forward-looking statements regarding future events or the future financial performance of the Company. These statements are based on management's current expectations and the actual events or results may differ materially and adversely from these expectations. We refer you to the documents the Company files from time to time with the Securities and Exchange Commission, specifically, the Company's annual reports on Form 10-K, its quarterly reports on Form 10-Q, and its current reports on Form 8-K. These documents identify important risk factors that could cause the actual results to differ materially from those contained in the Company's projections or forward-looking statements.

Non-GAAP Financial Measures

In this presentation, the Company's financial results and financial guidance are provided in accordance with accounting principles generally accepted in the United States (GAAP) and using certain non-GAAP financial measures. The Company's financial measures under GAAP include substantial one-time charges related to its acquisitions and ongoing amortization expense related to acquired intangible assets that will be recognized over the useful lives of the assets and charges related to executive severance. Management believes that presentation of operating results that excludes these items provides useful supplemental information to investors and facilitates the analysis of the Company's core operating results and comparison of operating results across reporting periods. Management also uses non-GAAP financial measures to establish budgets and to manage the Company's business. A reconciliation of the GAAP to non-GAAP financial guidance is provided below.

	Fiscal Year 2018
GAAP diluted earnings per share	\$0.37 - \$0.42
Acquisition – amortization of intangible assets	\$0.53
One time charges	\$0.10
Non-GAAP diluted earnings per share	\$1.00 - \$1.05
	Fiscal First-Quarter 2018
GAAP diluted earnings per share	\$0.05 - \$0.07
Acquisition – amortization of intangible assets	\$0.12
One time charges	\$0.02
Non-GAAP diluted earnings per share	\$0.19 - \$0.21

For additional information on GAAP to non-GAAP reconciliation see:
<https://www.myriad.com/investors/gaap-to-non-gaap-reconciliation/>



FY2017 Fourth-Quarter Financial Results

Significantly Exceeded Expectations

	4Q17 Actual Results	4Q16 Actual Results	YoY Change	Guidance
Revenue	\$200.5	\$186.5	8%	\$192 - \$194 million
GAAP EPS	\$0.19	\$0.32	(41%)	\$0.11 - \$0.13
Adjusted EPS	\$0.30	\$0.36	(17%)	\$0.26 - \$0.28

Critical Success Factors to Achieving Strategic Goals

STRATEGIC GOALS

>10%
Revenue Growth

>30%
Operating Margin

7 Products
>\$50M

>10%
International
Revenue

CRITICAL SUCCESS FACTORS

Stabilize hereditary cancer revenue

Grow new product volume

**Expand reimbursement coverage
for new products**

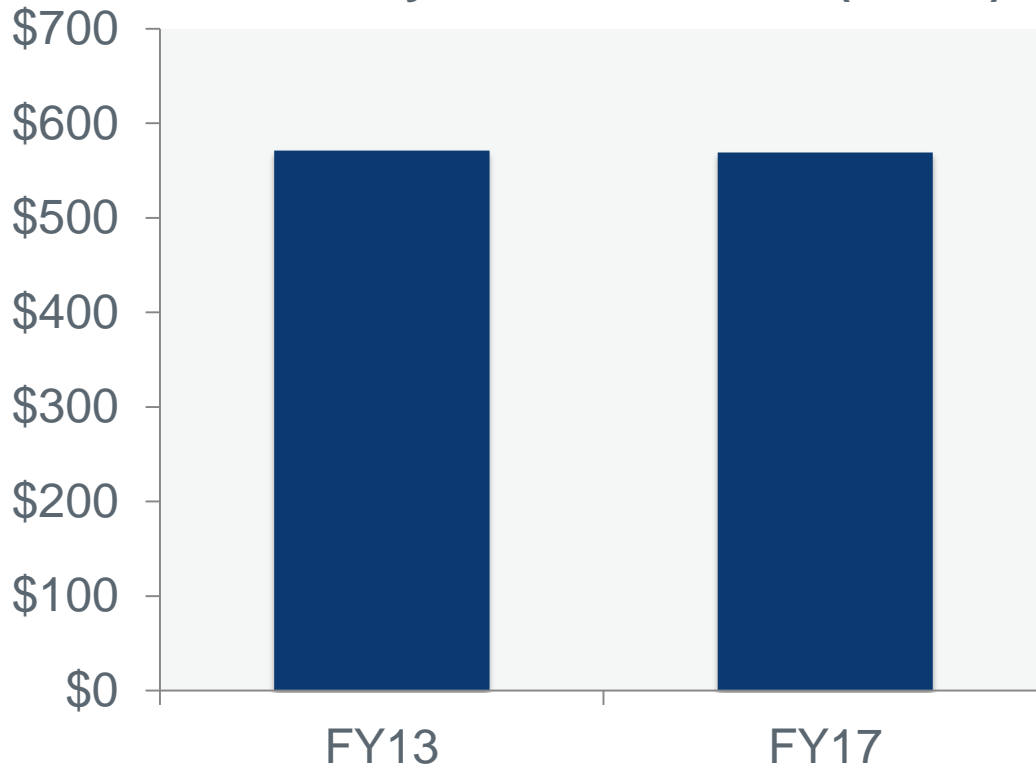
**Increase RNA kit revenue
internationally**

**Improve profitability with
Elevate 2020**

Stabilize Hereditary Cancer Revenue

Significant Progress Made in Fiscal Year 2017

Hereditary Cancer Revenue (in mil.)



VOLUME

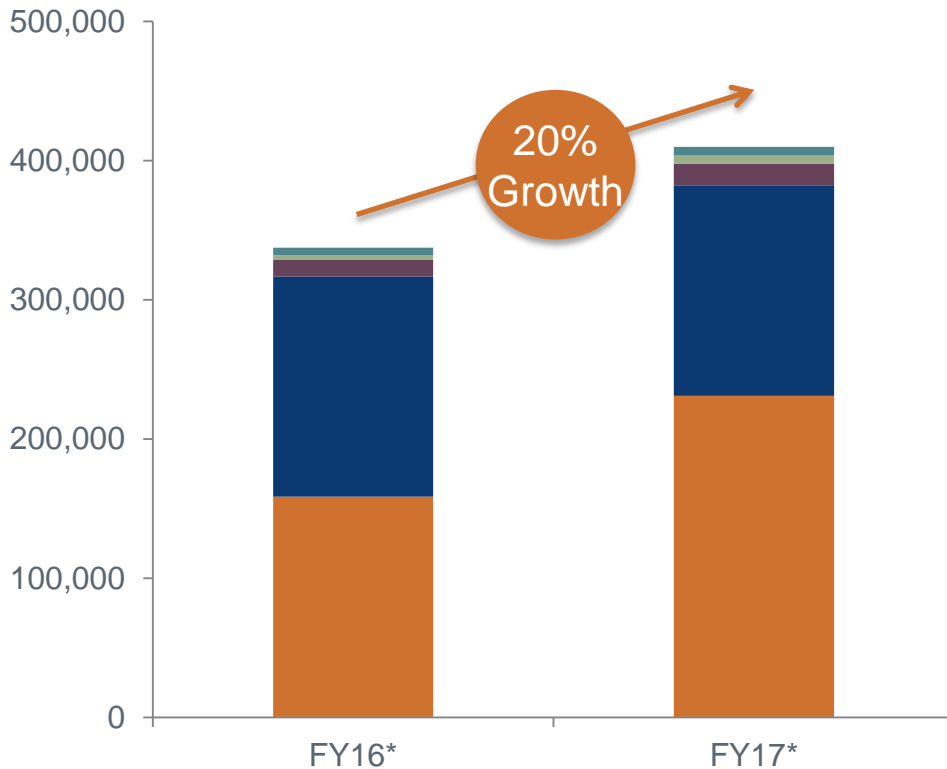
- Up 15% with flat revenue after 4 years of competition
- 6% year-over-year volume growth in 4Q17

PRICING

- 86% under long-term, fixed-price contracts
- Predictable pricing in fiscal year 2019 and 2020

Grow New Product Volume

20% New Product Volume Growth in Fiscal Year 2017



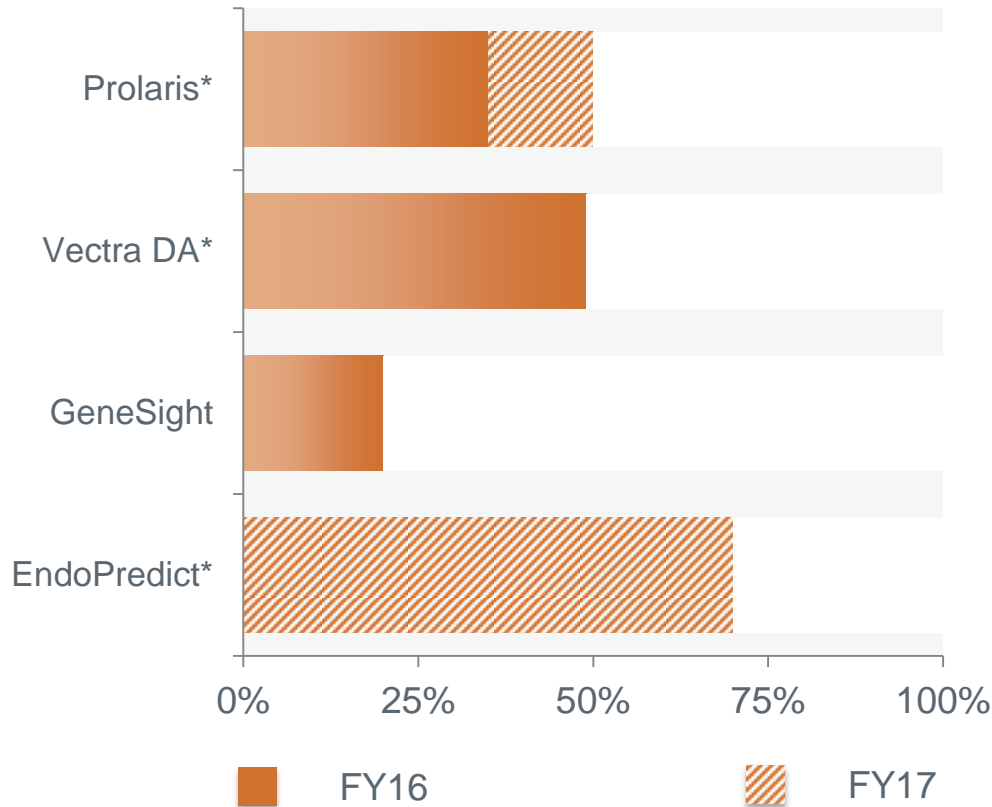
- Two-thirds of test volume
- Acquired Assurex and achieved profitability in 9 months
- Acquired Sividon
- GeneSight volume +45%
- EndoPredict volume +67% and launched in the U.S.
- Prolaris volume +26%

■ GeneSight ■ Vectra DA ■ Prolaris
■ EndoPredict ■ myPath Melanoma

* normalized for a full year

Expand Reimbursement Coverage for New Products

Significant Progress with EndoPredict and Prolaris



- Prolaris received LCD for favorable intermediate patients
- EndoPredict covered for 120M commercial lives and received draft LCD from Medicare
- myPath Melanoma dossier submitted to Medicare/private payers
- GeneSight completed enrollment in 1,200 patient utility study and initiated multiple payer demonstration projects

Fiscal Fourth-Quarter 2017 Revenue By Product

Increased Eight Percent Over Q4 Fiscal Year 2016

(in millions)

Product	4Q17	4Q16	YoY Growth
Hereditary Cancer	\$144.6	\$152.8	(5%)
GeneSight	\$25.5	NA*	NM
Vectra DA	\$10.3**	\$12.7	(19%)
Prolaris	\$2.9	\$3.5	(17%)
EndoPredict	\$2.0	\$1.7	18%
Other	\$2.6	\$3.0	(13%)
Total Molecular Diagnostic Revenue	\$187.9	\$173.7	8%
Pharmaceutical & Clinical Services	\$12.6	\$12.7	(1%)
Total Revenue	\$200.5	\$186.4	8%

* Prior to the completion of the Assurex Health acquisition

** Negatively impacted by approximately \$2 million in delayed Medicare payment

Fiscal Fourth-Quarter Financial Results

(in millions except per share data)	4Q17	4Q16	YoY Growth
Total Revenue	\$200.5	\$186.5	8%
Gross Profit	\$158.0	\$146.5	8%
Gross Margin	78.8%	78.6%	
Operating Income	\$17.1	\$35.7	(52%)
Adjusted Operating Income	\$28.0	\$39.0	(28%)
Adjusted Operating Margin	14.0%	20.9%	
Net Income	\$12.9	\$23.4	(45%)
Diluted EPS	\$0.19	\$0.32	(41%)
Adjusted EPS	\$0.30	\$0.36	(17%)



FY18 and 1Q18 Financial Guidance

Metric	Fiscal Year 2018	Fiscal First-Quarter 2018
Revenue	\$750 to \$770 million	\$181 to \$183 million
GAAP Diluted EPS	\$0.37 to \$0.42	\$0.05 to \$0.07
Adjusted EPS	\$1.00 to \$1.05	\$0.19 to \$0.21

For additional information on GAAP to non-GAAP reconciliation see: <https://www.myriad.com/investors/gaap-to-non-gaap-reconciliation/>

Launching Elevate 2020

Goal of Achieving \$50M in Incremental Operating Profit by FY20



Potential Catalysts in Fiscal Year 2018

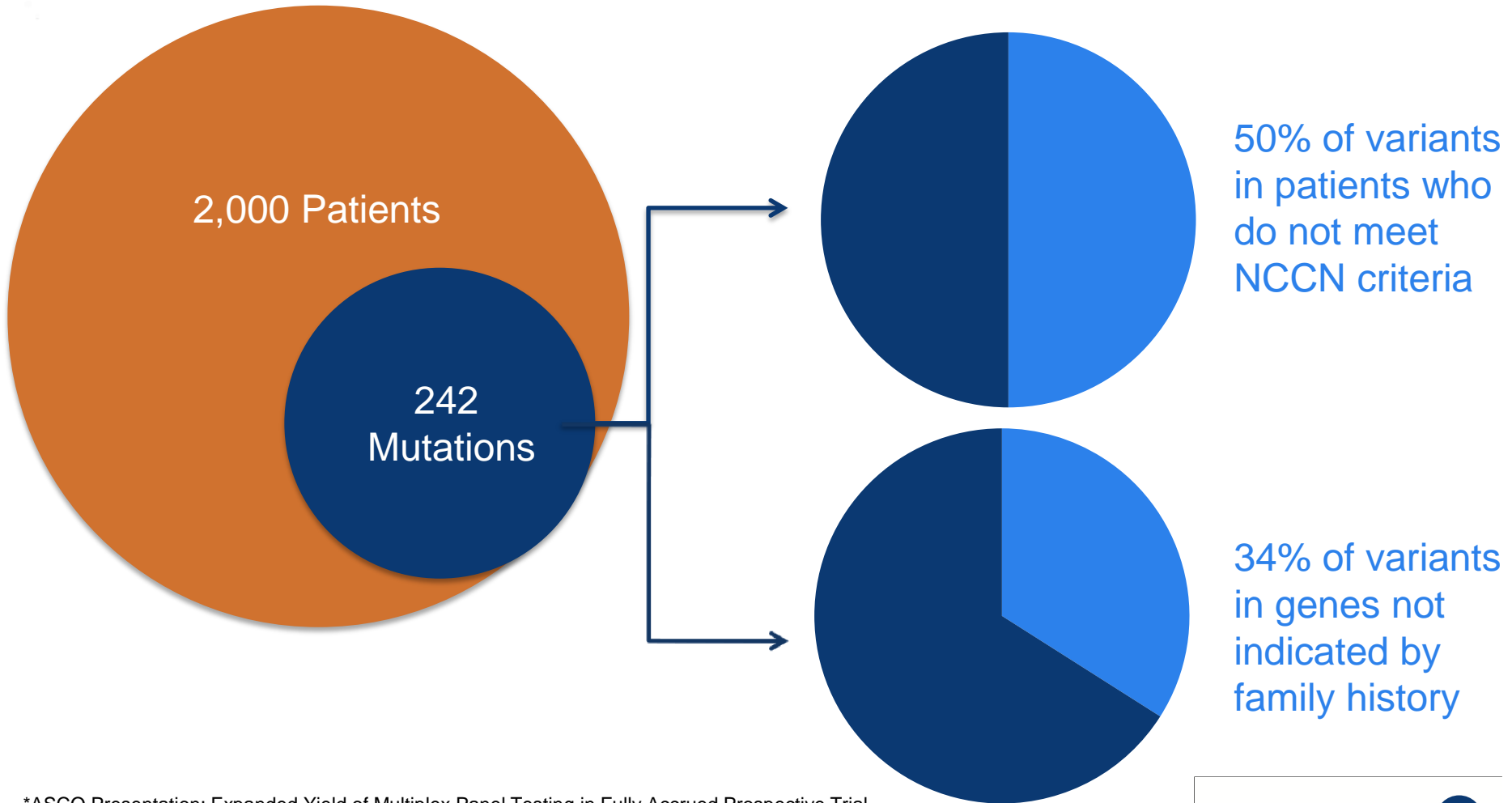
Multiple Possibilities for Material Upsides

Potential Catalyst	Potential Timing	Opportunity	Annualized Revenue Impact	Annualized EPS Impact
Hereditary Cancer Better Volume Growth	FY18	6% Growth 9% Growth	\$15M \$30M	\$0.12 \$0.24
BRACAnalysis CDx Metastatic Breast Cancer Indication	2H FY18	10% Penetration 30% Penetration	\$25M \$75M	\$0.19 \$0.57
GeneSight Additional Reimbursement	FY18	Top Commercial Payer 3 Top 10 Payers	\$40M \$60M	\$0.36 \$0.54
Vectra DA ACR Guidelines & Reimbursement	2H FY18	Top Commercial Payer 3 Top 10 Payers	\$6M \$9M	\$0.05 \$0.08
Prolaris Additional Reimbursement	FY18	Top Commercial Payer 3 Top 10 Payers	\$3M \$5M	\$0.03 \$0.05
EndoPredict Increased Adoption in U.S.	FY18	5% market penetration	\$12M	\$0.09
myPath Melanoma Additional Reimbursement	FY18	Medicare Coverage	\$2M	\$0.02



ASCO Study Supports Expanded Testing Criteria

50% of Mutations Were in Patients that Did Not Meet Criteria

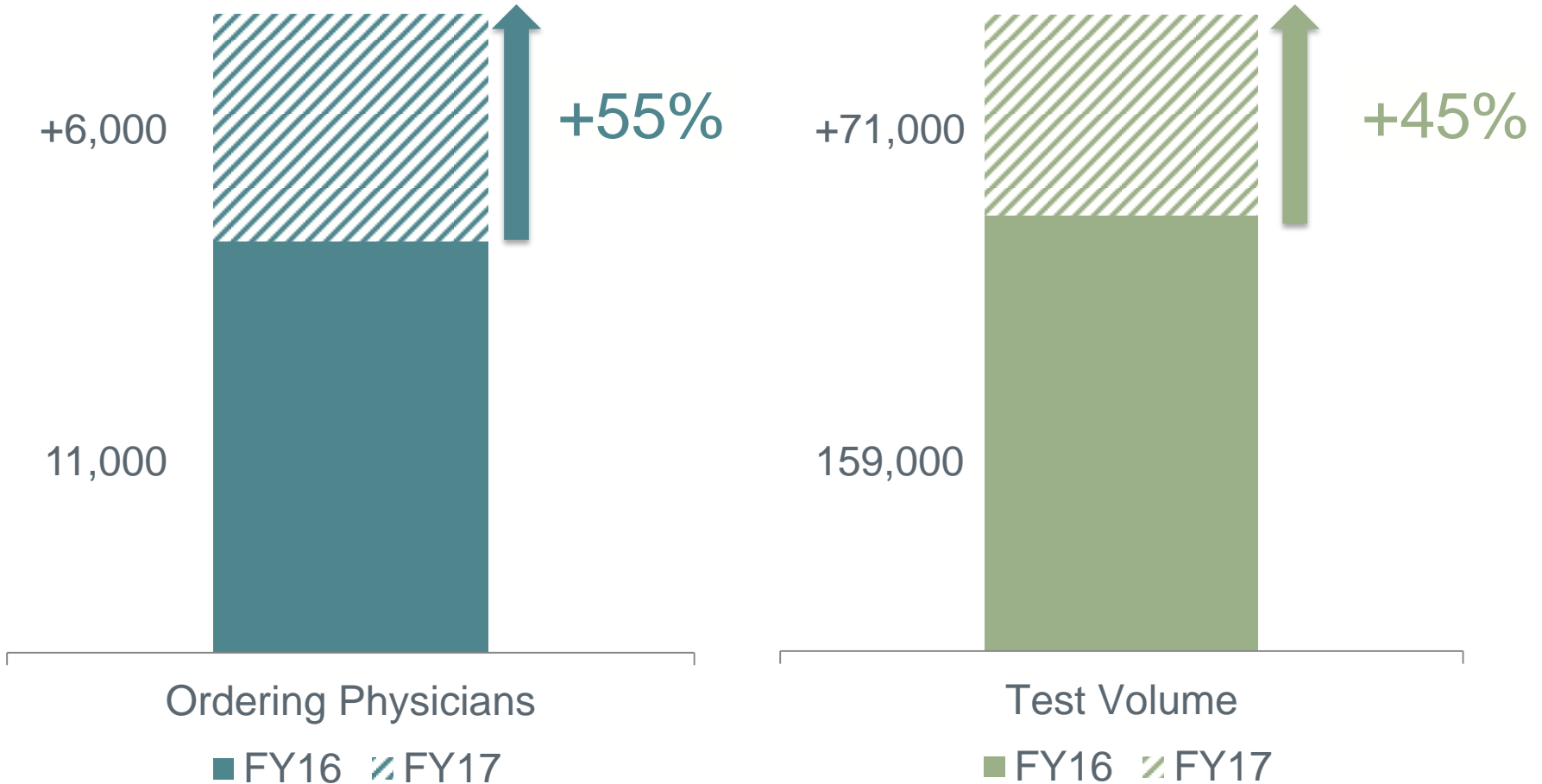


*ASCO Presentation: Expanded Yield of Multiplex Panel Testing in Fully Accrued Prospective Trial

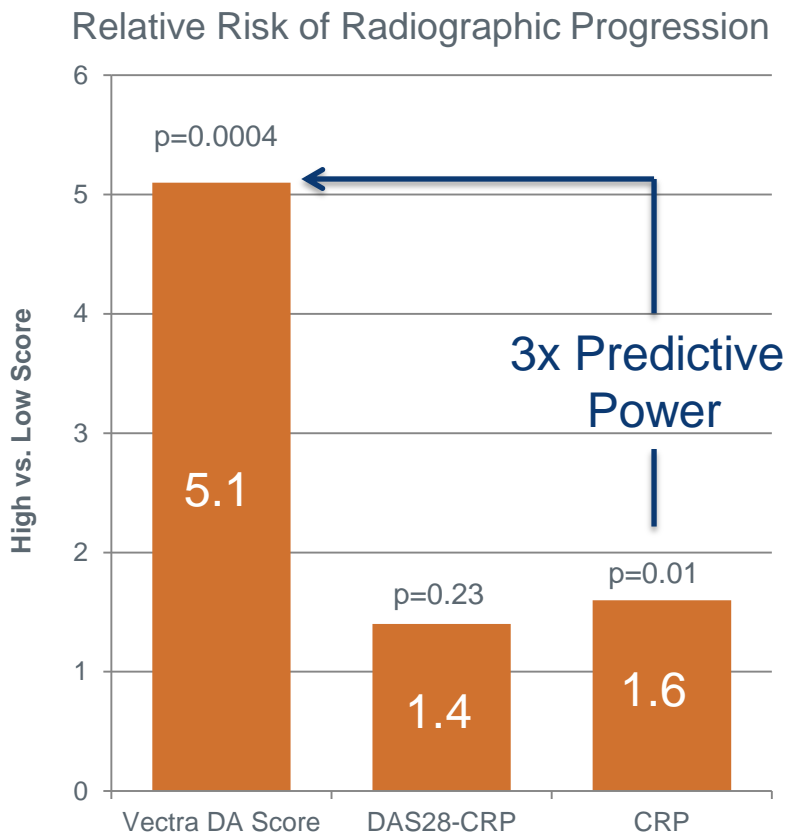


GeneSight Growth Fundamentals Are Strong

Ordering Physician Growth Up 55%; GeneSight Volume Up 45%



Six Studies Show Vectra DA Predicts Radiographic Progression (RP) Greater Than 3x the Predictive Power of Standard Measures



Study	N	Overall RP (%)	Relative Risk	P-Value
Leiden	163	17%	4.3	<0.0001
OPERA Year 1	164	26%	9.5	0.0009
SWEFOT Year 1	235	18%	7.1	0.008
Meta-Analysis (Leiden + OPERA + SWEFOT Year 1)			5.1	<0.0001
SWEFOT Year 2	133	13%	6.2	0.0001
AMPLE Year 1 (Abatacept)	181	10%	4.5	0.003
AMPLE ⁵ Year 1 (Adalimumab)	186	11%	3.6	0.002

[1] LEIDEN: van der Helm-van Mil et al. *Rheumatology (Oxford)*. 2013;53:839–846.

[2] OPERA: Brahe et al. *Arthritis Rheumatol*. ACR 2016 Abstract 2520.

[3] SWEFOT Year 1: Hambardzumyan K, et al. *Ann Rheum Dis*. 2015;74:1102–9.

[4] SWEFOT Year 2: Hambardzumyan K et al. *RMD Open*. 2016 Mar 1;2(1):e000197.

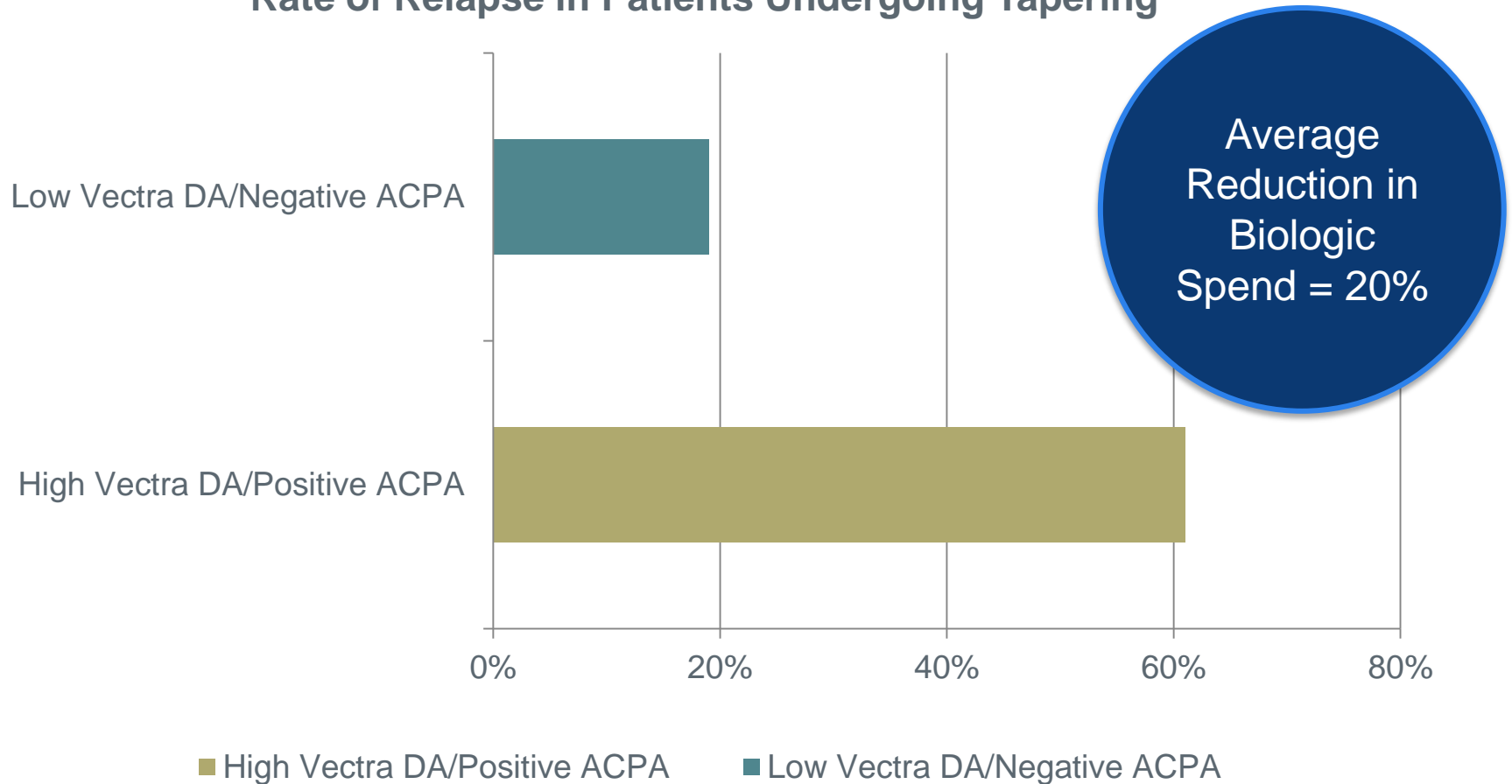
[5] Curtis et al. *Arthritis Rheumatol*. 2016 Nov 3. doi: 10.1002/art.39981 and Fleischmann et al. *Arthritis Rheumatol*. 2016 Dec 19. DOI: 10.1002/art.40021.



Vectra DA Can Predict Patients Who Can Safely Undergo Tapering

Average Reduction in Biologic Spend = 20%

Rate of Relapse in Patients Undergoing Tapering

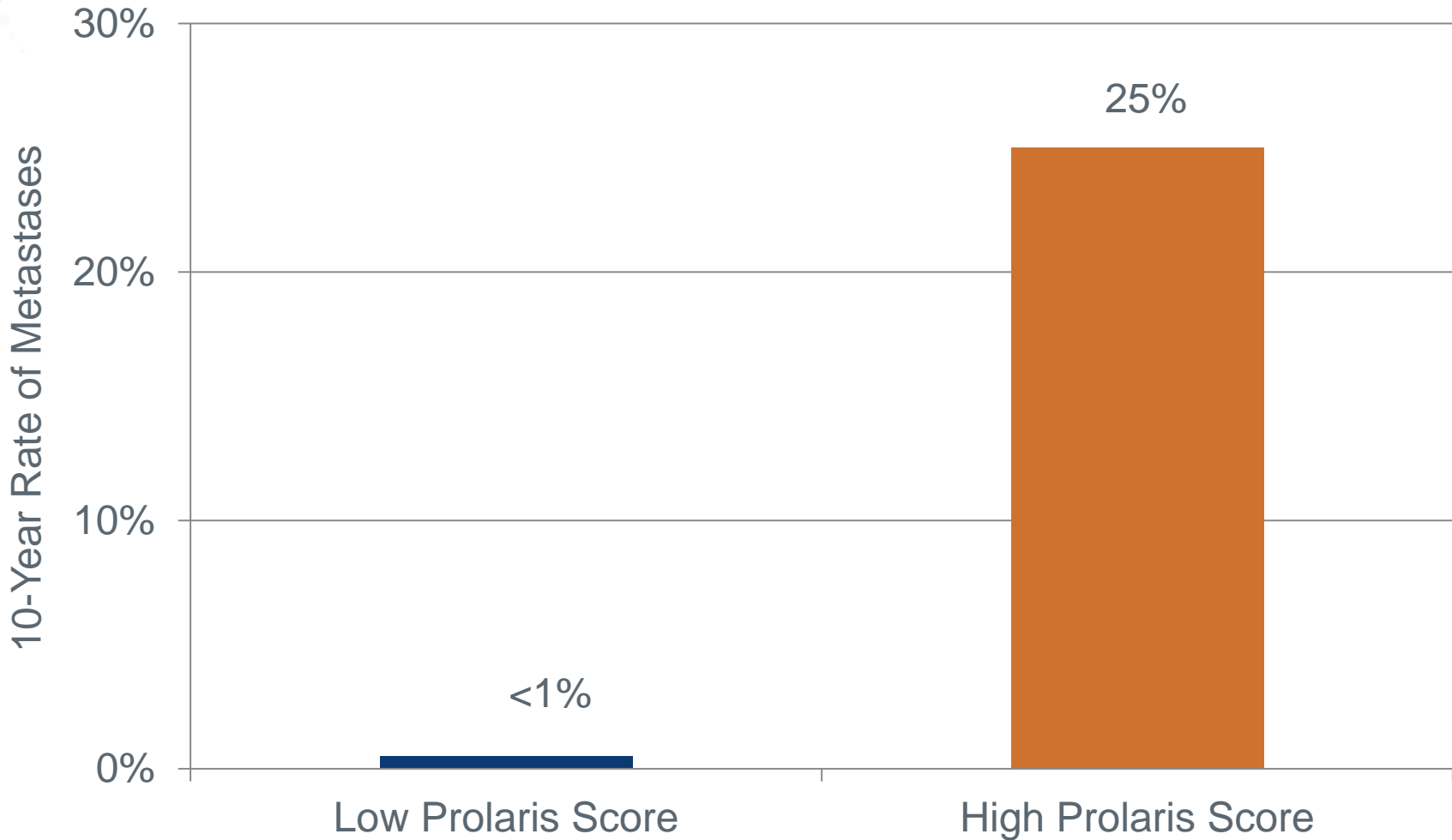


*Multi-Biomarker Disease Activity and Autoantibody Status Lead To Cost Effective Tapering Algorithms in Rheumatoid Arthritis Patients in Sustained Remission



Prolaris Can Predict Risk of 10-Year Metastases

Rate of Metastases >25x Higher In Patients With High Prolaris Score

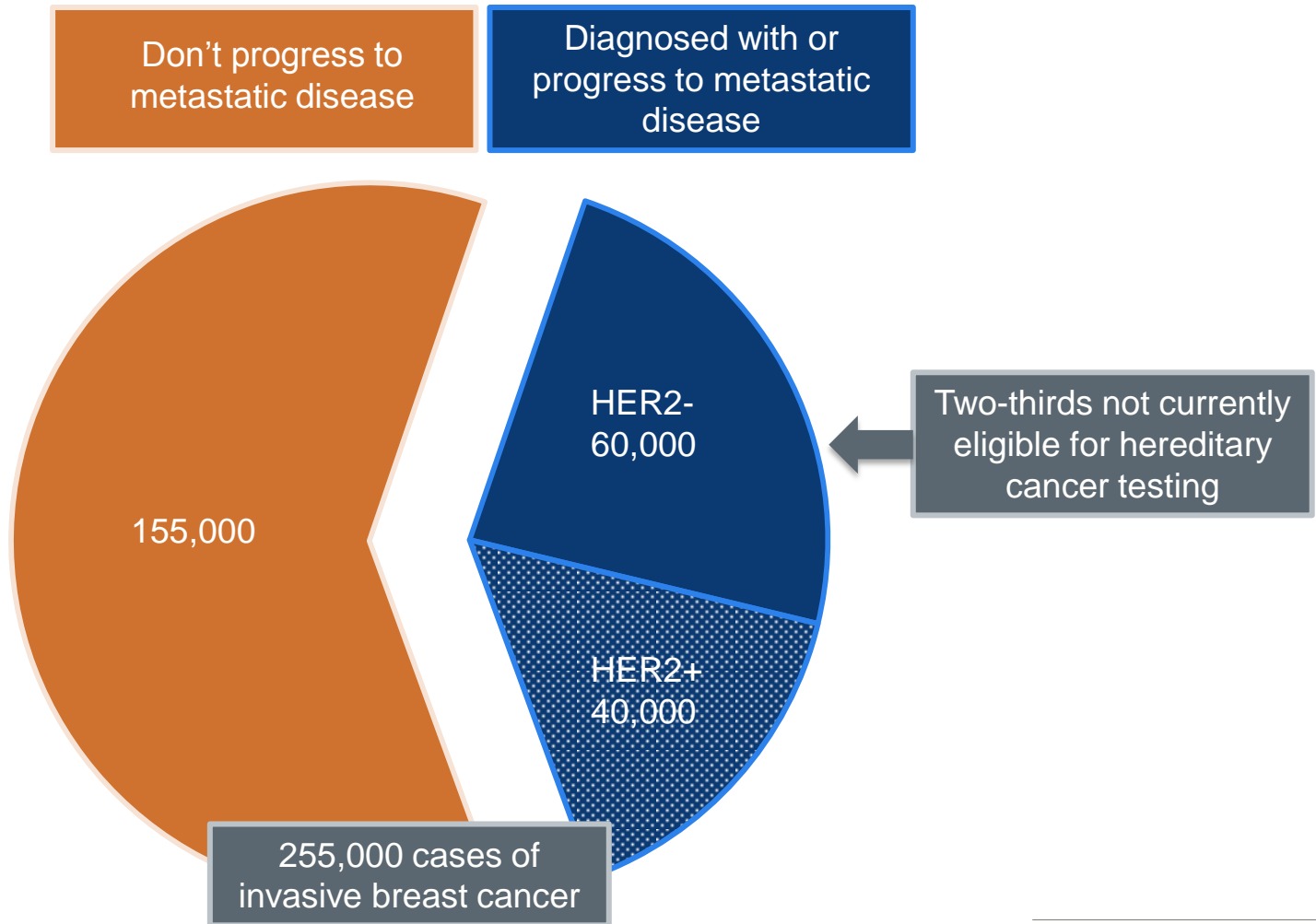


* AUA Presentation: Comparing the Prognostic Utility of the CCP Score for Predicting Metastatic Disease in African American and Non-African American Men with Prostate Cancer



New Indication Would Represent 60,000 Patients/Yr

3x the Size of Ovarian Cancer Market



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