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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended December 31, 2014

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number: 0-26642

MYRIAD GENETICS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**87-0494517**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
320 Wakara Way, Salt Lake City, UT	**84108**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (801) 584-3600

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "accelerated filer," "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. Check one:

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of January 29, 2014 the registrant had 71,118,496 shares of $0.01 par value common stock outstanding.

MYRIAD GENETICS, INC.

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MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(In thousands, except per share amounts)	December 31, 2014	June 30, 2014
Assets		
Current assets:		
Cash and cash equivalents	$ 59,709	$ 64,821
Restricted cash	22,138	—
Marketable investment securities	105,406	121,641
Prepaid expenses	7,694	6,921
Inventory	20,173	23,919
Trade accounts receivable, less allowance for doubtful accounts of $7,929 at December 31, 2014 and $8,968 at June 30, 2014	81,222	81,297
Deferred taxes	12,813	6,445
Prepaid taxes	5,602	13,609
Other receivables	5,331	3,770
Total current assets	320,088	322,423
Equipment and leasehold improvements:		
Equipment	95,349	80,685
Leasehold improvements	18,913	18,922
	114,262	99,607
Less accumulated depreciation	67,804	65,013
Net equipment and leasehold improvements	46,458	34,594
Long-term marketable investment securities	42,300	84,124
Long-term deferred taxes	—	3,180
Other assets	5,000	5,000
Intangibles, net	198,827	205,312
Goodwill	169,181	169,181
Total assets	$ 781,854	$ 823,814
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 16,833	$ 23,078
Accrued liabilities	41,180	56,410
Deferred revenue	1,824	1,090
Total current liabilities	59,837	80,578
Long-term deferred taxes	2,450	—
Unrecognized tax benefits	25,326	24,238
Total liabilities	87,613	104,816
Stockholders' equity:		
Preferred stock, $0.01 par value, authorized 5,000 shares, no shares issued and outstanding	—	—
Common stock, $0.01 par value, authorized 150,000 shares at December 31, 2014 and June 30, 2014, issued and outstanding 71,518 at December 31, 2014 and 73,497 at June 30, 2014	719	735
Additional paid-in capital	734,679	717,774
Accumulated other comprehensive loss	(4,182)	(1,515)
Accumulated (deficit)/retained earnings	(36,975)	2,004
Total stockholders' equity	694,241	718,998
Total liabilities and stockholders' equity	$ 781,854	$ 823,814

See accompanying notes to condensed consolidated financial statements (unaudited).

MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME (UNAUDITED)

(In thousands, except per share amounts)	Three Months Ended December 31, 2014	Three Months Ended December 31, 2013	Six Months Ended December 31, 2014	Six Months Ended December 31, 2013
Molecular diagnostic testing	$179,149	$196,158	$343,656	$389,144
Pharmaceutical and clinical services	5,244	7,902	9,574	17,383
Total revenue	184,393	204,060	353,230	406,527
Costs and expenses:				
Cost of molecular diagnostic testing	35,050	22,755	67,847	44,194
Cost of pharmaceutical and clinical services	2,802	3,376	4,870	7,418
Research and development expense	17,504	17,090	40,116	33,893
Selling, general, and administrative expense	92,695	77,840	178,135	155,119
Total costs and expenses	148,051	121,061	290,968	240,624
Operating income	36,342	82,999	62,262	165,903
Other income (expense):				
Interest income	85	1,330	140	2,691
Other income (expense)	1,513	(185)	1,416	(623)
Total other income	1,598	1,145	1,556	2,068
Income before income taxes	37,940	84,144	63,818	167,971
Income tax provision	13,909	33,784	23,805	62,146
Net income	$ 24,031	$ 50,360	$ 40,013	$105,825
Earnings per share:				
Basic	$ 0.33	$ 0.67	$ 0.55	$ 1.37
Diluted	$ 0.32	$ 0.66	$ 0.53	$ 1.33
Weighted average shares outstanding				
Basic	72,467	75,070	72,615	77,323
Diluted	75,401	76,825	75,755	79,312
Comprehensive income:				
Net income	$ 24,031	$ 50,360	$ 40,013	$105,825
Unrealized gain (loss) on available-for-sale securities, net of tax	(145)	253	(277)	538
Change in foreign currency translation adjustment, net of tax	(1,669)	(112)	(2,390)	392
Comprehensive income	$ 22,217	$ 50,501	$ 37,346	$106,755

See accompanying notes to condensed consolidated financial statements (unaudited).

MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(In thousands)	Six Months Ended December 31, 2014	2013
Cash flows from operating activities:		
Net income	$ 40,013	$ 105,825
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	11,990	4,811
Loss (gain) on disposition of assets	(16)	40
Share-based compensation expense	19,028	13,792
Bad debt expense	13,959	21,793
Accreted interest on note receivable	—	(1,333)
Unrecognized tax benefits	1,088	2,600
Excess tax benefit from share-based compensation	(2,629)	(592)
Gain on remeasurement of foreign currency	(535)	—
Deferred income taxes	1,891	(1,826)
Changes in operating assets and liabilities:		
Prepaid expenses	(773)	1,807
Trade accounts receivable	(13,886)	(11,597)
Other receivables	(1,561)	(172)
Prepaid taxes	8,007	—
Inventory	3,746	—
Accounts payable	(6,245)	(536)
Accrued liabilities	(15,233)	1,510
Deferred revenue	734	1,909
Net cash provided by operating activities	59,578	138,031
Cash flows from investing activities:		
Capital expenditures for equipment and leasehold improvements	(17,448)	(8,098)
Restricted cash	(21,603)	—
Purchases of marketable investment securities	(22,623)	(102,661)
Proceeds from maturities and sales of marketable investment securities	80,502	113,032
Net cash provided by investing activities	18,828	2,273
Cash flows from financing activities:		
Net proceeds from common stock issued under share-based compensation plans	20,195	6,362
Excess tax benefit from share-based compensation	2,629	592
Repurchase and retirement of common stock	(103,952)	(180,124)
Net cash used in financing activities	(81,128)	(173,170)
Effect of foreign exchange rates on cash and cash equivalents	(2,390)	392
Net decrease in cash and cash equivalents	(5,112)	(32,474)
Cash and cash equivalents at beginning of period	64,821	104,073
Cash and cash equivalents at end of period	$ 59,709	$ 71,599

MYRIAD GENETICS, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(1) Basis of Presentation

The accompanying condensed consolidated financial statements have been prepared by Myriad Genetics, Inc. (the "Company") in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and pursuant to the applicable rules and regulations of the Securities and Exchange Commission ("SEC"). The condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. In the opinion of management, the accompanying financial statements contain all adjustments (consisting of normal and recurring accruals) necessary to present fairly all financial statements in accordance with GAAP. The condensed consolidated financial statements herein should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the fiscal year ended June 30, 2014, included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2014. Operating results for the three and six months ended December 31, 2014 may not necessarily be indicative of results to be expected for any other interim period or for the full year.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Certain reclassifications have been made to prior period amounts to conform to the current period presentation. For the six months ended December 31, 2013, a reclassification from proceeds from maturities and sales of marketable securities was made to the effect of foreign exchange rates on cash and cash equivalents in the condensed consolidated statement of cash flows to conform to current-year presentation.

(2) Marketable Investment Securities

The Company has classified its marketable investment securities as available-for-sale securities. These securities are carried at estimated fair value with unrealized holding gains and losses, net of the related tax effect, included in accumulated other comprehensive loss in stockholders' equity until realized. Gains and losses on investment security transactions are reported on the specific-identification method. Dividend and interest income are recognized when earned. The amortized cost, gross unrealized holding gains, gross unrealized holding losses, and fair value for available-for-sale securities by major security type and class of security at December 31, 2014 and June 30, 2014 were as follows:

(In thousands)	Amortized cost	Gross unrealized holding gains	Gross unrealized holding losses	Estimated fair value
At December 31, 2014:				
Cash and cash equivalents:				
Cash	$ 57,010	$ —	$ —	$ 57,010
Cash equivalents	2,699	—	—	2,699
Restricted cash	22,138	—	—	22,138
Total cash, cash equivalents and restricted cash	81,847	—	—	81,847
Available-for-sale securities:				
Corporate bonds and notes	45,181	5	(18)	45,168
Municipal bonds	83,506	141	(40)	83,607
Federal agency issues	18,933	2	(4)	18,931
Total available-for-sale securities	147,620	148	(62)	147,706
Total cash, cash equivalents, restricted cash and available-for-sale securities	$229,467	$ 148	$ (62)	$229,553

(In thousands)	Amortized cost	Gross unrealized holding gains	Gross unrealized holding losses	Estimated fair value
At June 30, 2014:				
Cash and cash equivalents:				
Cash	$ 45,181	$ —	$ —	$ 45,181
Cash equivalents	19,639	1	—	19,640
Total cash and cash equivalents	64,820	1	—	64,821
Available-for-sale securities:				
Corporate bonds and notes	44,449	36	(11)	44,474
Municipal bonds	137,821	334	(3)	138,152
Federal agency issues	23,134	12	(7)	23,139
Total available-for-sale securities	205,404	382	(21)	205,765
Total cash, cash equivalents and available-for-sale securities	$270,224	$ 383	$ (21)	$270,586

Cash, cash equivalents, restricted cash, and maturities of debt securities classified as available-for-sale securities are as follows at December 31, 2014:

(In thousands)	Amortized cost	Estimated fair value
Cash	$ 57,010	$ 57,010
Cash equivalents	2,699	2,699
Restricted cash	22,138	22,138
Available-for-sale:		
Due within one year	105,370	105,406
Due after one year through five years	42,250	42,300
Due after five years	—	—
	$229,467	$229,553

The Company has restricted cash of $22.1 million at December 31, 2014. Restricted cash consists of a pledged account for a specific contractual arrangement and is subject to certain contingences that must be met in the future.

(3) Share-Based Compensation

The Company maintains a share-based compensation plan, the 2010 Employee, Director and Consultant Equity Incentive Plan, as amended (the "2010 Plan"), that has been approved by the Company's shareholders. The 2010 Plan allows the Company, under the direction of the Compensation Committee of the Board of Directors, to make grants of stock options, restricted and unrestricted stock awards and other stock-based awards to employees, consultants and directors. On December 5, 2013, the shareholders approved an amendment to the 2010 Plan to set the number of shares available for grant to 3,500,000. At December 31, 2014, 1,809,802 shares were available for issuance. In addition, as of December 31, 2014, the Company may grant up to 4,496,736 additional shares under the 2010 Plan if options previously granted under the Company's terminated 2003 Employee, Director and Consultant Option Plan are cancelled or expire without the issuance of shares of common stock by the Company.

The number of shares, terms, and vesting period of awards under the 2010 Plan are determined by the Compensation Committee of the Board of Directors for each equity award. Stock options granted under the plan prior to December 5, 2012 generally vest ratably over four years and expire ten years from the grant date. Stock options granted after December 5, 2012 generally vest ratably over four years and expire eight years from the grant date. The exercise price of options granted is equivalent to the fair market value of the stock on the grant date. In September 2014, the Company began issuing restricted stock units ("RSUs") which vest ratably over four years on the anniversary date of the grant in lieu of stock options to all employees and directors. The number of RSUs awarded to certain executive officers may be reduced if certain additional functional performance metrics are not met.

Stock Options

A summary of the stock option activity under the Company's plans for the six months ended December 31, 2014 is as follows:

	Number of shares	Weighted average exercise price
Options outstanding at June 30, 2014	14,238,603	$ 23.30
Options granted	1,000	37.17
Less:		
Options exercised	873,774	19.91
Options canceled or expired	254,087	25.75
Options outstanding at December 31, 2014	13,111,742	$ 23.48

As of December 31, 2014, options to purchase 8,803,382 shares were vested and exercisable at a weighted average price of $22.64.

As of December 31, 2014, there was $28.7 million of total unrecognized share-based compensation expense related to stock options that will be recognized over a weighted-average period of 1.92 years.

Restricted Stock Units

A summary of the RSU activity under the Company's plans for the six months ended December 31, 2014 is as follows:

	Number of shares	Weighted average grant date fair value
RSUs outstanding at June 30, 2014	—	$ —
RSUs granted	1,179,633	37.85
Less:		
RSUs vested	—	—
RSUs canceled	79,450	38.12
RSUs outstanding at December 31, 2014	1,100,183	$ 37.84

The grant date fair value of an RSU equals the closing price of our common stock on the grant date. The weighted average grant date fair value for the six months ended December 31, 2014 is $37.85. As of December 31, 2014, no RSUs were vested.

As of December 31, 2014, there was $31.3 million of total unrecognized share-based compensation expense related to RSUs that will be recognized over a weighted-average period of 2.98 years. This unrecognized compensation expense is equal to the fair value of RSUs expected to vest.

Employee Stock Purchase Plan

The Company also has an Employee Stock Purchase Plan that was approved by shareholders in 2012 (the "2012 Purchase Plan"), under which 2,000,000 shares of common stock have been authorized. Shares are issued under the 2012 Purchase Plan twice yearly at the end of each offering period. As of December 31, 2014, approximately 334,000 shares of common stock have been issued under the 2012 Purchase Plan and approximately 1,666,000 were available for issuance.

Share-Based Compensation Expense

Share-based compensation expense recognized and included in the condensed consolidated statements of income and comprehensive income was allocated as follows:

	Three months ended December 31,		Six months ended December 31,	
(*In thousands*)	2014	2013	2014	2013
Cost of molecular diagnostic testing	$ 249	$ 209	$ 447	$ 432
Cost of pharmaceutical and clinical services	123	74	283	137
Research and development expense	1,252	846	2,017	1,627
Selling, general, and administrative expense	10,523	5,728	16,281	11,596
Total share-based compensation expense	$12,147	$6,857	$19,028	$13,792

In October 2014 the Company and its former Chief Financial Officer entered into a resignation agreement under which the vesting of certain awards were modified such that the specified awards were vested in full. As a result of this award modification the company recognized approximately $3.1 million in share-based compensation expense for the three and six months ending December 31, 2014.

(4) Stockholders' Equity

Share Repurchase Program

In November 2013, the Company's Board of Directors authorized a share repurchase program of $300 million of the Company's outstanding common stock. The Company plans to repurchase its common stock from time to time or on an accelerated basis through open market transactions or privately negotiated transactions as determined by the Company's management. The amount and timing of stock repurchases under the program will depend on business and market conditions, stock price, trading restrictions, acquisition activity and other factors. As of December 31, 2014, approximately $61.7 million remained available for repurchases under the current program.

The Company uses the par value method of accounting for its stock repurchases. As a result of the stock repurchases, the Company reduced common stock and additional paid-in capital and recorded charges to retained earnings. The shares retired, aggregate common stock and additional paid-in capital reductions, and related charges to retained earnings for the repurchases for the three and six months ended December 31, 2014 and 2013 were as follows:

	December 31,		December 31,	
(In thousands)	2014	2013	2014	2013
Shares purchased and retired	1,733	3,185	2,950	6,991
Common stock and additional paid-in-capital reductions	$14,765	$25,096	$24,960	$ 55,036
Charges to retained earnings	$43,559	$52,713	$78,992	$125,088

(5) Earnings Per Share

Basic earnings per share is computed based on the weighted-average number of shares of the Company's common stock outstanding. Diluted earnings per share is computed based on the weighted-average number of shares of the Company's common stock, including the dilutive effect of common stock equivalents outstanding.

The following is a reconciliation of the denominators of the basic and diluted earnings per share computations:

	Three months ended December 31,		Six months ended December 31,	
(In thousands)	2014	2013	2014	2013
Denominator:				
Weighted-average shares outstanding used to compute basic earnings per share	72,467	75,070	72,615	77,323
Effect of dilutive common stock equivalents	2,934	1,755	3,140	1,989
Weighted-average shares outstanding and dilutive securities used to compute dilutive earnings per share	75,401	76,825	75,755	79,312

Certain outstanding stock options and RSUs were excluded from the computation of diluted earnings per share for the three and six months ended December 31, 2014 and 2013 because the effect would have been anti-dilutive. These potential dilutive common shares, which may be dilutive to future diluted earnings per share, are as follows:

	Three months ended December 31,		Six months ended December 31,	
(In thousands)	2014	2013	2014	2013
Anti-dilutive options and RSUs excluded from EPS computation	844	8,500	39	7,136

(6) Segment and Related Information

The Company's business units have been aggregated into three reportable segments: (i) research, (ii) molecular diagnostics and (iii) pharmaceutical and clinical services. The research segment is focused on the discovery of genes, biomarkers and proteins related to major common diseases and includes corporate services such as finance, human resources, legal, and information technology. The molecular diagnostics segment provides testing that is designed to assess an individual's risk for developing disease later in life, identify a patient's likelihood of responding to drug therapy and guide a patient's dosing to ensure optimal treatment, or assess a patient's risk of

disease progression and disease recurrence. The pharmaceutical and clinical services segment provides testing products and services to the pharmaceutical, biotechnology and medical research industries. The Company evaluates segment performance based on results from operations before interest income and expense and other income and expense.

Segment revenue and operating income (loss) were as follows during the periods presented:

(In thousands)	Molecular diagnostics	Pharmaceutical & clinical services	Research	Total
Three months ended December 31, 2014:				
Revenue	$179,149	5,244	—	$184,393
Depreciation and amortization	4,991	450	595	6,036
Segment operating income (loss)	59,017	(1,011)	(21,664)	36,342
Three months ended December 31, 2013:				
Revenue	$196,158	7,902	—	$204,060
Depreciation and amortization	1,467	489	482	2,438
Segment operating income (loss)	98,233	1,052	(16,286)	82,999
Six months ended December 31, 2014:				
Revenue	$343,656	9,574	—	$353,230
Depreciation and amortization	9,969	899	1,122	11,990
Segment operating income (loss)	104,101	(2,794)	(39,045)	62,262
Six months ended December 31, 2013:				
Revenue	$389,144	17,383	—	$406,527
Depreciation and amortization	2,830	989	992	4,811
Segment operating income (loss)	195,981	2,889	(32,967)	165,903

	Three months ended December 31,		Six months ended December 31,	
(In thousands)	2014	2013	2014	2013
Total operating income for reportable segments	$36,342	$82,999	$62,262	$165,903
Interest income	85	1,330	140	2,691
Other	1,513	(185)	1,416	(623)
Income tax provision	13,909	33,784	23,805	62,146
Net income	$24,031	$50,360	$40,013	$105,825

(7) Fair Value Measurements

The fair value of the Company's financial instruments reflects the amounts that the Company estimates it will receive in connection with the sale of an asset or pay in connection with the transfer of a liability in an orderly transaction between market participants at the measurement date (exit price). The fair value hierarchy prioritizes the use of inputs used in valuation techniques into the following three levels:

Level 1— quoted prices in active markets for identical assets and liabilities.

Level 2— observable inputs other than quoted prices in active markets for identical assets and liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Some of the Company's marketable securities primarily utilize broker quotes in a non-active market for valuation of these securities.

Level 3— unobservable inputs.

All of the Company's financial instruments are valued using quoted prices in active markets or based on other observable inputs. For Level 2 securities, the Company uses a third party pricing service which provides

documentation on an ongoing basis that includes, among other things, pricing information with respect to reference data, methodology, inputs summarized by asset class, pricing application and corroborative information. The Company reviews, tests and validates this information. The following table sets forth the fair value of the financial assets that the Company re-measured on a regular basis:

(In thousands)	Level 1	Level 2	Level 3	Total
at December 31, 2014:				
Money market funds (a)	$ 2,699	$ —	$ —	$ 2,699
Corporate bonds and notes	—	45,167	—	45,167
Municipal bonds	—	83,608	—	83,608
Federal agency issues	—	18,931	—	18,931
Total	$ 2,699	$147,706	$ —	$150,405

(In thousands)	Level 1	Level 2	Level 3	Total
at June 30, 2014:				
Money market funds (a)	$13,634	$ —	$ —	$ 13,634
Corporate bonds and notes	—	44,474	—	44,474
Municipal bonds	—	144,158	—	144,158
Federal agency issues	—	23,139	—	23,139
Total	$13,634	$211,771	$ —	$225,405

(a) Money market funds are primarily comprised of exchange traded funds and accrued interest

(8) Income Taxes

In order to determine the Company's quarterly provision for income taxes, the Company used an estimated annual effective tax rate that is based on expected annual income and statutory tax rates in the various jurisdictions in which the Company operates. Certain significant or unusual items are separately recognized in the quarter during which they occur and can be a source of variability in the effective tax rates from quarter to quarter.

Income tax expense for the three months ended December 31, 2014 was $13.9 million, or approximately 37% of pre-tax income, compared to $33.8 million, for the three months ended December 31, 2013, or approximately 40% of pre-tax income. Income tax expense for the six months ended December 31, 2014 was $23.8 million, or approximately 37% of pre-tax income, compared to $62.1 million, or approximately 37% of pre-tax income. Income tax expense for the three and six months ended December 31, 2014 is based on the Company's estimated annual effective tax rate for the full fiscal year ending June 30, 2015, adjusted by discrete items recognized during the period. For the three months ended December 31, 2014, the Company's recognized effective tax rate differs from the U.S. federal statutory rate of 35% primarily due to the effect of state income taxes and the impact from the exclusion of certain losses incurred from our international operations offset by the benefits realized from the timing differences related to the recognition of the tax effect of equity compensation expense from incentive stock options and the deduction realized when those options are disqualified upon exercise and sale.

The Company files U.S., foreign and state income tax returns in jurisdictions with various statutes of limitations. The Company's New Jersey State income tax returns for the years ended June 30, 2007 through 2013 are currently under examination by the New Jersey State Department of Taxation and Finance. Annual and interim tax provisions include amounts considered necessary to pay assessments that may result from examination of prior year tax returns; however, the amount ultimately paid upon resolution of issues may differ materially from the amount accrued. The Company's U.S. federal tax return and other state tax returns are not currently under examination.

(9) Acquisition

On February 28, 2014, the Company completed the acquisition of privately-held Crescendo Bioscience, Inc. ("Crescendo"), pursuant to an Amended and Restated Agreement and Plan of Merger, dated February 2, 2014 (the "Merger Agreement"). Pursuant to the terms of the Merger Agreement, Myriad acquired Crescendo for total consideration of $259.0 million.

The following table reconciles consideration transferred to the total cash paid to acquire Crescendo:

(In thousands)	
Total consideration transferred	$258,950
Share-based compensation to Crescendo employees	6,929
Change of control payments to Crescendo employees	5,695
Offset: Non-cash fair value purchase option	(8,000)
Total cash paid	$263,574

The total consideration of $259 million consisted of (i) $225.1 million in cash, (ii) $25.9 million in elimination of intercompany balances related to accrued interest and the term loan the Company issued to Crescendo on September 8, 2011, and (iii) $8 million related to the fair value of the purchase option granted to the Company on September 8, 2011 by Crescendo through a definitive merger agreement ("Option Agreement") entered into in association with the term note. Of the cash consideration, $20 million was deposited into an escrow account to fund (i) any post-closing adjustments payable to Myriad based upon differences between the estimated working capital and the actual working capital of Crescendo at closing, and (ii) any indemnification claims made by Myriad against Crescendo, for a period of time, based upon the completion of an audit of Crescendo's financial statements, of no fewer than twelve nor more than fifteen months following closing.

Of the total cash paid, $6.9 million was accounted for as share-based compensation expense resulting from the accelerated vesting of employee options immediately prior to the acquisition and $5.7 million was accounted for as change of control bonuses paid to Crescendo employees and directors. The Company recognized the share-based compensation expense and change of control bonuses in post-acquisition consolidated statements of comprehensive income for the year ended June 30, 2014.

Total consideration transferred was allocated to tangible and identifiable intangible assets acquired and liabilities assumed based on their preliminary fair values at the acquisition date as set forth below. The Company believes that the acquisition of Crescendo facilitates the Company's entry into the high growth autoimmune market, diversifies its product revenue and enhances its strength in protein-based diagnostics. These factors contributed to consideration transferred in excess of the fair value of Crescendo's net tangible and intangible assets acquired, resulting in the Company recording goodwill in connection with the transaction.

The Company's allocation of consideration transferred for Crescendo is as follows:

(In thousands)	**Estimated Fair Value**
Other assets acquired	$ 15,826
Intangible assets	196,600
Goodwill	112,331
Total assets acquired	324,757
Deferred tax liability	44,213
Other liabilities assumed	21,594
Total net assets acquired	$258,950

Pro Forma Information

The unaudited pro-forma results presented below include the effects of the Crescendo acquisition as if it had been consummated as of July 1, 2013, with adjustments to give effect to pro forma events that are directly attributable to the acquisition which includes adjustments related to the amortization of acquired intangible

assets, interest income and expense, stock-based compensation expense, and depreciation. The unaudited pro forma results do not reflect any operating efficiency or potential cost savings which may result from the consolidation of Crescendo. Accordingly, these unaudited pro forma results are presented for informational purposes only and are not necessarily indicative of what the actual results of operation of the combined company would have been if the acquisition had occurred at the beginning of the period presented nor are they indicative of future results of operations and are not necessarily indicative of either future results of operations or results that might have been achieved had the acquisition been consummated as of July 1, 2013.

	Three months ended December 31,		Six months ended December 31,	
(In thousands)	2014	2013	2014	2013
Revenue	$184,393	$225,700	$353,230	$430,051
Income from operations	$ 36,342	$ 80,474	$ 62,262	$151,477
Net income	$ 24,031	$ 47,433	$ 40,013	$ 92,804
Net income per share, basic	$ 0.33	$ 0.63	$ 0.55	$ 1.20
Net income per share, diluted	$ 0.32	$ 0.62	$ 0.53	$ 1.17

(10) Goodwill and Intangible Assets

Goodwill

At December 31, 2014, the Company had recorded goodwill of $169.2 million related to the acquisitions of Myriad RBM, Inc. on May 31, 2011 (formerly Rules-Based Medicine, Inc.) and Crescendo on February 28, 2014.

Intangible Assets

Intangible assets primarily consist of amortizable assets of purchased licenses and technologies, customer relationships, and trade names as well as non-amortizable intangible assets of in-process technologies and research and development. The following summarizes the amounts reported as intangible assets:

(In thousands)	Gross Carrying Amount	Accumlated Amortization	Net
December 31, 2014:			
Purchased licenses and technologies	$199,100	$ (10,750)	$188,350
Customer relationships	4,650	(1,673)	2,977
Trademarks	3,000	(300)	2,700
Total amortizable intangible assets	206,750	(12,723)	194,027
In-process research and development	4,800	—	4,800
Total non-amortizable intangible assets	4,800	—	4,800
Total intangible assets	$211,550	$ (12,723)	$198,827

(In thousands)	Gross Carrying Amount	Accumlated Amortization	Net
June 30, 2014:			
Purchased licenses and technologies	$201,100	$ (6,597)	$194,503
Customer relationships	4,650	(1,441)	3,209
Trademarks	3,000	(200)	2,800
Total amortizable intangible assets	208,750	(8,238)	200,512
In-process research and development	4,800	—	4,800
Total non-amortizable intangible assets	4,800	—	4,800
Total intangible assets	$213,550	$ (8,238)	$205,312

The Company recorded amortization expense during the respective periods for these intangible assets as follows:

	Three months ended December 31,		Six months ended December 31,	
(In thousands)	2014	2013	2014	2013
Amortization of intangible assets	$ 3,135	$ 244	$6,485	$488

(11) Cost Basis Investment

As of December 31, 2014, the Company had a $5.0 million investment in RainDance Technologies, Inc., which has been recorded under the cost method as an “Other Asset” on the Company’s condensed consolidated balance sheet. There were no events or circumstances that indicated that impairment exists; therefore, the Company recorded no impairment in the investment for the six months ended December 31, 2014.

(12) Commitments and Contingencies

The Company is subject to various claims and legal proceedings covering matters that arise in the ordinary course of its business activities. As of December 31, 2014, the management of the Company believes any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the Company’s consolidated financial position, operating results, or cash flows.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

We are a leading molecular diagnostic company dedicated to making a difference in patients' lives through the discovery and commercialization of novel, transformative tests across major diseases. We believe in improving healthcare for patients by providing physicians with important information to address unmet medical needs. Through our proprietary technologies, we believe we are positioned to identify important disease genes, the proteins they produce, and the biological pathways in which they are involved to better understand the genetic basis of human disease and the role that genes and their related proteins may play in the onset and progression of disease. We believe that identifying these biomarkers (DNA, RNA and proteins) will enable us to develop novel molecular diagnostic tests.

Our goal is to provide physicians with critical information to better guide the healthcare management of their patients by addressing four major concerns a patient may have about their healthcare: (1) what is the likelihood of my getting a disease, (2) do I have a disease, (3) how aggressively should my disease be treated, and (4) which therapy will work best to treat my disease. We have developed and are developing new molecular diagnostic tests that are designed to assess an individual's risk for developing disease later in life (predictive medicine), accurately diagnose disease (diagnostic medicine), identify a patient's likelihood of responding to a particular therapy and assess if a patient will benefit from a particular therapy (personalized medicine), and assess a patient's risk of disease progression and disease recurrence (prognostic medicine).

Our business strategy for future growth is focused on three key initiatives. First, we are working to grow our existing products and markets. Second, we are expanding our business globally with an international direct sales force and through distributors. Finally, we are developing new molecular diagnostic tests across a diverse set of disease indications, complementing our current businesses in oncology, preventive care, urology, dermatology and rheumatology.

Products and Services

We offer fourteen commercial molecular diagnostic tests, consisting of six predictive medicine tests, three prognostic medicine tests, four personalized medicine tests and one diagnostic medicine test. We market these tests in the United States through our own sales force of approximately 500 people. We have also established commercial laboratory operations in Munich, Germany and international headquarters in Zurich, Switzerland. We currently market our myRisk*™, i*BRAC*Analysis™* (BART® has been integrated with BRACAnalysis®), COLARIS®, COLARIS AP®, Prolaris®, EndoPredict® and Tumor BRAC*Analysis CDx™* products through our own sales force in Europe and Canada and have entered into distributor agreements with organizations in select countries throughout the rest of the world.

Our fourteen commercial molecular diagnostic tests include:

- BRAC*Analysis CDx™*, our personalized medicine test for Lynaparza™ (olaparib);
- *iBRACAnalysis™*, our predictive medicine test for hereditary breast and ovarian cancer;
- *COLARIS®*, our predictive medicine test for hereditary colorectal and uterine cancer;
- *COLARIS AP®*, our predictive medicine test for hereditary colorectal cancer;
- *EndoPredict®,* our prognostic medicine test for breast cancer;
- *MELARIS®*, our predictive medicine test for hereditary melanoma;
- *myPath™ Melanoma* (myPath), our diagnostic medicine test for diagnosis of melanoma;
- *myPlan™ Lung Cancer* (myPlan), our prognostic medicine test for early stage lung cancer;
- *myRisk*™ *Hereditary Cancer* (myRisk), our predictive medicine test for multiple hereditary cancers;
- *PANEXIA™*, our predictive medicine test for pancreatic cancer;
- *PREZEON®*, our personalized medicine test to assess PTEN status for drug response;
- *Prolaris®*, our prognostic medicine test for prostate cancer;
- *Tumor BRACAnalysis CDx™,* our personalized medicine test for use as a companion diagnostic with certain PARP inhibitors, platinum-based drugs and other chemotherapeutic agents; and
- *Vectra®DA*, our personalized medicine test to assess rheumatoid arthritis disease activity.

We are also a pioneer in the discovery and development of companion diagnostics that help patients receive the most appropriate therapy. We believe the future of drug development is creating new therapies targeted to a subset of patients

who would most likely benefit from the new therapies based on the identification of novel biomarkers and the development of companion diagnostics tests. Myriad is currently collaborating with approximately 20 major pharmaceutical and biotechnology companies to develop new drugs based on our companion diagnostic technologies. Myriad also recently received FDA approval of our BRAC*Analysis CDx* test. This is the first and only FDA approved complex molecular diagnostic test to identify ovarian cancer patients who may benefit from the PARP inhibitor Lynaparza™ (olaparib).

Through our wholly owned subsidiary, Myriad RBM, Inc., we provide biomarker discovery and pharmaceutical and clinical services to the pharmaceutical, biotechnology, and medical research industries utilizing our multiplexed immunoassay technology. Our technology enables us to efficiently screen large sets of clinical samples from both diseased and non-diseased populations against our extensive menu of protein biomarkers. By analyzing the data generated from these tests, we attempt to discover biomarker patterns that may be used to identify patients who would likely respond to a particular therapy.

Recent Developments

On February 3, 2015, we announced that Peter D. Meldrum, president and chief executive officer, notified the board of directors of his decision to retire at the conclusion of the fiscal year on June 30, 2015. Pursuant to our succession plan, the board of directors has unanimously elected Mark C. Capone, currently president of Myriad Genetic Laboratories, Inc., as Mr. Meldrum's successor.

Use of Resources

During the three and six months ended December 31, 2014, we devoted our resources to supporting and growing our molecular diagnostic testing and pharmaceutical and clinical services businesses, as well as to the research and development of future molecular diagnostic and companion diagnostic candidates. We have three reportable operating segments—research, molecular diagnostics and pharmaceutical and clinical services. See Note 6 "Segment and Related Information" in the notes to our condensed consolidated financial statements (unaudited) for information regarding these operating segments.

For the three and six months ended December 31, 2014, we had net income of $24.0 million and $40.0 million and diluted earnings per share of $0.32 and $0.53, compared to net income of $50.4 million and $105.8 million and diluted earnings per share of $0.66 and $1.33 per share in the same period in the prior year. Net income and diluted earnings per share results for the three and six months ended December 31, 2014 included income tax expense of $13.9 million and $23.8 million compared to $33.8 million and $62.1 million for the same period in the prior year.

Share Repurchase Program

In November 2013, we announced that our board of directors had authorized us to repurchase an additional $300 million of our outstanding common stock increasing our total share repurchase authorization to $1 billion. During the three and six months ended December 31, 2014, we repurchased $58.3 million and $104.0 million of our outstanding common stock. In connection with our stock repurchase program our board of directors authorized us to repurchase shares from time to time or on an accelerated basis through open market transactions or privately negotiated transactions as determined by our management. The amount and timing of stock repurchases under the program will depend on business and market conditions, stock price, trading restrictions, acquisition activity and other factors. See also "Part II, Item 2. Unregistered Sales of Equity Securities and Use of Proceeds – Issuer Purchases of Equity Securities."

Critical Accounting Policies

Critical accounting policies are those policies which are both important to the presentation of a company's financial condition and results and require management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. No significant changes to our accounting policies took place during the period. For a further discussion of our critical accounting policies, see our Annual Report on Form 10-K for the fiscal year ended June 30, 2014.

Results of Operations for the Three Months Ended December 31, 2014 and 2013

Revenue

Revenue is comprised of sales of our molecular diagnostic tests and our pharmaceutical and clinical services. Total revenue for the three months ended December 31, 2014 was $184.4 million, compared to $204.1 million for the same three months in the prior year. The 10% decrease in total revenue is primarily due to the loss of a one-time bolus of our iBRACAnalysis samples generated by celebrity publicity in the three months ended December 31, 2013. The decrease in hereditary cancer testing was partially offset by the addition of the VectraDA revenue from the acquisition of Crescendo included in revenue for the three months ended December 31, 2014 but not in the prior year period. The 34% decrease in pharmaceutical and clinical services revenue was due to the completion of a large pharmaceutical project in the prior year as well as the timing of research projects with our pharmaceutical partners which can fluctuate from period to period.

Revenue of our molecular diagnostic tests and pharmaceutical and clinical services and revenue by product category as a percent of total revenue for the three months ended December 31, 2014 and 2013 were as follows:

	Three months ended December 31,			% of Total Revenue	
(In thousands)	2014	2013	% Change	2014	2013
Molecular diagnostic testing revenue:					
Hereditary Cancer Testing	$164,955	$192,989	(15%)	89%	95%
VectraDA	10,841	—	N/A	6%	N/A
Other tests	3,353	3,169	6%	2%	2%
Total molecular diagnostic testing revenue	179,149	196,158	(9%)	97%	96%
Pharmaceutical and clinical service revenue	5,244	7,902	(34%)	3%	4%
Total revenue	$184,393	$204,060	(10%)	100%	100%

We are transitioning our hereditary cancer market from single cancer tests to our cancer panel test, myRisk. myRisk test revenues increased 640% to $85.1 million in the second quarter of fiscal 2015 from $11.5 million in the second quarter of the prior year. In the second quarter of this year, we successfully transitioned a large percentage of our iBRACAnalysis tests to myRisk, resulting in iBRACAnalysis revenue of $72.5 million in this quarter compared to $165.9 million in the same quarter of the prior year. We also transitioned approximately one half of our COLARIS and COLARIS AP tests to myRisk, resulting in COLARIS and COLARIS AP revenue of $7.4 million compared to $15.6 million in the same period of the prior year. We expect that revenues may continue to fluctuate from quarter to quarter as we transition from single cancer testing to our cancer panel test and introduce new products.

Our molecular diagnostic revenues are generated primarily in three major markets, oncology, preventive care, and rheumatology. Oncology, preventive care and rheumatology revenue was 47%, 47% and 6% of total molecular diagnostic testing revenue, respectively, during the three months ended December 31, 2014. Sales of molecular diagnostic tests in each major market for the three months ended December 31, 2014 and 2013 were as follows:

(In thousands)	Three months ended December 31, 2014	2013	% Change
Molecular diagnostic testing revenue:			
Oncology	$ 83,688	$101,592	(18%)
Preventive care	84,620	94,566	(11%)
Rheumatology	10,841	—	N/A
Total molecular diagnostic testing revenue	$179,149	$196,158	(9%)

The decline in the oncology and preventive care markets resulted from the one-time benefit of celebrity publicity as described above, as well as increased competition.

Costs and Expenses

Cost of revenue is comprised primarily of salaries and related personnel costs, laboratory supplies, equipment costs and facilities expense. Cost of molecular diagnostic testing revenue for the three months ended December 31, 2014 was $35.1 million, compared to $22.8 million for the same three months in 2013. This increase of 54% in molecular diagnostic testing cost of revenue is primarily due to the transition costs associated with the myRisk test and costs associated with Prolaris and other new tests for which reimbursement has not yet been secured. Cost of revenue was also impacted by the addition of the VectraDA test to our product line, which has not received full reimbursement. Our cost of revenue may continue to fluctuate from quarter to quarter based on the introduction of new molecular diagnostic tests, changes in reimbursement rates, changes in testing volumes in the molecular diagnostic markets and as we gain economies of scale and increased efficiencies through automation. Our costs of pharmaceutical and clinical services include similar items. Cost of pharmaceutical and clinical services for the three months ended December 31, 2014 was $2.8 million, compared to $3.4 million for the same three months in 2013. This 18% decrease in pharmaceutical and clinical testing cost of revenue is primarily due to the 34% decrease in pharmaceutical and clinical services revenue.

During the first quarter of fiscal 2015, we initiated a national launch of our myRisk Hereditary Cancer test. As a result of this launch, test volumes for myRisk have increased rapidly to represent more than 50% of all hereditary cancer samples received. The higher than anticipated test volumes for myRisk have led to increased turnaround times and increased costs to perform the test. We have responded to the increased demand by hiring additional staff and purchasing more equipment. We increased our laboratory capacity significantly throughout the second fiscal quarter which should lead to improvements in turnaround times in the second half of fiscal 2015.

Our gross profit margins were 79.5% at December 31, 2014, compared to 87.2% in the same three months of the prior year. Gross profit margins were impacted primarily due to the additional costs associated with the transition to myRisk, the launch of a new test for which reimbursement has not been obtained and the addition of the VectraDA test to the product mix, which is performed at a lower margin. There can be no assurance that gross profit margins will decrease, increase or remain at current levels.

Our research and development expenses include costs incurred in formulating, improving and creating alternative or modified processes related to and expanding the use of our current molecular diagnostic tests and costs incurred for the discovery, validation and development of our pipeline of molecular diagnostic and companion diagnostic test candidates and our pharmaceutical and clinical services. Research and development expenses are comprised primarily of salaries and related personnel costs, laboratory supplies, clinical trial costs, equipment, and facilities costs. Research and development expenses incurred during the three months ended December 31, 2014 were $17.5 million compared to $17.1 million for same three months in 2013. This increase of 2% was primarily due to the following:

- an increase of $3.3 million in research and development expenses from the acquisition of Crescendo which occurred in February 2014; and
- a decrease of approximately $2.9 million in internal development activities and clinical studies related to our molecular diagnostic products and pharmaceutical and clinical services.

We expect that our research and development expenses as a percentage of revenues may increase over the next several years as we continue to develop our pipeline and expand our offerings of molecular diagnostic tests and pharmaceutical and clinical services.

Our sales, general and administrative expenses include costs associated with building our molecular diagnostic and pharmaceutical and clinical services businesses domestically and internationally. Selling, general and administrative expenses consist primarily of salaries, commissions and related personnel costs for sales, marketing, customer service, billing and collection, executive, legal, finance and accounting, information technology, human resources, and allocated facilities expenses. Selling, general and administrative expenses for the three months ended December 31, 2014 were $92.7 million, compared to $77.8 million for the same three months in 2013. The increase in selling, general and administrative expense of 19% was due primarily to the following:

- an increase of $13.1 million in selling, general and administrative expenses from the acquisition of Crescendo that occurred in February 2014;
- an increase of approximately $4.2 million in other general administrative expenses including share based compensation, legal fees and other expenses;
- $3.1 million in share based compensation expense related to the acceleration of vesting of certain options for the former Chief Financial Officer;
- a decrease of approximately $3.4 million in bad debt expense associated with the decrease in revenue and improved collection efforts; and
- a decrease of approximately $2.1 million in sales and marketing expense due to a decrease in commission expense.

We expect that our selling, general and administrative expenses will continue to increase and that such increases may be substantial, depending on the number and scope of any new molecular diagnostic test launches, our efforts in support of our existing molecular diagnostic tests and pharmaceutical and clinical services as well as our continued international expansion efforts.

Other Income (Expense)

Other income for the three months ended December 31, 2014 was $1.6 million compared to $1.1 million in the same period of the prior year. The $0.5 million increase is due to foreign exchange gains relating to a pledged account partially offset by interest income recorded from the note receivable from Crescendo that was extinguished with the closing of the acquisition in February 2014.

Income Tax Provision

Income tax expense for the three months ended December 31, 2014 was $13.9 million, for an effective income tax rate of approximately 37%, compared to income tax expense of $33.8 million or a 40% effective income tax rate in the same period in 2013. Our quarterly effective tax rate differs from the U.S. federal statutory rate of 35%, primarily due to a state income tax impact and an impact from exclusion of certain losses incurred from our international operations offset by research and development credits realized from the extension of the credit in December 2014. Certain significant or unusual items are separately recognized during the period in which they occur and can be a source of variability in the effective tax rates from quarter to quarter.

Results of Operations for the Six Months Ended December 31, 2014 and 2013

Revenue

Revenue is comprised of sales of our molecular diagnostic tests and our pharmaceutical and clinical services. Total revenue for the six months ended December 31, 2014 was $353.2 million, compared to $406.5 million for the same six months in the prior year. The 13% decrease in revenue is primarily due to turnaround times associated with the transition of the hereditary cancer market to our myRisk test as well as the loss of the one-time bolus generated by celebrity publicity in the six months ended December 31, 2013 that did not continue into the six month period ended December 31, 2014. The decrease in hereditary cancer testing was offset by the addition of the VectraDA revenue from the acquisition of Crescendo. The 45% decrease in pharmaceutical and clinical services revenue was due to the completion of a large pharmaceutical project in the prior year as well as the timing of research projects with our pharmaceutical partners which can fluctuate from period to period.

Revenue of our molecular diagnostic tests and pharmaceutical and clinical services by product category as a percent of total revenue for the six months ended December 31, 2014 and 2013 were as follows:

	Six months ended December 31,			% of Total Revenue	
(In thousands)	2014	2013	% Change	2014	2013
Molecular diagnostic testing revenue:					
Hereditary Cancer Testing	315,522	382,118	(17%)	89%	94%
VectraDA	21,421	—	N/A	6%	N/A
Other tests	6,713	7,026	(4%)	2%	2%
Total molecular diagnostic testing revenue	343,656	389,144	(12%)	97%	96%
Pharmaceutical and clinical service revenue	9,574	17,383	(45%)	3%	4%
Total revenue	$353,230	$406,527	(13%)	100%	100%

Our molecular diagnostic revenues are generated primarily in three major markets, oncology, preventive care, and rheumatology. Oncology, preventive care and rheumatology revenue was 49%, 45% and 6% of total molecular diagnostic testing revenue, respectively, during the six months ended December 31, 2014. Sales of molecular diagnostic tests in each major market for the three months ended December 31, 2014 and 2013 were as follows:

	Six months ended December 31,		
(In thousands)	2014	2013	% Change
Molecular diagnostic testing revenue:			
Oncology	$167,690	$209,917	(20%)
Preventive care	154,545	179,227	(14%)
Rheumatology	21,421	—	100%
Total molecular diagnostic testing revenue	$343,656	$389,144	(12%)

The decline in the oncology and preventive care markets were impacted by the transition to myRisk and the reduced volumes from celebrity publicity as described above, as well as increased competition.

Costs and Expenses

Cost of revenue is comprised primarily of salaries and related personnel costs, laboratory supplies, royalty payments, equipment costs and facilities expense. Cost of molecular diagnostic testing revenue for the six months ended December 31, 2014 was $67.8 million, compared to $44.2 million for the same six months in 2013. This increase of 53% in molecular diagnostic testing cost of revenue is primarily due to the transition costs associated with the myRisk test including the increase in work in progress as a result of capacity constraints and costs associated with Prolaris and other new tests for which reimbursement has not yet been secured. Cost of revenue was also impacted by the addition of the VectraDA test to our product line, which has not received full reimbursement. Our cost of revenue may continue to fluctuate from quarter to quarter based on the introduction of new molecular diagnostic tests, changes in reimbursement rates, changes in testing volumes in the molecular diagnostic segments and as we gain economies of scale and increased efficiencies through automation. Our costs of pharmaceutical and clinical services include similar items. Cost of pharmaceutical and clinical services for the six months ended December 31, 2014 was $4.9 million, compared to $7.4 million for the same six months in 2013. This 34% decrease in pharmaceutical and clinical testing cost of revenue is primarily due to the 45% decrease in pharmaceutical and clinical services revenue.

During the first quarter of fiscal 2015, we initiated a national launch of our myRisk Hereditary Cancer test. As a result of this launch, test volumes for myRisk have increased rapidly to represent more than 50% of all hereditary cancer samples

received. The higher than anticipated test volumes for myRisk have led to increased turnaround times and increased costs to perform the test. We have responded to the increased demand by hiring additional staff and purchasing more equipment. We increased our laboratory capacity significantly throughout the second fiscal quarter which should lead to improvements in turnaround times in the second half of fiscal 2015.

Our gross profit margins were 79.4% for the six months ended December 31, 2014, compared to 87.3% in the same six months of the prior year. Gross profit margins were impacted by the change in product mix primarily due to the additional costs associated with the transition to myRisk, the launch of new tests for which reimbursement has not been obtained and the addition of the VectraDA test to the product mix, which is at a lower margin.

Our research and development expenses include costs incurred in formulating, improving and creating alternative or modified processes related to and expanding the use of our current molecular diagnostic tests and costs incurred for the discovery, validation and development of our pipeline of molecular diagnostic and companion diagnostic test candidates and our pharmaceutical and clinical services. Research and development expenses are comprised primarily of salaries and related personnel costs, laboratory supplies, clinical trial costs, equipment, and facilities costs. Research and development expenses incurred during the six months ended December 31, 2014 were $40.1 million compared to $33.9 million for same six months in 2013. This increase of 18% was primarily due to the following:

- an increase of $7.0 million in research and development expenses from the acquisition of Crescendo which occurred in February 2014; and
- a decrease of approximately $0.8 million in internal development activities and clinical studies related to current molecular diagnostic products and pharmaceutical and clinical services.

Our research and development expenses as a percentage of revenues may increase over the next several years as we continue to develop our pipeline and expand our offerings of molecular diagnostic tests and pharmaceutical and clinical services.

Our sales, general and administrative expenses include costs associated with building our molecular diagnostic and pharmaceutical and clinical services businesses domestically and internationally. Selling, general and administrative expenses consist primarily of salaries, commissions and related personnel costs for sales, marketing, customer service, billing and collection, executive, legal, finance and accounting, information technology, human resources, and allocated facilities expenses. Selling, general and administrative expenses for the six months ended December 31, 2014 were $178.1 million, compared to $155.1 million for the same six months in 2013. The increase in selling, general and administrative expense of 15% was due primarily to the following:

- an increase of $25.0 million in selling, general and administrative expenses from the acquisition of Crescendo that occurred in February 2014;
- $3.1 million in share based compensation expense related to the acceleration of vesting for certain options for the former Chief Financial Officer;
- an increase of approximately $2.9 million in other general administrative expenses including sales and marketing, share based compensation, international and other general expenses; and
- a decrease of approximately $7.9 million in bad debt expense associated with the decrease in revenue and improved collection efforts.

Other Income (Expense)

Other income for the six months ended December 31, 2014 was $1.6 million compared to $2.1 million in the same period of the prior year. The $0.5 million decrease is due to interest income recorded from the note receivable from Crescendo that was extinguished with the closing of the acquisition in February 2014 partially offset by foreign exchange gains relating to our pledged account.

Income Tax Provision

Income tax expense for the six months ended December 31, 2014 was $23.8 million, for an effective income tax rate of approximately 37%, compared to income tax expense of $62.1 million or a 37% effective income tax rate in the same period in 2013. Our quarterly effective tax rate differs from the U.S. federal statutory rate of 35%, primarily due to a state income tax impact and an impact from exclusion of certain losses incurred from our international operations offset by the benefits realized from the timing differences related to the recognition of the tax effect of equity compensation expense from the disqualification of incentive stock options and the research and development credits realized from the extension of the credit in December 2014. Certain significant or unusual items are separately recognized during the period in which they occur and can be a source of variability in the effective tax rates from quarter to quarter.

Liquidity and Capital Resources

Cash, cash equivalents and marketable investment securities were $207.4 million at December 31, 2014 compared to $270.6 million at June 30, 2014, a decrease of $63.2 million. This decrease in cash, cash equivalents and marketable investment securities was attributable to the purchase of $104.0 million of our common stock under our share repurchase programs and $21.6 million for a specific contractual obligation offset by our cash collections from sales of molecular diagnostic tests and pharmaceutical and clinical services.

Net cash provided by operating activities was $59.6 million during the six months ended December 31, 2014, compared to $138.0 million during the same six months in 2013. Our cash from operations was impacted by a decrease in net income compared to the six months ended December 31, 2013 and non-cash charges in the form of accrued liabilities of $15.2 million associated with the payment of personnel costs including commissions and bonuses.

Our investing activities provided cash of $18.8 million during the six months ended December 31, 2014 compared to providing cash of $2.3 million during the same six months in 2013. Investing activities were comprised of $21.6 million in funding a pledged cash account reserved for a specific contractual obligation which has certain contingencies that must be met in the future, capital expenditures for equipment and facilities of $17.4 million to support expanded myRisk testing volumes, offset by the net proceeds from the maturity, purchases and sales of marketable investment securities of $57.9 million.

Financing activities used cash of $81.1 million during the six months ended December 31, 2014 and $173.1 million in the same six months in 2013. Cash utilized in financing activities during the six months ended December 31, 2014 was primarily due to the purchase of $104.0 million of our common stock through our share repurchase programs partially offset by $20.2 million from cash provided primarily by the exercise of stock options.

We believe that our existing capital resources and net cash expected to be generated from sales of our molecular diagnostic tests and pharmaceutical and clinical services will be adequate to fund our current and planned operations for the next several years, although no assurance can be given that changes will not occur that would consume available capital resources more quickly than we currently expect and that we may need or want to raise additional funds. Our future capital requirements, cash flows, and results of operations could be affected by and will depend on many factors that are currently unknown to us, including:

- increased competition in our major markets or the introduction of technological innovations or new commercial tests by our competitors;
- declines in revenue or margins in our molecular diagnostic testing and pharmaceutical and clinical services businesses;
- termination of the licenses underlying our molecular diagnostic tests and pharmaceutical and clinical services or failure to enter into product or technology licensing or other arrangements favorable to us;
- unexpected backlog, delays or other problems with operating our laboratory facilities;
- costs and expenses incurred in supporting our existing molecular diagnostic tests and pharmaceutical and clinical services;
- progress, results and cost of transitioning from our current single cancer tests to our new cancer panel test, myRisk, as well as developing and launching additional molecular diagnostic tests and offering additional pharmaceutical and clinical services;
- potential business development activities, in-licensing agreements and acquisitions, such as our acquisition of Crescendo;

- our ability to successfully integrate and achieve the expected benefits of our business development activities, in-licensing agreements and acquisitions, such as our acquisition of Crescendo;
- decisions or changes in the government regulatory approval process for our tests;
- timing and amount of repurchases of our common stock;
- the progress, results and costs of our international expansion efforts;
- the costs, timing, outcome, and enforcement of any regulatory review of our existing or future molecular diagnostic tests and pharmaceutical and clinical services;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our issued patents and pursuing or defending intellectual property-related claims;
- the costs, timing and outcome of any litigation against us or that we pursue;
- changes in intellectual property laws covering our molecular diagnostic tests and pharmaceutical and clinical services and patents or enforcement in the United States and foreign countries;
- changes in the governmental or private insurers' reimbursement levels for our tests; and
- changes in structure of the healthcare system or healthcare payment systems.

Effects of Inflation

We do not believe that inflation has had a material impact on our business, sales, or operating results during the periods presented.

Certain Factors That May Affect Future Results of Operations

The Securities and Exchange Commission encourages companies to disclose forward-looking information so that investors can better understand a company's future prospects and make informed investment decisions. This Quarterly Report on Form 10-Q contains such "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995.

Words such as "may," "anticipate," "estimate," "expects," "projects," "intends," "plans," "believes" and words and terms of similar substance used in connection with any discussion of future operating or financial performance, identify forward-looking statements. All forward-looking statements are management's present expectations of future events and are subject to a number of risks and uncertainties that could cause actual results to differ materially and adversely from those described in the forward-looking statements. These risks include, but are not limited to: the risk that sales and profit margins of our molecular diagnostic tests and pharmaceutical and clinical services may decline or will not continue to increase at historical rates; risks related to our ability to transition from our single cancer tests to our new cancer panel test, including unexpected costs and delays; risks related to decisions or changes in the governmental or private insurers' reimbursement levels for our tests or our ability to obtain reimbursement for our new tests at comparable levels to our existing tests; risks related to increased competition and the development of new competing tests and services; the risk that we may be unable to develop or achieve commercial success for additional molecular diagnostic tests and pharmaceutical and clinical services in a timely manner, or at all; the risk that we may not successfully develop new markets for our molecular diagnostic tests and pharmaceutical and clinical services, including our ability to successfully generate revenue outside the United States; the risk that licenses to the technology underlying our molecular diagnostic tests and pharmaceutical and clinical services and any future tests and services are terminated or cannot be maintained on satisfactory terms; risks related to delays or other problems with operating our laboratory testing facilities; risks related to public concern over our genetic testing in general or our tests in particular; risks related to regulatory requirements or enforcement in the United States and foreign countries and changes in the structure of the healthcare system or healthcare payment systems; risks related to our ability to obtain new corporate collaborations or licenses and acquire new technologies or businesses on satisfactory terms, if at all; risks related to our ability to successfully integrate and derive benefits from any technologies or businesses that we license or acquire; risks related to our projections about our business, results of operations and financial condition; risks related to the potential market opportunity for our products and services; the risk that we or our licensors may be unable to protect or that third parties will infringe the proprietary technologies underlying our tests; the risk of patent-infringement claims or challenges to the validity of our patents or other intellectual property; risks related to changes in intellectual property laws covering our molecular diagnostic tests and pharmaceutical and clinical services and patents or enforcement in the United States and foreign countries; risks of new, changing and competitive technologies and regulations in the United States and internationally; and other factors discussed under the heading "Risk Factors" contained in Item 1A of our Annual Report on Form 10-K for the fiscal year ended June 30, 2014, which has been filed with the Securities and Exchange Commission, as well as any updates to those risk factors filed from time to time in our Quarterly Reports on Form 10-Q or Current Reports on Form 8-K.

In light of these assumptions, risks and uncertainties, the results and events discussed in the forward-looking statements contained in this Quarterly Report or in any document incorporated by reference might not occur. Stockholders are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this Quarterly Report. We are not under any obligation, and we expressly disclaim any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent forward-looking statements attributable to us or to any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes in our market risk during the six months ended December 31, 2014 compared to the disclosures in Part II, Item 7A of our Annual Report on Form 10-K for the fiscal year ended June 30, 2014, which is incorporated by reference herein.

Item 4. Controls and Procedures

(a) *Evaluation of Disclosure Controls and Procedures*. Our principal executive officer and principal financial officer, after evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this Quarterly Report on Form 10-Q, have concluded that, based on such evaluation, our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

(b) *Changes in Internal Controls*. There were no changes in our internal control over financial reporting identified in connection with the evaluation of such internal control that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - Other Information

Item 1. Legal Proceedings

BRCA1 and BRCA2 Based Hereditary Cancer Test Patent Multi-District Litigation

We are presently involved in a Multi-District Litigation matter in the United States District Court for the District of Utah (the "Utah Federal Court") captioned In re: BRCA1- and BRCA2-Based Hereditary Cancer Test Patent Litigation that consolidates five lawsuits filed by us and the University of Utah Research Foundation, HSC Research and Development Limited Partnership (an affiliate of Hospital For Sick Children), the Trustees of the University of Pennsylvania, and Endorecherche, Inc. (collectively, the "Patent Owners") in the Utah Federal Court seeking to enforce the Patent Owners' and our rights relating to the *BRCA*1, *BRCA*2 and *MUTYH* genes and three declaratory judgment actions filed in other courts by third parties seeking a determination that they do not infringe various *BRCA*1, *BRCA*2 and *MUTYH* patent claims owned by us and the Patent Owners and that these patent claims are invalid. These consolidated cases are proceeding forward in the Utah Federal Court for all pretrial matters.

There have been no material developments in the legal proceedings involving Ambry Genetics Corporation, Counsyl, Inc., Quest Diagnostics Incorporated and Quest Diagnostics Nichols Institute, GeneDX, Inc., Invitae Corporation, Laboratory Corporation of America Holdings and Pathway Genomics Corporation, disclosed in Part II, Item 1 of our Quarterly Report on Form 10-Q for the first fiscal quarter ending September 30, 2014, except as follows:

On December 17, 2014, a panel of the United States Court of Appeals for the Federal Circuit (the "Federal Circuit") ruled that some of the key patent claims at issue in the case were directed to ineligible subject matter under 35 U.S.C. §101. We and the Patent Owners have not yet decided whether to seek rehearing *en banc* and/or to seek a writ of *certiorari* from the U.S. Supreme Court with regard to this decision.

Because of the impact of the Federal Circuit's decision on further proceedings in the Multi-District Litigation, and at the request of the parties, on December 23, 2014, the Utah Federal Court ordered a stay as to certain claim construction and discovery deadlines and further ordered the parties to submit briefing on the 35 U.S.C. §101 issues in light of the decision of the Federal Circuit.

We and the Patent Owners have entered into settlement agreements with Laboratory Corporation of America Holdings, Pathway Genomics Corporation, Invitae Corporation, Ambry Genetics Corporation, and Counsyl, Inc., providing for the dismissal of the litigation with each party and releasing each other party of its claims and counterclaims brought in the litigation. Each party is to bear its own attorney fees and costs of the litigation. The settlement agreements also provided for a covenant to not sue on the patents asserted in the litigation against each party. On January 26, 2015, the Utah Federal Court entered its order for the dismissal of the litigation proceedings involving Laboratory Corporation of America Holdings, Pathway Genomics Corporation, and Invitae Corporation, thus ending the litigation with these parties. On January 30, 2015, the Utah Federal Court entered its order for the dismissal of the litigation proceedings involving Ambry Genetics Corporation and Counsyl, Inc., thus ending the litigation with these parties.

We and the Patent Owners are currently in settlement discussions with GeneDX, Inc. and Quest Diagnostics Incorporated and Quest Diagnostics Nichols Institute, but no agreement has been reached and no assurances can be made that the parties will agree to settle their dispute.

Other than as set forth above, we are not a party to any other legal proceedings that we believe will have a material impact on our business, financial position or results of operations.

Item 1A. Risk Factors

There have been no material changes to the risk factors included in our Annual Report on Form 10-K for the fiscal year ended June 30, 2014.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Issuer Purchases of Equity Securities

In November 2013, our board of directors authorized a stock repurchase program for $300 million. We are authorized to complete the repurchase through open market transactions or through an accelerated share repurchase program, in each case to be executed at management's discretion base on market conditions. The amount and timing of stock repurchases under the program will depend on business and market conditions, stock price, trading restrictions, acquisition activity and other factors. The repurchase program may be suspended or discontinued at any time without prior notice.

The details of the activity under our stock repurchase program during the fiscal quarter ended December 31, 2014 were as follows:

Issuer Purchases of Equity Securities

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
October 1, 2014 to October 31, 2014	—	$ —	—	120,048,573
November 1, 2014 to November 30, 2014	968,620	$ 33.04	968,620	88,048,809
December 1, 2014 to December 31, 2014	764,010	$ 34.46	764,010	61,724,802
Total	1,732,630		1,732,630	$ 61,724,802

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

None.

Item 5. Other Information.

None.

Item 6. Exhibits.

10.1$	Executive Retention Agreement between Myriad Genetics Inc. and R. Bryan Riggsbee dated December 18, 2014.
31.1	Certification of Chief Executive Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002.
32.1	Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from Myriad Genetics, Inc.'s Quarterly Report on Form 10-Q for the quarter ended December 31, 2014, formatted in XBRL (Extensible Business Reporting Language): (i) the unaudited Condensed Consolidated Balance Sheets, (ii) the unaudited Condensed Consolidated Statements of Income and Comprehensive Income, (iii) the unaudited Condensed Consolidated Statements of Cash Flows, and (iv) Notes to Condensed Consolidated Financial Statements.

$ Management contract or compensatory plan or arrangement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MYRIAD GENETICS, INC.

Date: February 4, 2015

By: /s/ Peter D. Meldrum
Peter D. Meldrum
President and Chief Executive Officer
(Principal executive officer)

Date: February 4, 2015

By: /s/ R. Bryan Riggsbee
R. Bryan Riggsbee
Executive Vice President, Chief Financial Officer
(Principal financial and chief accounting officer)

Exhibit 10.1

MYRIAD GENETICS, INC.

Executive Retention Agreement

THIS EXECUTIVE RETENTION AGREEMENT (this "Agreement"), by and between Myriad Genetics, Inc., a Delaware corporation (the "Company"), and R. Bryan Riggsbee (the "Executive"), is made as of December 18, 2014 (the "Effective Date").

WHEREAS, the Company recognizes that, as is the case with many publicly-held corporations, the possibility of a change in control of the Company exists and that such possibility, and the uncertainty and questions which it may raise among key personnel, may result in the departure or distraction of key personnel to the detriment of the Company and its stockholders, and

WHEREAS, the Board of Directors of the Company (the "Board") has determined that appropriate steps should be taken to reinforce and encourage the continued employment and dedication of the Company's key personnel without distraction from the possibility of a change in control of the Company and related events and circumstances.

NOW, THEREFORE, as an inducement for and in consideration of the Executive remaining in its employ, the Company agrees that the Executive shall receive the benefits set forth in this Agreement, including without limitation, those benefits in the event the Executive's employment with the Company is terminated under the circumstances described below subsequent to a Change in Control (as defined in Section 1.1).

1. Key Definitions.

As used herein, the following terms shall have the following respective meanings:

1.1 "Change in Control" means an event or occurrence set forth in any one or more of subsections (a) through (d) below (including an event or occurrence that constitutes a Change in Control under one of such subsections but is specifically exempted from another such subsection):

(a) the acquisition by an individual, entity or group (within the meaning of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership of any capital stock of the Company if, after such acquisition, such Person beneficially owns (within the meaning of Rule 13d-3 promulgated under the Exchange Act) 20% or more of either (i) the then-outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then-outstanding securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change in Control: (i) any acquisition directly from the Company (excluding an acquisition pursuant to the exercise, conversion or exchange of any security exercisable for, convertible into or exchangeable for common stock or voting securities of the Company, unless the Person exercising, converting or exchanging such security acquired such security directly from the

(b) Company or an underwriter or agent of the Company), (ii) any acquisition by the Company, or (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company; or

(c) such time as the Continuing Directors (as defined below) do not constitute a majority of the Board (or, if applicable, the Board of Directors of a successor corporation to the Company), where the term "Continuing Director" means at any date a member of the Board (i) who was a member of the Board on the date of the execution of this Agreement or (ii) who was nominated or elected subsequent to such date by at least a majority of the directors who were Continuing Directors at the time of such nomination or election or whose election to the Board was recommended or endorsed by at least a majority of the directors who were Continuing Directors at the time of such nomination or election; provided, however, that there shall be excluded from this clause (ii) any individual whose initial assumption of office occurred as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents, by or on behalf of a person other than the Board; or

(d) the consummation of a merger, consolidation, reorganization, recapitalization or share exchange involving the Company or a sale or other disposition of all or substantially all of the assets of the Company in one or a series of transactions (a "Business Combination"), unless, immediately following such Business Combination, the following condition is satisfied: all or substantially all of the individuals and entities who were the beneficial owners of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding securities entitled to vote generally in the election of directors, respectively, of the resulting or acquiring corporation in such Business Combination (which shall include, without limitation, a corporation which as a result of such transaction owns the Company or substantially all of the Company's assets either directly or through one or more subsidiaries) (such resulting or acquiring corporation is referred to herein as the "Acquiring Corporation") in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, respectively; or

(e) approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

1.2 "Change in Control Date" means the first date during the Term (as defined in Section 2) on which a Change in Control occurs. Anything in this Agreement to the contrary notwithstanding, if (a) a Change in Control occurs, (b) the Executive's employment with the Company is terminated prior to the date on which the Change in Control occurs, and (c) it is reasonably demonstrated by the Executive that such termination of employment (i) was at the request of a third party who has taken steps reasonably calculated to effect a Change in Control or (ii) otherwise arose in connection with or in anticipation of a Change in Control, then for all purposes of this Agreement the "Change in Control Date" shall mean the date immediately prior to the date of such termination of employment.

1.3 "Cause" means:

(a) the Executive's willful and continued failure to substantially perform his or her reasonable assigned duties (other than any such failure resulting from incapacity due to physical or mental illness or any failure after the Executive gives notice of termination for Good Reason), which failure is not cured within 30 days after a written demand for substantial performance is received by the Executive from the Board of Directors of the Company which specifically identifies the manner in which the Board of Directors believes the Executive has not substantially performed the Executive's duties; or

(b) the Executive's willful engagement in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company.

For purposes of this Section 1.3, no act or failure to act by the Executive shall be considered "willful" unless it is done, or omitted to be done, in bad faith and without reasonable belief that the Executive's action or omission was in the best interests of the Company.

1.4 "Good Reason" means the occurrence, without the Executive's written consent, of any of the events or circumstances set forth in clauses (a) through (f) below.

(a) the assignment to the Executive of duties inconsistent in any material respect with the Executive's position (including status, offices, titles and reporting requirements), authority or responsibilities in effect immediately prior to the earliest to occur of (i) the Change in Control Date, (ii) the date of the execution by the Company of the initial written agreement or instrument providing for the Change in Control or (iii) the date of the adoption by the Board of Directors of a resolution providing for the Change in Control (with the earliest to occur of such dates referred to herein as the "Measurement Date"), or any other action or omission by the Company which results in a material diminution in such position, authority or responsibilities;

(b) a reduction in the Executive's annual base salary as in effect on the Measurement Date;

(c) the failure by the Company to (i) continue in effect any material compensation, pension, retirement or benefit plan or program (including without limitation any 401(k), life insurance, medical, health and accident or disability plan and any vacation program or policy) (a "Benefit Plan") in which the Executive participates or which is applicable to the Executive immediately prior to the Measurement Date, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to such plan or program, (ii) continue the Executive's participation therein (or in such substitute or alternative plan) on a basis not materially less favorable, both in terms of the amount of benefits provided and the level of the Executive's participation relative to other participants, than the basis existing immediately prior to the Measurement Date or (iii) award cash bonuses to the Executive in amounts and in a manner substantially consistent with past practice;

(d) a change by the Company in the location at which the Executive performs his or her principal duties for the Company to a new location that is both (i) outside a radius of 50 miles from the Executive's principal residence immediately prior to the

Measurement Date and (ii) more than 50 miles from the location at which the Executive performed his or her principal duties for the Company immediately prior to the Measurement Date; or a requirement by the Company that the Executive travel on Company business to a substantially greater extent than required immediately prior to the Measurement Date;

(e) the failure of the Company to obtain the agreement from any successor to the Company to assume and agree to perform this Agreement, as required by Section 7.1; or

(f) any failure of the Company to pay or provide to the Executive any portion of the Executive's compensation or benefits due under any Benefit Plan within seven days of the date such compensation or benefits are due, or any material breach by the Company of this Agreement or any employment agreement with the Executive.

In addition, in an effort to foster and retain the employment of the Executive following a Change in Control, the termination of employment by the Executive for any reason (except for those set forth in section 1.4(a)-(f)), or no reason, during the 90-day period beginning on the first anniversary of the Change in Control Date shall be deemed to be termination for Good Reason for all purposes under this Agreement; however, in the case of a termination of employment by the Executive pursuant to this paragraph, those benefits payable to the Executive under section 4.1(a)(i)(2) shall be reduced by one-half.

The Executive's right to terminate his or her employment for Good Reason shall not be affected by his or her incapacity due to physical or mental illness.

1.5 "Disability" means the Executive's absence from the full-time performance of the Executive's duties with the Company for 180 consecutive calendar days as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to the Executive or the Executive's legal representative.

2. Term of Agreement. This Agreement, and all rights and obligations of the parties hereunder, shall take effect upon the Effective Date and shall expire upon the first to occur of (a) the expiration of the Term (as defined below) if a Change in Control has not occurred during the Term, (b) the date 24 months after the Change in Control Date, if the Executive is still employed by the Company as of such later date, or (c) the fulfillment by the Company of all of its obligations under this Agreement if the Executive's employment with the Company terminates within 24 months following the Change in Control Date. "Term" shall mean the period commencing as of the Effective Date and continuing in effect through December 31, 2015; provided, however, that commencing on January 1, 2016 and each January 1 thereafter, the Term shall be automatically extended for one additional year unless, not later than 90 days prior to the scheduled expiration of the Term (or any extension thereof), the Company shall have given the Executive written notice that the Term will not be extended.

3. Employment Status; Termination Following Change in Control.

3.1 Not an Employment Contract. The Executive acknowledges that this Agreement does not constitute a contract of employment or impose on the Company any

obligation to retain the Executive as an employee and that this Agreement does not prevent the Executive from terminating employment at any time. If the Executive's employment with the Company terminates for any reason and subsequently a Change in Control shall occur, the Executive shall not be entitled to any benefits hereunder except as otherwise provided pursuant to Section 1.2.

3.2 Termination of Employment.

(a) If the Change in Control Date occurs during the Term, any termination of the Executive's employment by the Company or by the Executive within 24 months following the Change in Control Date (other than due to the death of the Executive) shall be communicated by a written notice to the other party hereto (the "Notice of Termination"), given in accordance with Section 8. Any Notice of Termination shall: (i) indicate the specific termination provision (if any) of this Agreement relied upon by the party giving such notice, (ii) to the extent applicable, set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) specify the Date of Termination (as defined below). The effective date of an employment termination (the "Date of Termination") shall be the close of business on the date specified in the Notice of Termination (which date may not be less than 15 days or more than 120 days after the date of delivery of such Notice of Termination) in the case of a termination other than one due to the Executive's death. In the case of the Executive's death, the Date of Termination shall be the date of the Executive's death. In the event the Company fails to satisfy the requirements of Section 3.2(a) regarding a Notice of Termination, the purported termination of the Executive's employment pursuant to such Notice of Termination shall not be effective for purposes of this Agreement.

(b) The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting any such fact or circumstance in enforcing the Executive's or the Company's rights hereunder.

(c) Any Notice of Termination for Cause given by the Company must be given within 90 days of the occurrence (or if later, the discovery) of the event(s) or circumstance(s) which constitute(s) Cause. Prior to any Notice of Termination for Cause being given (and prior to any termination for Cause being effective), the Executive shall be entitled to a hearing before the Board of Directors of the Company at which he or she may, at his or her election, be represented by counsel and at which he or she shall have a reasonable opportunity to be heard. Such hearing shall be held on not less than 15 days prior written notice to the Executive stating the Board of Directors' intention to terminate the Executive for Cause and stating in detail the particular event(s) or circumstance(s) which the Board of Directors believes constitutes Cause for termination.

(d) Any Notice of Termination for Good Reason given by the Executive must be given within 90 days of the occurrence of the event(s) or circumstance(s) which constitute(s) Good Reason.

4. Benefits to Executive.

4.1 Benefits. If a Change in Control Date occurs during the Term and the Executive's employment with the Company terminates within 24 months following the Change in Control Date, the Executive shall be entitled to the following benefits:

(a) Termination Without Cause or for Good Reason. If the Executive's employment with the Company is terminated by the Company (other than for Cause, Disability or Death) or by the Executive for Good Reason within 24 months following the Change in Control Date, then the Executive shall be entitled to the following benefits:

(i) the Company shall pay to the Executive the following amounts:

(1) in a lump sum, in cash, within 30 days after the Date of Termination, the sum of (A) the Executive's base salary through the Date of Termination, (B) a pro rata current year bonus amount (calculated by dividing the number of full and partial months of the current fiscal year in which the Executive is employed through the Date of Termination by 12, and multiplying this fraction by the highest annual bonus payment amount paid to Executive in the preceding three years), and (C) the amount of any compensation previously deferred by the Executive (together with any accrued interest or earnings thereon) and any accrued vacation pay, in each case to the extent not previously paid (the sum of the amounts described in clauses (A), (B), and (C) shall be hereinafter referred to as the "Accrued Obligations"); and

(2) in a lump sum, in cash, within 30 days after the Date of Termination, the sum of (A) three times the Executive's highest annual base salary at the Company during the three-year period prior to the Change in Control Date and (B) three times the Executive's highest annual bonus amount at the Company during the three-year period prior to the Change in Control Date;

(ii) for 36 months after the Date of Termination, or such longer period as may be provided by the terms of the appropriate plan, program, practice or policy, the Company shall continue to provide benefits to the Executive and the Executive's family at least equal to those which would have been provided to them if the Executive's employment had not been terminated, in accordance with the applicable Benefit Plans in effect on the Measurement Date or, if more favorable to the Executive and his or her family, in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies; provided, however, that if the Executive becomes reemployed with another employer and is eligible to receive a particular type of benefits (e.g., health insurance benefits) from such employer on terms at least as favorable to the Executive and his or her family as those being provided by the Company, then the Company shall no longer be required to provide those particular benefits to the Executive and his or her family; and

(iii) to the extent not previously paid or provided, the Company shall timely pay or provide to the Executive any other amounts or benefits required to be paid or provided or which the Executive is eligible to receive following the Executive's termination of

employment under any plan, program, policy, practice, contract or agreement of the Company and its affiliated companies (such other amounts and benefits shall be hereinafter referred to as the "Other Benefits").

(b) Resignation without Good Reason; Termination for Death or Disability. If the Executive voluntarily terminates his or her employment with the Company within 24 months following the Change in Control Date, excluding a termination for Good Reason, or if the Executive's employment with the Company is terminated by reason of the Executive's death or Disability within 24 months following the Change in Control Date, then the Company shall (i) pay the Executive (or his or her estate, if applicable), in a lump sum in cash within 30 days after the Date of Termination, the Accrued Obligations and (ii) timely pay or provide to the Executive the Other Benefits.

(c) Termination for Cause. If the Company terminates the Executive's employment with the Company for Cause within 24 months following the Change in Control Date, then the Company shall only pay the Executive such amounts, and provide such benefits, as is required by law.

4.2 Vesting of Stock Options. Upon the occurrence of a Change in Control, the Company shall cause all Executive options to purchase Company stock, which options were issued pursuant to the Company's employee stock option plans and which options are outstanding immediately prior to the Change in Control Date, to become fully vested and exercisable as of the Change in Control Date.

4.3 Mitigation. The Executive shall not be required to mitigate the amount of any payment or benefits provided for in this Section 4 by seeking other employment or otherwise. Further, the amount of any payment or benefits provided for in this Section 4 shall not be reduced by any compensation earned by the Executive as a result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by the Executive to the Company or otherwise.

4.4 Outplacement Services. In the event the Executive is terminated by the Company (other than for Cause, Disability or Death), or the Executive terminates employment for Good Reason, within 24 months following the Change in Control Date, the Company shall provide outplacement services through one or more outside firms of the Executive's choosing up to an aggregate of $25,000, with such services to extend until the first to occur of (i) 12 months following the termination of Executive's employment, or (ii) the date the Executive secures full time employment.

4.5 Release. As a condition to Executive receiving the benefits under section 4.1(a)(i)(2) and (3), the Executive must first execute and deliver to Company a general release of claims against the Company and its affiliates in a form substantially similar to the general release attached hereto as Exhibit A, and such release, by its terms, has become irrevocable.

5. Certain Additional Payments By Company.

5.1 General. Notwithstanding anything in this Agreement to the contrary and except as set forth in this Section 5, in the event it shall be determined that any payment, benefit or distribution by the Company to or for the benefit of the Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, but determined without regard to any additional payments required under this Section 5) (a "Payment") would be subject to the excise tax imposed by section 4999 of the Internal Revenue Code of 1986, as amended, or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then the Executive shall be entitled to receive an additional payment (a "Gross-Up Payment") in an amount such that after payment by the Executive of all taxes, including, without limitation, any income and payroll taxes (and any interest and penalties imposed with respect thereto) and Excise Tax imposed upon the Gross-Up Payment, the Executive retains an amount of the Gross-Up Payment equal to the Excise Tax (including any interest or penalties imposed with respect to such taxes) imposed upon the Payments.

5.2 Procedures. Subject to the provisions of Section 5.3, all determinations required to be made under this Section 5, including whether and when a Gross-Up Payment is required and the amount of such Gross-Up Payment and the assumptions to be utilized in arriving at such determination, shall be made by KPMG LLP or such other certified public accounting firm as may be designated by the Executive and reasonably acceptable to the Company (the "Accounting Firm") which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the receipt of notice from the Executive that there has been a Payment, or such earlier time as is requested by the Company. In the event that the Accounting Firm is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, the Executive may appoint another nationally recognized accounting firm and reasonably acceptable to the Company to make the determinations required hereunder (which accounting firm shall then be referred to as the Accounting Firm hereunder). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any Gross-Up Payment, as determined pursuant to this Section 5, shall be paid by the Company to the Executive within five business days of the receipt of the Accounting Firm's determination. Any determination by the Accounting Firm shall be binding upon the Company and the Executive, subject to any determination otherwise by the Internal Revenue Service. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Gross-Up Payments which will not have been made by the Company should have been made ("Underpayment"), consistent with the calculations required to be made hereunder. In the event that the Company exhausts its remedies pursuant to Section 5.3 and the Executive thereafter is required to make a payment of any Excise Tax, the Accounting Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of the Executive. In addition, in certain instances an election may be made to recalculate the Excise Tax under applicable law. The Company may exercise such election and cause a recalculation to be made by the Accounting Firm, subject to the other provisions hereof.

5.3 Notification of Claims. The Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the

payment by the Company of the Gross-Up Payment. The Executive shall not pay such claim prior to the expiration of the 30-day period following the date on which it gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, the Executive shall:

(i) give the Company any information reasonably requested by the Company relating to such claim,

(ii) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by attorneys reasonably selected by the Company,

(iii) cooperate with the Company in good faith in order effectively to contest such claim, and

(iv) permit the Company to participate in any proceedings relating to such claim; provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Executive harmless, on an after-tax basis, for any Excise Tax or income tax (including interest and penalties with respect thereto) imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this Section 5.3, the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forgo any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct the Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; provided, however, that if the Company directs the Executive to pay such claim and sue for a refund, the Company shall advance the amount of such payment to the Executive, on an interest-free basis and shall indemnify and hold the Executive harmless, on an after-tax basis, from any Excise Tax or income tax (including interest or penalties with respect thereto) imposed with respect to such advance or with respect to any imputed income with respect to such advance; and further provided that any extension of the statute of limitations relating to payment of taxes for the taxable year of the Executive with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's control of the contest shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and the Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

5.4 Refunds. If, after the receipt by the Executive of an amount advanced by the Company pursuant to Section 5.3, the Executive becomes entitled to receive any refund with respect to such claim, the Executive shall (subject to the Company's complying with the requirements of Section 5.3) promptly pay to the Company the amount of such refund (together with any interest actually paid or credited thereon after taxes applicable thereto). If, after the receipt by the Executive of an amount advanced by the Company pursuant to Section 5.3, a determination is made that the Executive shall not be entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial of refund prior to the expiration of 30 days after such determination, then such advance shall be forgiven and shall not be required to be repaid and the amount of such advance shall offset, to the extent thereof, the amount of Gross-Up Payment required to be paid.

5.5 Sarbanes Oxley Act. No provision of this Section 5 is intended to be in violation of the loan prohibitions of the Sarbanes-Oxley Act and to the extent any payment would be in violation thereof, such amounts shall be deemed a payment to the Executive with no obligation to refund or otherwise repay.

6. Disputes.

6.1 Settlement of Disputes; Arbitration. All claims by the Executive for benefits under this Agreement shall be directed to and determined by the Board of Directors of the Company and shall be in writing. Any denial by the Board of Directors of a claim for benefits under this Agreement shall be delivered to the Executive in writing and shall set forth the specific reasons for the denial and the specific provisions of this Agreement relied upon. The Board of Directors shall afford a reasonable opportunity to the Executive for a review of the decision denying a claim. Any further dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in Salt Lake City, Utah, in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction.

6.2 Expenses. The Company agrees to pay as incurred, to the full extent permitted by law, all legal, accounting and other fees and expenses which the Executive may reasonably incur as a result of any claim or contest (regardless of the outcome thereof) by the Company, the Executive or others regarding the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereof (including as a result of any contest by the Executive regarding the amount of any payment or benefits pursuant to this Agreement), plus in each case interest on any delayed payment at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code. This Section 6.2 shall not apply to any claim made by the Executive which is not made in good faith or which is determined by the arbitrator or a court to be frivolous.

6.3 Compensation During a Dispute. If the Change in Control Date occurs during the Term and the Executive's employment with the Company terminates within 24 months following the Change in Control Date, and the right of the Executive to receive any benefits under this Agreement (or the amount or nature of the benefits to which he or she is entitled to receive) are the subject of a dispute between the Company and the Executive, the Company shall continue (a) to pay to the Executive his or her base salary in effect as of the Measurement Date and (b) to provide benefits to the Executive and the Executive's family at least equal to those which would have been provided to them, if the Executive's employment had not been terminated, in accordance with the applicable Benefit Plans in effect on the Measurement Date, until such dispute is resolved either by mutual written agreement of the parties or by an arbitrator's award pursuant to Section 6.1, but in no event more than 12 months after the date of such dispute. Following the resolution of such dispute, the sum of the payments made to the Executive under clause (a) of this Section 6.3 shall be deducted from any cash payment which the Executive is entitled to receive pursuant to Section 4; and if such sum exceeds the amount of the cash payment which the Executive is entitled to receive pursuant to Section 4, the excess of such sum over the amount of such payment shall be repaid (without interest) by the Executive to the Company within 60 days of the resolution of such dispute.

7. Successors.

7.1 Successor to Company. The Company shall require any Acquiring Corporation or any other successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to at least one-third or more of Company's gross assets to expressly assume and agree to perform this Agreement to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall be a breach of this Agreement and shall constitute Good Reason if the Executive elects to terminate employment, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination. As used in this Agreement, "Company" shall mean the Company as defined above and any successor to its business or assets as aforesaid which assumes and agrees to perform this Agreement, by operation of law or otherwise.

7.2 Successor to Executive. This Agreement shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive should die while any amount would still be payable to the Executive or his or her family hereunder if the Executive had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to the executors, personal representatives or administrators of the Executive's estate.

8. Notice. All notices, instructions and other communications given hereunder or in connection herewith shall be in writing. Any such notice, instruction or communication shall be sent either (i) by registered or certified mail, return receipt requested, postage prepaid, or (ii) prepaid via a reputable nationwide overnight courier service, in each case addressed to the Company, at 320 Wakara Way, Salt Lake City, Utah 84108, Attn: General Counsel, and to the Executive at the address for notices indicated below (or to such other address as either the Company or the Executive may have furnished to the other in writing in accordance herewith). Any such notice, instruction or communication shall be deemed to have been delivered five business days after it is sent by registered or certified mail, return receipt requested, postage prepaid, or one business day after it is sent via a reputable nationwide overnight courier service. Either party may give any notice, instruction or other communication hereunder using any other means, but no such notice, instruction or other communication shall be deemed to have been duly delivered unless and until it actually is received by the party for whom it is intended.

9. Miscellaneous.

9.1 Timing for Payment of Benefits. To the extent necessary to avoid taxation under section 409A and the rules and regulations promulgated thereunder, all payments and benefits provided for under the Agreement shall be made six (6) months and a day following the effective date of the Executive's termination of employment from the Company; provided further that any such payment or benefit may be made earlier to the extent permitted and provided for under section 409A of the Code and the rules and regulations promulgated thereunder without triggering any income tax obligations under section 409A.

9.2 Construction. Section 409A and the rules and regulations promulgated thereunder, in general, provide for the taxation of certain payments made following the termination of employment of an employee. Section 409A and the rules and regulations promulgated thereunder provide that payments will not be subject to taxation under section 409A if certain conditions are met. It is the intent of the parties that any payments made to the Executive following a termination of employment are to not be subject to taxation under section 409A. Accordingly, this Agreement shall be construed, interpreted and applied so as to accomplish this intent, and also recognizing that there may be future guidance and interpretation of the application of section 409A and the rules and regulations promulgated thereunder by the Internal Revenue Service or the judicial courts.

9.3 Employment by Subsidiary. For purposes of this Agreement, the Executive's employment with the Company shall not be deemed to have terminated solely as a result of the Executive continuing to be employed by a wholly-owned subsidiary of the Company.

9.4 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

9.5 Injunctive Relief. The Company and the Executive agree that any breach of this Agreement by the Company is likely to cause the Executive substantial and irrevocable damage and therefore, in the event of any such breach, in addition to such other remedies which may be available, the Executive shall have the right to specific performance and injunctive relief.

9.6 Governing Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the internal laws of the State of Utah, without regard to conflicts of law principles.

9.7 Waivers. No waiver by the Executive at any time of any breach of, or compliance with, any provision of this Agreement to be performed by the Company shall be deemed a waiver of that or any other provision at any subsequent time.

9.8 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original but both of which together shall constitute one and the same instrument.

9.9 Tax Withholding. Any payments provided for hereunder shall be paid net of any applicable tax withholding required under federal, state or local law.

9.10 Entire Agreement. This Agreement sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, employee or representative of any party hereto in respect of the subject matter contained herein; and any prior agreement of the parties hereto in respect of the subject matter contained herein is hereby terminated and cancelled.

9.11 Amendments. This Agreement may be amended or modified only by a written instrument executed by both the Company and the Executive.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above.

MYRIAD GENETICS, INC.

/s/ Peter D. Meldrum
By: Peter D. Meldrum
Title: President and CEO

EXECUTIVE

/s/ R. Bryan Riggsbee
Name: R. Bryan Riggsbee
Address:

EXHIBIT A

GENERAL RELEASE

1. General Release. In consideration of the payments and benefits to be made under that certain Executive Retention Agreement, dated December 18, 2014 (the "Agreement"), R. Bryan Riggsbee (the "Executive"), with the intention of binding the Executive and the Executive's heirs, executors, administrators and assigns, does hereby release, remise, acquit and forever discharge Myriad Genetics, Inc. (the "Company") and each of its subsidiaries and affiliates (the "Company Affiliated Group"), their present and former officers, directors, executives, agents, attorneys, employees and employee benefits plans (and the fiduciaries thereof), and the successors, predecessors and assigns of each of the foregoing (collectively, the "Company Released Parties"), of and from any and all claims, actions, causes of action, complaints, charges, demands, rights, damages, debts, sums of money, accounts, financial obligations, suits, expenses, attorneys' fees and liabilities of whatever kind or nature in law, equity or otherwise, whether accrued, absolute, contingent, unliquidated or otherwise and whether now known or unknown, suspected or unsuspected which the Executive, individually or as a member of a class, now has, owns or holds, or has at any time heretofore had, owned or held, against any Company Released Party in any capacity, including, without limitation, any and all claims (i) arising out of or in any way connected with the Executive's service to any member of the Company Affiliated Group (or the predecessors thereof) in any capacity, or the termination of such service in any such capacity, (ii) for severance or vacation benefits, unpaid wages, salary or incentive payments, (iii) for breach of contract, wrongful discharge, impairment of economic opportunity, defamation, intentional infliction of emotional harm or other tort and (iv) for any violation of applicable state and local labor and employment laws (including, without limitation, all laws concerning unlawful and unfair labor and employment practices), any and all claims based on the Executive Retirement Income Security Act of 1974 ("ERISA"), any and all claims arising under the civil rights laws of any federal, state or local jurisdiction, including, without limitation, Title VII of the Civil Rights Act of 1964 ("Title VII"), the Americans with Disabilities Act ("ADA"), Sections 503 and 504 of the Rehabilitation Act, the Family and Medical Leave Act, and any and all claims under any whistleblower laws or whistleblower provisions of other laws, excepting only:

(a) rights of the Executive under this General Release and the Agreement;

(b) rights of the Executive relating to equity awards held by the Executive as of his or her Date of Termination (as defined in the Agreement);

(c) the right of the Executive to receive COBRA continuation coverage in accordance with applicable law;

(d) rights to indemnification the Executive may have (i) under applicable corporate law, (ii) under the by-laws or certificate of incorporation of any Company Released Party or (iii) as an insured under any director's and officer's liability insurance policy now or previously in force;

(e) claims (i) for benefits under any health, disability, retirement, deferred compensation, life insurance or other, similar Executive benefit plan or arrangement of the Company Affiliated Group and (ii) for earned but unused vacation pay through the Date of Termination in accordance with applicable Company policy; and

(f) claims for the reimbursement of unreimbursed business expenses incurred prior to the Date of Termination pursuant to applicable Company policy.

2. No Admissions. The Executive acknowledges and agrees that this General Release is not to be construed in any way as an admission of any liability whatsoever by any Company Released Party, any such liability being expressly denied.

3. Application to all Forms of Relief. This General Release applies to any relief no matter how called, including, without limitation, wages, back pay, front pay, compensatory damages, liquidated damages, punitive damages for pain or suffering, costs and attorney's fees and expenses.

4. Specific Waiver. The Executive specifically acknowledges that his or her acceptance of the terms of this General Release is, among other things, a specific waiver of his or her rights, claims and causes of action under Title VII, ADEA, ADA and any state or local law or regulation in respect of discrimination of any kind; provided, however, that nothing herein shall be deemed, nor does anything herein purport, to be a waiver of any right or claim or cause of action which by law the Executive is not permitted to waive.

5. No Complaints or Other Claims. The Executive acknowledges and agrees that he or she has not, with respect to any transaction or state of facts existing prior to the date hereof, filed any complaints, charges or lawsuits against any Company Released Party with any governmental agency, court or tribunal.

6. Conditions of General Release.

(a) Terms and Conditions. From and after the Date of Termination, the Executive shall abide by all the terms and conditions of this General Release and the terms and any conditions set forth in any employment or confidentiality agreements signed by the Executive, which is incorporated herein by reference.

(b) Confidentiality. The Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or any legal process, or as is necessary in connection with any adversarial proceeding against any member of the Company Affiliated Group (in which case the Executive shall cooperate with the Company in obtaining a protective order at the Company's expense against disclosure by a court of competent jurisdiction), communicate, to anyone other than the Company and those designated by the Company or on behalf of the Company in the furtherance of its business, any trade secrets, confidential information, knowledge or data relating to any member of the Company Affiliated Group, obtained by the Executive during the Executive's employment by the Company that is not generally available public knowledge (other than by acts by the Executive in violation of this General Release).

(c) Return of Company Material. The Executive represents that he or she has returned to the Company all Company Material (as defined below). For purposes of this Section 6(c), "Company Material" means any documents, files and other property and information of any kind belonging or relating to (i) any member of the Company Affiliated Group, (ii) the current and former suppliers, creditors, directors, officers, employees, agents and customers of any of them or (iii) the businesses, products, services and operations (including without limitation, business, financial and accounting practices) of any of them, in each case whether tangible or intangible (including, without limitation, credit cards, building and office access cards, keys, computer

equipment, cellular telephones, pagers, electronic devices, hardware, manuals, files, documents, records, software, customer data, research, financial data and information, memoranda, surveys, correspondence, statistics and payroll and other employee data, and any copies, compilations, extracts, excerpts, summaries and other notes thereof or relating thereto), excluding only information (x) that is generally available public knowledge or (y) that relates to the Executive's compensation or Executive benefits.

(d) Cooperation. Following the Termination Date, the Executive shall reasonably cooperate with the Company upon reasonable request of the Board and be reasonably available to the Company with respect to matters arising out of the Executive's services to the Company Affiliated Group.

(e) Nondisparagement. The Executive agrees not to communicate negatively about or otherwise disparage any Company Released Party or the products or businesses of any of them in any way whatsoever.

(f) Nonsolicitation. The Executive agrees that for the period of time beginning on the date hereof and ending on the second anniversary of the Executive's Date of Termination, the Executive shall not, either directly or indirectly, solicit, entice, persuade, induce or otherwise attempt to influence any person who is employed by any member of the Company Affiliated Group to terminate such person's employment by such member of the Company Affiliated Group. The Executive also agrees that for the same period of time he or she shall not assist any person or entity in the recruitment of any person who is employed by any member of the Company Affiliated Group. The Executive's provision of a reference to or in respect of any individual shall not be a violation this Section 6(f).

(g) No Representation. The Executive acknowledges that, other than as set forth in this General Release and the Agreement, (i) no promises have been made to him or her and (ii) in signing this General Release the Executive is not relying upon any statement or representation made by or on behalf of any Company Released Party and each or any of them concerning the merits of any claims or the nature, amount, extent or duration of any damages relating to any claims or the amount of any money, benefits, or compensation due the Executive or claimed by the Executive, or concerning the General Release or concerning any other thing or matter.

(h) Injunctive Relief. In the event of a breach or threatened breach by the Executive of this Section 6, the Executive agrees that the Company shall be entitled to injunctive relief in a court of appropriate jurisdiction to remedy any such breach or threatened breach, the Executive acknowledging that damages would be inadequate or insufficient.

7. Voluntariness. The Executive agrees that he or she is relying solely upon his or her own judgment; that the Executive is over eighteen years of age and is legally competent to sign this General Release; that the Executive is signing this General Release of his or her own free will; that the Executive has read and understood the General Release before signing it; and that the Executive is signing this General Release in exchange for consideration that he or she believes is satisfactory and adequate.

8. Legal Counsel. The Executive acknowledges that he or she has been informed of the right to consult with legal counsel and has been encouraged to do so.

9. Complete Agreement/Severability. This General Release constitutes the complete and final agreement between the parties and supersedes and replaces all prior or contemporaneous

agreements, negotiations, or discussions relating to the subject matter of this General Release. All provisions and portions of this General Release are severable. If any provision or portion of this General Release or the application of any provision or portion of the General Release shall be determined to be invalid or unenforceable to any extent or for any reason, all other provisions and portions of this General Release shall remain in full force and shall continue to be enforceable to the fullest and greatest extent permitted by law.

10. Acceptance. The Executive acknowledges that he or she has been given a period of twenty-one (21) days within which to consider this General Release, unless applicable law requires a longer period, in which case the Executive shall be advised of such longer period and such longer period shall apply. The Executive may accept this General Release at any time within this period of time by signing the General Release and returning it to the Company.

11. Revocability. This General Release shall not become effective or enforceable until seven (7) calendar days after the Executive signs it. The Executive may revoke his or her acceptance of this General Release at any time within that seven (7) calendar day period by sending written notice to the Company. Such notice must be received by the Company within the seven (7) calendar day period in order to be effective and, if so received, would void this General Release for all purposes.

13. Governing Law. Except for issues or matters as to which federal law is applicable, this General Release shall be governed by and construed and enforced in accordance with the laws of the State of Utah without giving effect to the conflicts of law principles thereof.

IN WITNESS WHEREOF, the Executive has executed this General Release as of the date last set forth below.

EXECUTIVE

/s/ R. Bryan Riggsbee Date: December 18, 2014

Name: R. Bryan Riggsbee

Exhibit 31.1

SARBANES-OXLEY SECTION 302(a) CERTIFICATION

I, Peter D. Meldrum, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Myriad Genetics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 4, 2015

By: /s/ Peter D. Meldrum
Peter D. Meldrum
President and Chief Executive Officer

Exhibit 31.2

SARBANES-OXLEY SECTION 302(a) CERTIFICATION

I, R. Bryan Riggsbee, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Myriad Genetics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 4, 2015

By: /s/ R. Bryan Riggsbee
R. Bryan Riggsbee
Executive Vice President, Chief Financial Officer
(Principal financial and chief accounting officer)

Exhibit 32.1

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Myriad Genetics, Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended December 31, 2014 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 4, 2015

By: /s/ Peter D. Meldrum
Peter D. Meldrum
President and Chief Executive Officer

Date: February 4, 2015

By: /s/ R. Bryan Riggsbee
R. Bryan Riggsbee
Executive Vice President, Chief Financial Officer