



# Myriad Genetics Corporate Presentation

11/11/2015



# Forward Looking Statements

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



# Our vision...

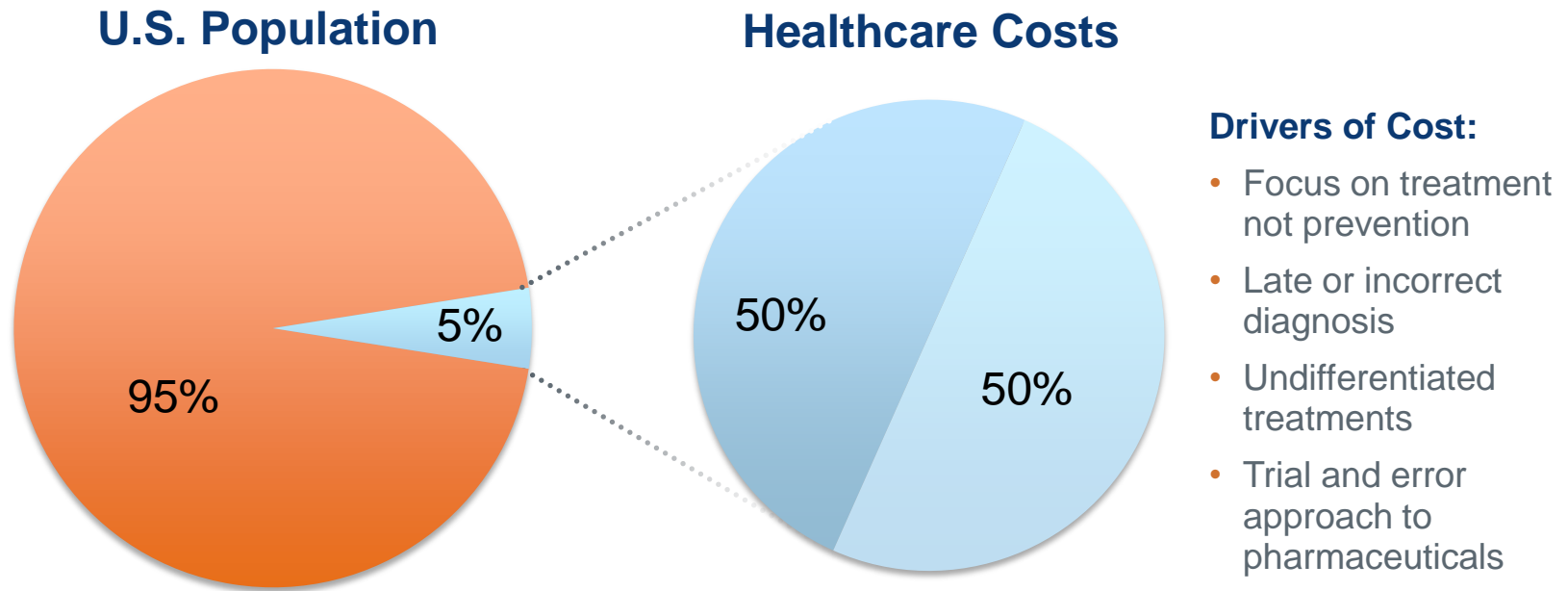
A trusted advisor transforming  
patients' lives worldwide  
with pioneering molecular  
diagnostics



The Global Leader in  
Personalized Medicine



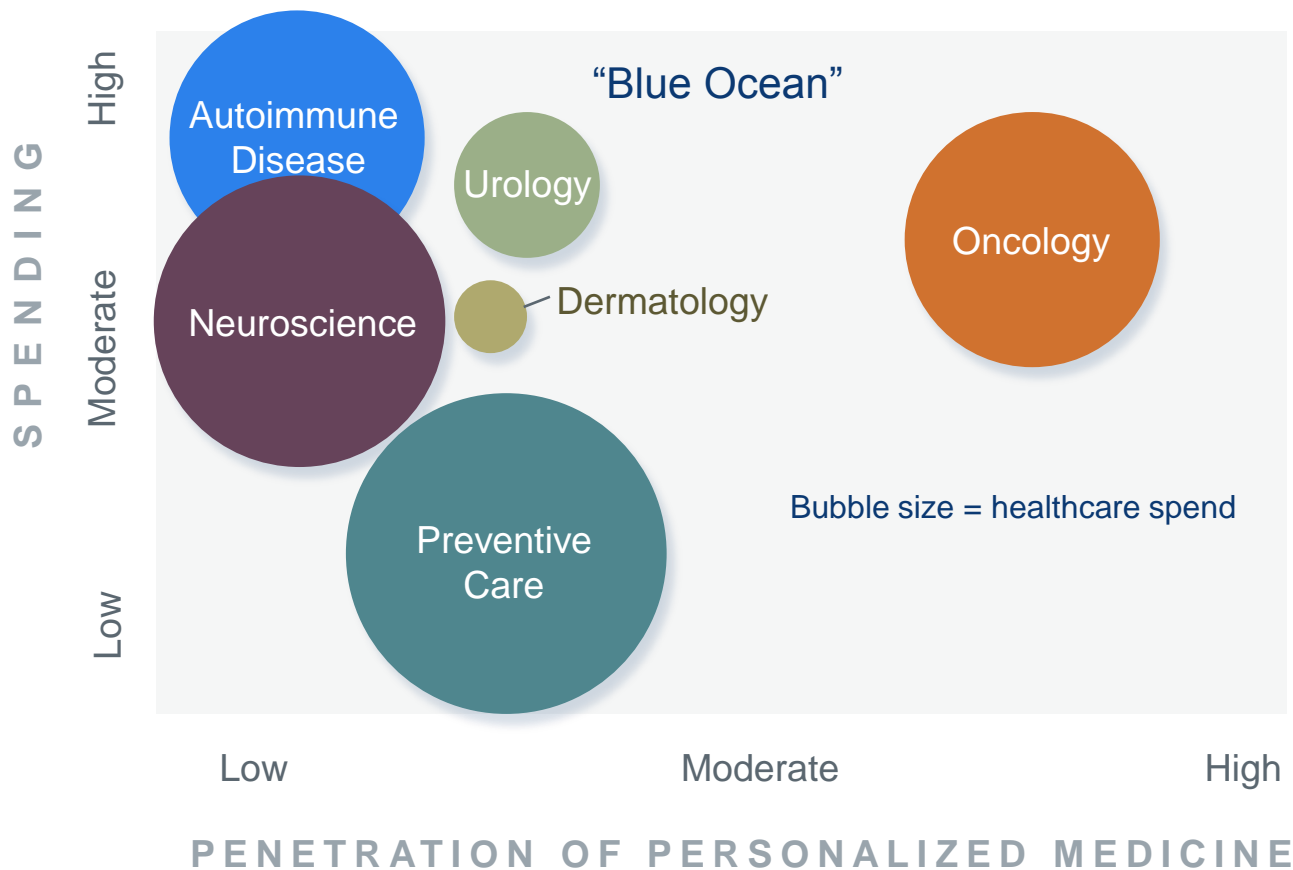
# U.S. Healthcare System Remains Highly Inefficient



5% of patients represent 50% of healthcare costs\*

\*Agency for Healthcare Research and Quality

# Large Drivers of Inefficiencies Represent Blue Ocean Opportunities





# Myriad's **4<sup>in</sup>6** Mission Statement

Answering patients' **four**  
most pressing questions

Will I get a disease?

Do I have a disease?

Should I treat this disease?

How should I treat this disease?

In **six** medical  
specialties

Oncology

Preventive Care

Urology

Dermatology

Autoimmune

Neuroscience

# Unmatched Competitive Advantages in Personalized Medicine



- Profitable R&D driven molecular diagnostic company
- Expertise in DNA, RNA, and proteins
- Strong research capabilities; extensive collaborations (>50 institutions and >20 pharma/bio companies)
- Broad regulatory experience (CLIA, FDA, CE mark)
- Deep physician relationships (>90,000 ordering physicians since inception)
- Extensive managed care contracts (>600)
- Reputation for best-in-class quality for high-complexity tests (>2 million performed)

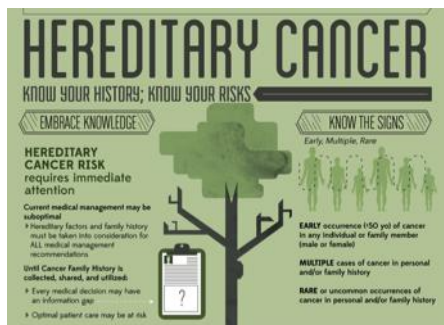


# Our Strategic Goals By 2020





# Our Strategic Imperatives to Achieve Our **FIVE**-Year Goals



Transition & Expand the Hereditary Cancer Market

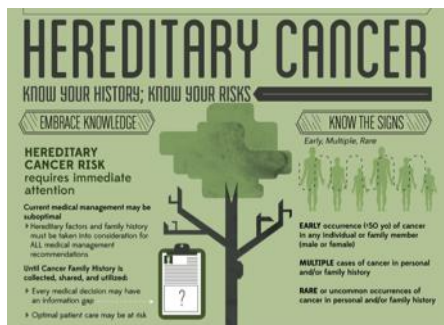


Diversify the Portfolio



Increase International Contribution

# Our Strategic Imperatives to Achieve Our **FIVE**-Year Goals



Transition & Expand the  
Hereditary Cancer Market



Diversify the Portfolio

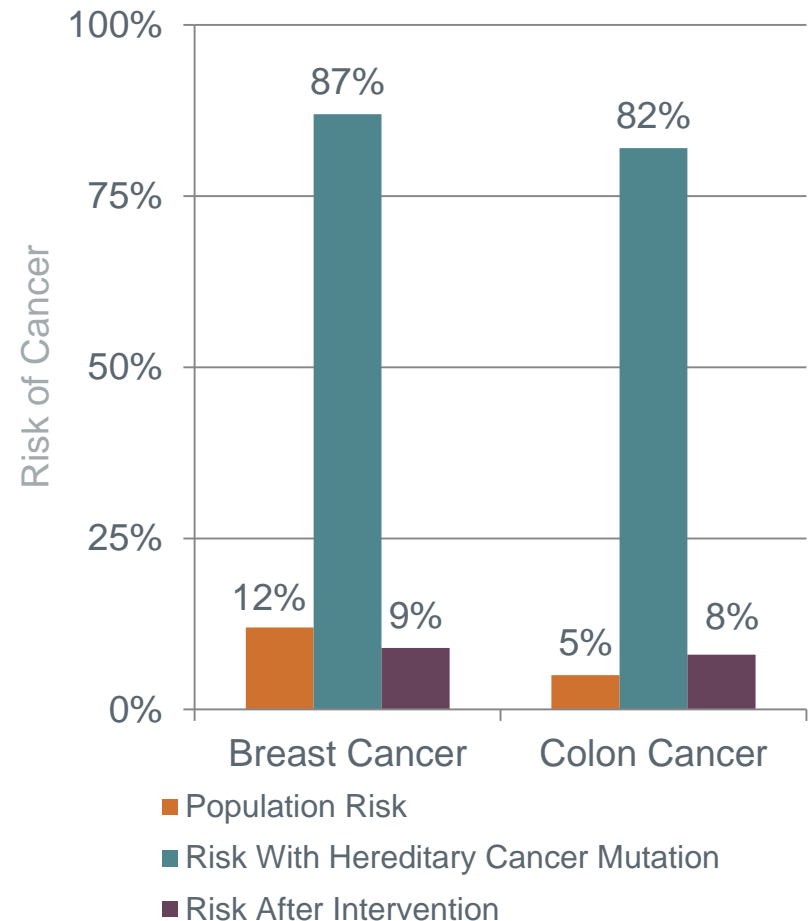


Increase International  
Contribution



# Hereditary Cancer Market Remains Significant Untapped Opportunity

- ≈1 in 500 people have a mutation in a hereditary cancer gene
- ≈15M adults in United States qualify for hereditary cancer testing
- \$30B TAM
- Less than 10% have been tested
- Deleterious mutations lead to up to a 7 fold risk of breast cancer and up to a 16 fold risk of colorectal cancer
- Cost effective interventional steps can reduce lifetime risk to below the general population risk

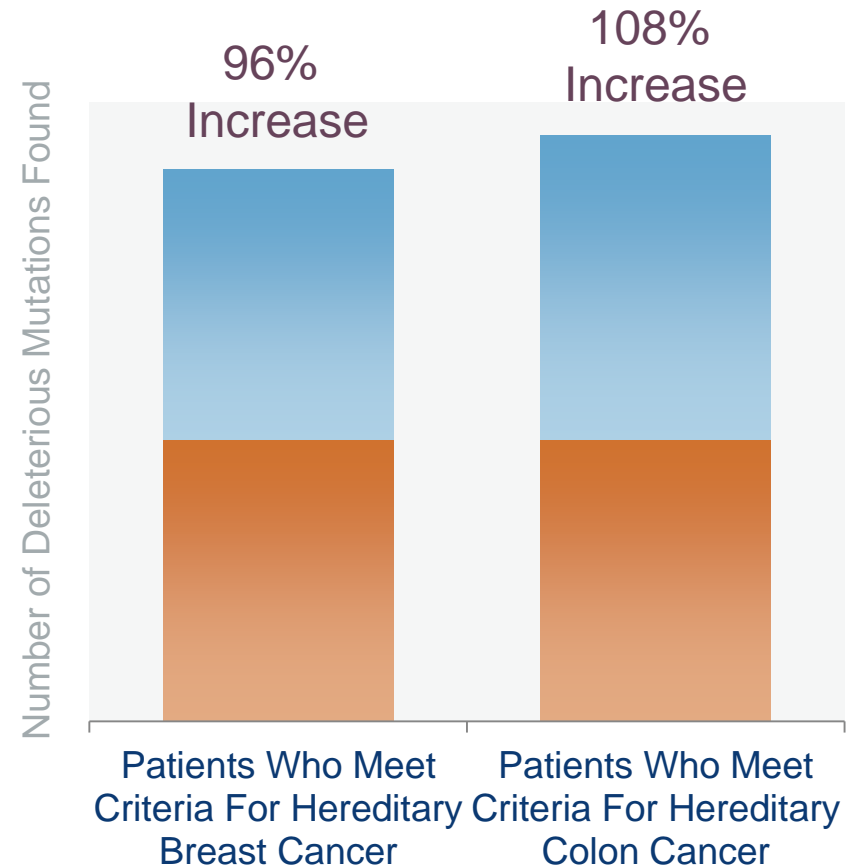


- National Cancer Institute; Surgery to Reduce Risk of Breast Cancer
- Risk of colorectal adenoma and carcinoma after colectomy for colorectal cancer in patients meeting Amsterdam criteria.



# Hereditary Cancer Market Rapidly Transitioning to Higher Value Multi-Gene Panels

- myRisk™ Hereditary Cancer is a 25 gene panel
- All genes are clinically actionable; 19 have NCCN guidelines
- ≈80% of incoming samples currently ordered as myRisk
- Facilitates expanded indications with incremental \$500M TAM
- Long-term managed care contracts establish pricing stability

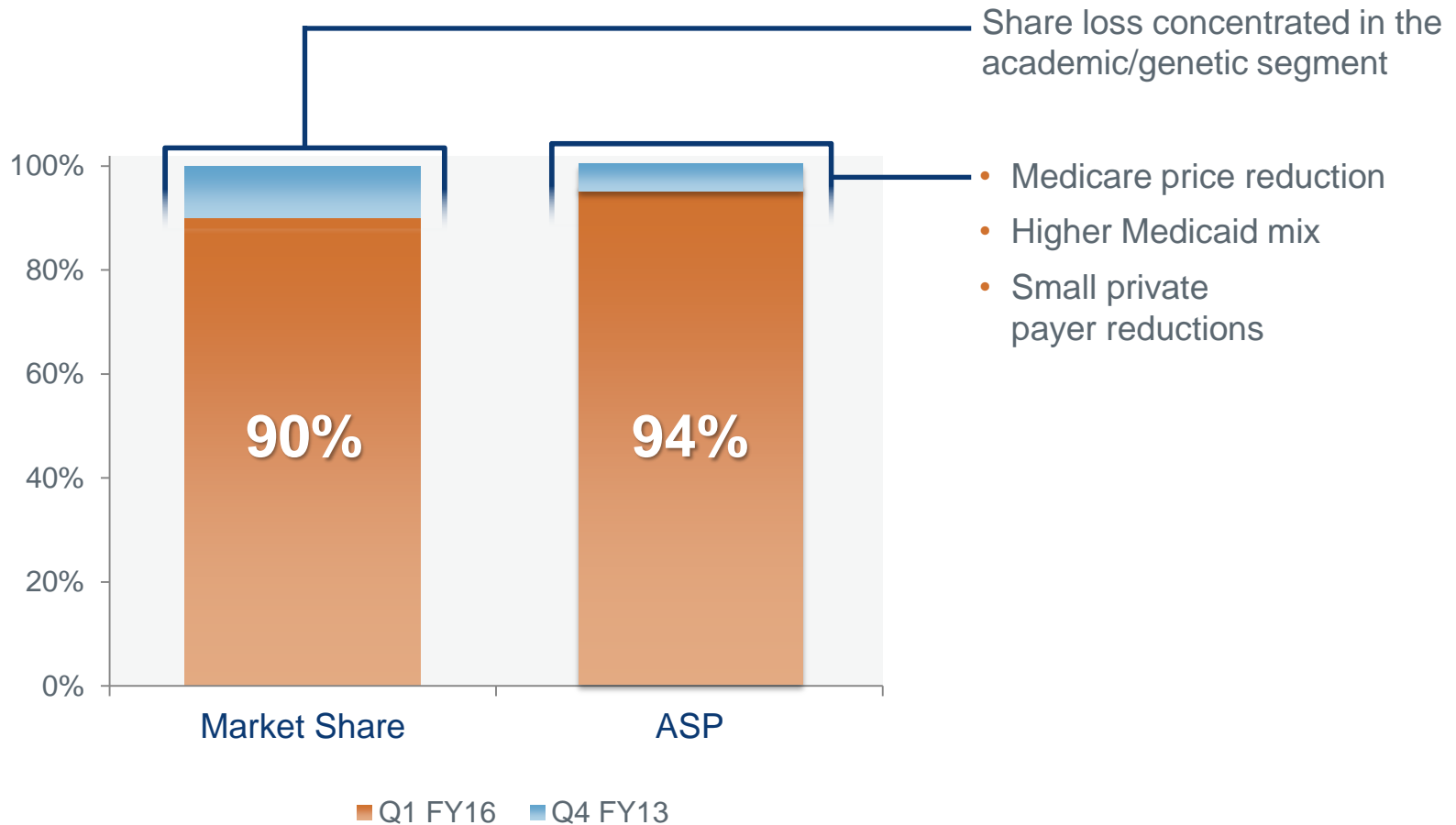


■ Single Gene Tests ■ myRisk Hereditary Cancer

\* Based on data from 4,486 patients tested at Myriad Genetics



# Hereditary Cancer Revenue Has Been More Durable Than Investors Anticipated

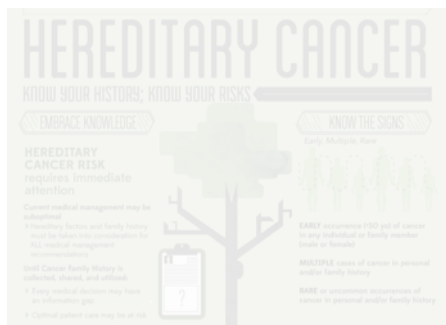




# Sustainable Competitive Advantages Expand in the Future

Factor	Lab Accuracy	Variant Classification	Customer Support
<b>Myriad Advantages</b>	<ul style="list-style-type: none"><li>• Requires perfection</li><li>• 85,000 bases analyzed</li><li>• 856 distinct manufacturing steps</li><li>• 23 major technology platforms</li><li>• 100 proprietary software applications</li></ul>	<ul style="list-style-type: none"><li>• 20 years of research and &gt;\$100M investment</li><li>• 2 million patients tested</li><li>• 40,000 variant database that is rapidly expanding</li><li>• Avoid public databases that are fraught with errors</li><li>• Proprietary methods</li></ul>	<ul style="list-style-type: none"><li>• 11,000 oncologists and breast surgeons</li><li>• 35,000 OBGYNs</li><li>• 375 person sales team</li><li>• 80 person clinical team</li><li>• Tailored report developed with &gt;40,000 coding hours</li><li>• Extensive managed care contracts (&gt;600)</li><li>• Industry leading turnaround time</li></ul>

# Our Strategic Imperatives to Achieve Our **FIVE**-Year Goals



Transition & Expand the Hereditary Cancer Market

























Diversify the Portfolio



Increase International Contribution

# 4in6 Pipeline Represents Two-Thirds of Opportunities Marketed or Under Development

	MYRIAD myRisk™	MYRIAD myPath®	MYRIAD myPlan®	MYRIAD myChoice®
	Risk?	Diagnosis?	Prognosis?	Therapy?
Oncology	 		 	
Preventive Care				
Urology				
Dermatology	 			
Neuroscience				
Autoimmune				 

 Currently Marketed
  Under Development



# Industry Leading Pipeline Facilitates Long-Term Growth

## Total Addressable Market (TAM)

**\$10B**

**\$8B**

**\$10B+**

Stage 3 REIMBURSEMENT	Stage 2 VALIDATION	Stage 1 DISCOVERY
<ul style="list-style-type: none"> <li>• myRisk Hereditary Cancer</li> <li>• <b>Vectra DA<sup>®</sup></b></li> <li>• <b>Prolaris<sup>®</sup></b></li> <li>• EndoPredict<sup>®</sup></li> <li>• <b>BRACAnalysis CDx<sup>™1</sup></b></li> <li>• <b>Tumor BRACAnalysis CDx<sup>®</sup></b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>myPath<sup>®</sup> Melanoma</b></li> <li>• <b>myChoice<sup>™</sup> HRD (Platinum)<sup>2</sup></b></li> <li>• <b>myChoice HRD<sup>™</sup> (PARP)<sup>3</sup></b></li> <li>• myPlan<sup>®</sup> Lung Cancer</li> <li>• myPlan<sup>®</sup> Renal Cancer</li> </ul>	<ul style="list-style-type: none"> <li>• myPath<sup>®</sup> Bipolar</li> <li>• myPath<sup>®</sup> Pancreatic Cancer</li> <li>• myPath<sup>®</sup> Psoriatic Arthritis</li> <li>• myPath<sup>®</sup> Prostate Cancer</li> <li>• myPath<sup>®</sup> Endometriosis</li> </ul>

<sup>1</sup> Ovarian Cancer, Breast Cancer, Pancreatic Cancer

<sup>2</sup> Triple Negative Breast Cancer, HER2- Breast Cancer

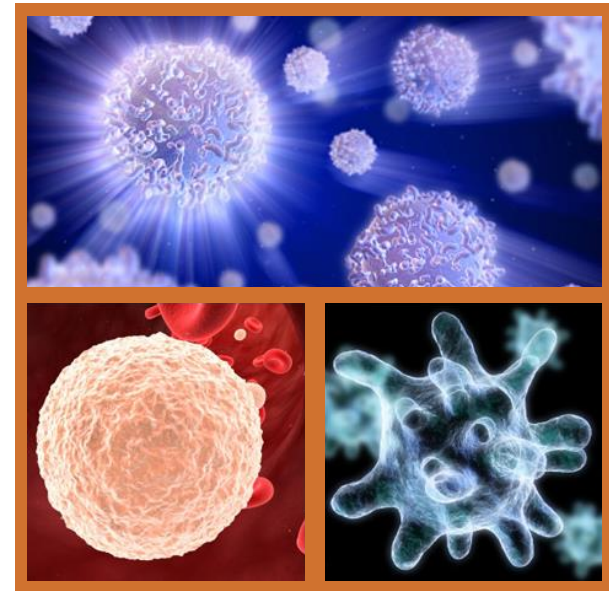
<sup>3</sup> Ovarian Cancer, Breast Cancer, Pancreatic Cancer, Metastatic Prostate Cancer



# Vectra DA

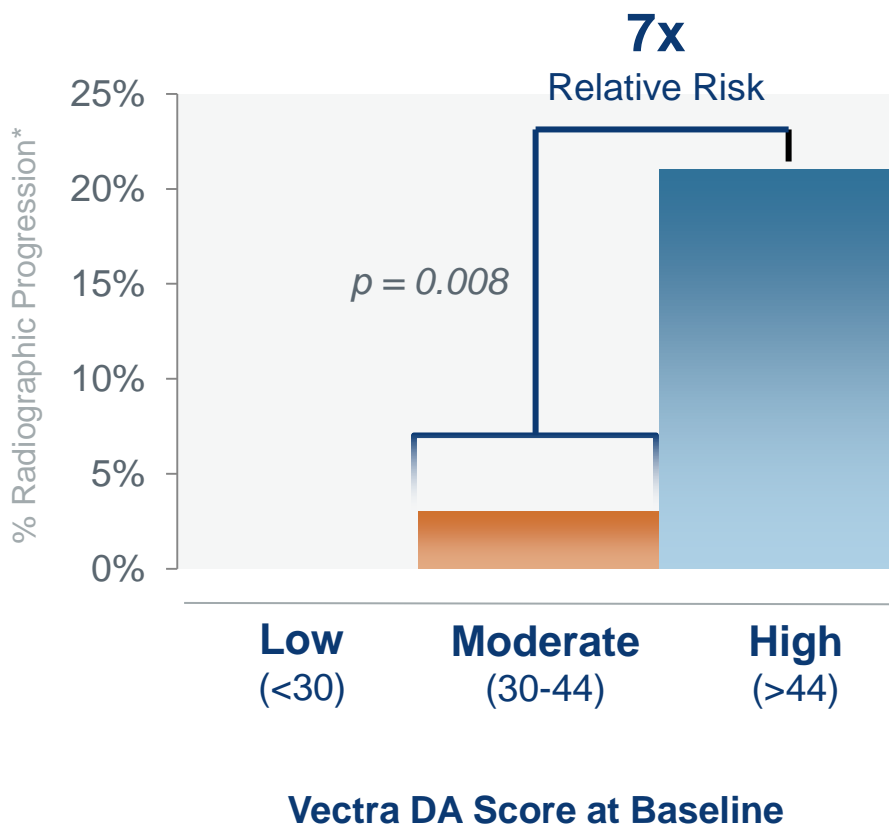
# Vectra DA Fills a Substantial Unmet Clinical Need

- Historical methodology for assessing rheumatoid arthritis disease activity has been subjective physician joint assessment (DAS 28)
- Unable to detect changes in disease activity before irreversible bone damage
- Vectra DA is a 12 protein biomarker test that provides an objective assessment of disease activity
- Multiple studies show the tests ability to predict radiographic progression (gold standard endpoint for RA)



# Vectra DA Supported by Robust Clinical Data

- 17 clinical studies with >3,000 patients
- Indicated for 3 million RA patients globally; represents a \$3B TAM
- U.S. Medicare reimbursement alone supports \$600M market
- 40% of U.S. rheumatologists have ordered
- FY2015 revenue \$43M



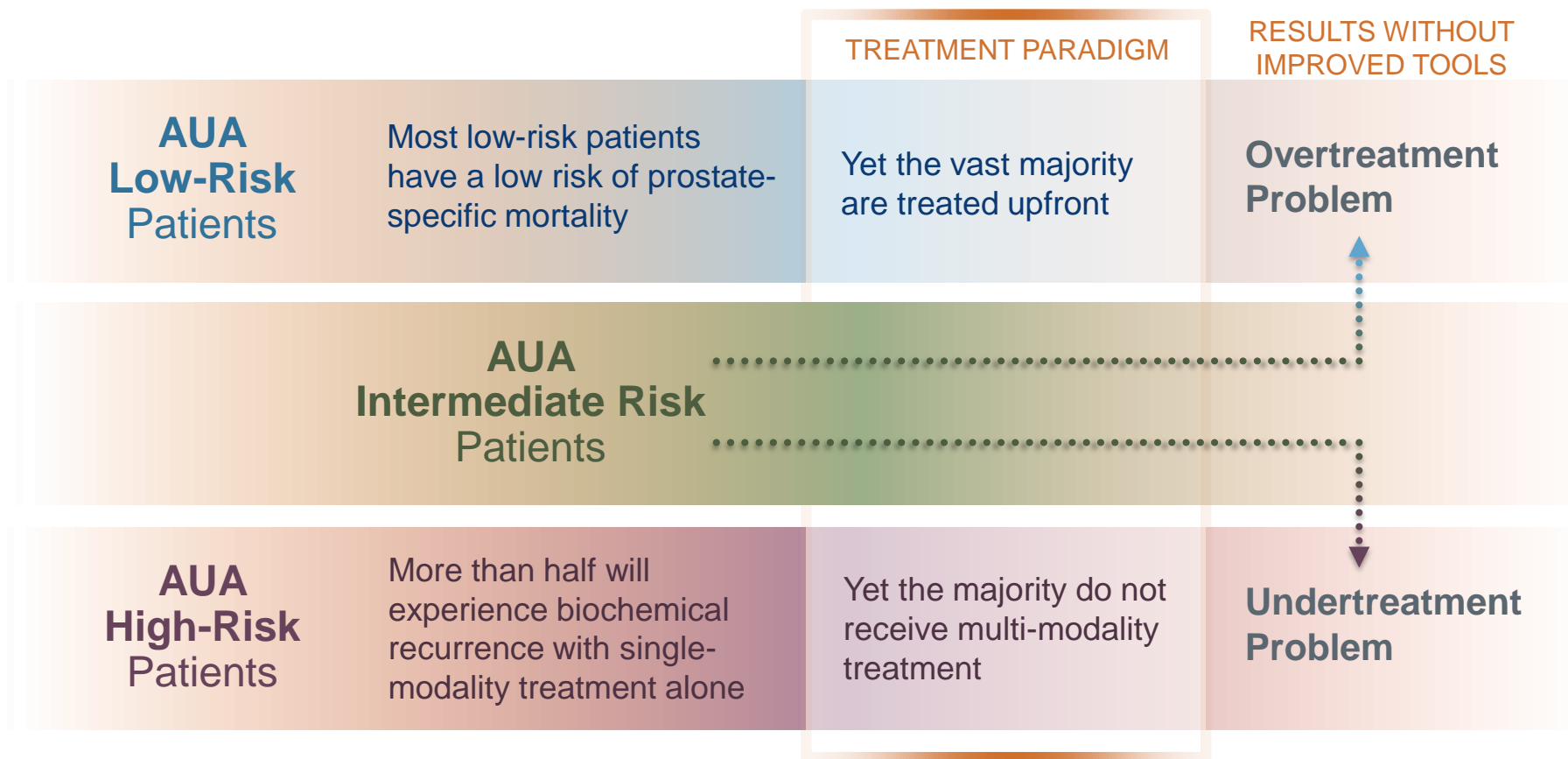
Hambardzumyan, K, et al, *Annals of the Rheumatic Diseases* 2014. doi:10.1136/annrheumdis-2013-204986

\*% Patients with  $\Delta$ SHS >5 BL to year 1



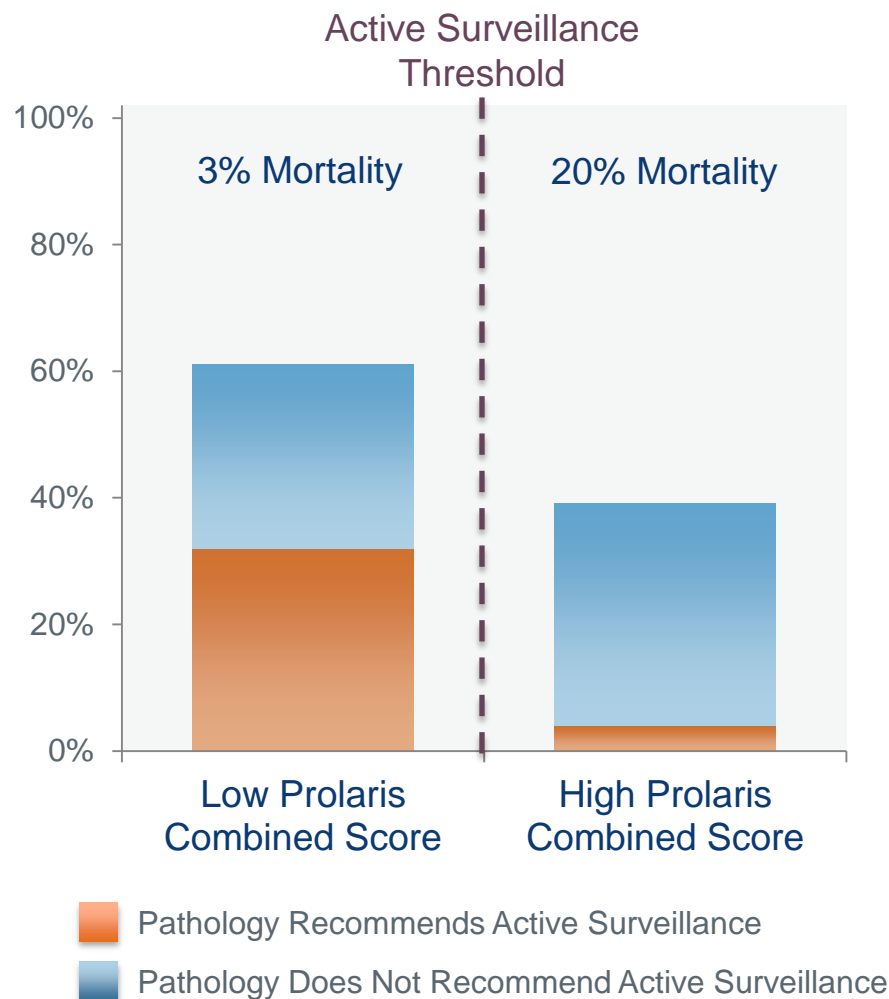
# Prolaris

# Most Prostate Cancer Patients Inappropriately Treated



# Prolaris Supported by Robust Clinical Data

- 10 clinical studies with >4,000 patients
- Indicated for 500,000 global patients per year with a TAM of \$1.5B
- Medicare reimbursement currently supports \$200M U.S. market
- Signed first commercial payer (Tufts Health Plan)
- Over 20% of urologists have ordered the test
- 119% YoY volume growth in 1Q16



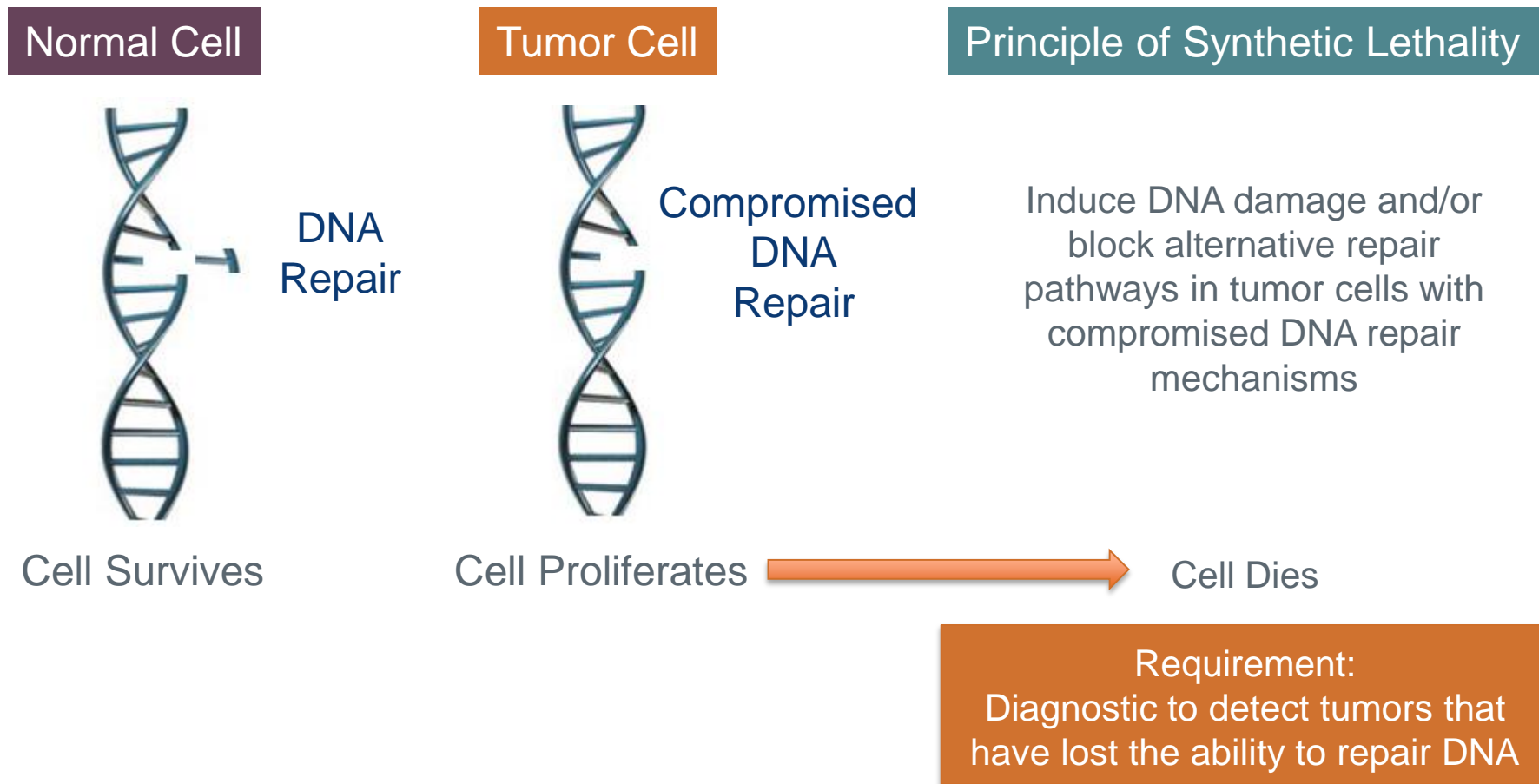
\*Cuzick 2015 AUA



# Companion Diagnostics for DNA Damaging Agents



# Requirement for Diagnostic to Detect DNA Repair Pathway Defect

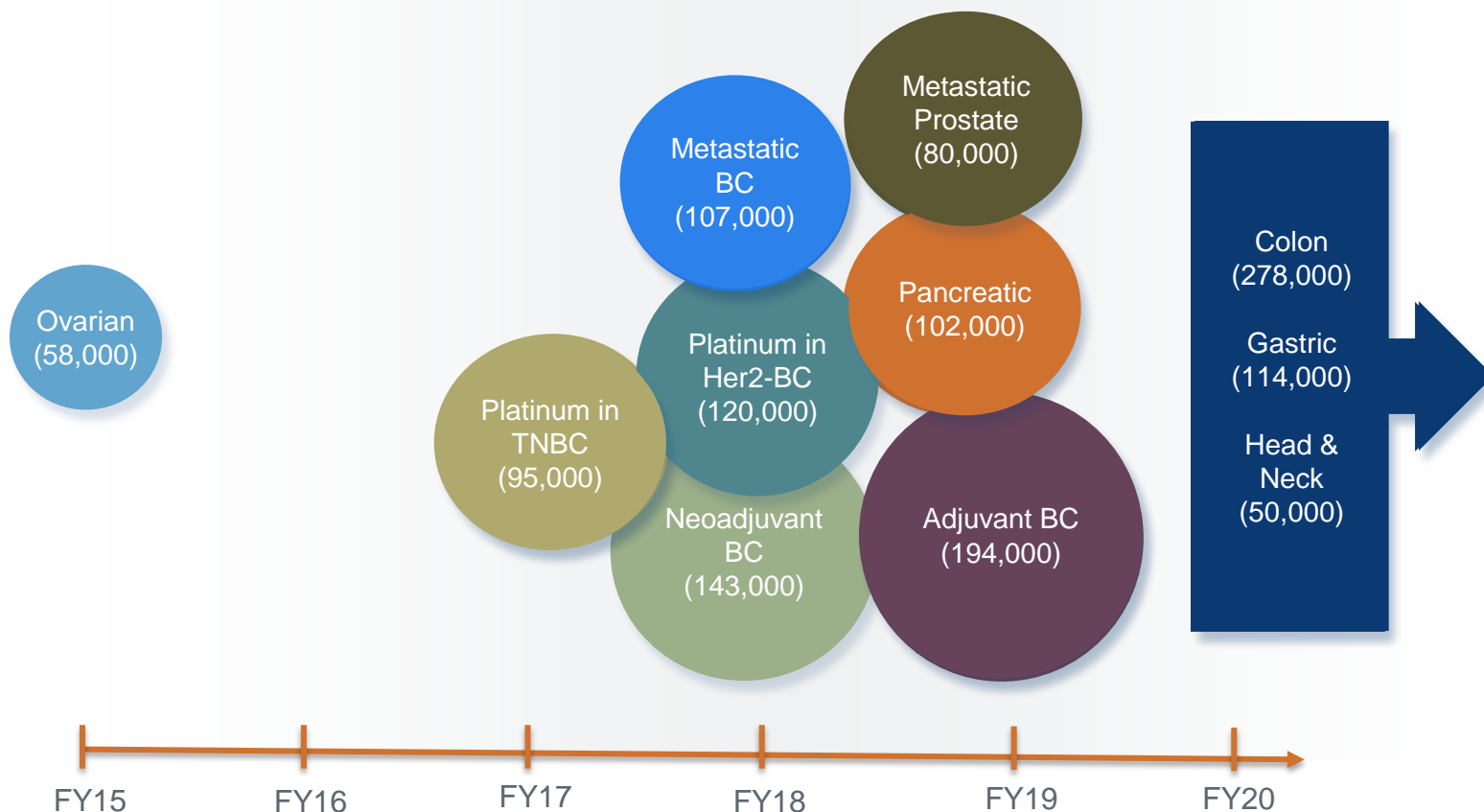


1.4M Patients/Year Could Benefit = \$6B TAM

# Only Company With a Complete Suite of Products

	BRACAnalysisCDx™	Tumor BRACAnalysisCDx™	MYRIAD myChoice® HRD
% Positive (Ovarian)	15%	22%	48%
Sample	Blood	Tumor	Tumor
Biomarkers	BRCA1&2	Tumor BRCA1&2	Genome-wide assessment of DNA scar associated with DNA repair defects
Intellectual Property	Database, process, bioinformatics	Database, process, bioinformatics	<b>IP on three proprietary technologies (LOH, TAI, &amp; LST)</b>
Currently Marketed	Yes, FDA approved in U.S. for use with Lynparza™	Yes, marketed in Europe only	Yes, commercial launch for platinum drugs in 2Q16
Partners	AstraZeneca, Medivation, TESARO, AbbVie	AstraZeneca, Medivation, TESARO, AbbVie	Medivation, TESARO, Platinum

# Extensive Collaborations With >22 Clinical Studies



**Global Market = 1.4M patients or \$6.0b\***

\*Includes U.S., Canada and EU6

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# myPath Melanoma

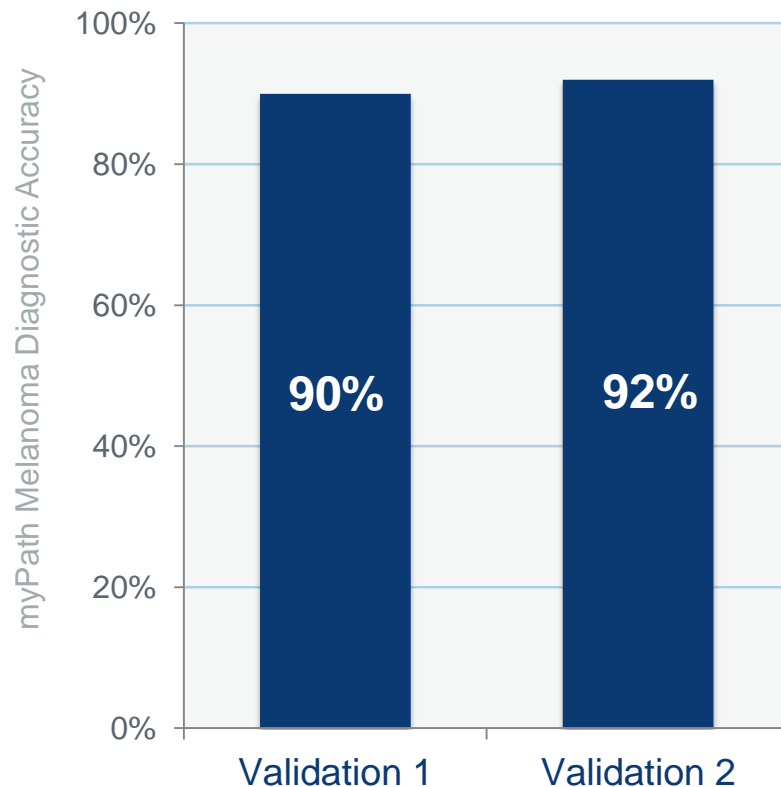
# Traditional Melanoma Diagnosis is Highly Subjective

**15% to 47% discordance in peer reviewed literature**

STUDY	N	DISCORDANCE
Cerroni et al.	57	47%
Hawryluk et al.	478	35%
Piepkorn et al.	149	46%
Gerami et al.	24	30%
Veenhuizen et al.	1,069	15%
Shoo et al.	392	15%
Lodha et al.	178	25%
Farmer et al.	37	35%
<b>Overall</b>	<b>2,384</b>	<b>31%</b>

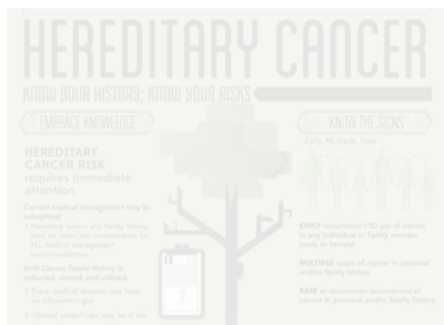
# myPath Melanoma Beginning Reimbursement Process

- 5 clinical studies with ≈2,000 patients
- Indicated for 400,000 global patients per year with a TAM of \$600M
- 22% of dermatopathologists in the U.S. have ordered the test
- 138% volume growth in FY15



*\*Clinical Validation of a Gene Expression Signature That Differentiates Benign Nevi From Malignant Melanoma*

# Our Strategic Imperatives to Achieve Our **FIVE**-Year Goals



Transition & Expand the Hereditary Cancer Market



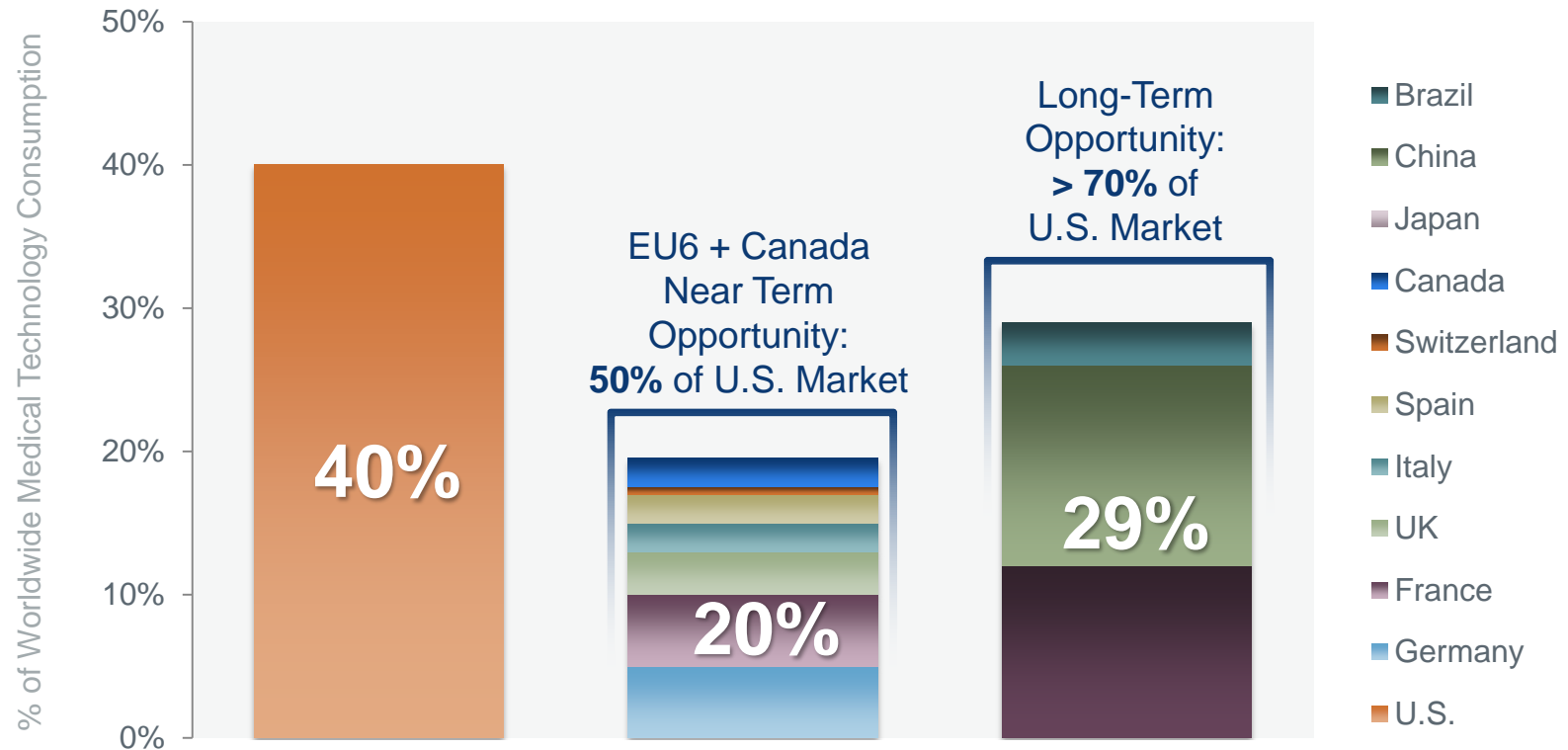
Diversify the Portfolio



Increase International Contribution



# Total Available Market (TAM) in 10 Major International Markets > U.S.




Source: European Federation for Pharmaceutical Industry  
IFPMA Facts & Figures 2012





# Refined Strategy to Reflect Unique International Market

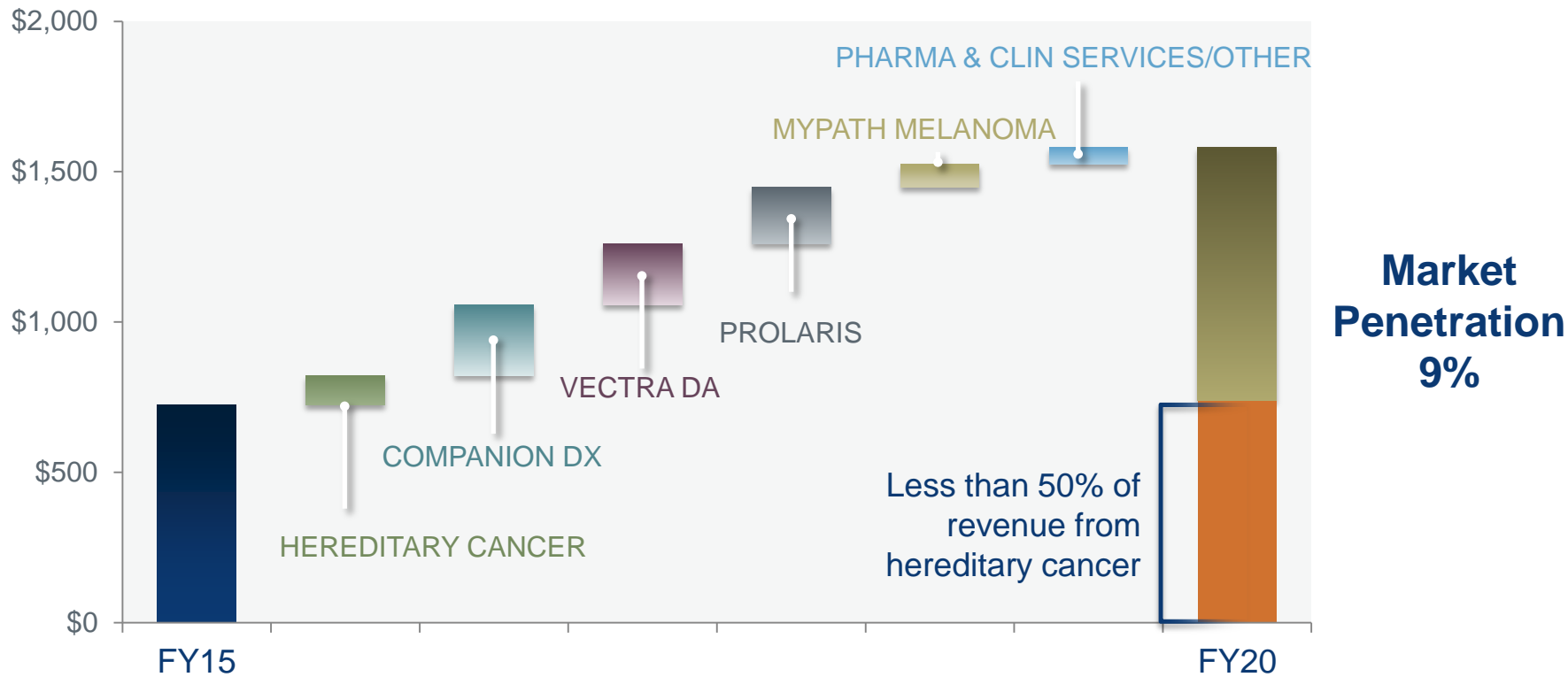
COUNTRIES		REFERENCE TESTS		KITS	
<b>Near-Term Growth:</b>	EU6 + Canada	<b>DNA (multiple platforms):</b>	  Companion Diagnostics	<b>RNA (platform partner):</b>	<ul style="list-style-type: none"><li>• EndoPredict</li><li>• Prolaris</li><li>• myPlan Lung</li><li>• myPath Melanoma</li><li>• myPlan Renal</li></ul>
<b>Long-Term Growth:</b>	Japan, China, and Brazil			<b>Protein (platform partner):</b>	<ul style="list-style-type: none"><li>• Vectra DA</li><li>• myPath Bipolar</li><li>• myPath Pancreatic</li></ul>



# Financial Outlook

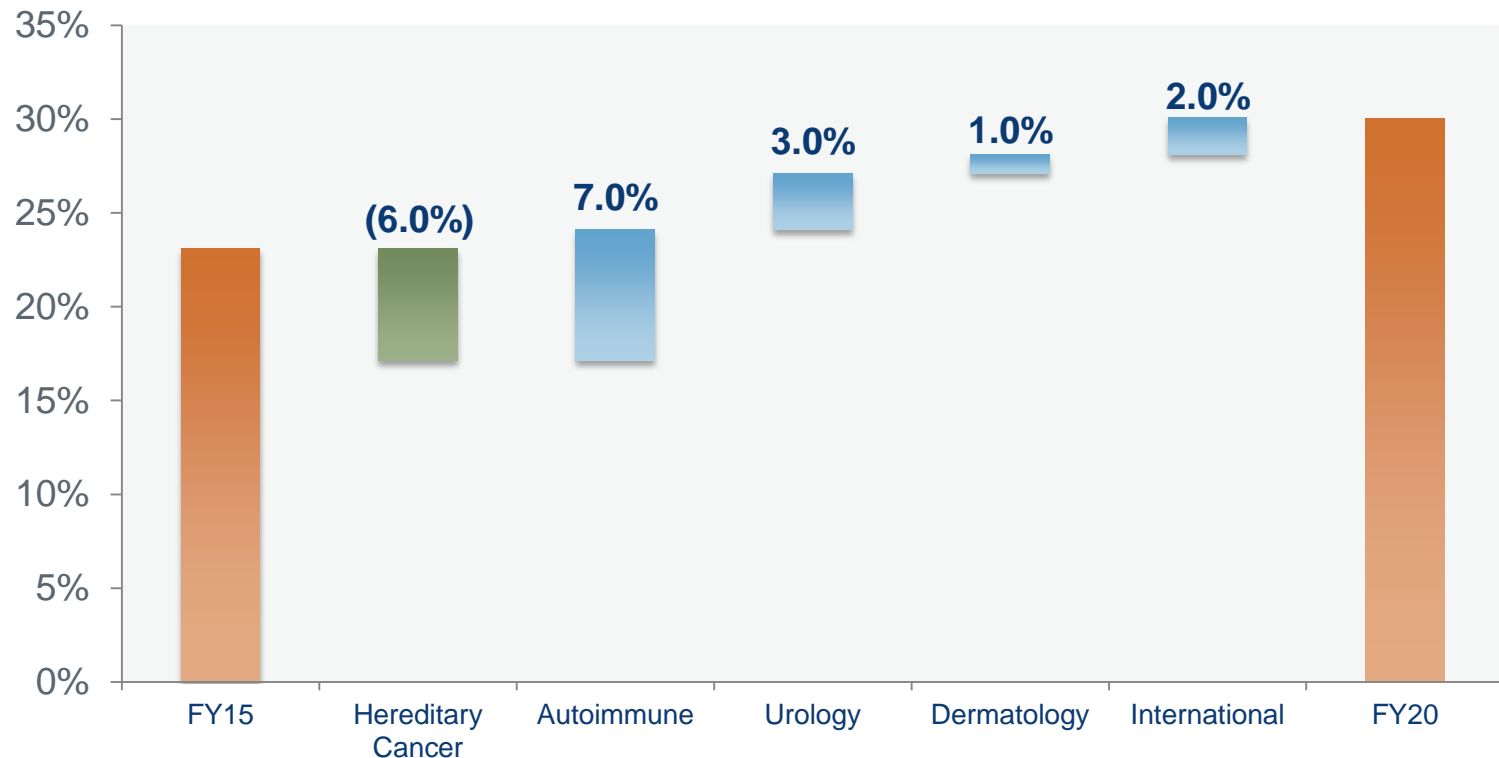


# Five Year Plan Anticipates Greater Than 10% Revenue CAGR Over Next Five Years





# Increased Profitability In Pipeline Products Supports >30% Operating Margins





# Capital Deployment Strategy

CAPITAL ALLOCATION PRIORITY	CAPITAL DEPLOYMENT SINCE JUNE 2010	GOAL
<b>R&amp;D</b>	9% of revenue	8% to 10% of revenue
<b>M&amp;A</b>	≈ \$340M 43% of FCF	<ul style="list-style-type: none"> <li>• Use cash on hand to fund smaller deals (&lt; \$100M)</li> <li>• Use cash and leverage to fund larger deals (\$100M-\$600M)</li> <li>• Use equity to fund strategic deals (beyond borrowing capacity)</li> </ul>
<b>Share Repurchase</b>	>\$1B 127% of FCF	<ul style="list-style-type: none"> <li>• Target 100% of FCF</li> <li>• Reduce share repurchases based upon M&amp;A visibility</li> <li>• Maintain cash at \$100M to \$200M</li> </ul>
<b>Dividend</b>	None	No plans for dividend given more attractive uses of capital

# Worldwide Leader in Personalized Medicine

- We are entering the **golden age** for personalized medicine
- We are the pioneers of “research-based” and “education-centric” business modeling for diagnostics
- No company is better positioned to lead this revolution in healthcare than Myriad

