



**Part II** Organizational Action *(continued)*

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See attachment.](#)

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**18** Can any resulting loss be recognized? ▶ [See attachment.](#)

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**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See attachment.](#)

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ▶  Date ▶ 12/20/2019  
Print your name ▶ Jeff Elliot Title ▶ Chief Financial Officer

|                               |                            |                      |      |   |              |
|-------------------------------|----------------------------|----------------------|------|---|--------------|
| <b>Paid Preparer Use Only</b> | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN         |
|                               | Firm's name ▶              |                      |      |   | Firm's EIN ▶ |
|                               | Firm's address ▶           |                      |      |   | Phone no.    |

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations related to the effects of the Merger (as defined below). The information contained herein does not constitute tax advice and does not purport to be complete or describe the tax consequences that may apply to particular persons or categories of persons. Holders of Genomic Health common stock are encouraged to consult their independent tax advisors regarding the particular consequences of the Merger to them (including the applicability and effect of all federal, state, local and non-U.S. laws) and should carefully read the Proxy Statement, dated October 4, 2019, and filed with the Securities and Exchange Commission, noting especially the discussion under the heading “U.S. Federal Income Tax Consequences.” The Proxy Statement may be accessed at [www.sec.gov](http://www.sec.gov).

**Item 14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders’ ownership is measured for the action.**

On November 8, 2019, pursuant to the terms and conditions of the previously-announced Agreement and Plan of Merger, dated as of July 28, 2019, (the “Merger Agreement”) by and among Exact Sciences Corporation (“Exact Sciences”), Spring Acquisition Corp. (“Merger Sub”) and Genomic Health, Inc. (“Genomic Health”), Merger Sub merged with and into Genomic Health, with Genomic Health continuing as the surviving corporation of the merger and a wholly owned subsidiary of Exact Sciences (the “Merger”).

In the Merger, each share of Genomic Health common stock issued and outstanding immediately prior to the effective time of the Merger (other than shares held by Genomic Health as treasury stock, Exact Sciences, or any wholly owned subsidiaries of Genomic Health or Exact Sciences (other than Merger Sub)) was cancelled and converted into the right to receive (a) \$27.50 in cash, without interest, plus (b) 0.45043 of a share of Exact Sciences (and cash in lieu of a fractional share) (together, the “Merger Consideration”).

**Item 15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.**

The exchange of Genomic Health stock for the Merger Consideration was a taxable transaction for U.S. federal income tax purposes. As a result, a holder’s tax basis in each share of Exact Sciences common stock received in the merger will generally equal the fair market value of such share of Exact Sciences common stock as of the completion of the Merger.

U.S. federal income tax law does not specifically prescribe how you should determine the fair market value of shares of Exact Sciences common stock received in the Merger for purposes of determining your tax basis in such shares.

One possible method of determining the fair market value of Exact Sciences common stock received in the Merger is to use the average of the high and low trading prices of Exact Sciences common stock on November 8, 2019 which was \$82.39 per share on the Nasdaq Stock Market. Other reasonable methods for determining the fair market value of Exact Sciences common stock received in the Merger may exist. You should consult your independent tax advisor to determine the appropriate method of determining the fair market value of the Exact Sciences common stock received in the Merger.

***Item 16. Describe the calculation of the change in basis and the date that supports the calculation, such as market values of securities and the valuation dates.***

For U.S. federal income tax purposes, the aggregate tax basis of the Exact Sciences common stock received in the Merger will generally equal the fair market value of the Exact Sciences common stock as of the completion of the Merger. See Item 15, above, for a discussion of the determination of fair market value of the Exact Sciences common stock.

***Item 17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.***

The U.S. federal income tax treatment described above is based on Section 1001 and 1012 of the Code.

***Item 18. Can any resulting loss be recognized?***

Yes, generally any resulting loss can be recognized.

***Item 19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.***

The Merger was completed on November 8, 2019. For a Genomic Health shareholder whose taxable year is the calendar year, the reportable tax year is 2019.