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# Corporate Presentation

Fourth Quarter 2018

# Safe harbor statement

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are intended to be covered by the "safe harbor" created by those sections. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations, can generally be identified by the use of forward-looking terms such as "believe," "expect," "may," "will," "should," "would," "could," "seek," "intend," "plan," "goal," "project," "estimate," "anticipate" or other comparable terms. All statements other than statements of historical facts included in this presentation regarding our strategies, prospects, financial condition, operations, costs, plans and objectives are forward-looking statements. Examples of forward-looking statements include, among others, statements we make regarding expected future operating results, anticipated results of our sales and marketing efforts, expectations concerning payer reimbursement and the anticipated results of our product development efforts. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: our ability to successfully and profitably market our products and services; the acceptance of our products and services by patients and healthcare providers; our ability to meet demand for our products and services; the willingness of health insurance companies and other payers to cover our products and services and adequately reimburse us for such products and services; the amount and nature of competition from other cancer screening and diagnostic products and services; the effects of the adoption, modification or repeal of any healthcare reform law, rule, order, interpretation or policy; the effects of changes in pricing, coverage and reimbursement for our products and services, including without limitation as a result of the Protecting Access to Medicare Act of 2014; recommendations, guidelines and quality metrics issued by various organizations such as the U.S. Preventive Services Task Force, the American Cancer Society, and the National Committee for Quality Assurance regarding cancer screening or our products and services; our ability to successfully develop new products and services; our ability to effectively utilize strategic partnerships and acquisitions; our success establishing and maintaining collaborative, licensing and supplier arrangements; our ability to maintain regulatory approvals and comply with applicable regulations; and the other risks and uncertainties described in the Risk Factors and in Management's Discussion and Analysis of Financial Condition and Results of Operations sections of our most recently filed Annual Report on Form 10-K and our subsequently filed Quarterly Reports on Form 10-Q. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

## **Our Vision**

**Exact Sciences is committed to helping win the war on cancer through early detection.**

# The Exact Approach



COMMAND  
THE CORE BUSINESS



PREPARE  
FOR FUTURE DEMAND



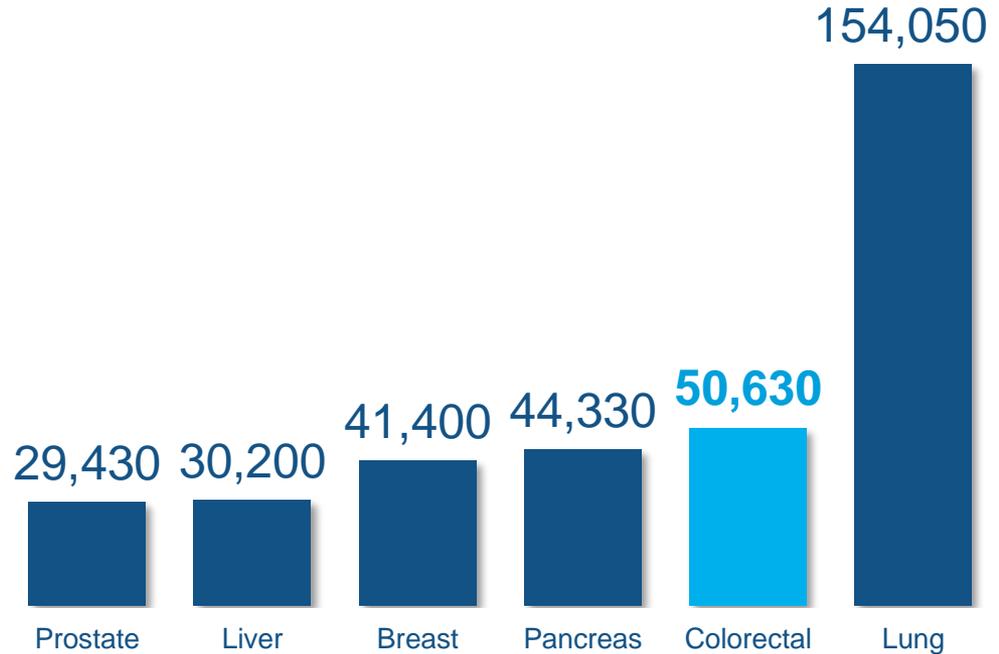
ADVANCE  
THE PIPELINE



# Colon cancer: America's second deadliest cancer

**140,250**  
new diagnoses

**50,630**  
deaths

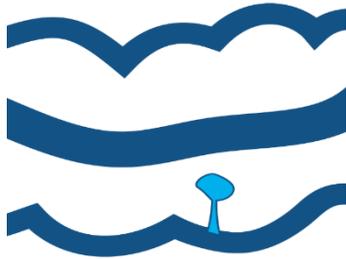


Annual Cancer Deaths

# “The most preventable, yet least prevented form of cancer”

– *Journal of the National Cancer Institute*

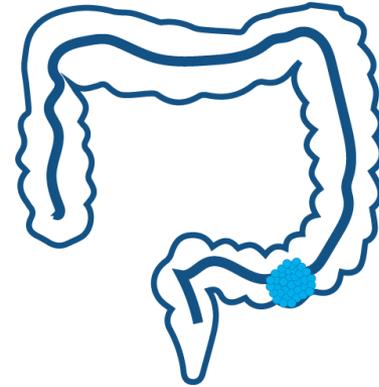
Pre-cancerous polyp



10+ years



Cancer



# Detecting colorectal cancer early is critical

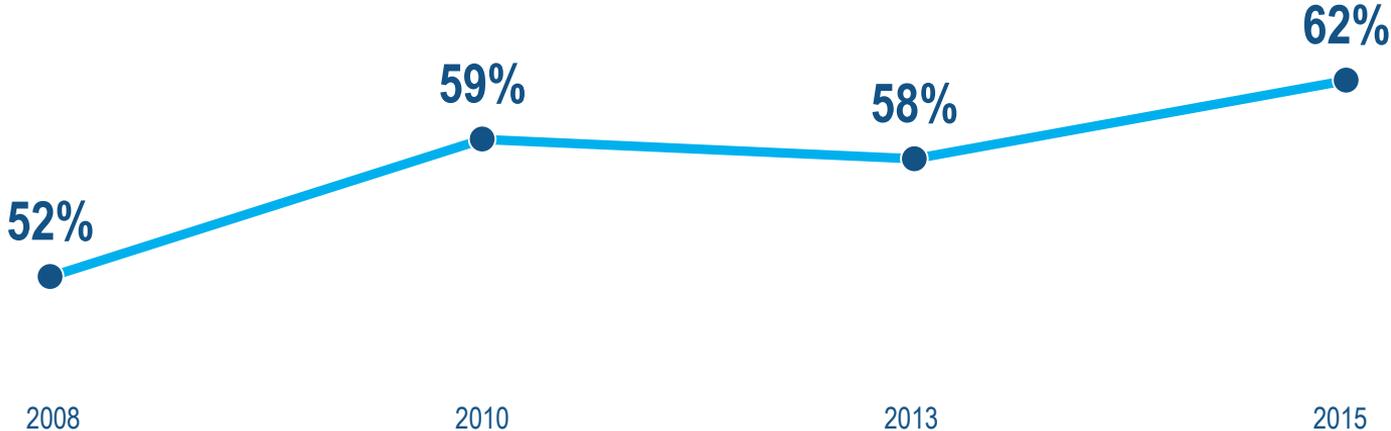
Diagnosed in Stages I or II



Diagnosed in Stage IV



# America's low colon cancer screening rate



# Cologuard: Addressing the colon cancer challenge

developed with



MAYO CLINIC

- Easy to use
- Non-invasive
- No preparation
- No sedation
- No time off work
- 24/7 customer support

for adults 50 years or older and at average risk



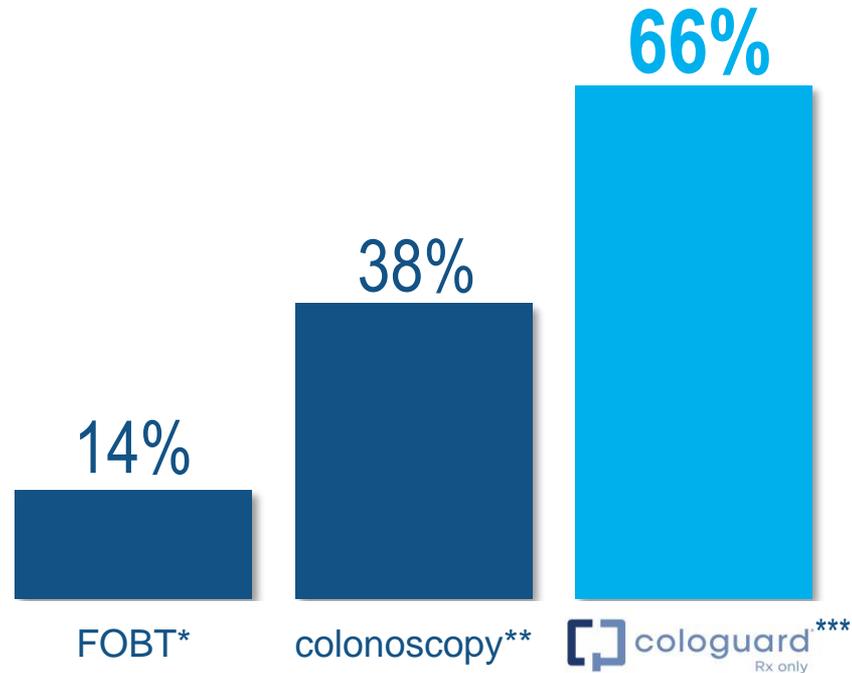
# 94%

early-stage cancer  
sensitivity\*

# Driving patient compliance with colon cancer screening



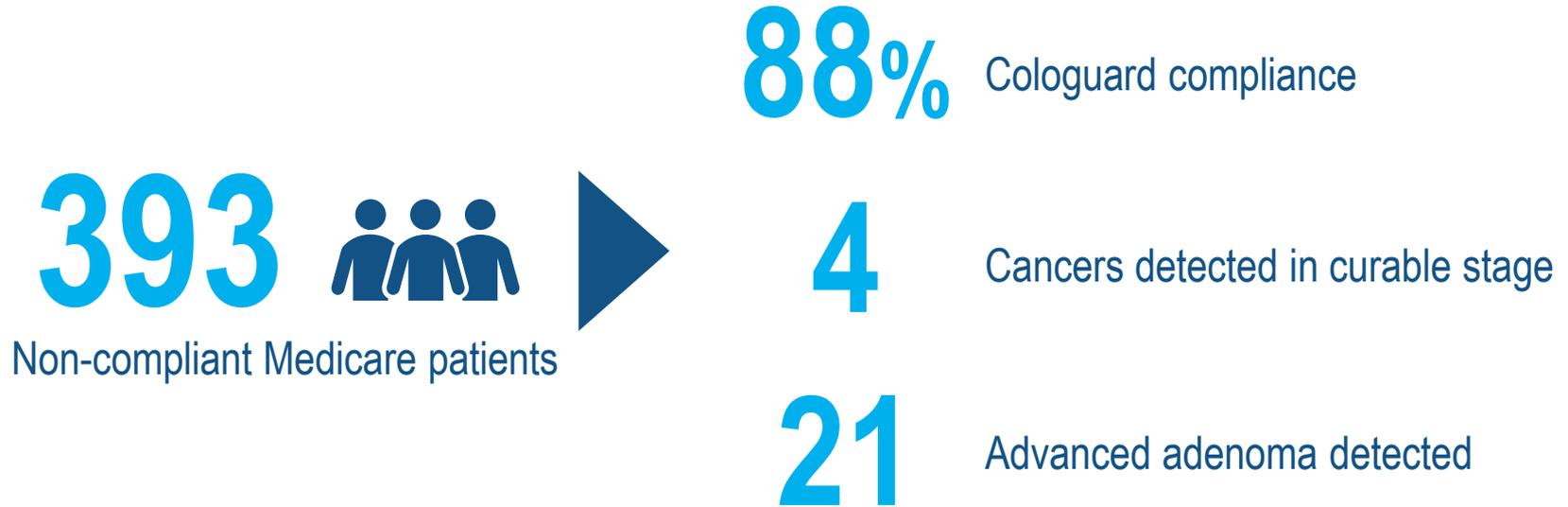
# Impact of patient navigation service on compliance



Sources: \*Patient adherence over 3 years' Liang PS., et al., Am J Gastroenterol. 2016; \*\*Patient compliance within 1 year; Arch Intern Med 2012; 172(7):575-582 (Inadomi), \*\*\*Cologuard's compliance rate represents the cumulative completed tests from kits shipped to patients during the 6-month period ending 12 months prior to the end of the quarter, excluding program orders

# Cologuard increases patient compliance

USMD study highlights opportunity to expand screening & detect curable-stage cancer



# Cologuard is changing lives every day



*“At age 62, I had never been screened for colorectal cancer but completed a Cologuard test at the encouragement of my friend and physician. My results came back positive and after a colonoscopy, I was diagnosed with Stage II colorectal cancer. After surgery and a few rounds of chemotherapy, I have no evidence of disease. As a caregiver to my daughter, who has special needs, I need to take care of me too. I am thankful this was caught relatively early, when it is more treatable.*”

- Sue  
Milwaukee, WI

## Impact of Cologuard since launch

**~1.6 Million**

People screened

**~7,400\***

Early-stage cancers detected

**~50,300\***

Pre-cancerous polyps detected

# Clinical value of Cologuard: Comparing numbers needed to screen/treat



**166**

to find 1 colorectal cancer\*

**Mammography**

**746**

to prevent 1 breast cancer-related death\*\*

**Statins**

**217**

to prevent 1 heart attack\*\*\*

# Knowledge of positive Cologuard improves colonoscopy performance

## Mayo clinic study compares results of unblinded, blinded colonoscopies



**46%** more time spent  
on colonoscopy

**2x** Polyps discovered\*

**32%** Increase in pre-cancer detection

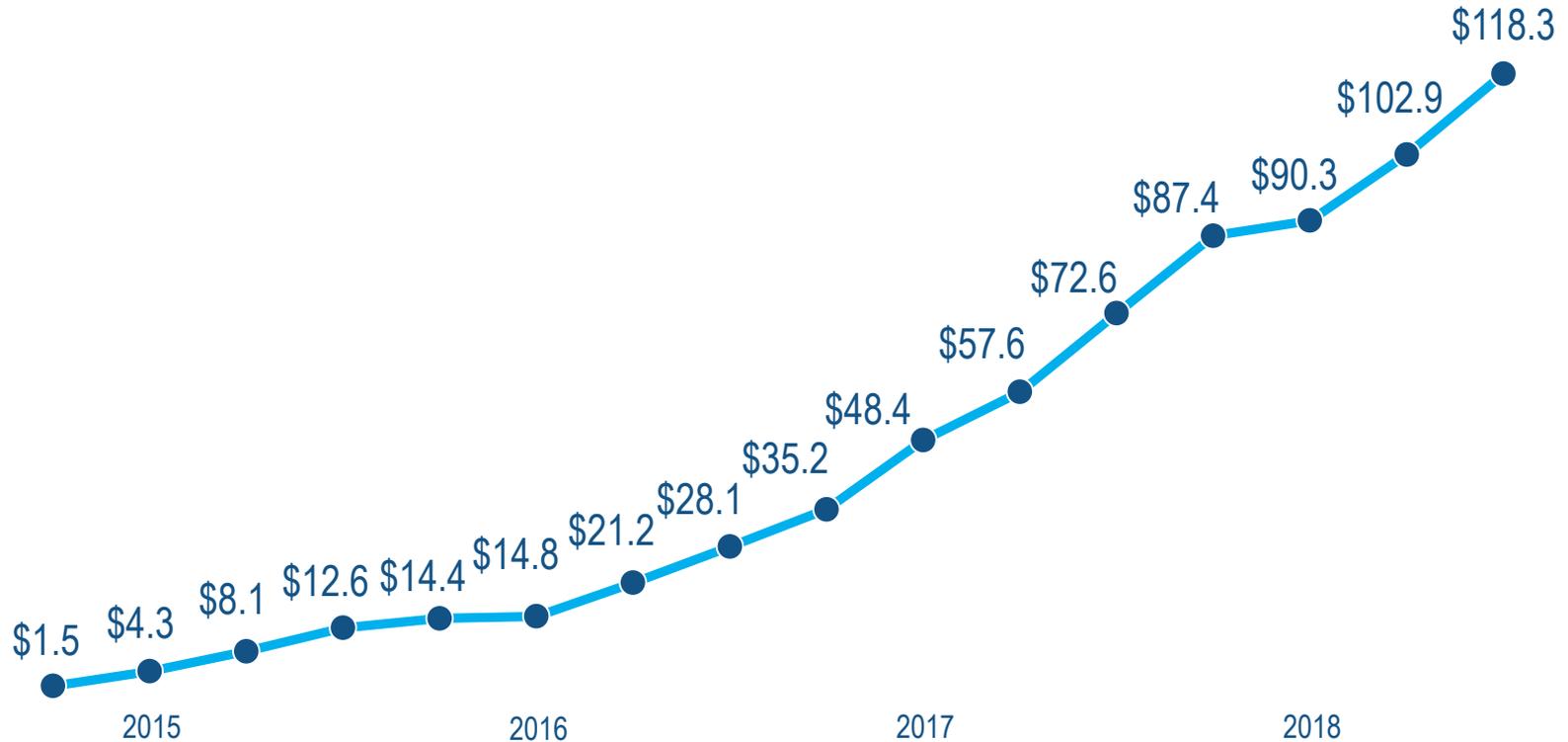
**4x** Higher flat right sided lesion  
detection

# Cologuard demand continues to fuel volume growth



Quarterly Cologuard tests completed

# Strong Cologuard revenue growth



Quarterly Cologuard revenue (\$ Millions)

# Time-lagged average revenue per test improving



# Cologuard's growing provider adoption

**~108K** Primary care providers

**~7.5K** Gastroenterologists

**~4K** OBGYN's

**~12K** Other providers

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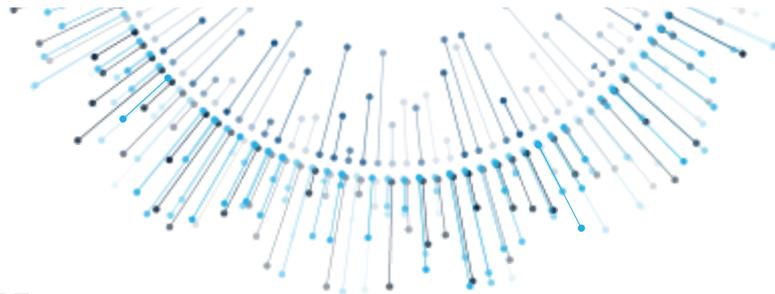
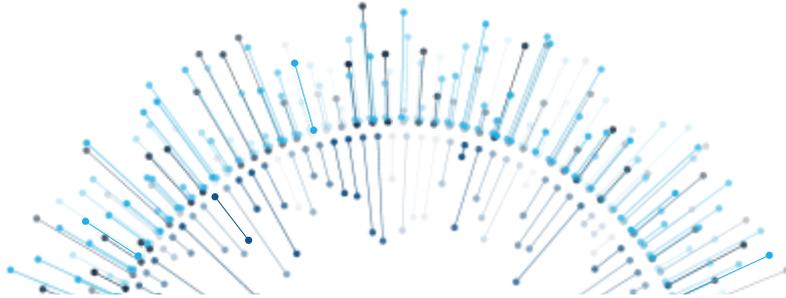
**~132K** Total providers



# Exact Sciences' unique dataset addresses critical needs



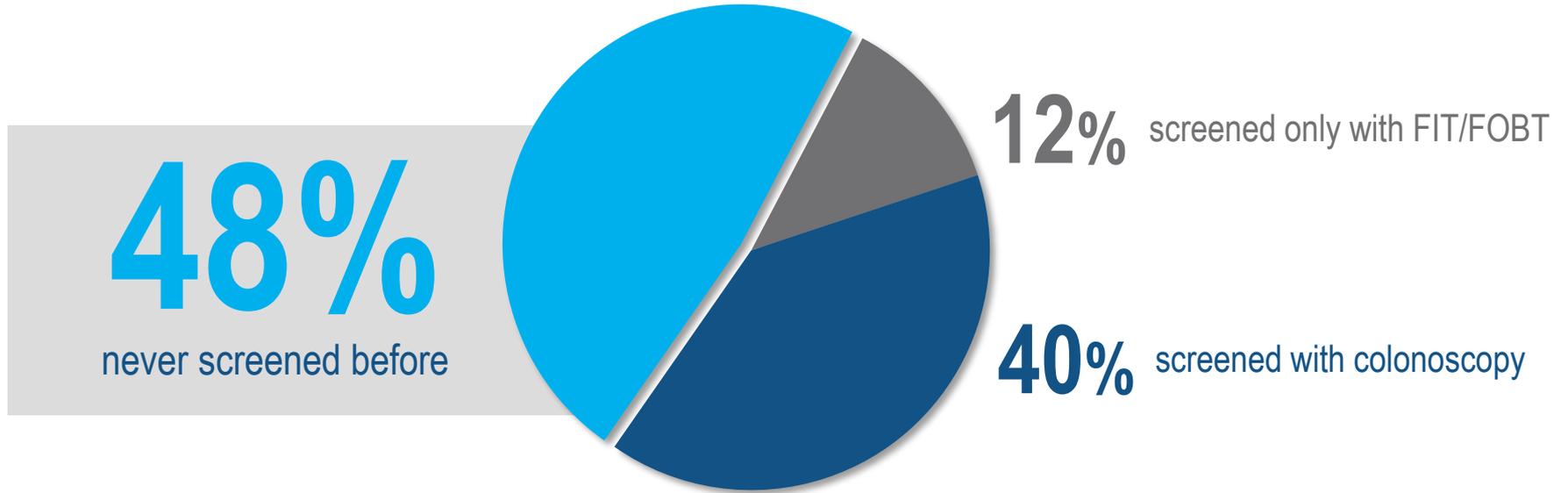
# Implementing Epic's best-in-class software to support growth



- #1 KLAS ranked healthcare software suite
- EHR system of choice for top 20 U.S. News & World Report hospitals
- >230 million people with an electronic health record in Epic

# Increasing America's screening population

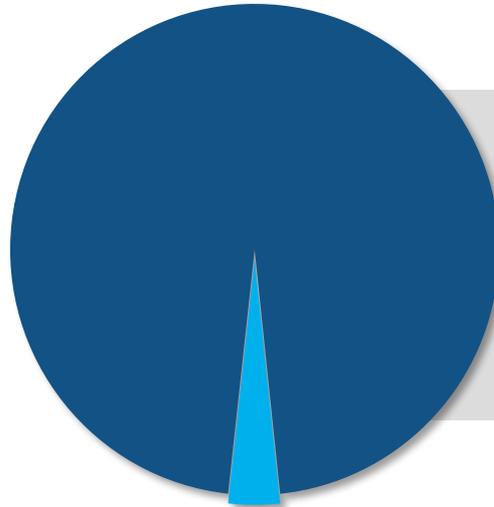
## Screening history of Cologuard users



# A multi-billion dollar U.S. market opportunity

**85M+**

Potential U.S. screening  
market for Cologuard\*



**> \$14B**

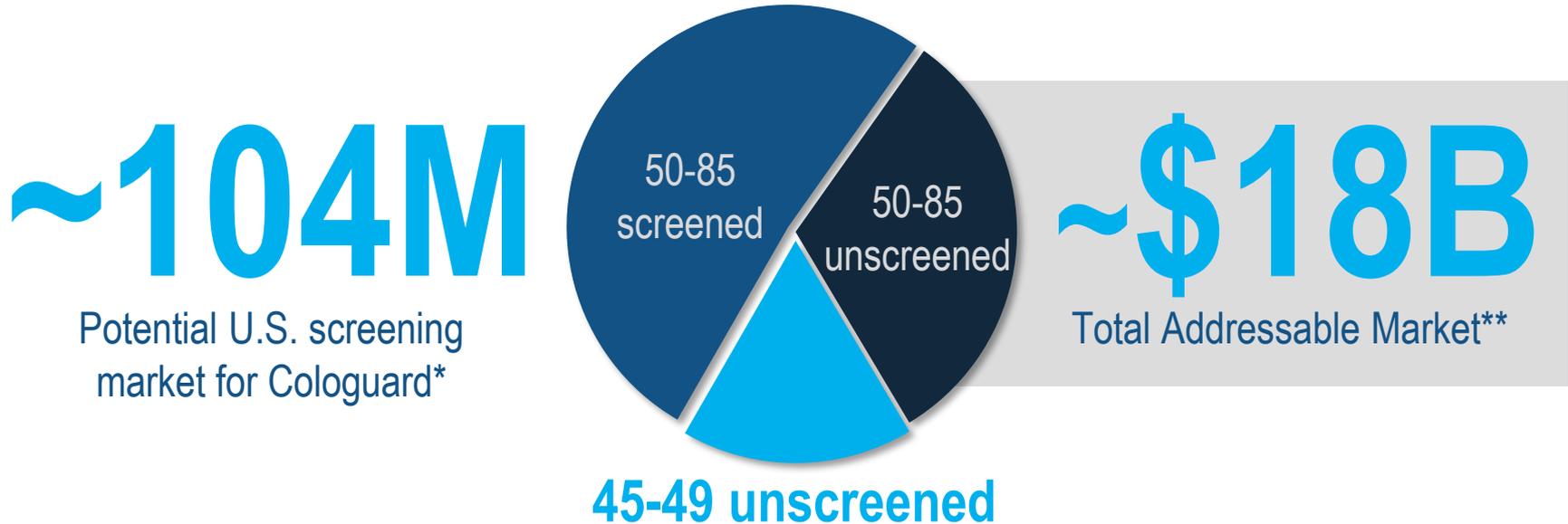
Total Addressable Market\*\*



**3.4%** market share\*\*\*

# Potential U.S. market opportunity including 45-49 age group

## American Cancer Society recommends colon cancer screening begin at age 45



Cologuard is indicated for adults 50 and older. Exact Sciences intends to pursue a label expansion for Cologuard use beginning at age 45.

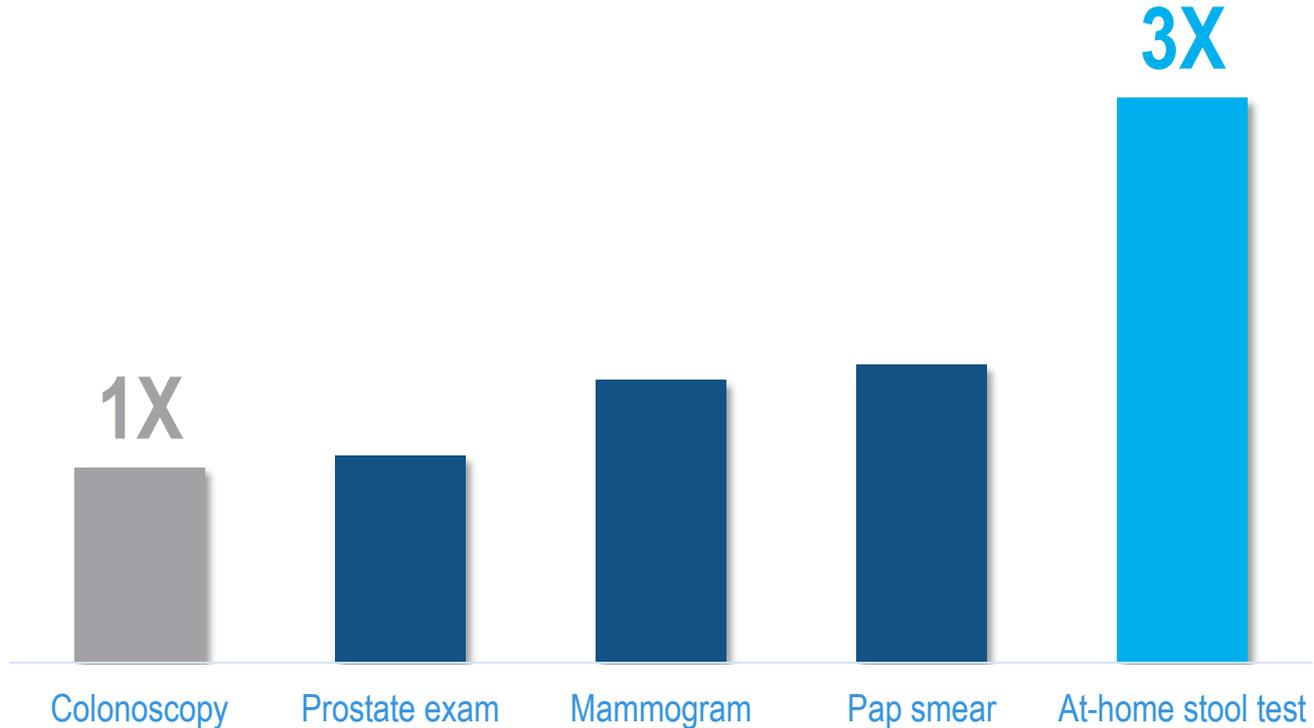
Sources: US Census data and CDC NHIS survey results as published in the CDC's MMWR between 2006 and 2017

\*Exact Sciences estimate, assuming ~104 million average-risk, asymptomatic people ages 45-85,

\*\*Assumes revenue per test of \$500-525 and 3-year interval for Cologuard; Note: FDA has not approved Cologuard for use in 45-49 age group

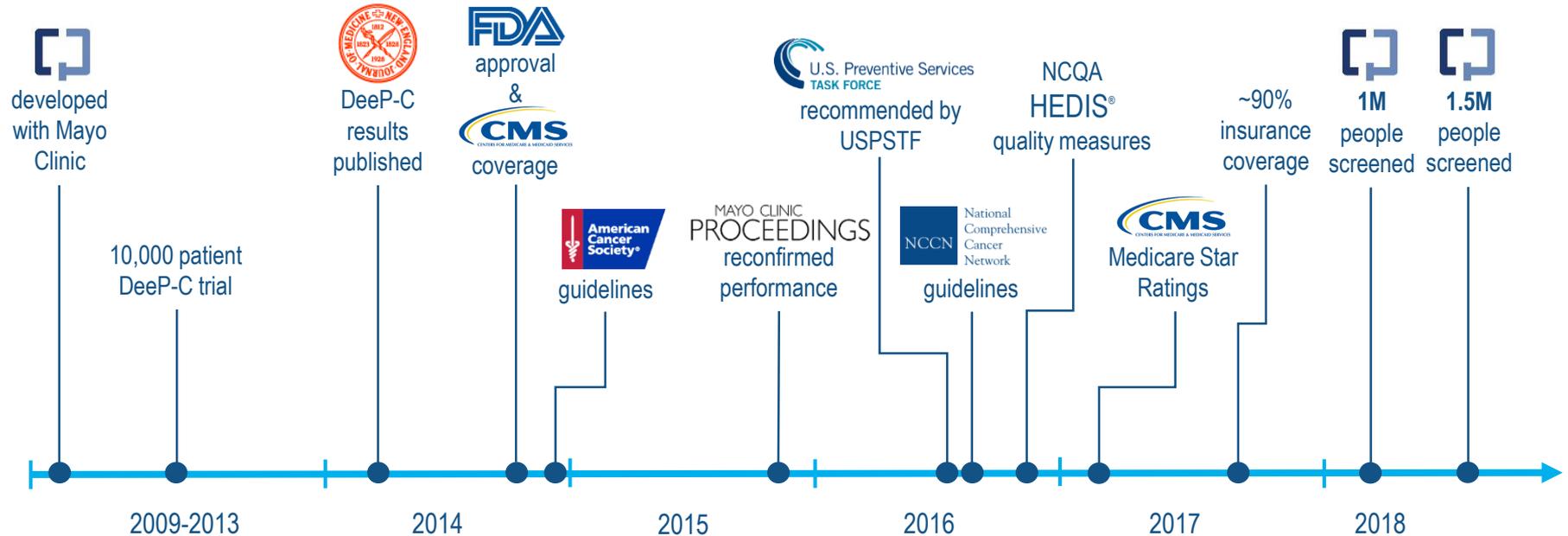
# Promising survey results from people ages 45-49

People are 3 times more comfortable taking an at-home stool test than having a colonoscopy



# Cologuard becoming standard of care

## Additional coverage driven by data, guidelines, and quality measures



# Improving patient access to Cologuard

92%

of Cologuard patients  
have access with  
no out-of-pocket cost\*



All top 5 commercial  
payers have  
in-network contracts

# Joining forces with Pfizer to eradicate colon cancer

## Pfizer is the ideal partner to promote Cologuard

# #1

largest pharmaceutical company\*

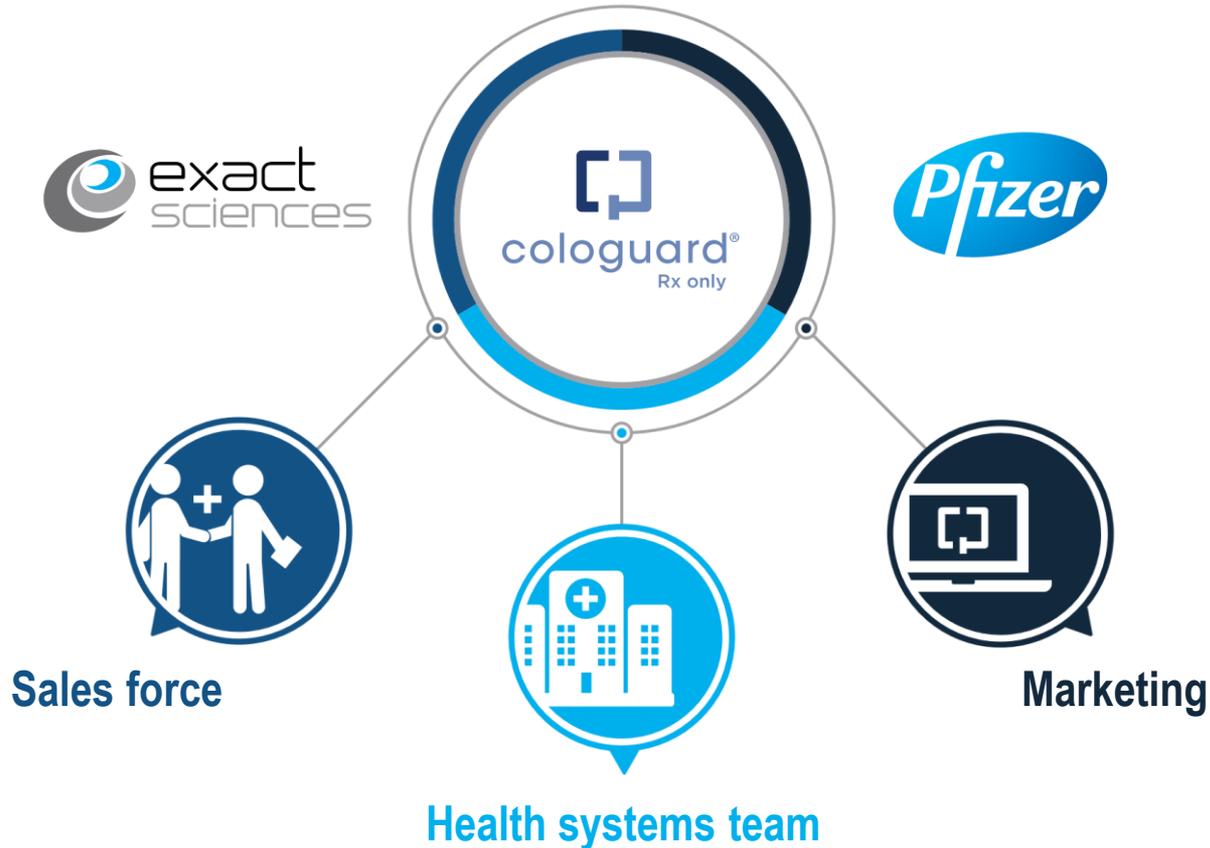


# 150

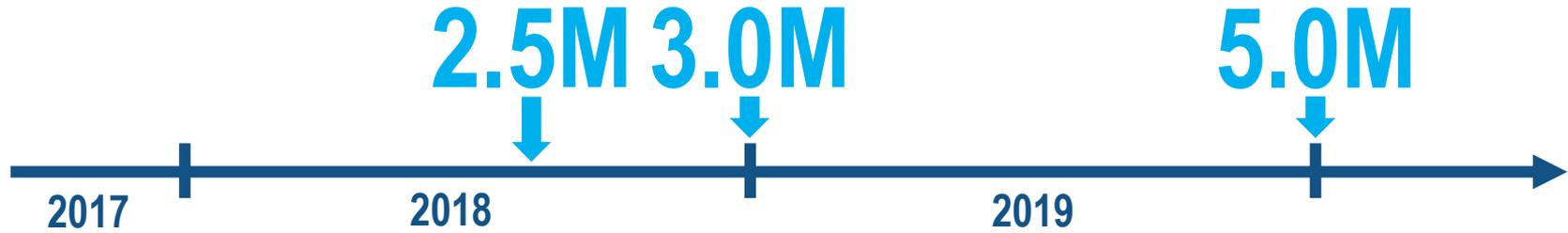
years as a trusted name in health care



# Pfizer partnership is built on 3 pillars to promote Cologuard adoption



# Expected annual lab capacity continues to progress on schedule



# Cancer is the second leading cause of death globally

Expected 70% increase in new cancer cases globally within 20 years



**14M**  
new cancer cases

**8.8M**  
deaths



**1.7M**  
new cancer cases

**600K**  
deaths

# Exact Sciences' pipeline advantages

## Our people

Exact Sciences' experience and collaboration with Mayo Clinic

## Our methodology

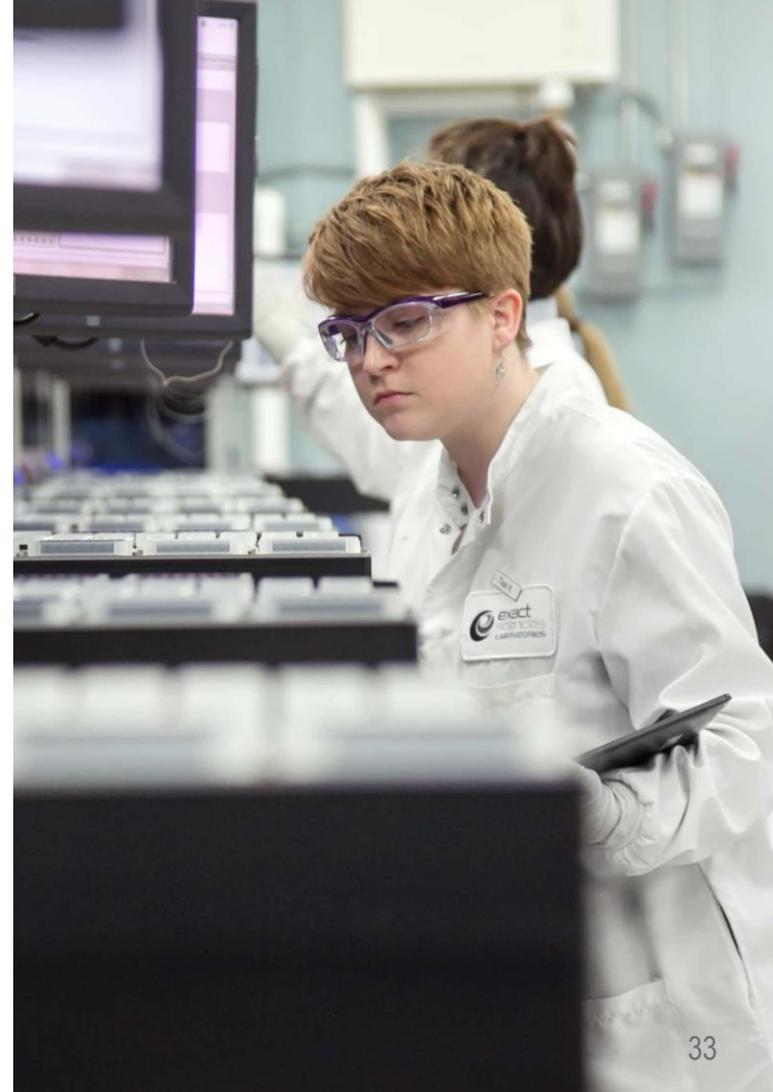
Multi-marker approach and proprietary technology

## Our labs & platform

State of the art labs and leverageable platform

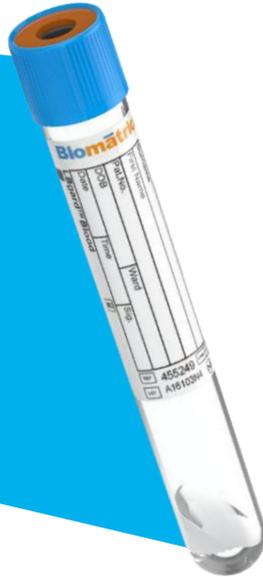
## Results

4 study results with 90%+ sensitivity and specificity\*



# Biomatrix acquisition supports pipeline development

## Supplier of best-in-class DNA preservation technologies



**Biomatrix**<sup>®</sup>

LBgard stabilizes and preserves cells and cell-free DNA in blood, withstanding stresses of shipping and storage better than other commercially available tubes

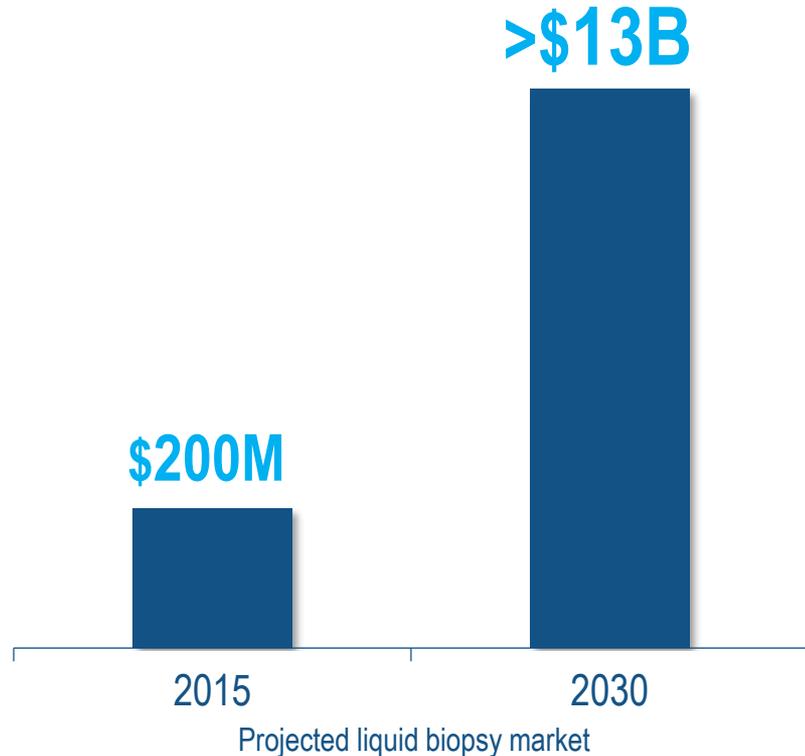
# Liquid biopsy a growth area for cancer diagnostics

Exact Sciences focusing on early detection & recurrence



Screening  
Diagnostic aid  
Minimum residual disease  
Recurrence monitoring

Targeted therapy selection  
Response monitoring  
Response profiling



# Liver cancer: Second deadliest cancer globally



**700K**

new cases

**600K**

deaths



**42K**

new cases

**30K**

deaths

# Regular liver testing of high-risk patients leads to better outcomes

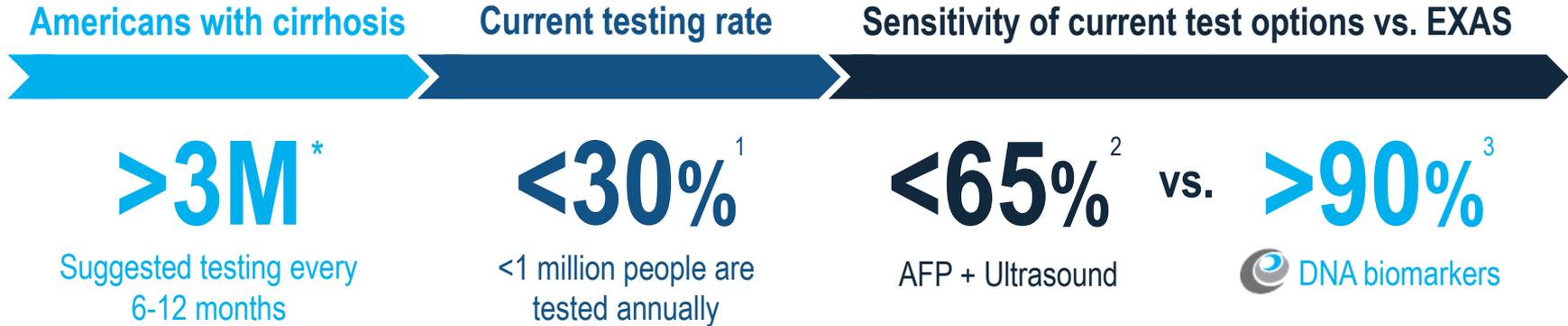
Not under regular testing



Under regular testing



# Market opportunity in liver cancer testing



**100%** → **\$1.5B\*\*** U.S. opportunity  
Potential annual testing rate

\*Exact Sciences estimate \*\*Total addressable market assumes ASP of \$500 and 3M screened annually

<sup>1</sup> El-Serag HB, Davila JA. Therap Adv Gastroenterol (2011)

<sup>2</sup> Tzartzeva K, Obi J. Gastroenterology (2018) – early-stage sensitivity for AFP and ultrasound combined is 63% at 84% specificity

<sup>3</sup> Dukek BA et al., AALSD abstract (2016)

# Promising results for liver cancer detection

	2016 Abstract <sup>1</sup>	2018 Abstract <sup>2</sup>
<b>AUC</b>	0.98	0.98
<b>Sensitivity</b>	95%	95%
<b>Specificity</b>	97%	93%
<b>Sample Size</b>	21 HCC cases 33 cirrhotic controls	95 HCC cases 51 cirrhotic controls 98 normal controls

# Third-quarter 2018 financials

	Q3 2018	Q3 2017
Revenue	\$118.3 million	\$72.6 million
Completed tests	241,000	161,000
Gross margin	75%	71%
Operating expense	\$129.2 million	\$80.3 million
Cash utilization	\$36.9 million	\$21.7 million
Ending cash balance	\$1.2 billion	\$462.5 million

