



**Diagnostics for the early detection
and prevention of colon cancer**

J.P. Morgan Healthcare Conference

January 2015

Safe Harbor Statement

Certain statements made in this news release contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and 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,” “could,” “seek,” “intend,” “plan,” “estimate,” “anticipate” or other comparable terms. Forward-looking statements in this news release may address the following subjects among others: statements regarding the sufficiency of our capital resources, expectations concerning our ability to secure and the timing of reimbursement for our Cologuard test, our estimated reimbursement amounts, our estimates of the available market size and our potential penetration, expected research and development expenses, expected general and administrative expenses and our expectations concerning our business strategy. Forward-looking statements involve inherent risks and uncertainties which could cause actual results to differ materially from those in the forward-looking statements, as a result of various factors including those 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 urge you to consider those risks and uncertainties in evaluating our forward-looking statements. We caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Except as otherwise required by the federal securities laws, we disclaim any obligation or undertaking to publicly release any updates or revisions to any forward-looking statement contained herein (or elsewhere) to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

A milestone year 2014

FDA
approval

Medicare
coverage &
\$493
reimbursement

Launch
Q4: 4,000+
tests completed

OUR FIRST MISSION

To partner with healthcare providers,
payers, patients and advocacy groups
to help eradicate colorectal cancer

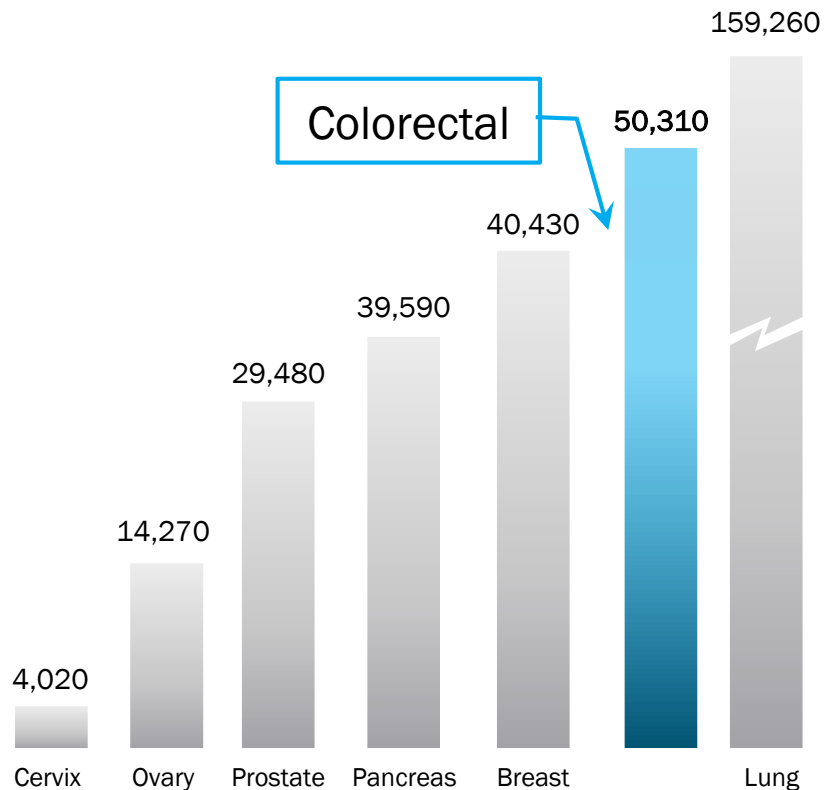


Colorectal cancer: America's second-leading cancer killer

136,830
new U.S. cases

50,310
U.S. deaths

Annual U.S. cancer mortality





cologuard®

Major opportunity to improve colorectal cancer screening



“The most preventable, yet least prevented cancer.”

– *Journal of the National Cancer Institute*

Detection and removal of polyps prevents cancer



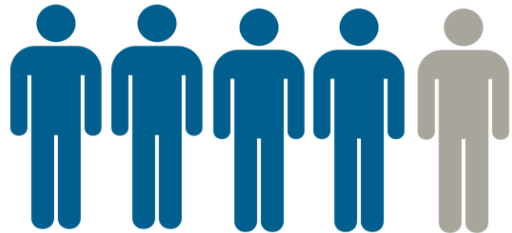
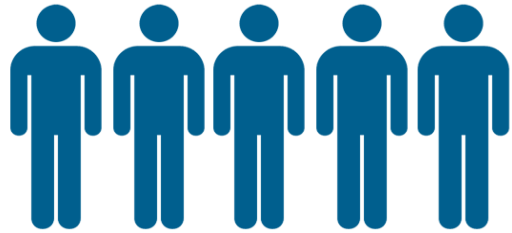
Pre-cancerous polyp

**10-15
years**



Stages of colon cancer

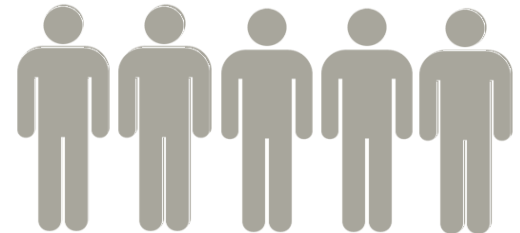
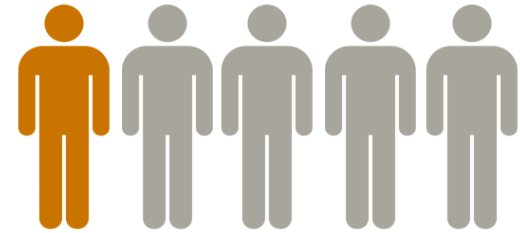
Detecting colorectal cancer early is important



9 out of **10**

Diagnosed early stages (I-II)

Survive 5 years

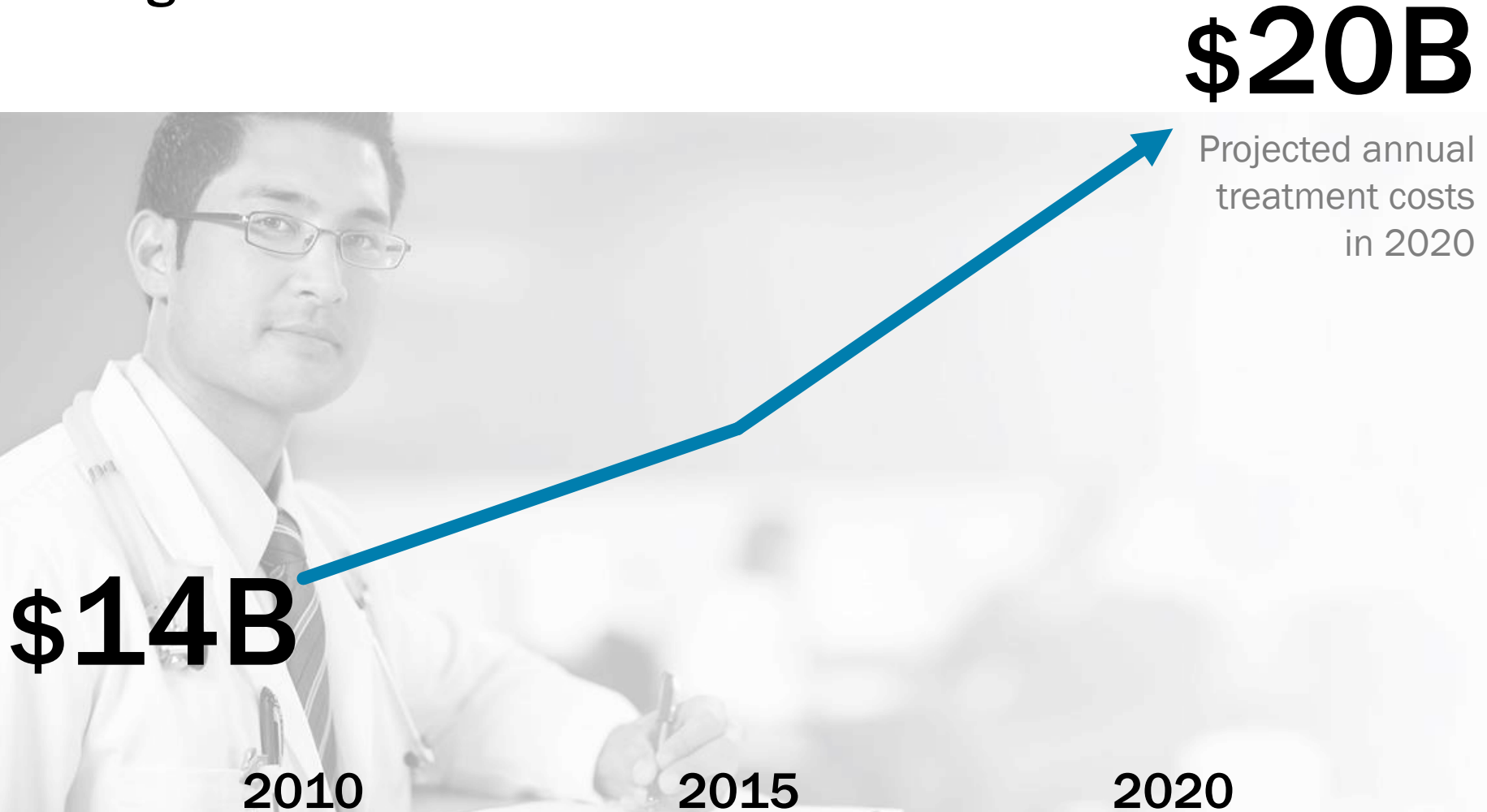


1 out of **10**

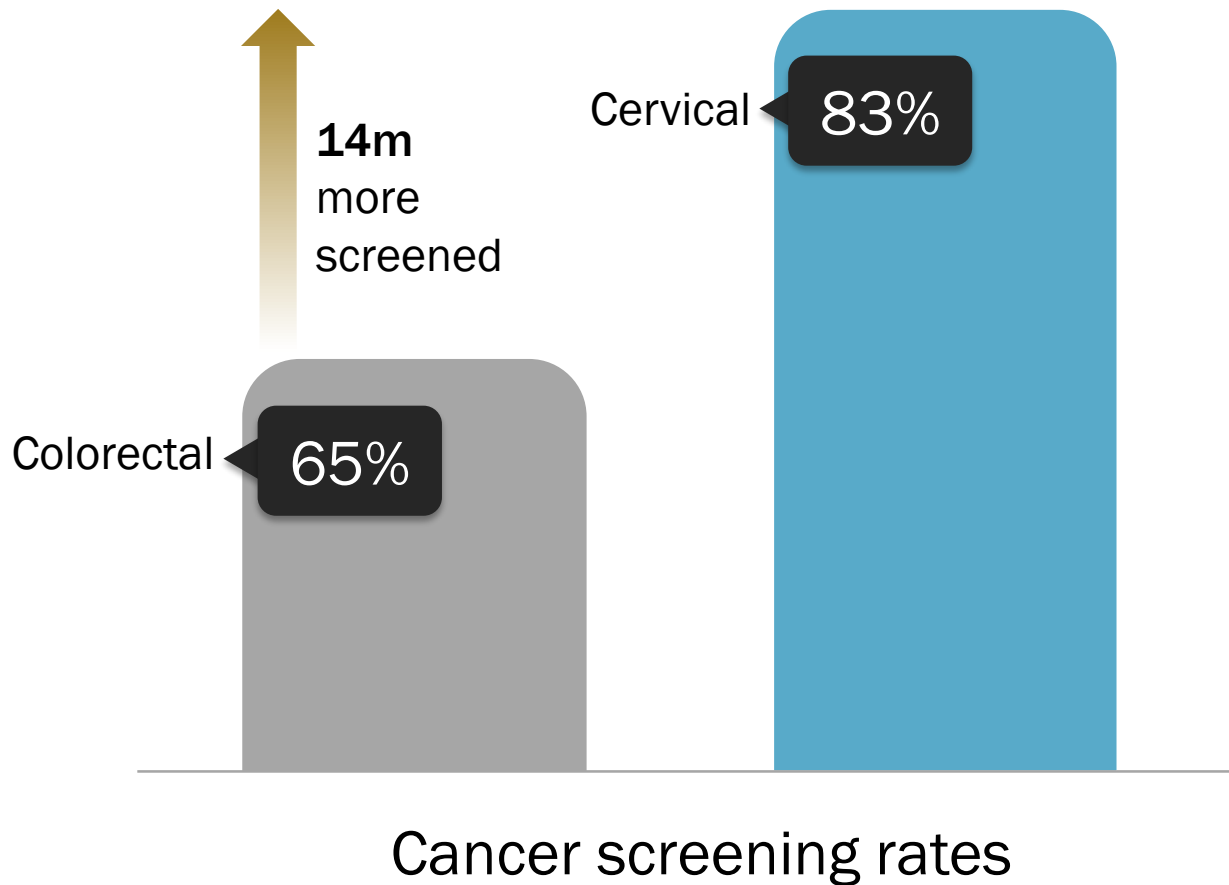
Diagnosed Stage IV

Survive 5 years

Rising cost of colorectal cancer treatment



American Cancer Society goal: 80% by 2018



Cologuard in practice guidelines

Guideline	Update
American Cancer Society	2014
American College of Gastroenterology*	2009
U.S. Preventive Services Task Force	Expected 2015

**Under ACA, if USPSTF issues A/B rating
then all commercial payers must cover Cologuard**

A powerful value proposition to physicians & patients

- ① Cologuard is patient friendly
- ② Cologuard is highly effective
- ③ Active engagement by Exact Sciences drives patient compliance

Cologuard: FDA-approved, non-invasive screening test



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Multitarget Stool DNA Testing for Colorectal-Cancer Screening

CANCER
SENSITIVITY

92%

HIGH-GRADE DYSPLASIA
SENSITIVITY

69%

SPECIFICITY

87%

Physician & patient engagement team



- Remove follow-up hassle from physicians
- 24/7 contact center
- Active patient reminders
- Monthly compliance reporting to physicians

Sales & marketing strategy

PHYSICIANS

140 person sales team
Med journal ads
Hyper-targeted digital
Direct mail/email



PATIENTS

Big-stage print
Targeted digital
Social media
Search

PAYERS

CMS reimbursement
Managed care team
Compelling cost-effectiveness data

Experienced, focused sales team



- 100 primary care reps, expanding in first half of 2015
- 11 health system reps
- Average experience 10 years

Key Cologuard launch metrics

- ① Q4 2014 revenue: \$1.5 million
- ② More than 4,000 ordering physicians
- ③ 75% patient compliance rate*

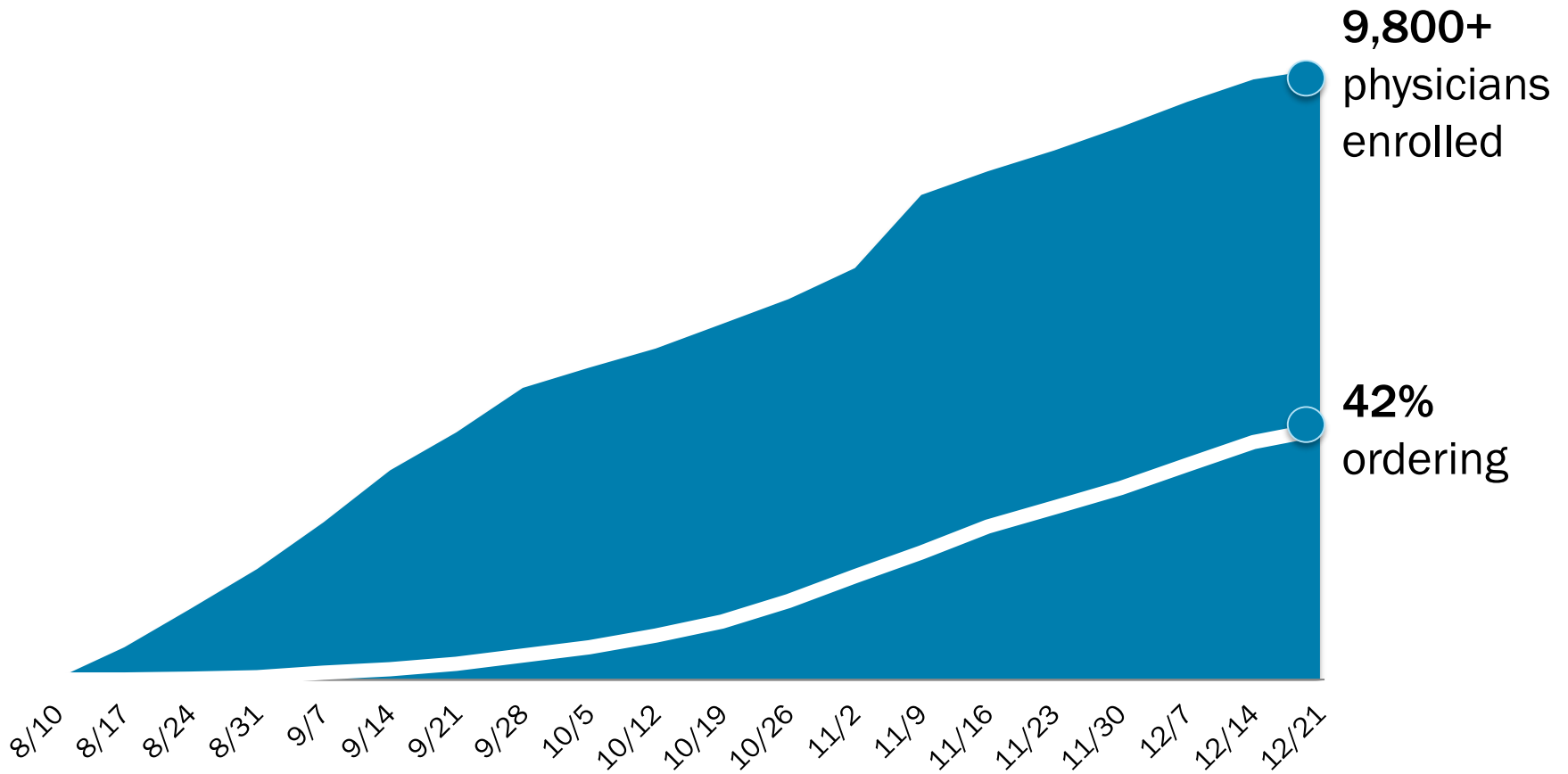
Cologuard [public relations](#)

Active effort to raise awareness of Cologuard

- Cologuard featured in more than 1,000 unique news reports
- More than 3 billion media impressions

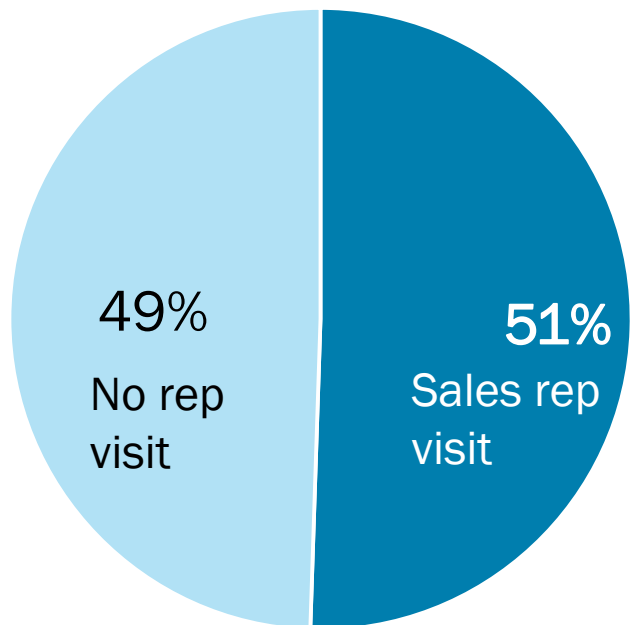


Physician enrollment & ordering increasing

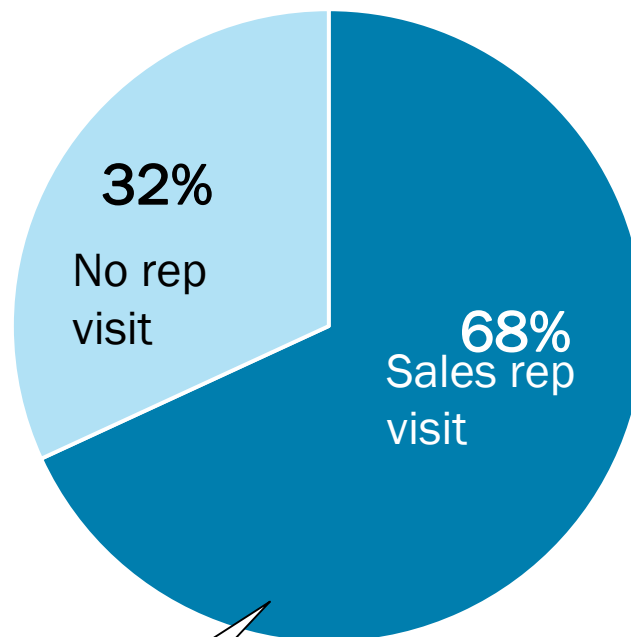


Sales & marketing tactics working

% of Ordering Providers



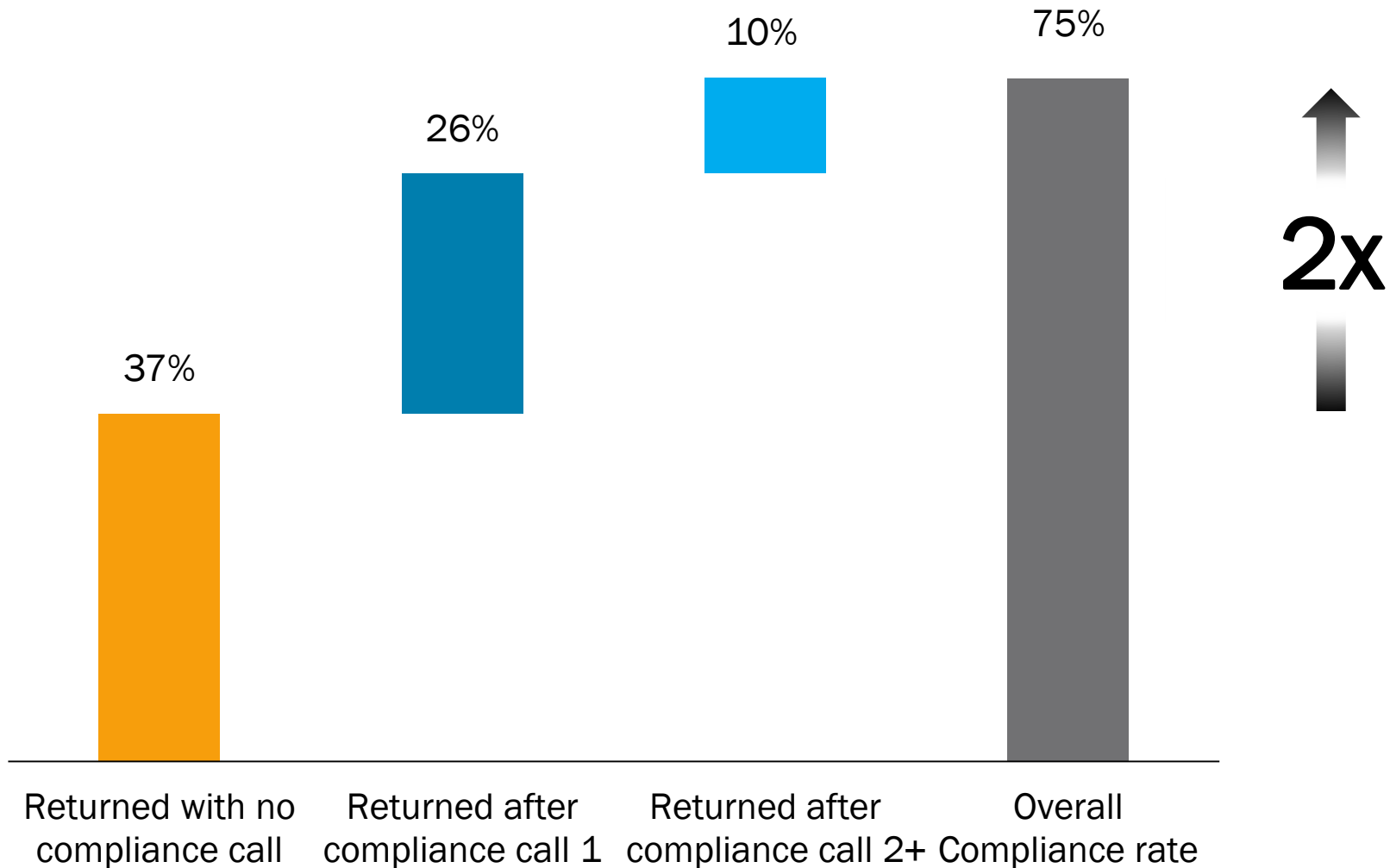
% of Orders



Providers converted by sales force order more frequently

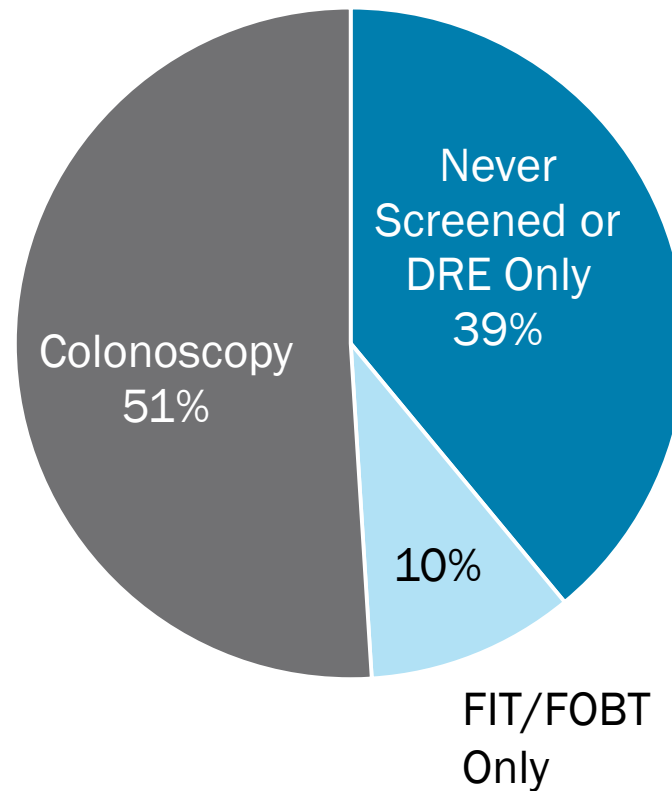
Active engagement program doubles participation

75% patient compliance rate



Cologuard having positive effect on screening compliance

Half of Cologuard users never have had a colonoscopy



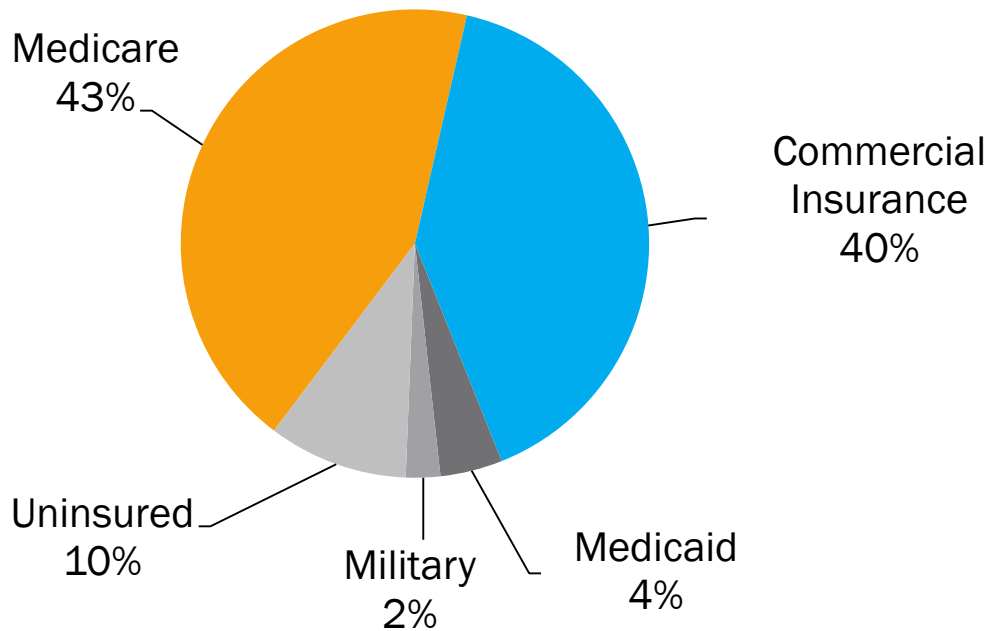
Impact of FIT/FOBT usage on ordering behavior

+25%

More Cologuard orders from high FIT/FOBT providers*

Reimbursement efforts focused on commercial insurance

Insurance Coverage (U.S., 50+)



Areas of Focus

- Largest national and regional commercial insurers
- States with insurance mandates
- Health plans affiliated with health systems

Factors for Cologuard success in 2015 and beyond

1

Expanding reach and frequency with providers

2

USPSTF guideline inclusion will drive utilization

- HEDIS quality measures
- ACA insurance coverage mandate

3

Enable physician ordering via EMR systems

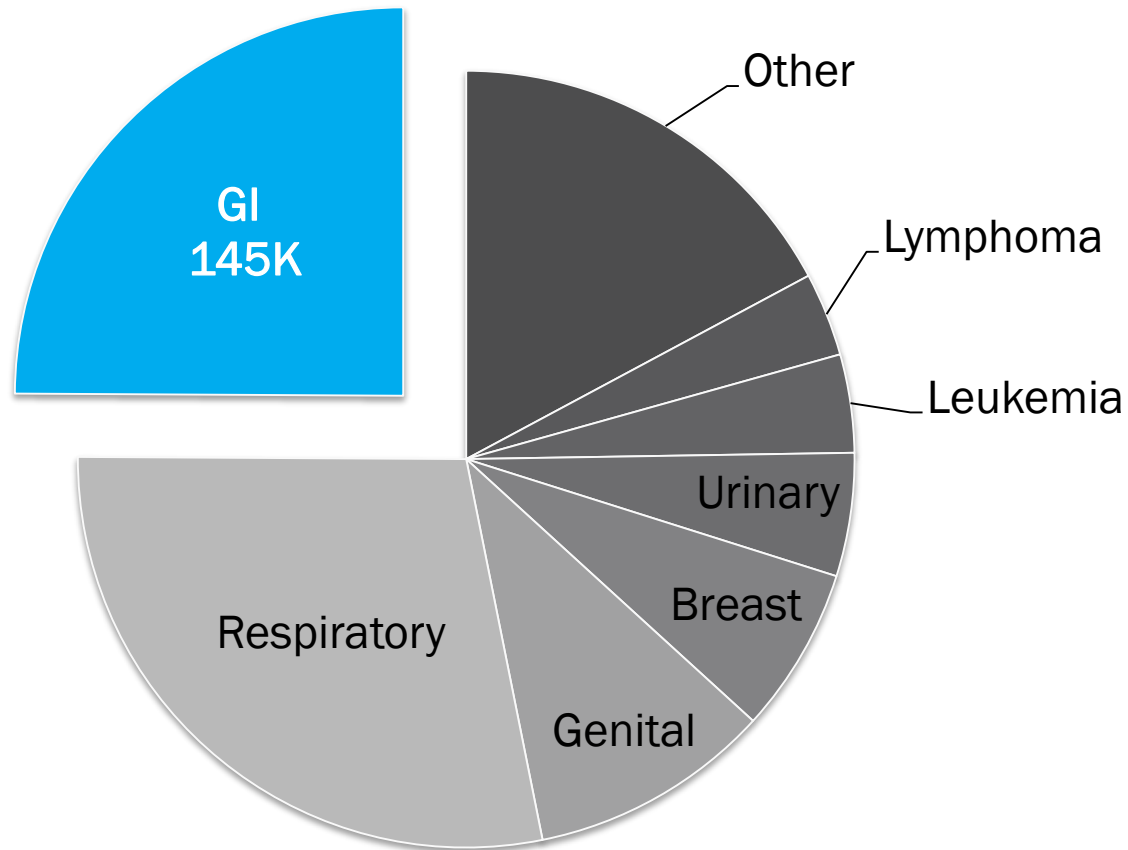
European launch of Cologuard

- Large, addressable market
 - High colon cancer rate (152K deaths annually)
 - Low screening rates ~20%
 - 136M people 50-75 years old
- CE mark received December 2014
- Core team in place
- Initial targets: UK, Germany, Austria, Switzerland & Italy



Digestive/GI cancers account for 25% of 580,000 U.S. cancer deaths

2013 Estimated U.S. Cancer Deaths



Exclusive Mayo Clinic collaboration on early detection of GI cancers

Colorectal

- Expand indication of Cologuard
 - High risk (e.g. family history, IBD)
 - 40-50 years old (long term)

Esophageal

- Diagnosis of Barrett's esophagus (a high-risk condition for cancer)
- Early detection of esophageal cancer

Pancreatic

- Diagnose pancreatic cancer earlier and with greater accuracy

Financials and key milestones

- Cash balance of \$211 million as of September 30, 2014
- \$100-million offering closed in December 2014
- \$1.5 million in revenue during Q4 2014 (unaudited)
- 4,000+ ordering physicians as of December 31, 2014
- U.S. Preventive Services Task Force update
- Q4 earnings call late February

Our goals for 2015



Grow
Cologuard

World
Class
Service

Develop
Pipeline