



28th Annual ROTH Conference

Kevin Conroy, Chairman and CEO
March 14, 2016



Safe Harbor statement

Certain statements made in this presentation 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 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. 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; the acceptance of our products by patients and health care providers; the amount and nature of competition from other cancer screening products and procedures; our ability to maintain regulatory approvals and comply with applicable regulations; our success establishing and maintaining collaborative and licensing arrangements; our ability to successfully develop new products; and the other risks and uncertainties described in the Risk Factors and in the 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 Report(s) 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.

We have filed a registration statement, including a prospectus, with the U.S. Securities and Exchange Commission (the "SEC") for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, the issuer, any underwriter, or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling 877-547-6340 or 800-792-2413.

OUR MISSION

To partner with healthcare providers, payers, patients & advocacy groups to help

eradicate colon cancer

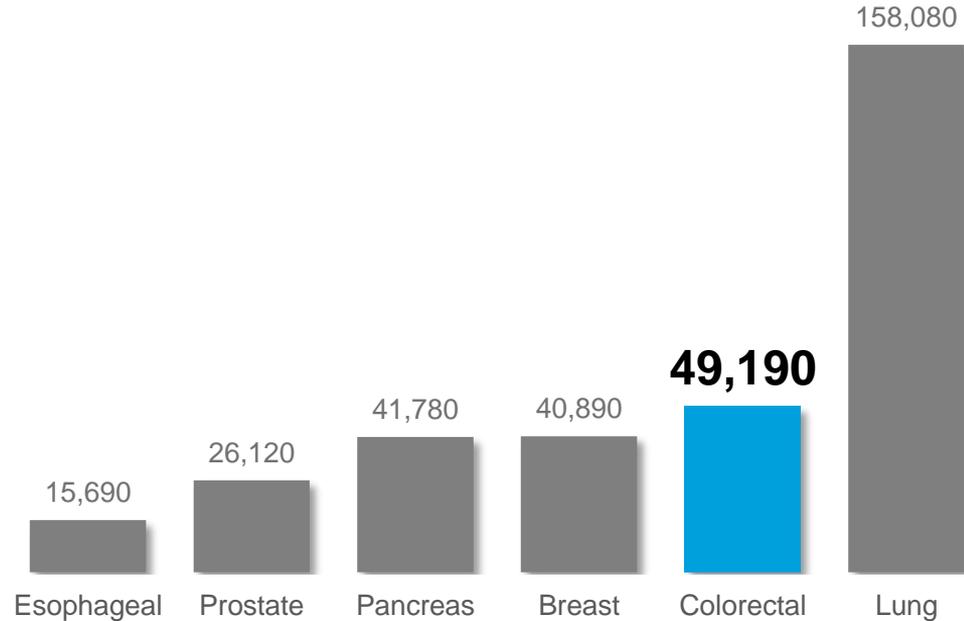
Colon cancer: America's second deadliest cancer

134,490

new diagnoses

49,190

deaths



Annual cancer deaths

Why is colon cancer the “Most preventable, yet least prevented form of cancer”?



Pre-cancerous polyp

10+ years

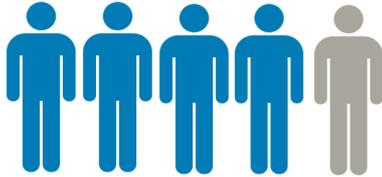
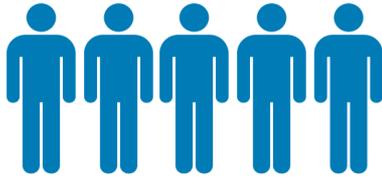


Four stages of
colon cancer

Detecting colorectal cancer early is critical

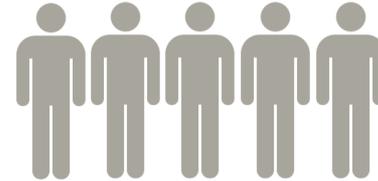
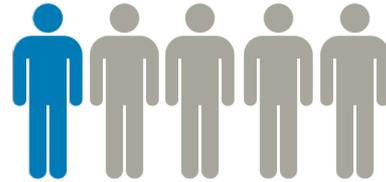
60% of patients are diagnosed in stages III-IV

Diagnosed in Stages I or II



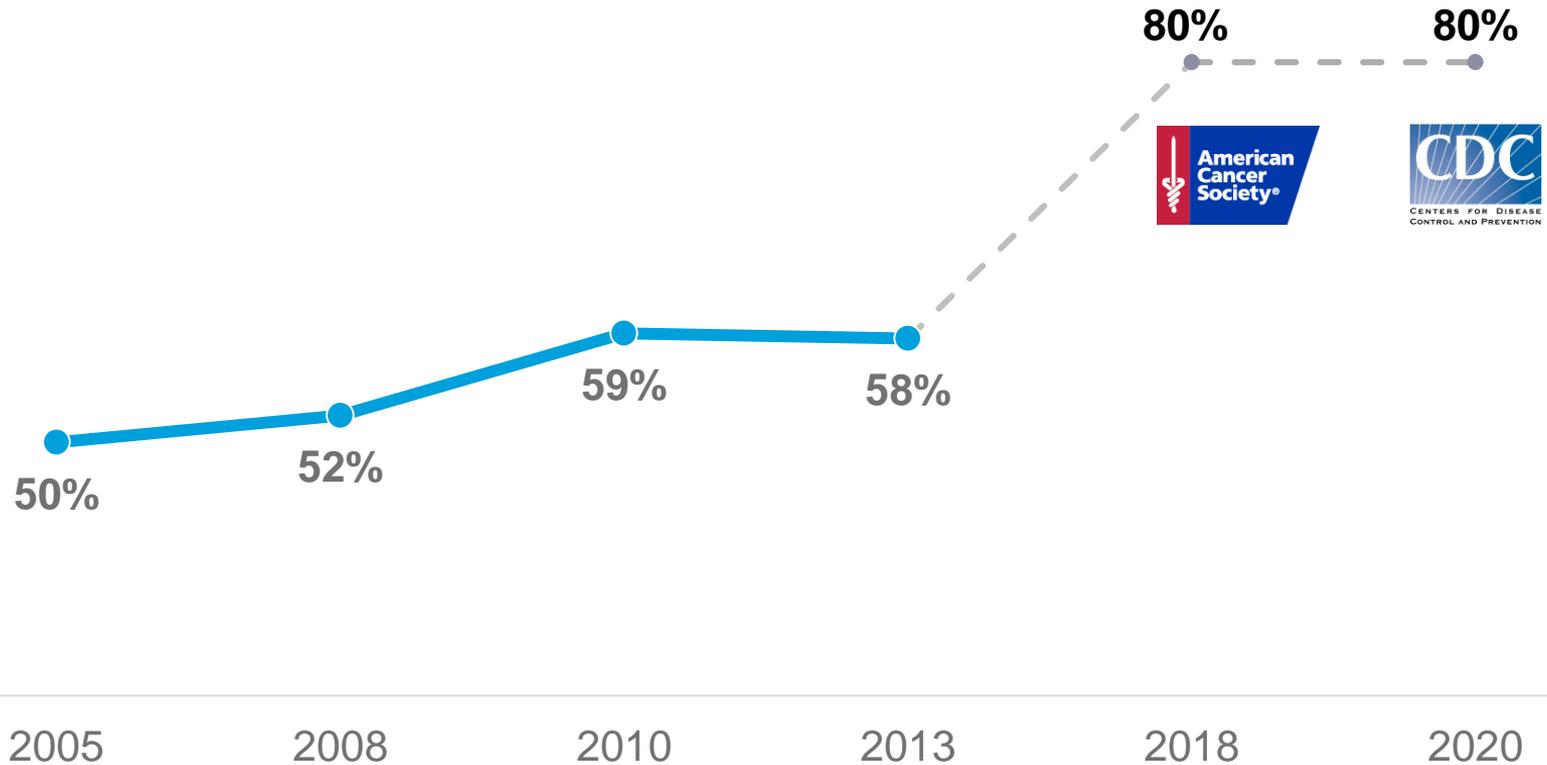
9 out of 10
survive 5 years

Diagnosed in Stage IV



1 out of 10
survive 5 years

America's stagnant colon cancer screening rate



Cologuard: Addressing the colon cancer problem

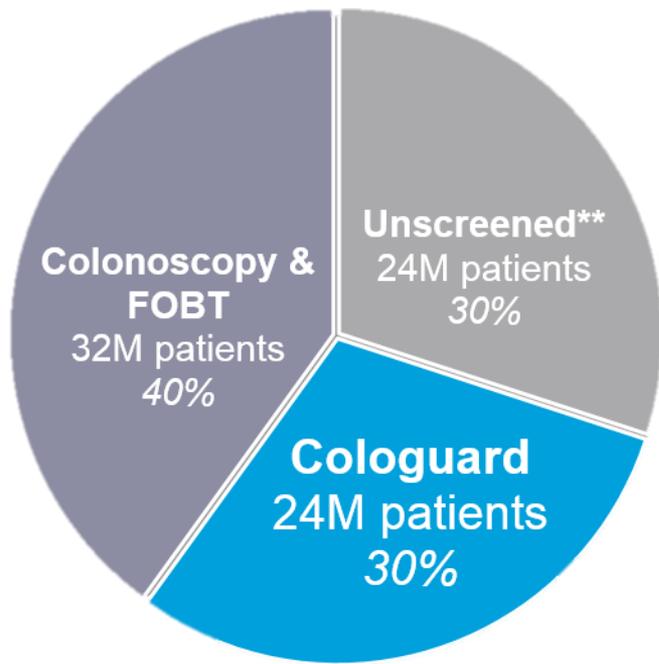


Developed with
Mayo Clinic

- Stool DNA test: 11 biomarkers (10 DNA & 1 protein)
- FDA-approved & covered by Medicare
List price - \$649; Medicare rate - \$509
- Results of 10,000-patient prospective trial published in *New England Journal of Medicine*
- Included in American Cancer Society guidelines & US Preventive Services Task Force draft guidelines

A multi-billion dollar U.S. market opportunity

**Potential 80M-patient
U.S. screening market***



**U.S. market opportunity
for Cologuard**



*80 million average-risk, asymptomatic people ages 50-84

**Assumes unscreened decreases from 42% to 30%

***Assumes 24M people screened with Cologuard every three years with ASP of \$500

Cologuard's performance confirmed in recent study



MAYO CLINIC
PROCEEDINGS

March 2014

October 2015

Cancer
detection

92%
(60/65)

100%
(10/10)

Precancer
detection

42%
(321/757)

41%
(31/76)

Specificity
(*clean colon**)

90%
(4002/4457)

93%
(296/318)

Blood-based colon cancer tests not currently viable

Low sensitivity for early-stage cancer & high false positive rate

	Interval	Sensitivity All stages	Sensitivity Stage I	Specificity	Lifetime False+
 cologuard	3 years	92%	90%	90% <i>(clean colon)</i>	1.2
Epigenomics Epi proColon (Septin 9) ¹	1 year	68%	41%	79%	7.4
Applied Proteomics* SimpliPro ²	1 year	81%	75% ⁴	78%	7.7
VolitionRx* NuQ ³	1 year	81%	75% ⁵	78%	7.7

*Not prospective,
not average risk &
not peer-reviewed

¹FDA Advisory Panel material, Epigenomics AG PMA P130001, March 26, 2014

²Company website

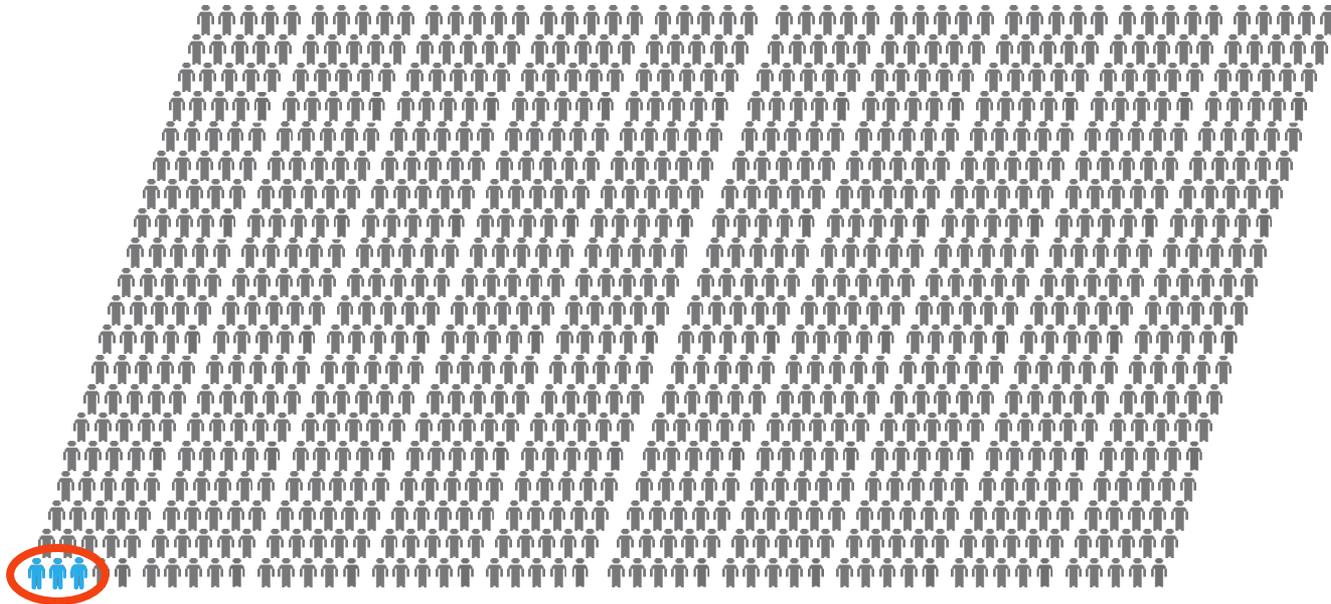
³Company news release dated Feb. 17, 2016

⁴Stages I-II; does not report Stage I only

⁵5-assay panel

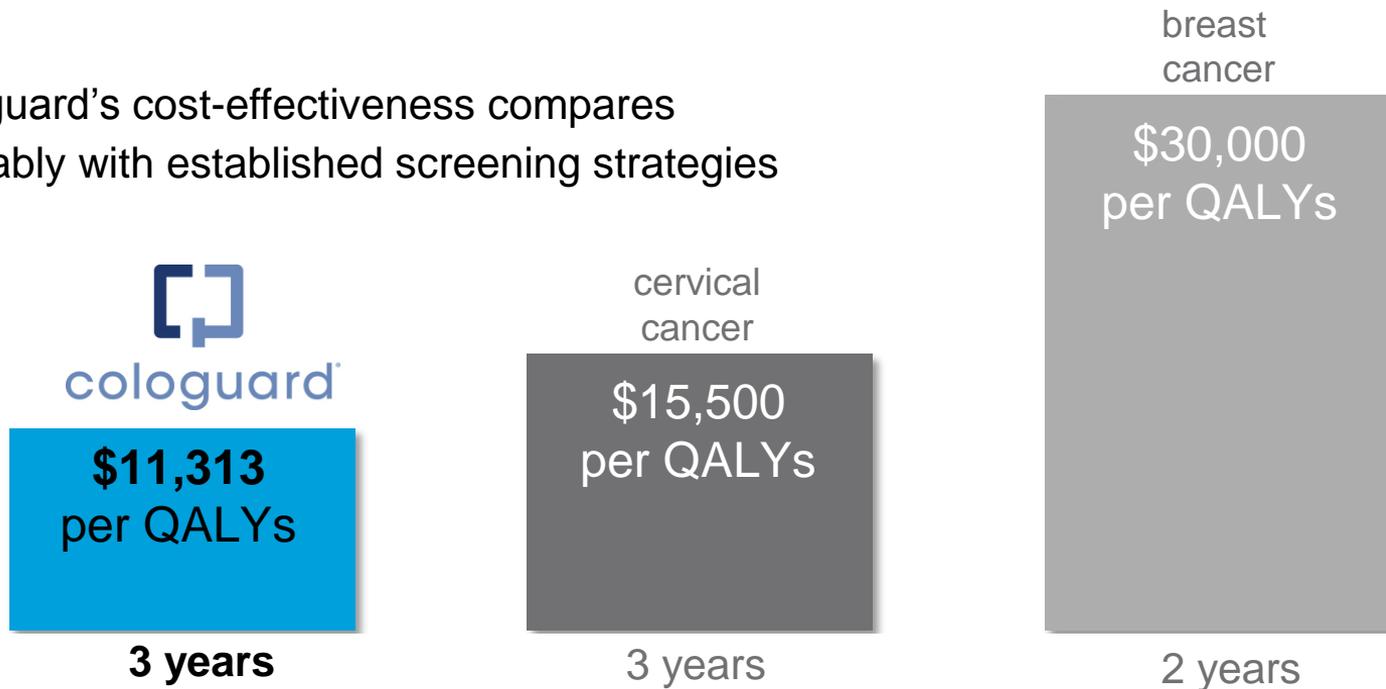
Virtually no adherence to colon cancer screening from annual FIT / FOBT

Only 3 of 1,000 compliant people adhere to FIT / FOBT recommendations



New modeling supports Cologuard's use every 3 years

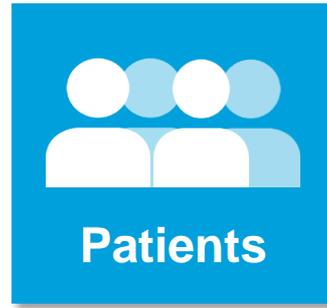
- Cologuard's cost-effectiveness compares favorably with established screening strategies



CISNET modeling highlights Cologuard 3-year has superior benefits to harms ratio



Three-pronged commercial strategy



- Multi-channel direct to consumer
- Public relations
- Targeted TV test



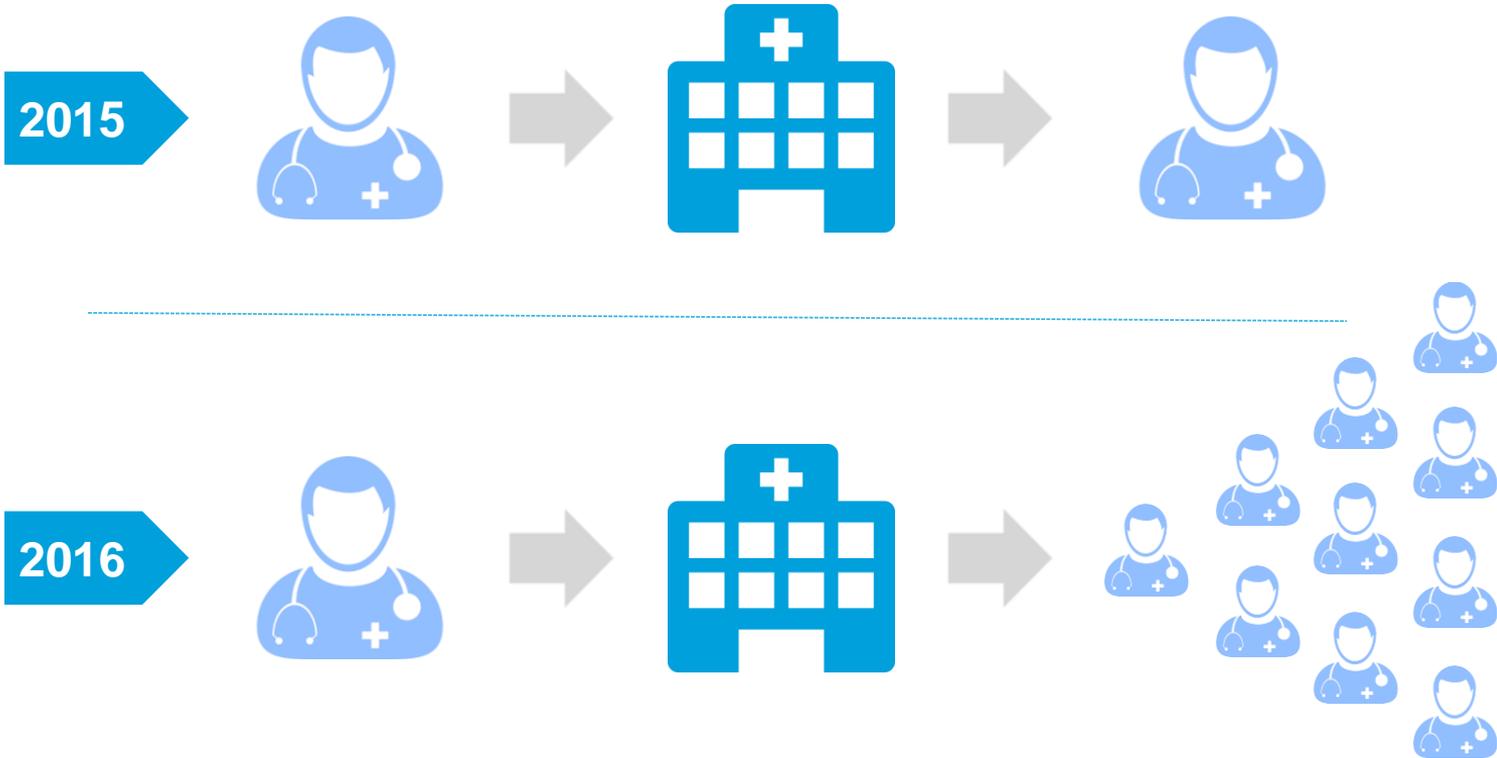
- Clinical & health publications
- Market access team
- Guidelines



- Primary care sales force
- Medical education
- Digital campaign

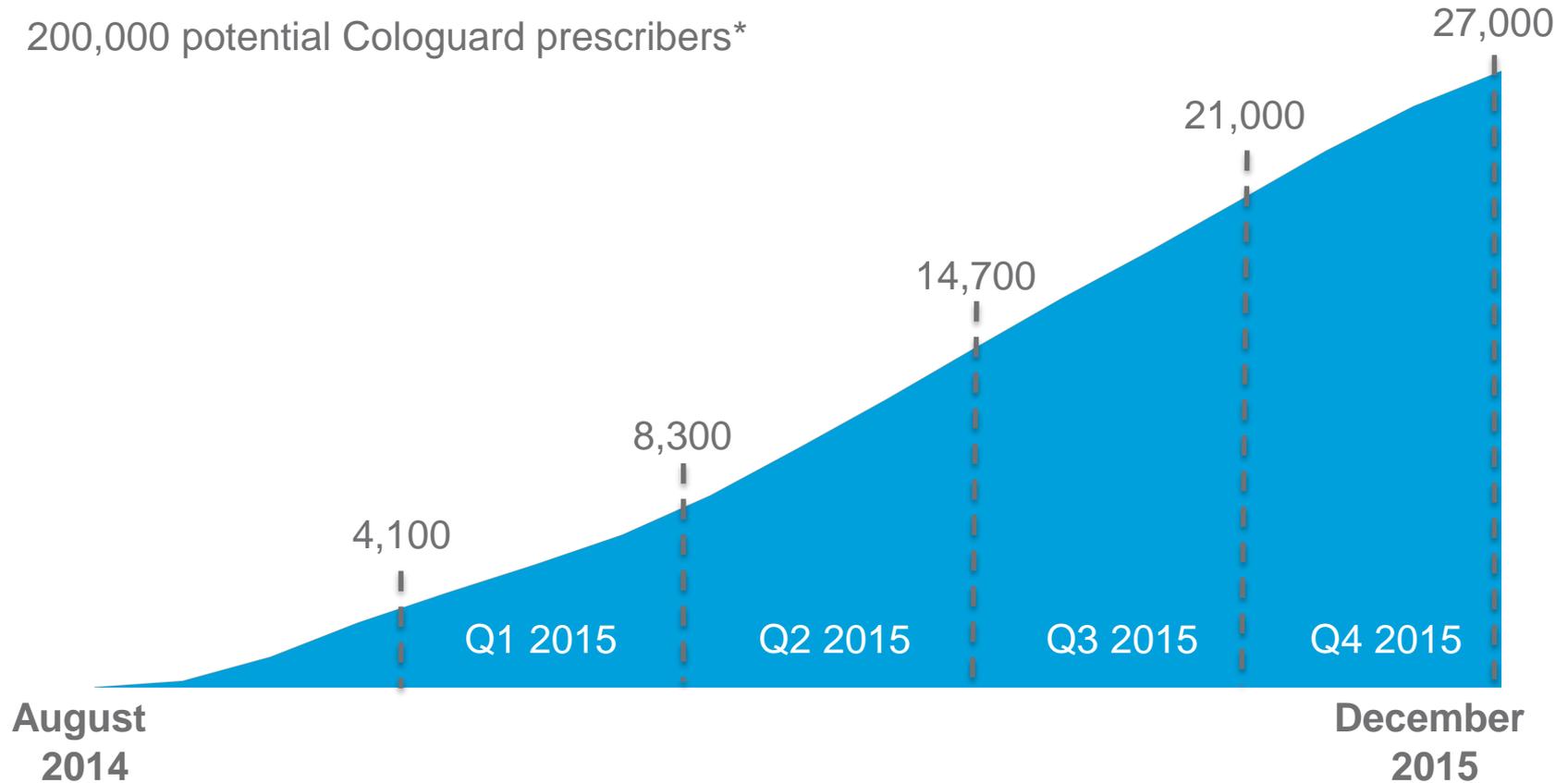
Driving efficiency & impact through a total office call

Ensuring multiple physicians in practice order Cologuard



Cologuard's growing physician penetration

200,000 potential Cologuard prescribers*



Strong customer satisfaction with Cologuard

Physicians
expectations
met or exceeded

98%

88%

Patients rated
Cologuard experience
very positive

Three easy steps to using Cologuard

COLON CANCER SCREENING *made easy*, WITH NONINVASIVE COLOGUARD®



GET. **GO.** **GONE.**

WHAT IS COLOGUARD? » For adults 50+ at average risk for colon cancer.

Targeted TV ads impacting Cologuard ordering & adoption



Ad available at CologuardTest.com

Tested in 5 markets since January 2016

- Atlanta
- Baltimore
- Milwaukee/Madison
- Sacramento
- Tampa Bay

Positive early results

**Cologuard
orders**

+40%

**New
physician
adoption**

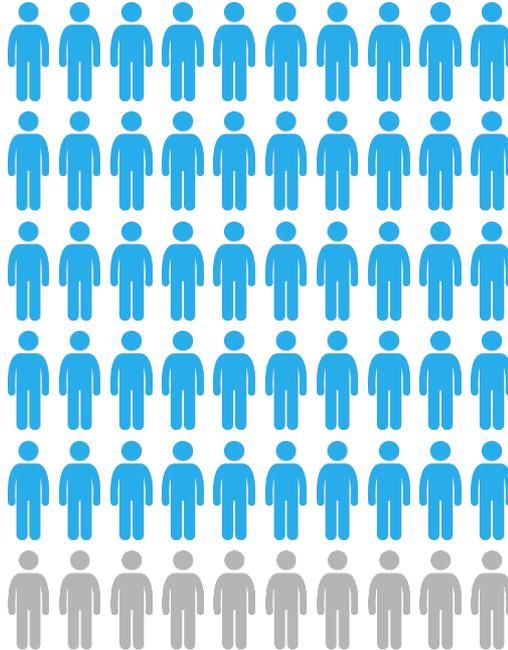
+80%

5 week cumulative boost in
test versus control markets

2015 results demonstrate Cologuard's impact

Cancers potentially detected

104,000
completed
Cologuard tests

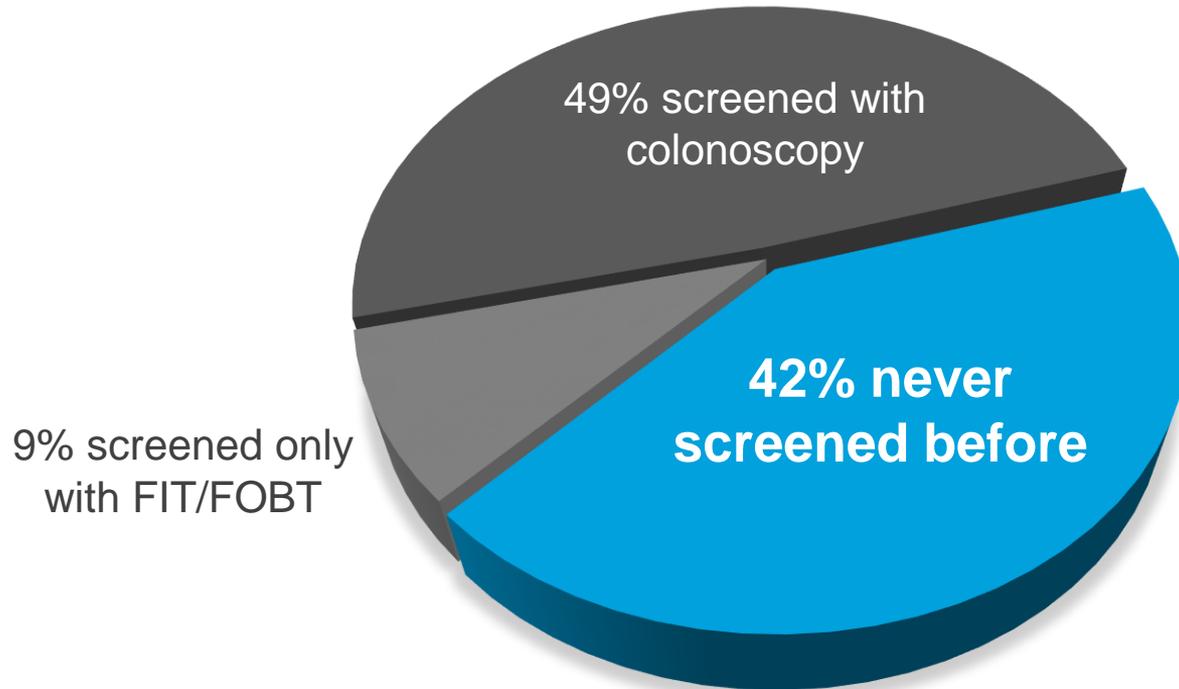


500
early-stage
cancers

600
cancers

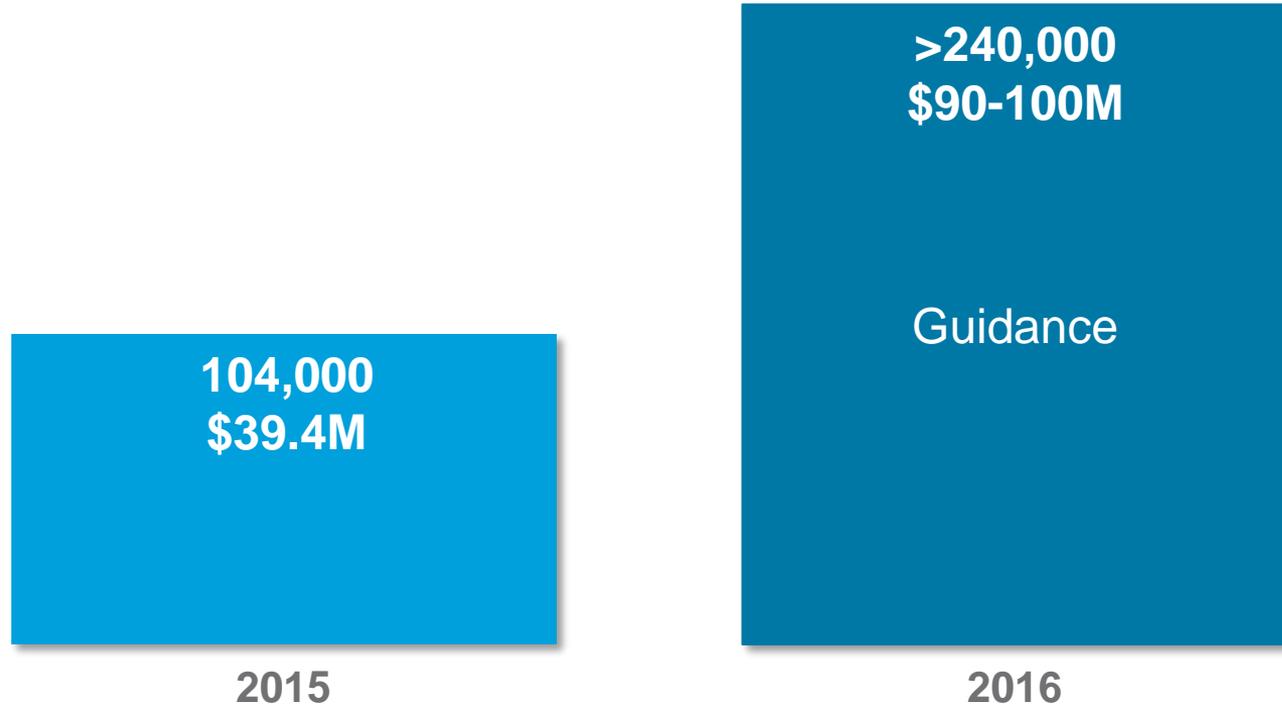
Increasing America's screening population

4 in 10 Cologuard users never previously screened



Screening history of Cologuard users

Projecting \$90-100M revenue in 2016



Strategy to advance coverage to contracting

Value proposition for payers



**Quality
of care**

**NEJM publication
shows 92% sensitivity**



**Member
satisfaction**

**Easy, non-invasive test;
>70% patient
compliance**

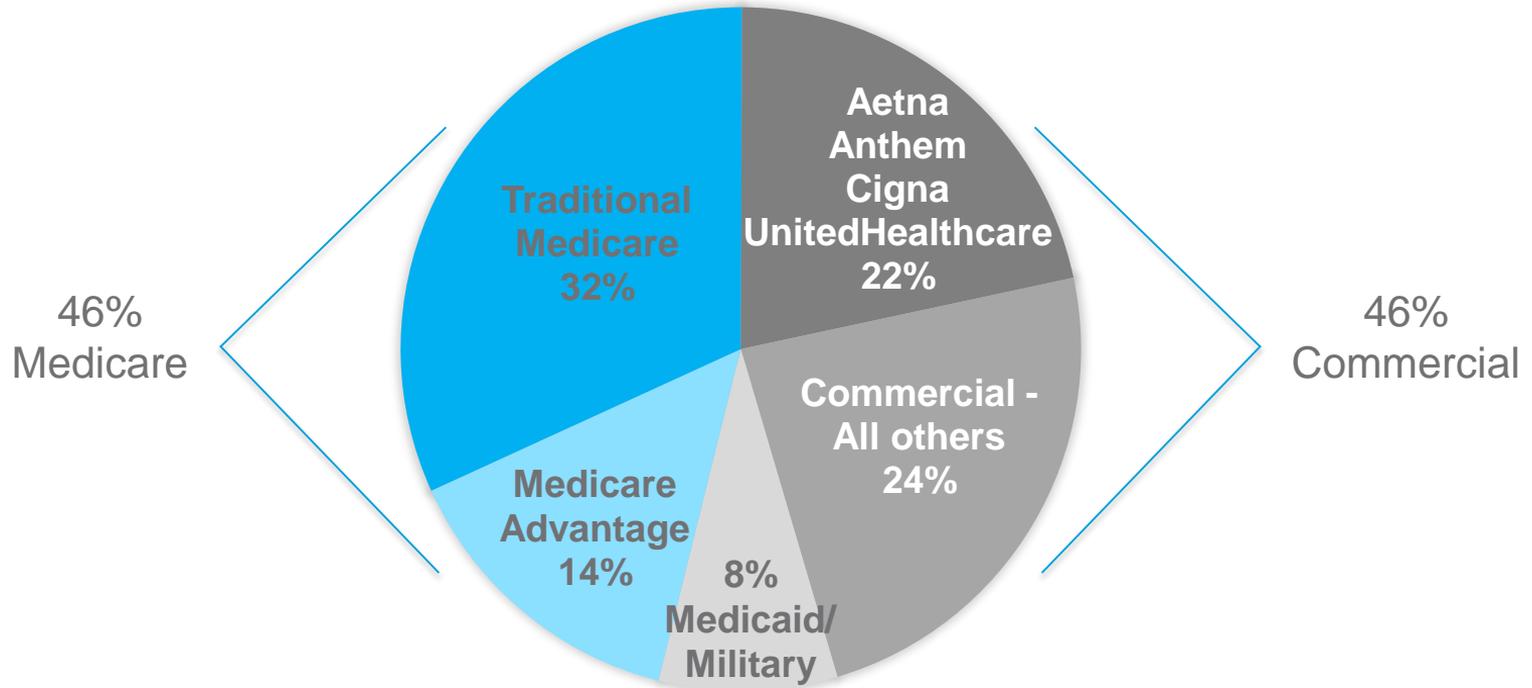


**Cost
savings**

**Cologuard delivering
positive budget impact**

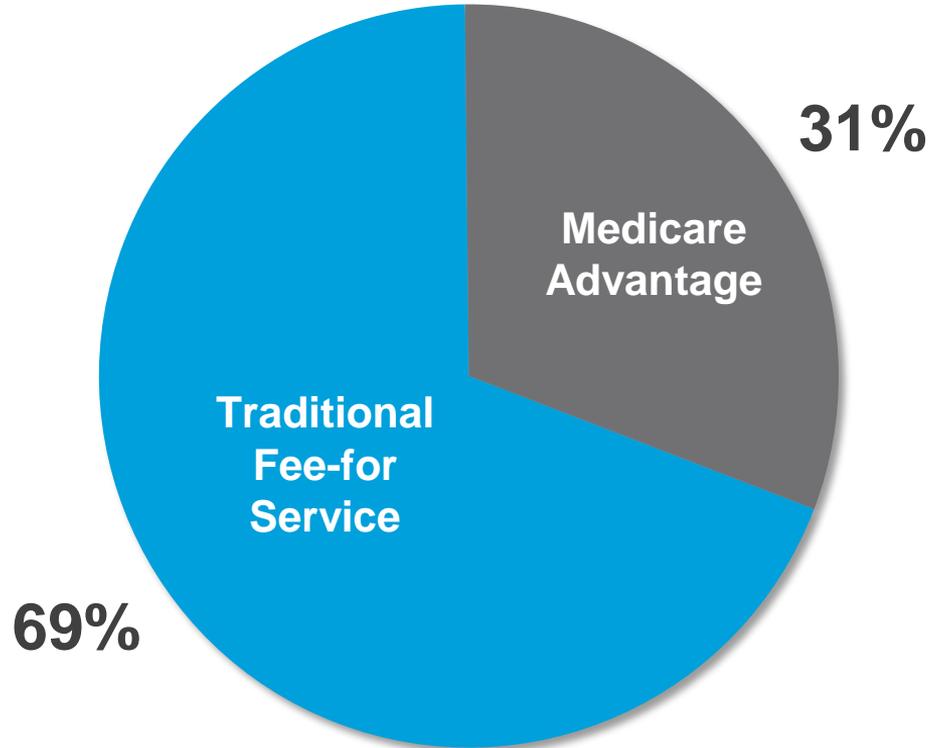
Breakdown of current U.S. insurance market

~80M average-risk people age 50-85



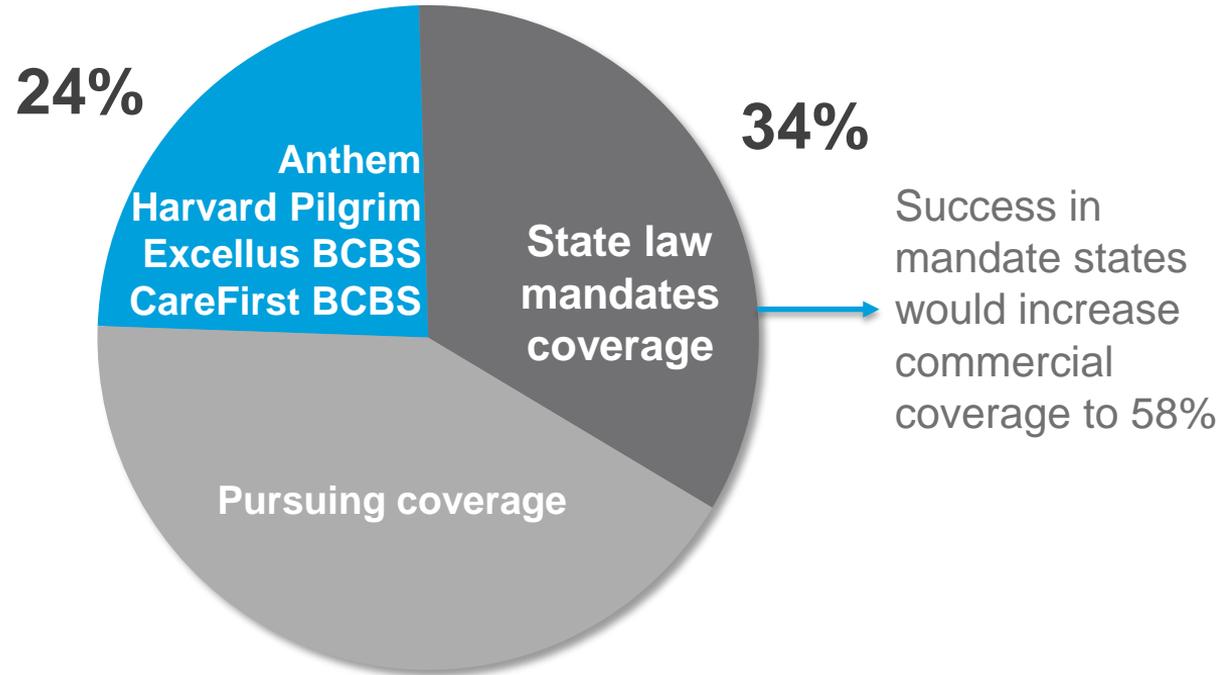
Medicare 100% covered

More than 37M average-risk Medicare patients ages 50-85



Commercial market presently 24% covered

More than 37M average-risk commercial insurance patients ages 50-85



Nearly half of Anthem members accessing Cologuard as an in-network service

- 37.6 million covered lives nationwide, second largest insurer in U.S.
- Strong presence in 14 states
 - Largest plan in 6 states
 - Second largest plan in 4 states
- Anthem enters into agreements by network/region
 - California, Virginia & Georgia contracts completed
 - ~50% of Anthem's members currently under contract
- Parallel implementation of commercial pull through plan



USPSTF draft guidelines

- Colon cancer screening for individuals ages 50-75 given “A” rating
 - Grades not assigned to specific tests
- Cologuard included in draft guidelines as alternative screening test useful in certain clinical circumstance
 - Replaces “I” grade given stool DNA in 2008
- USPSTF’s chairman publicly underscores these points following release of draft guidelines*:
 - “The central message is that it’s important to get screened.”
 - “No direct evidence shows a clear advantage for either [invasive] approach or for home-based tests or direct examination by doctors.”
 - “Multiple screening strategies are available ... we have more evidence to support some than others.”

Focusing product pipeline on targeted opportunities

	Goal	Market opportunity	Initial data readout
Lung nodules	 blood test	\$1.0B	2H 2016
Pancreatic cancer	 pancreatic juice	\$0.5B+	2H 2016
Cologuard improvements	 optimize margins	\$4.0B	2H 2016

An attractive long-term opportunity

Large market opportunity

80M-person addressable market

Low satisfaction, compliance with current options

High barrier to entry

Strong intellectual property protection

Costly 5-10 year product development, FDA and CMS pathway to approval

Only national network for CRC screening

Compliance engine

3-year adherence drives recurring revenue

Value to payers

Cost and satisfaction

Near-term savings; increasing screening rates

High product satisfaction

Patients and physicians want Cologuard

Met or exceeded expectations of 98% of physicians; 88% of patients rated experience very positive

Fourth quarter and 2015 financial results

	Fourth Quarter 2015	Full Year 2015
Revenue	\$14.4 million	\$39.4 million
Operating expenses	\$47.2 million	\$174.0 million
Cash utilization	\$36.6 million	\$150.0 million*
Year-end cash balance	\$306.9 million	

