



First-Quarter 2016 Earnings Call

May 3, 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 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 2016 guidance, expected numbers of completed and reported Cologuard tests, anticipated patient compliance rates, expected future operating results, anticipated results of our sales and marketing efforts, expectations concerning payor 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; the willingness of health insurance companies and other payors to reimburse us for our performance of the Cologuard test; the amount and nature of competition from other cancer screening products and services; the effects of any healthcare reforms or changes in healthcare pricing, coverage and reimbursement; recommendations, guidelines and/or 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 success establishing and maintaining collaborative and licensing arrangements; our ability to maintain regulatory approvals and comply with applicable regulations; the impact of our nationwide television advertising campaign; anticipated contracts with Anthem and other health insurance companies; 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 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.

Overview of today's discussion

**Successful local TV test,
national TV campaign launched**

**Progress with reimbursement
coverage and contracting**

**Study shows Cologuard's
impact on compliance**

First-quarter financial results

**First Quarter
2016**

Revenues

\$14.8 million

Operating expenses

\$53.7 million

Cash utilization

\$44.3 million

Cash balance

\$262.6 million

Progress continues in first quarter 2016

5-market TV test

Significant boost to orders and new physicians in test markets

New ordering physicians

More than 32,000 since launch

Reimbursement progress

New coverage and contracting

Compliance rate

69% reflects 12-month window

2016 expectations

>240K tests, \$90-100 million full-year 2016

Targeted TV ads impacting ordering & adoption



Ad available at CologuardTest.com

**Average boost in
test vs. control markets**

**Cologuard
orders**

+50%

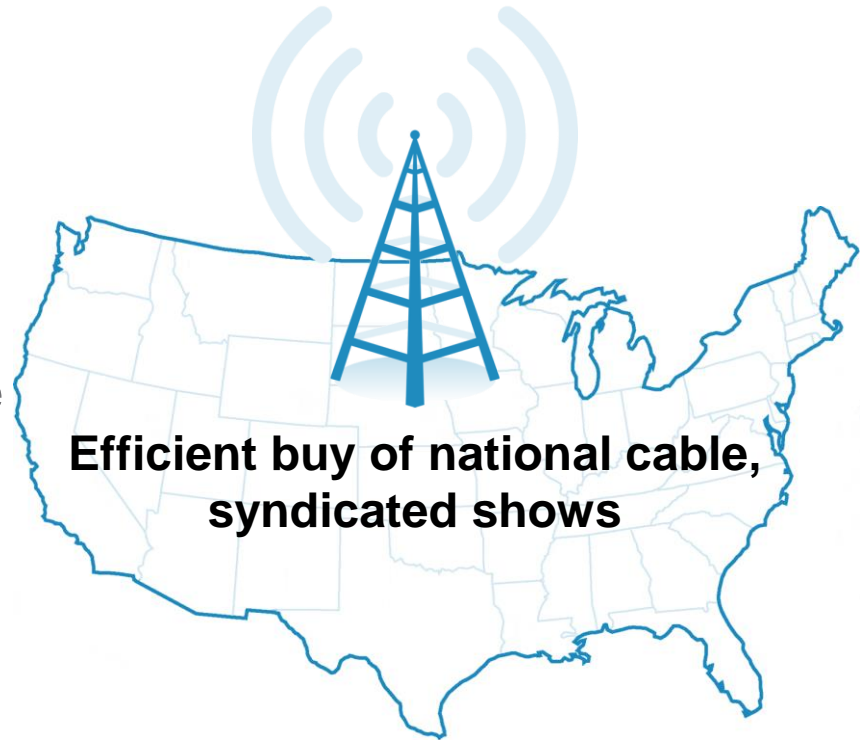
**New
physician
adoption**

+100%



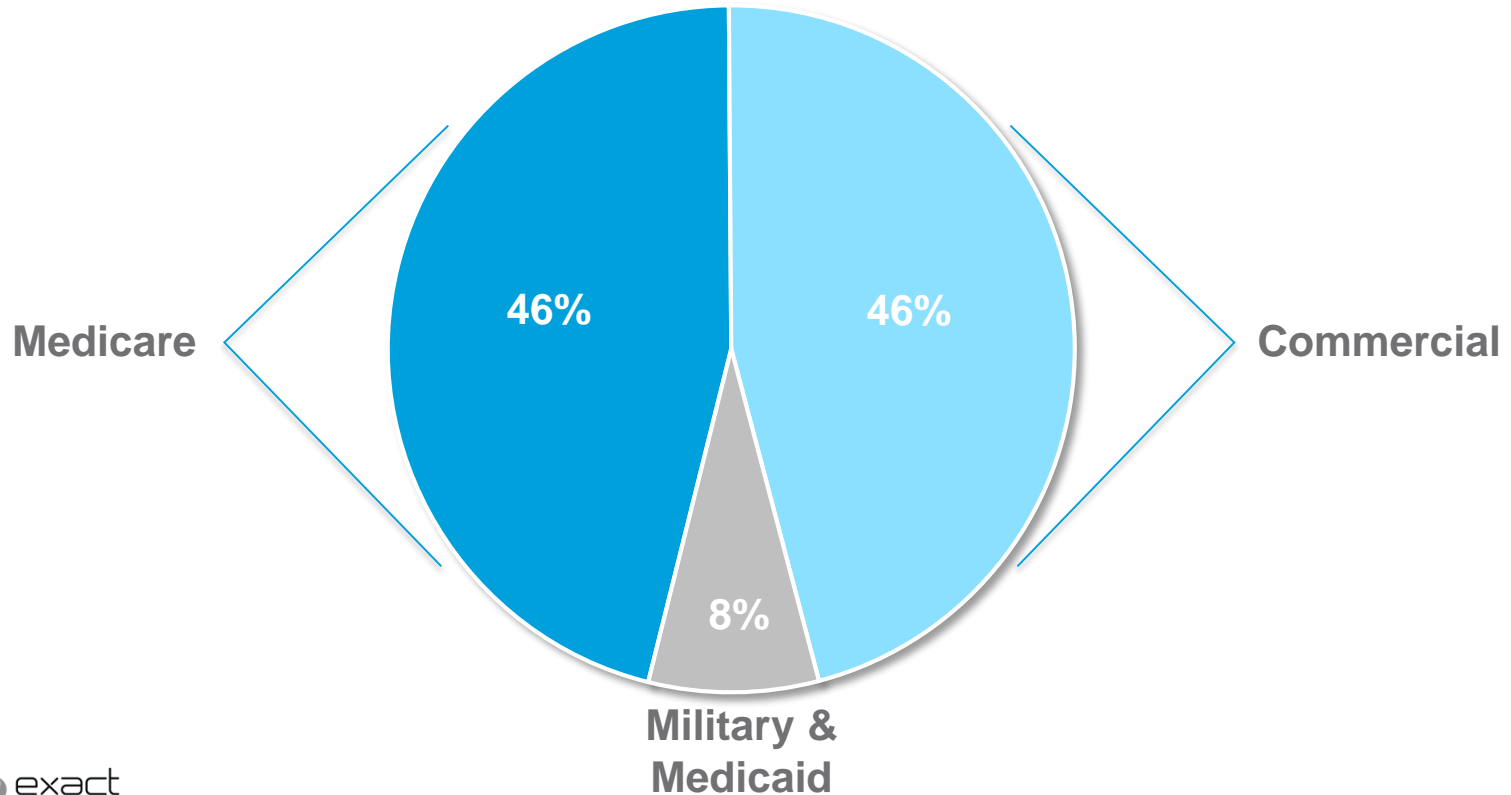
National TV ad seeks to boosts ordering, reach new physicians

- Goals: increase orders, new physicians and reorder rate
- TV buy focused on 50+ audience
- Directly complements sales, marketing, public relations and reimbursement strategies



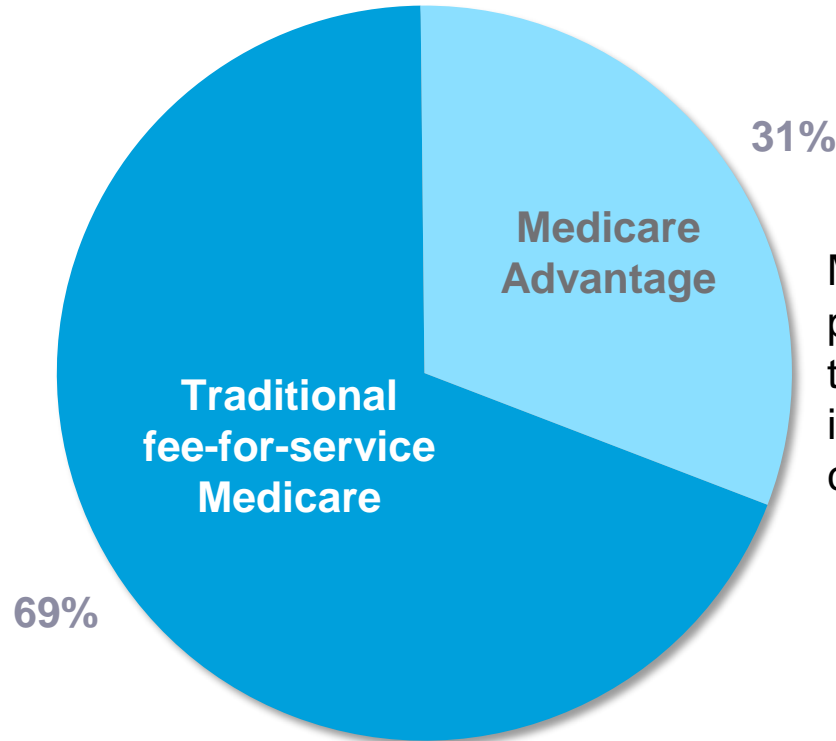
Breakdown of current U.S. insurance market

~80M average-risk people age 50-85



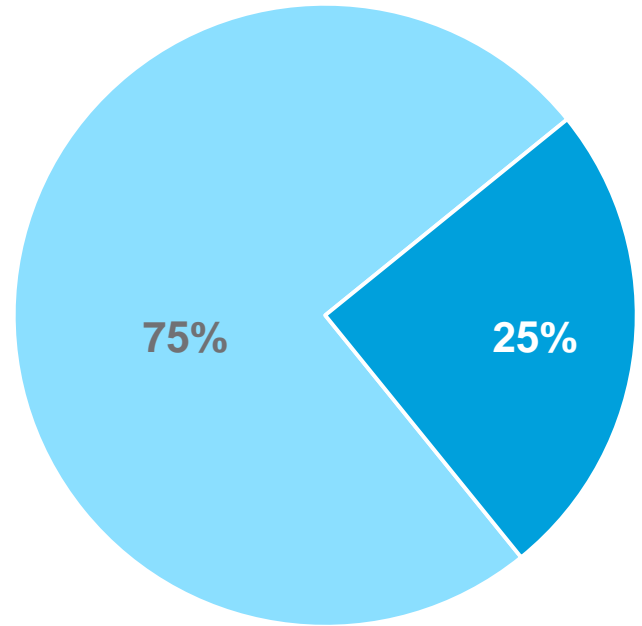
Cologuard 100% covered for Medicare patients

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



Medicare Advantage plans are required to treat Cologuard as an in-network benefit for cost-sharing purposes

Achieving 25% commercial coverage for Cologuard



■ Pursuing Coverage ■ Covered

58 million lives covered by commercial plans, including:

- Anthem
- Horizon BCBS
- BCBS Massachusetts
- CareFirst BCBS
- Independence Blue Cross
- BCBS Louisiana
- Excellus BCBS
- Harvard Pilgrim Healthcare
- Tufts Health Plan
- Government Employees Health Association
- Priority Health
- Johns Hopkins Health Plan

Anthem contracting progressing quickly

- Insures 37.6 million people nationwide
- Second largest insurer in U.S.
- Anthem enters into agreements by network/region
 - Currently contracted: CA, VA and GA
 - Anticipating contract completion by June 1: IN, KY, MO, OH and WI
 - ~70% of Anthem's members live in these regions



Cologuard increases patient compliance

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

