



## **2016 J.P. Morgan Health Care Conference**

Kevin Conroy, Chairman and CEO  
January 14, 2016



# Safe Harbor statement

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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](http://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.

# Presentation overview

1

The opportunity for Cologuard

2

Leveraging Cologuard's growth toward becoming a standard of care

3

Product pipeline

# OUR MISSION

To partner with healthcare providers,  
payers, patients & advocacy groups to  
**help eradicate colon cancer**

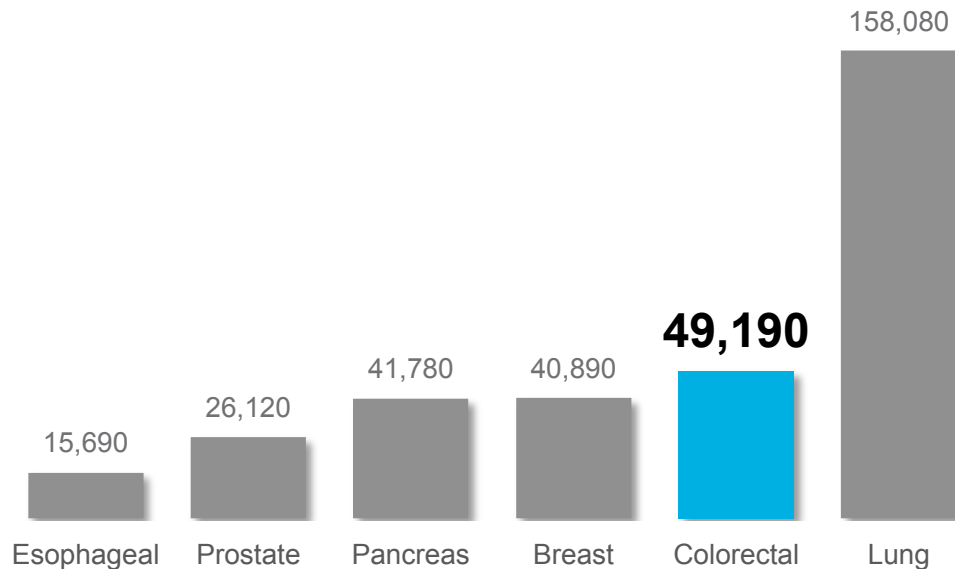
# Colon cancer: America's second deadliest cancer

134,490

new diagnoses

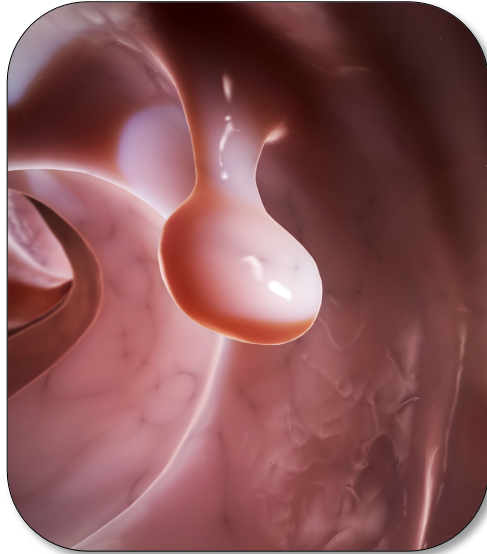
49,190

deaths



Annual cancer deaths

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



Pre-cancerous polyp

**10+ years**

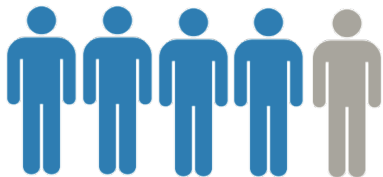


Four stages of  
colon cancer

# Detecting colorectal cancer early is critical

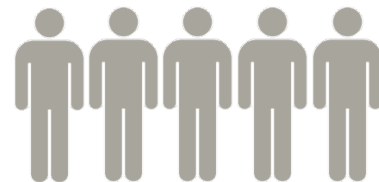
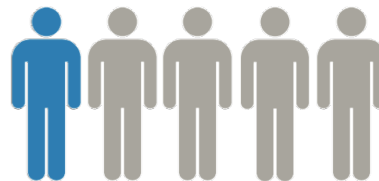
60% of patients are diagnosed in stages III-IV

## Diagnosed in Stages I or II



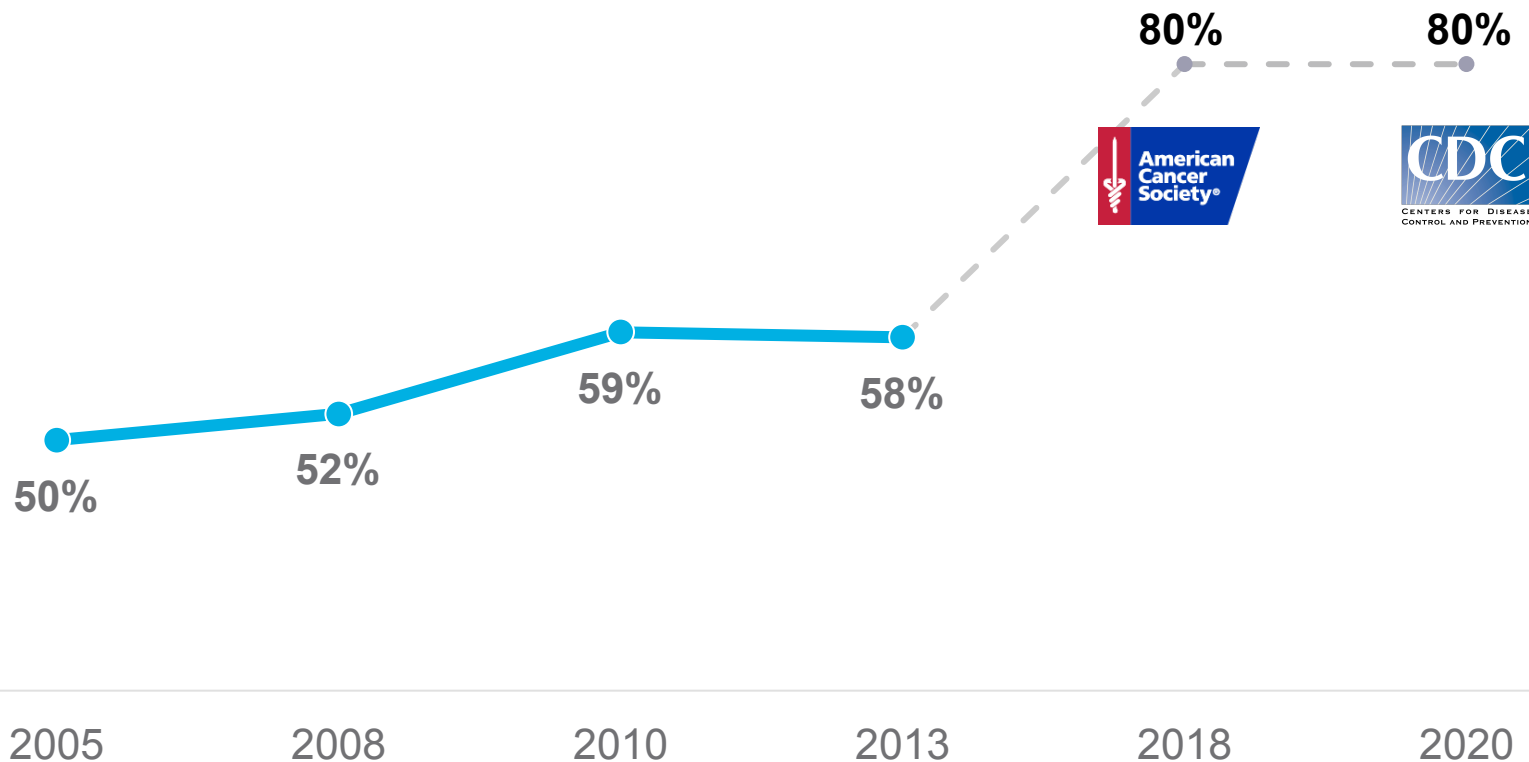
**9 out of 10**  
survive 5 years

## 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

# 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.

# 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)

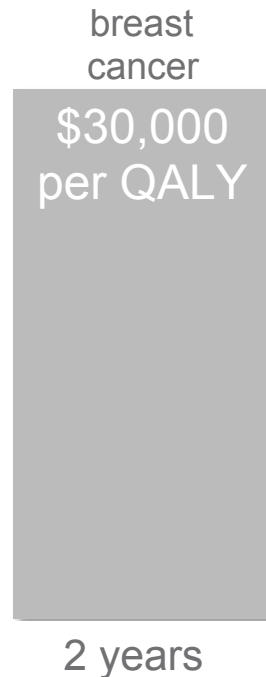
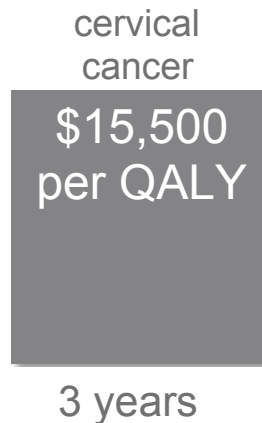
Specificity  
(*clean colon\**)

**90%**  
(4002/4457)

**93%**  
(296/318)

# New modeling supports Cologuard's use every 3 years

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



# Exact Sciences Labs: A facility delivering results



Capable of processing >1 million Cologuard tests annually

# Only 24/7/365 nationwide colon cancer screening network drives compliance



71%

Patient  
compliance\*

**Patients**

Doubling compliance through direct engagement

**Physicians**

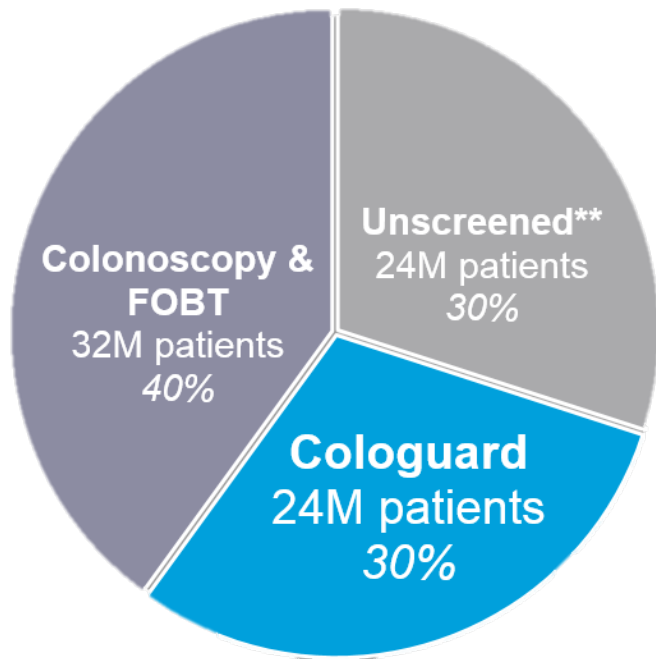
Easing burden of colon cancer screening follow-up

**Payers**

Maintaining metrics to support 3-year adherence

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

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



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



# Three-pronged commercial strategy



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



- Clinical & health publications
- Market access team
- Guidelines

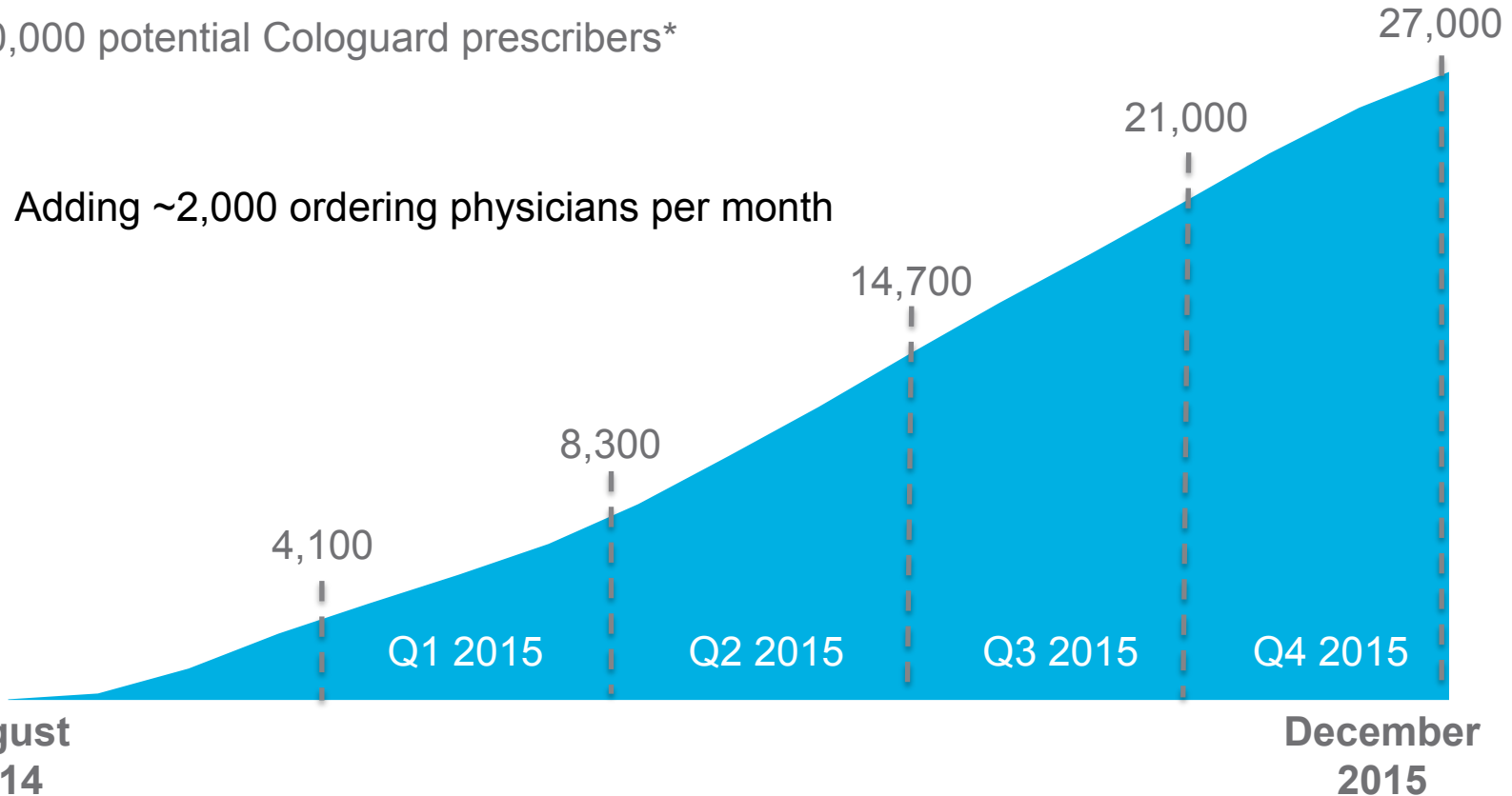


- Primary care sales force
- Medical education
- Digital campaign



# Cologuard's growing physician penetration

200,000 potential Cologuard prescribers\*



August  
2014

December  
2015

## Strong customer satisfaction with Cologuard

**Physicians**  
expectations  
met or exceeded

**98%**

**88%**

**Patients** rated  
Cologuard experience  
very positive

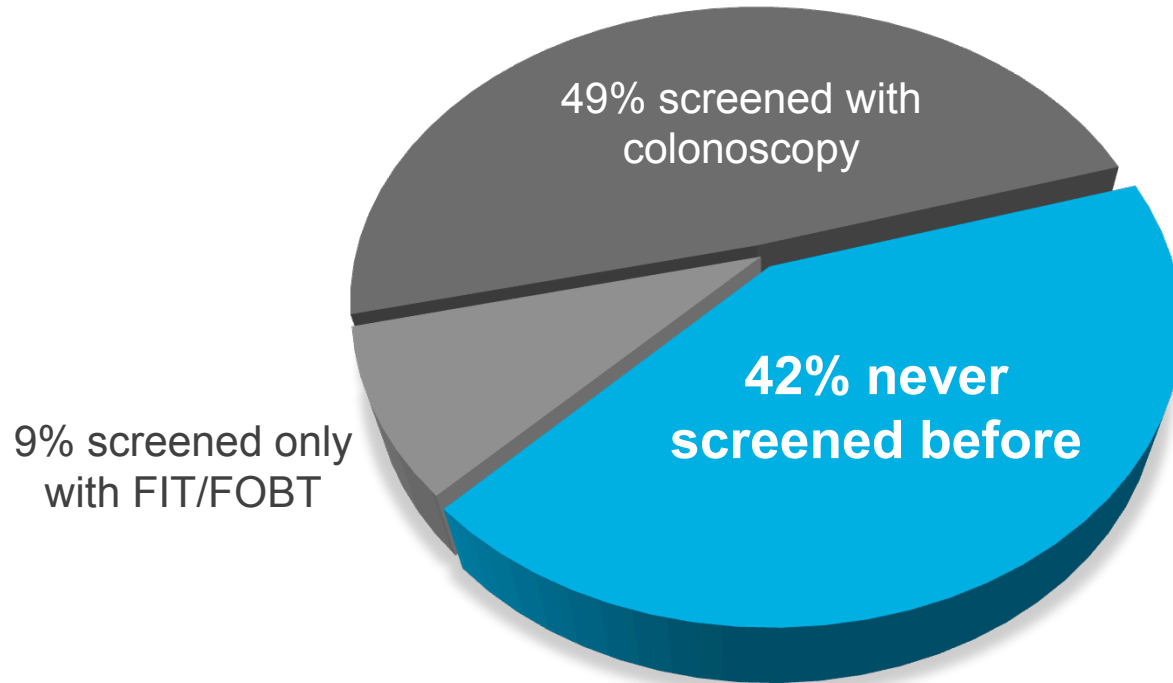
# Early results illustrate Cologuard's impact

Cancers potentially detected by Cologuard



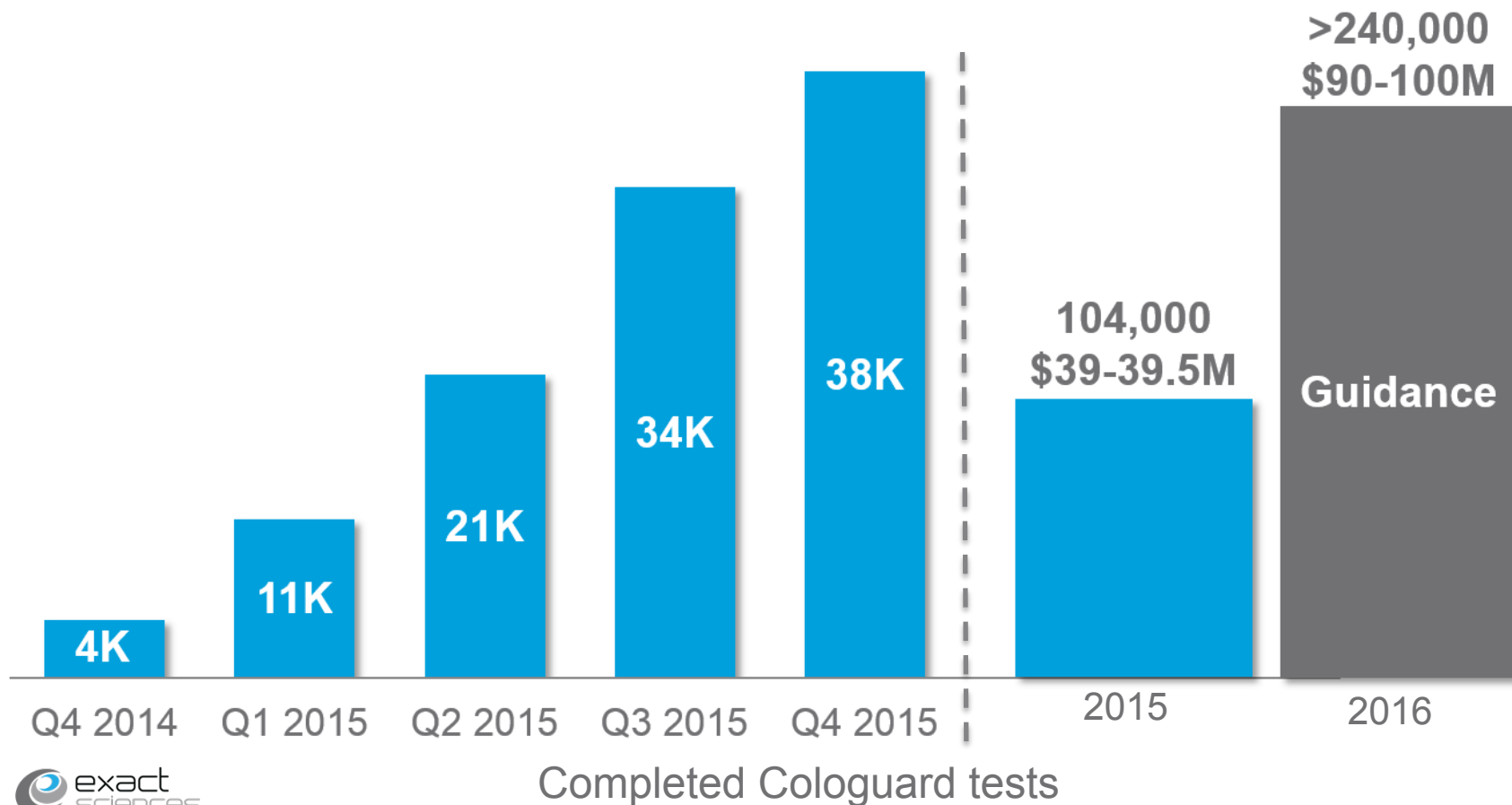
# Increasing America's screening population

4 in 10 Cologuard users never previously screened



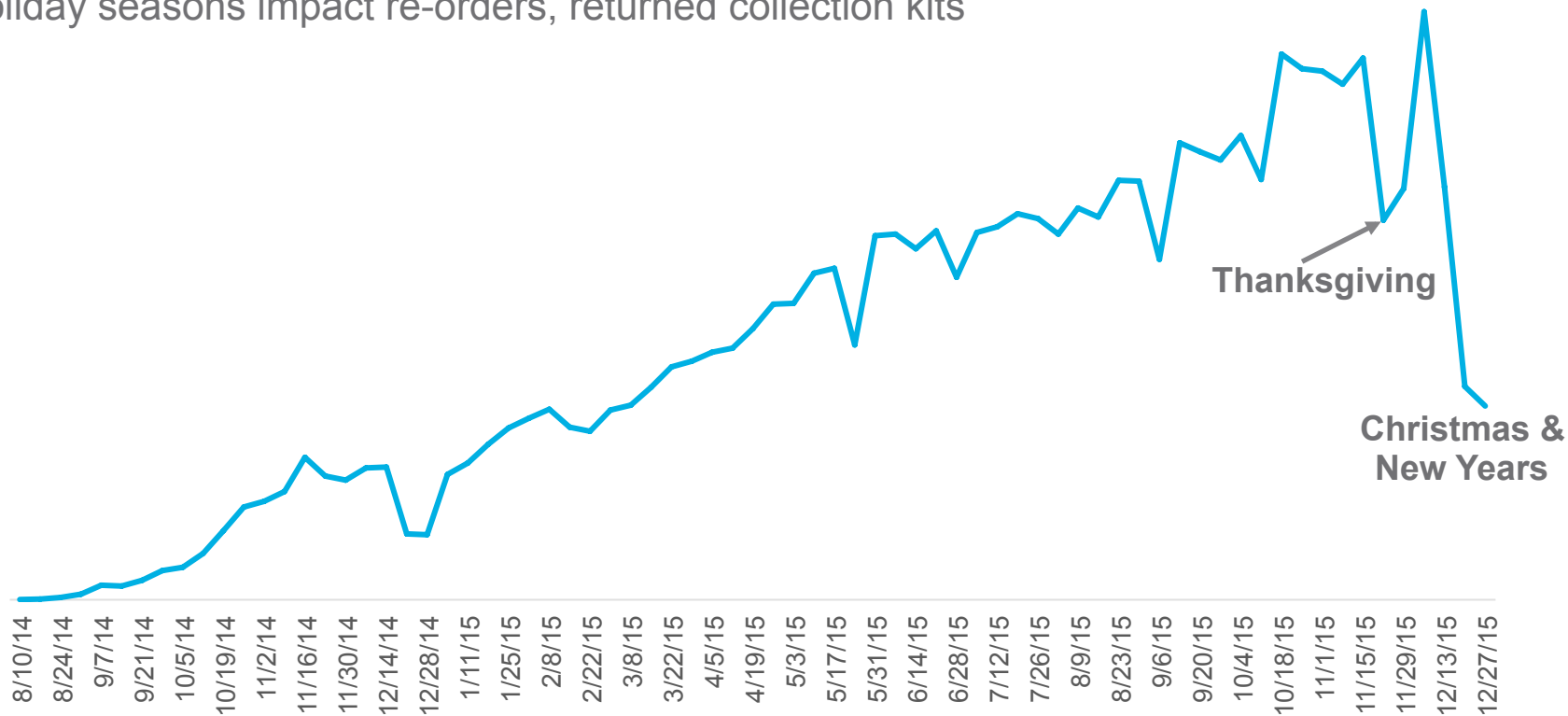
**Screening history of Cologuard users**

## Completed Cologuard tests continue growing



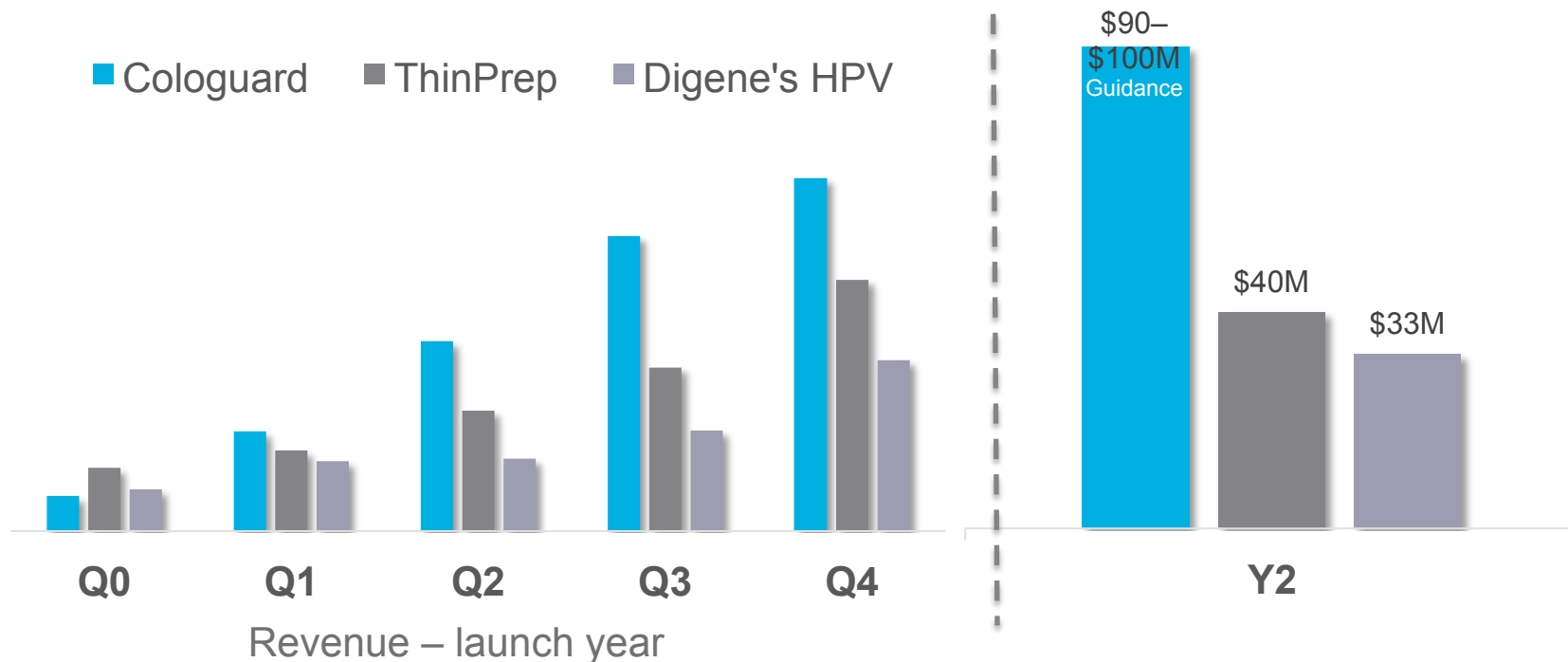
# Strong weekly ordering growth

Holiday seasons impact re-orders, returned collection kits



# Cologuard outpacing benchmark diagnostic launches

First-year revenue 1.5x ahead of ThinPrep; 2x ahead of HPV



# 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**

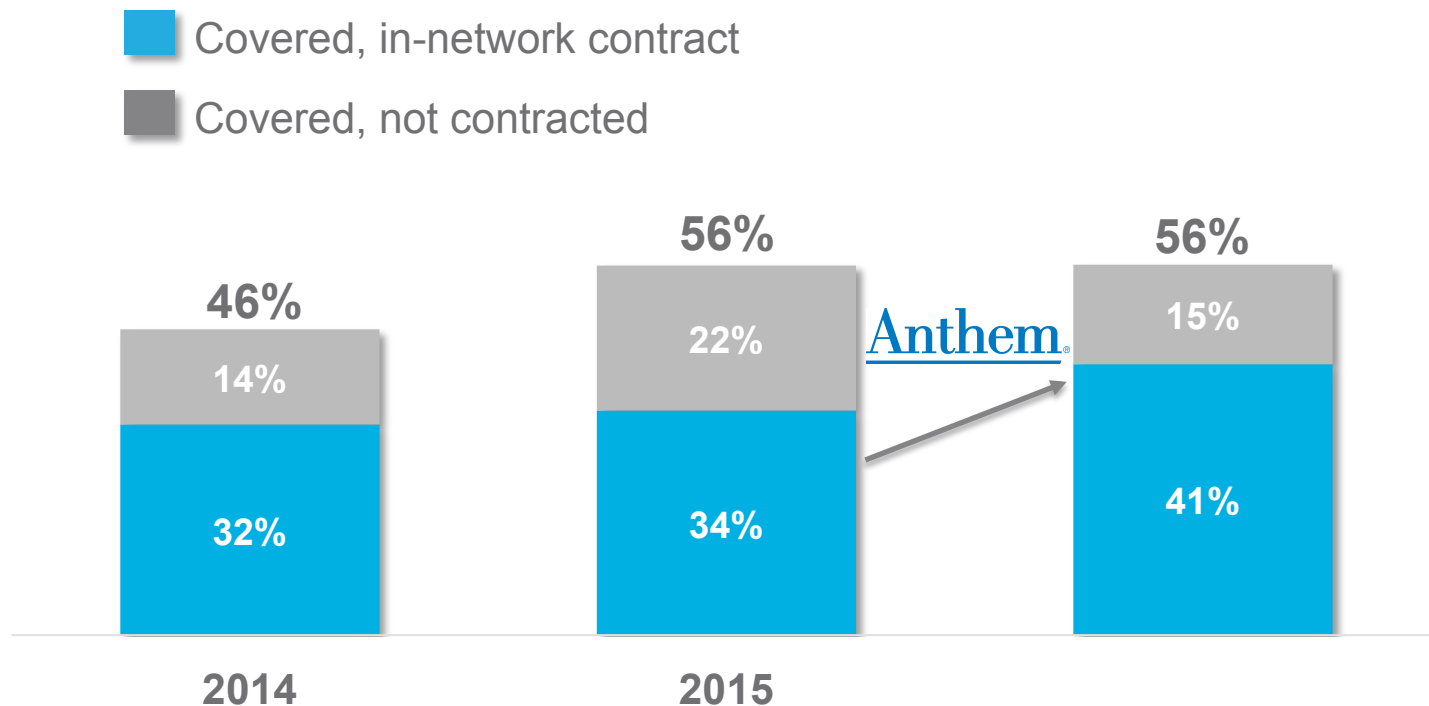


**Cost  
savings**

**Cologuard delivering  
positive budget impact**



# Expanding Cologuard's coverage for relevant patients



# Anthem BlueCross BlueShield contract & in-network status will drive adoption



- 37.6 million covered lives, 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 contract signed January 2016
  - Seeking 5 agreements in 1H 2016
- Parallel implementation of commercial pull through plan



## USPSTF draft guidelines

- Cologuard included in draft guidelines as alternative screening test
- Draft guidance removes “I” rating from 2008 guidelines
- Cologuard 3-yr: best benefits to harms of all screening options reviewed by the Task Force
- Final guidelines expected in late 2016
- Support from American Cancer Society, Mayo Clinic, key interest groups & 30+ lawmakers

# Focusing product pipeline on targeted opportunities

	Type of test	Clinical need	Market opportunity	Initial data readout
Lung nodules	 blood	~1.5M patients/year*	\$1.0B+	2H 2016
Pancreatic cancer	 pancreatic juice	600-700K patients with cysts	\$0.5B+	2H 2016

# Establishing a long-term growth plan

