



# Genomic Health

Kim Popovits, Chairman, CEO and President



# Safe Harbor Statement

Various remarks that we make in this presentation that are not historical, including those about our financial guidance for 2019, business strategy, goals and priorities, plans and prospects, growth opportunities, the potential size of addressable markets, the value of our tests, correlation of test growth to future revenue, ability to secure market access in global markets, our product pipeline and potential new products or applications, timing of future product releases, collaborations, and the occurrence, timing, results and impact of clinical studies, including TAILORx, constitute forward-looking statements within the meaning of the Safe Harbor provisions of the Private Securities Litigation Reform Act.

Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from our expectations. These risks and uncertainties include, but are not limited to: our ability to increase usage of our tests; risks associated with possible regulation of our tests by the FDA or similar regulatory agencies outside of the United States; risks and uncertainties associated with development and commercialization efforts; the risk that we may not obtain or maintain sufficient levels of reimbursement for our existing tests and any future tests we may develop; the risks associated with sales and operations globally; our history of operating losses; the occurrence, timing, results and applicability of clinical study results to actual outcomes; and the other risks set forth in our filings with the Securities and Exchange Commission, including the risks set forth in our most recent Annual Report filed on Form 10-K and our subsequently filed Quarterly report(s) filed on Form 10-Q. These forward-looking statements speak only as of the date hereof. We disclaim any obligation to update these forward-looking statements.

# Genomic Health is an Industry Leading and Profitable Molecular DX Company that has Transformed the Treatment of Cancer

- ✓ Generated >\$3B in revenue serving patients in 90 countries
- ✓ Saved global healthcare system >\$5B
- ✓ Diversified offering with multiple proprietary tests
- ✓ Expanded business model with multiple platforms and partners
- ✓ Achieved 14 consecutive quarters of improved profitability

**Increased Market Cap by 88% to >\$2.3B in 2018<sup>1</sup>**

oncotypeDX®  
Breast Recurrence Score

oncotypeDX®  
Breast DCIS Score

oncotypeDX®  
Colon Recurrence Score

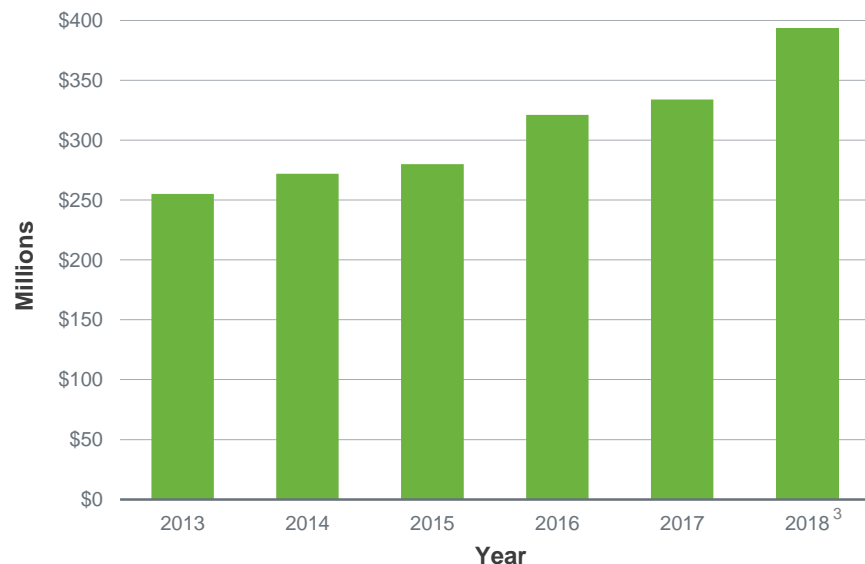
oncotypeDX®  
Genomic Prostate Score

oncotypeDX®  
AR-V7 Nucleus Detect  
powered by Epic Sciences

<sup>1</sup> As of December 31, 2018

# Accelerating Top-Line Growth and Delivering Improved Profitability

Global Oncotype™ Product Revenue



## 2018 Results

- **18% Revenue Growth (\$394M)**
- **50% Operating Leverage**
- **>\$72M Adjusted EBITDA<sup>1</sup>**
- **\$39.7M Non-GAAP Profit<sup>2</sup>**

### 2016

- ✓ 14% Revenue Growth
- ✓ 40% Operating Leverage
- ✓ \$10M Adjusted EBITDA<sup>1</sup>

### 2017

- ✓ 4% Revenue Growth
- ✓ 40% Operating Leverage
- ✓ \$30M Adjusted EBITDA<sup>1</sup>

### 2018 Guidance

- ✓ 10-15% Revenue Growth (\$366M - \$382M)
- ✓ 40% Operating Leverage
- ✓ \$50M Adjusted EBITDA<sup>1</sup>
- ✓ \$14M - \$20M Non-GAAP Profit<sup>2</sup>

<sup>1</sup> Adjusted EBITDA is operating income plus depreciation and stock based compensation expense.

<sup>2</sup> Non-GAAP net income excludes certain clinical and commercial development milestone payments for the Company's collaborations with Cleveland Diagnostics and Biocartis N.V. The Company believes that excluding these items and their related tax effects from its financial results reflects operating results that are more indicative of the Company's ongoing operating performance while improving comparability to prior periods, and, as such, may provide investors with an enhanced understanding of the Company's past financial performance and prospects for the future. This non-GAAP information is not intended to be considered in isolation or as a substitute for comparable information prepared in accordance with GAAP.

# Delivered Record Results in 2018; Strong Momentum Going in to 2019

In 2018:

- ✓ Increased worldwide **revenue** by 18% to \$394.1M
- ✓ Increased Oncotype **test volume** by 8% (>136,380 tests)
- ✓ Reported **profit** of \$25.7M on a GAAP basis; \$39.7M on a Non-GAAP basis<sup>1</sup>
- ✓ Delivered >\$72M in **adjusted EBITDA**<sup>2</sup>

Guides to 14% Revenue Growth and 50% Non-GAAP Net Income Growth at High End of 2019 Outlook

Metric	Guidance	YOY Growth
Revenue	\$436M - \$448M	11%-14% growth
Net Income (GAAP) GAAP Basic Earning Per Share (EPS)	\$48M - \$54M \$1.23 - \$1.38	86%-110% growth
Net Income (Non-GAAP) Non-GAAP Basic Earning Per Share (EPS)	\$54M - \$60M \$1.38 - \$1.54	35%-50% growth

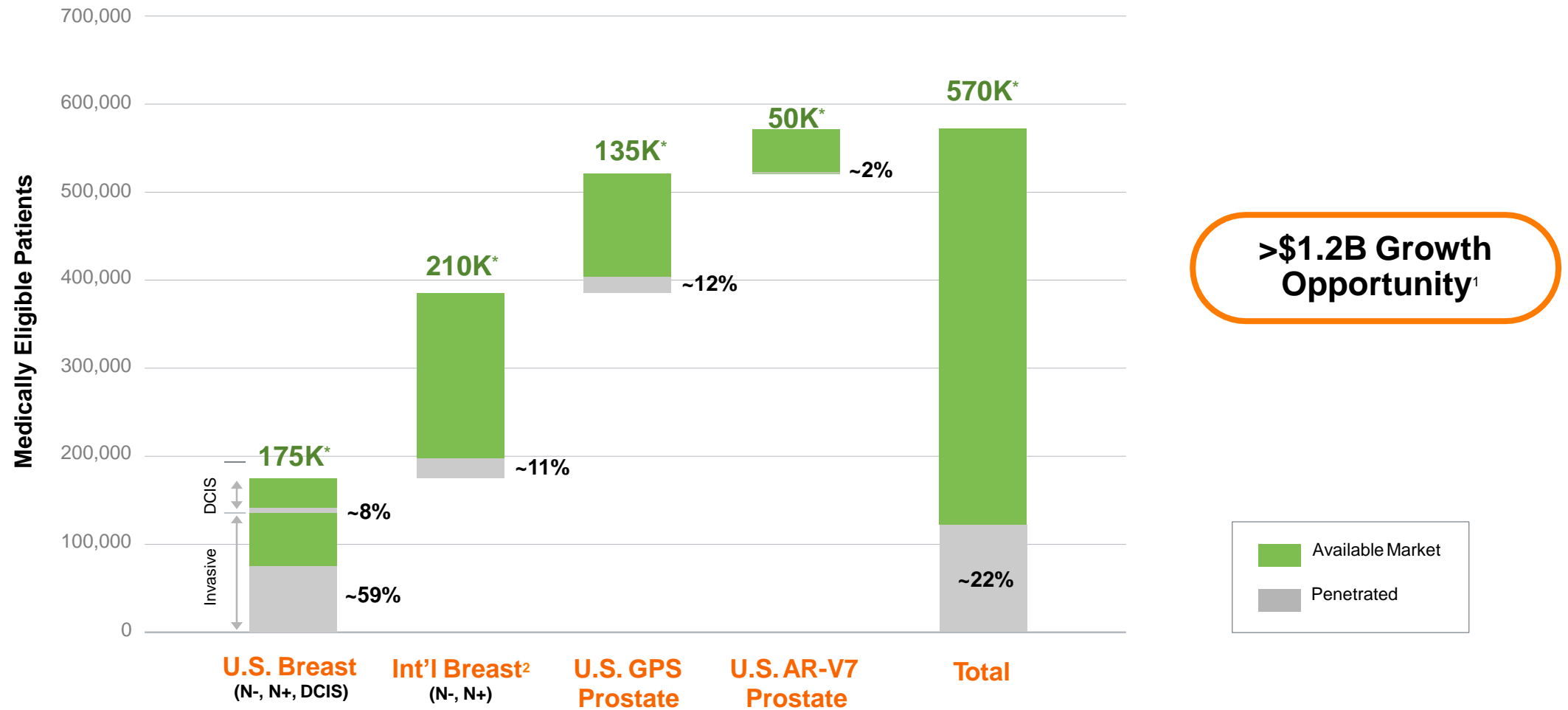
<sup>1</sup> Non-GAAP net income excludes certain clinical and commercial development milestone payments for the Company's collaborations with Cleveland Diagnostics and Biocartis N.V. The Company believes that excluding these items and their related tax effects from its financial results reflects operating results that are more indicative of the Company's ongoing operating performance while improving comparability to prior periods, and, as such, may provide investors with an enhanced understanding of the Company's past financial performance and prospects for the future. This non-GAAP information is not intended to be considered in isolation or as a substitute for comparable information prepared in accordance with GAAP.

<sup>2</sup> Adjusted EBITDA is operating income plus depreciation and stock based compensation expense.

# Executing on Three Strategic Imperatives to Drive Profitable Growth



# Commercial Portfolio Offers Immediate >\$1.2B Growth Opportunity



<sup>1</sup> Management estimate based on 2018 market size and average selling price.

<sup>2</sup> Western Europe, Canada and Japan

# Increasing Global Penetration of Oncotype DX Breast Cancer Test with Recently Published Landmark TAILORx Results



Many women with common breast cancer can safely skip chemo, study says



乳がん切除後の化学療法は多くが不要だった  
化学療法が不要な女性は米国だけで10万人も



BUSINESS | HEALTH CARE | HEALTH

Doctors Suggest Less Chemo, Surgery for Some Cancer Treatments

Researchers explore leaner approaches aimed at sparing patients tough side effects—and costs



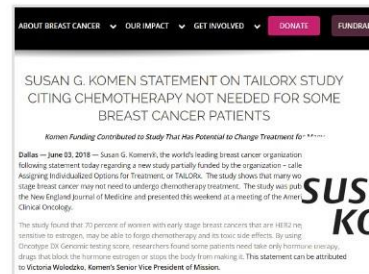
Breakthrough research could save many breast cancer patients from having to undergo chemotherapy



Good News for Women With Breast Cancer: Many Don't Need Chemo

NEW HOPE FOR WOMEN WITH BREAST CANCER: NOW CHEMOTHERAPY FOR THE FEW, NOT THE MANY

BY TOM PORTER AND REUTERS ON 6



**Dr. Mehmet Oz** @DrOz

According to a new study, about 70 percent of women diagnosed with early-stage breast cancer may not need chemotherapy treating this disease. Find more

**Katie Couric** @katiecouric

Important!!! Thousands of women could forgo chemotherapy for early-stage breast cancer, study says - USA TODAY

**Jondi Gurmz** @omorgurmz

Long line to get in to hear about #TAILORx data #SABCS18



TREATMENTS

For Some Breast Cancer Patients, The Chemo Decision Just Got Easier

**CANCER**

"Oncotype DX, which predicts likelihood of recurrence on a scale from 0 to 100, analyzes 21 genes that are important in cancer growth; a low score indicates a low risk of the cancer coming back, and therefore less need for chemotherapy, while a high score indicates a higher chance of recurrence, and a more urgent need for chemotherapy."

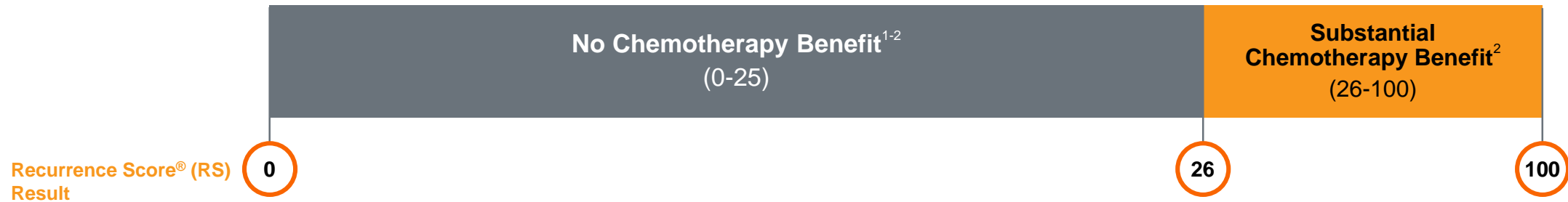


Cancer du sein : 10 000 chimios pourraient être évitées chaque année





# TAILORx Definitively Showed Oncotype DX Uniquely Identifies the Majority of Patients Who Do Not Benefit from Chemotherapy



*“Any woman with early-stage breast cancer age 75 or younger should have the 21-gene expression test and discuss the results with her doctor to guide her decision to the right therapy.”*

— Joseph A. Sparano, M.D.  
Albert Einstein College of Medicine  
TAILORx Study Chair

**Exclusive guideline endorsements from NCCN and IQWiG in Germany;  
Expanded recommendation from NICE in the UK**

# Simplified Report and New Campaign to Increase Penetration: *“It’s Never Been as Clear”*

**Genomic Health** **oncotypeDX**  
Breast Recurrence Score

## Oncotype DX Breast Recurrence Score® Report

### Node Negative

---

**PATIENT, SAMPLE**  
 Date of Birth: 01-Jan-1950    Gender: Female    Report Number: OR000123456-3021    Report Date: 04-Sep-2018  
 Specimen Source/ID: Breast/SP-16\_0123456  
 Ordering Physician: Dr. First-Name I. Ordering-Physician-Last-Name

---

**Recurrence Score®  
Result (RS)**

10

**Distant Recurrence Risk at 9 Years**  
With AI or TAM Alone

3%

TAILORx

AI = Aromatase Inhibitor / TAM = Tamoxifen

**Absolute Chemotherapy Benefit\***  
RS 0-10 All Ages

<1%

NSABP B-20

---

\*Exploratory Subgroup Analysis for TAILORx and NSABP B-20: Absolute Chemotherapy (CT) Benefit by Age and RS

Age	RS 0-10	RS 11-15	RS 16-20	RS 21-25	RS 26-100
>50 years			No CT Benefit (<1%)		>15% CT Benefit
≤50 years	No CT Benefit (<1%)	~1.6% CT Benefit	~6.5% CT Benefit	>15% CT Benefit	

---

**Quantitative Single-Gene Scores**

11.4 ER Positive

<3.7    6.5    >12.5

8.3 PR Positive

<3.2    5.5    >10.0

9.0 HER2 Negative

<7.6    10.7    11.5    >13.0

---

Laboratory Director(s): S. Shak, MD; F. Bucher, MD; H. Buluy, MD & P. Jaszak, MD  
 Genomic Health, Inc., 301 Parkwest Drive, Redwood City, CA 94062, USA - CLIA Number 05D1016072  
This test was developed and its performance characteristics determined by Genomic Health, Inc. It has not been cleared or approved by the FDA, nor is it currently required to be. The laboratory is regulated under CLIA as qualified to perform high-complexity testing. This test is used for clinical purposes. It should not be regarded as investigational or for research.

GH004 Rev002    USA/Canada +1.866.ONCOTYPE (+1.866.662.6897)    www.oncotypedx.com/en/test    Page 1 of 2  
 © 2016-2018 Genomic Health, Inc. All rights reserved. Genomic Health, Oncotype DX, Oncotype DX Breast Recurrence Score and Recurrence Score are trademarks of Genomic Health, Inc.

The landmark  
**TAILORx**  
trial delivered  
definitive results<sup>1-4</sup>

NO

CHEMOTHERAPY

It's never  
been as clear

YES

CHEMOTHERAPY

to predict chemotherapy benefit for patients with early-stage breast cancer

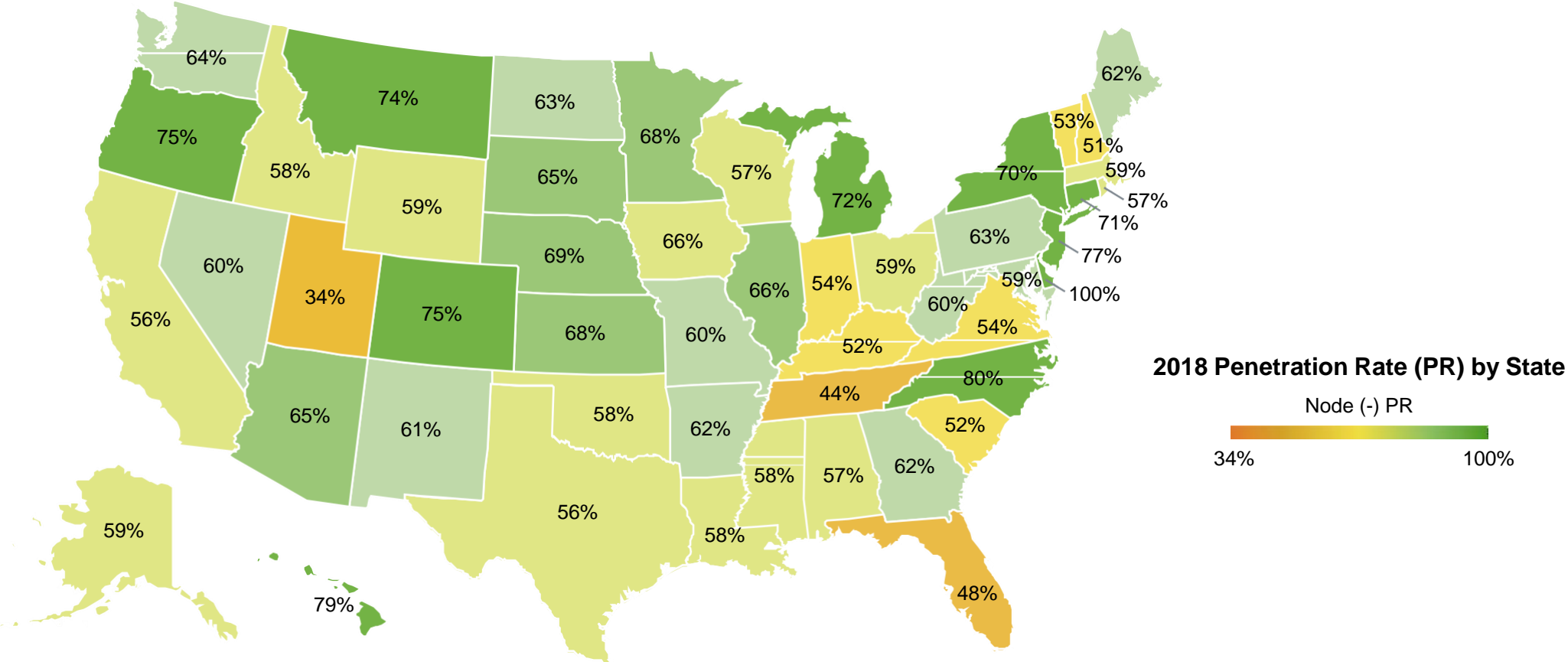
oncotypeDX®

Breast Recurrence Score

# Market Intelligence Supports Efficient and Targeted Approach to Address Areas of Greatest Growth Potential in the U.S.

**~58,000 Test Growth and ~\$200M Opportunity**

*oncotypeDX<sup>®</sup>*  
Breast Recurrence Score

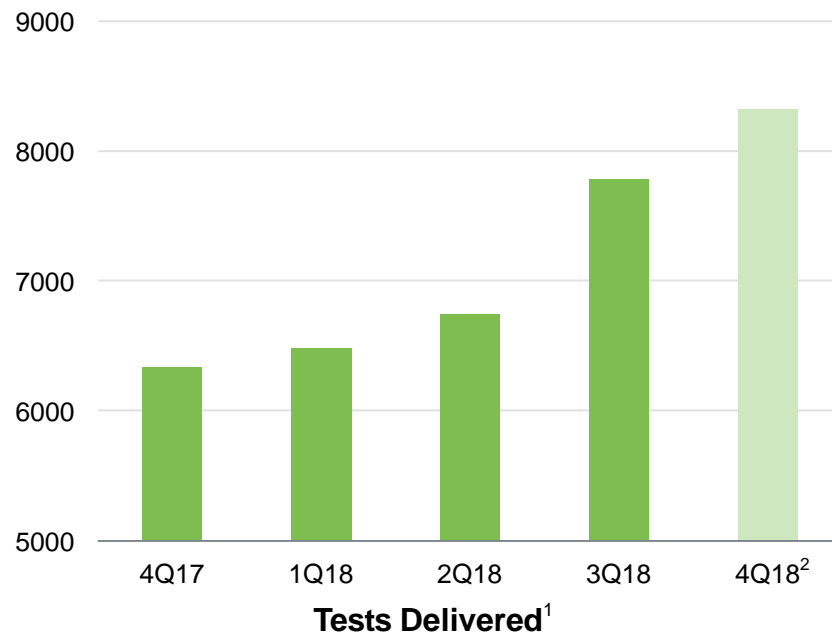


# Increasing International Growth Driven by Reimbursement in Strategic Markets

**~185,000 Test Growth and ~\$380M Opportunity<sup>3</sup>**

oncotypeDX<sup>®</sup>  
*Breast Recurrence Score*

**30% Volume Growth Since 4Q17**



**Canada:** Broad reimbursement



**UK:** NICE guidance renewed with expanded patient population



**Spain:** Broad reimbursement



**Germany:** Exclusive IQWiG recommend; Nat'l reimb ~1H19



**France:** Interim National Ministry of Health Funding



**Italy:** National/regional TAILORx-based dossiers submitted



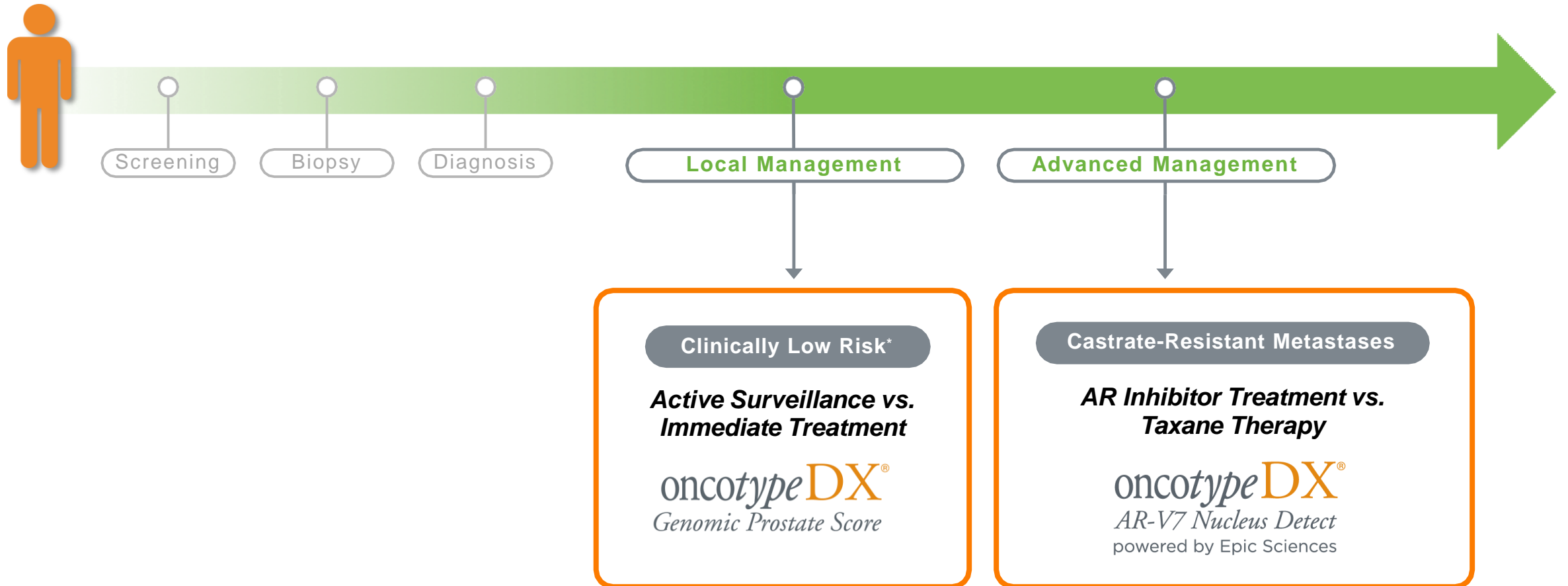
**Japan:** Regulatory path identified

<sup>1</sup> Commercial Invasive Breast Cancer tests across all International markets

<sup>2</sup> Management estimate based on year-to-date results through September 30, 2018

<sup>3</sup> Western Europe, Canada and Japan

# Urology Franchise Represents >\$500M Growth Opportunity



# Oncotype DX Prostate GPS Test Significantly Contributing to Revenue Growth

**120,000 Test Growth and ~\$380M Opportunity**

oncotypeDX<sup>®</sup>  
Genomic Prostate Score

YOY Revenue Growth Contribution in 2018



■ U.S. IBC ■ International Breast ■ U.S. Prostate

YOY Growth by Market

~50% U.S. Prostate

~15% International

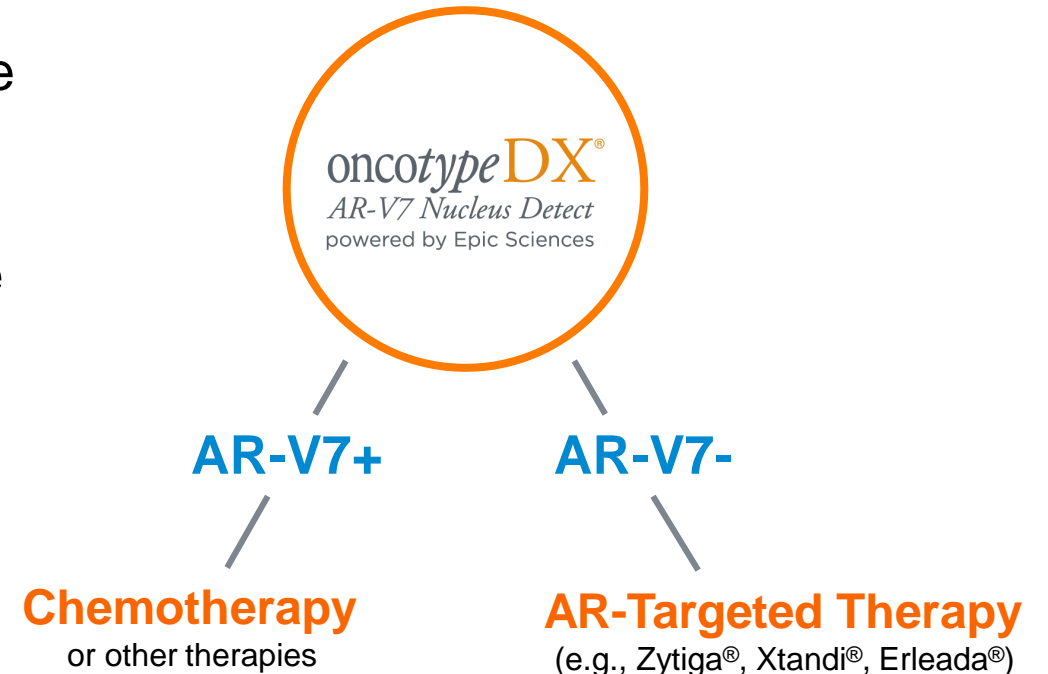
~16% U.S. Invasive Breast

- Validated to identify men eligible for active surveillance vs. aggressive treatment of low and intermediate-risk prostate cancer
- First genomic test with prospective validation for predicting adverse pathology at surgery
- 4 studies in ~9,000 men demonstrate clear clinical utility and actionable impact
- 100M covered lives including Medicare
- Strengthened NCCN guidelines support increasing reimbursement
- 2018 Sales force expansion

# Oncotype DX Prostate AR-V7 Test Expected to Accelerate Revenue Growth with Recent Medicare Reimbursement

**50,000 Test Growth and ~\$150M Opportunity**

- Liquid biopsy test validated to predict resistance to costly AR-targeted treatments for metastatic prostate cancer patients
- Medicare reimbursement establishing coverage for 50% of eligible patient population
- Sold by both urology and oncology channels
- Earlier use of AR-targeted treatment expands market opportunity



# Innovating with Best in Class Sample-to-Answer Solution to Expand Business and Portfolio Globally

oncotypeDXi™



Accelerates access to Oncotype DX **Breast** in **European markets**

Increases adoption of Oncotype DX **Prostate** in **the U.S.**

Opens access to **emerging markets**

Facilitates **collaboration** with **pharma and DX partners**

Provides additional **platform** to deliver **menu** of **global tests**



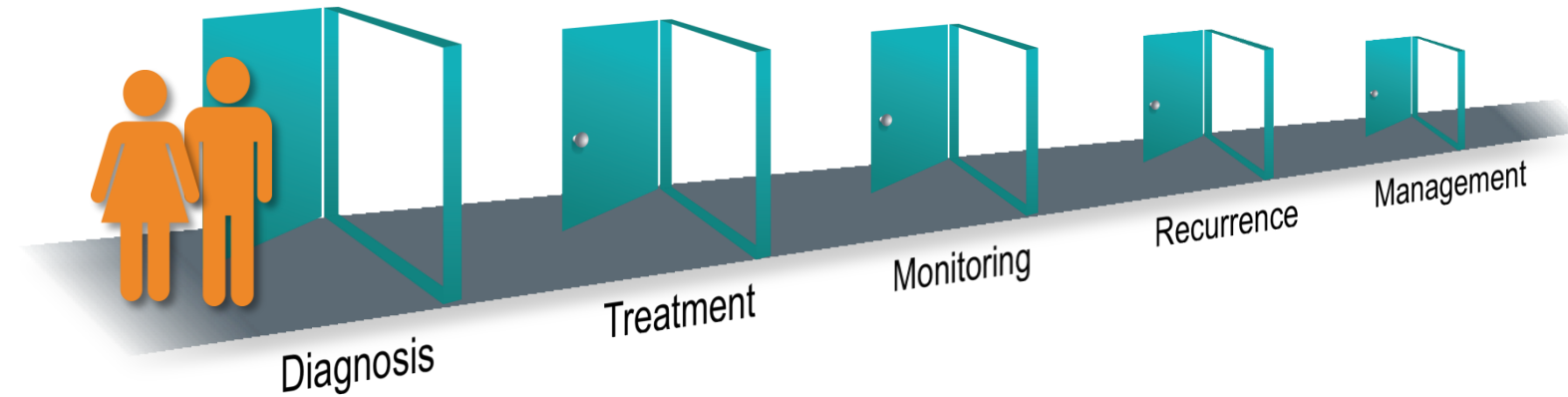
# Well Positioned to Drive Long-Term Growth with Increasing Diversification

	DIAGNOSIS	TREATMENT		MONITORING	RECURRENCE	MANAGEMENT
	Do I Have Cancer?	How Aggressive is My Cancer?	Will I Benefit from Therapy X?	Am I Responding / Developing Resistance to My Therapy?	Has My Cancer Come Back?	What is the Best Treatment for Me Now?
Breast		oncotypeDX <sup>®</sup> <i>Breast DCIS Score</i> oncotypeDX <sup>®</sup> <i>Breast Recurrence Score</i>	oncotypeDX <sup>®</sup> <i>Breast Recurrence Score</i>			
Lung						
Colorectal		oncotypeDX <sup>®</sup> <i>Colon Recurrence Score</i>				
Melanoma						
Prostate		oncotypeDX <sup>®</sup> <i>Genomic Prostate Score</i>		oncotypeDX <sup>®</sup> <i>AR-V7 Nucleus Detect</i> powered by Epic Sciences		
Bladder/Renal						

Current Products

Areas of Interest

# 2019 Milestones



oncotypeIQ<sup>®</sup>  
*Genomic Intelligence Platform*

## Double Digit Revenue Growth

- Increasing Global Invasive Breast Penetration (TAILORx, NICE, International Guidelines)
- Securing National Breast Reimbursement in Germany
- Expanding GPS Penetration and Private Coverage
- Expanding AR-V7 Adoption

## Improved Profitability

- >10% operating income
- ~40% operating leverage

# Celebrating the Delivery of Personalized Medicine to 1 Million Patients Worldwide

oncotypeDX®

## ROBUST CLINICAL EVIDENCE



**125**  
Clinical Studies



**>140,000**  
Patients Studied



**156**  
Journal Publications

## IMPACT DELIVERED



**>53,000**  
Physicians Used  
Oncotype DX®



**>90**  
Countries  
Served



**>\$5 Billion**  
Healthcare Cost  
Savings



**>800**  
Employees Dedicated  
to Making Cancer  
Care Smarter



**1 Million Patients**  
Avoided Over and  
Under-Treatment

## CANCER PATIENT OUTCOMES IMPROVED

Genomic Health<sup>®</sup>

**Life, changing.**

