Diagnostics for the early detection and prevention of colon cancer

Corporate Presentation
June 2014
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 FDA approval of and 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.
Exact Sciences Overview

• Cologuard® is a breakthrough, non-invasive colorectal cancer screening test developed with Mayo Clinic

• Uses a combination of DNA markers
  – Detects 93% of curable cancers; 27% improvement over current standard FIT test

• Parallel FDA and Medicare review process
  – Unanimous FDA panel recommendation
  – CMS coverage decision expected 90 days after FDA approval decision

• Multibillion-dollar global opportunity

• Plan to deploy over 100-person sales force at launch
OUR MISSION

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

"The most preventable, yet least prevented cancer."

– Journal of the National Cancer Institute

Source: J Nati Cancer Inst. 2009; 101:1225-1227 (Itzkowitz)
Detection and removal of polyps prevents cancer\textsuperscript{1}

Pre-cancerous polyp

10-15 years\textsuperscript{2}

Stages of colon cancer

\textsuperscript{1}Source: N Engl J Med 2012;366:687-96 (Zauber)
\textsuperscript{2}Source: Gastro 1997;112:594-692. (Winawer)
Colorectal cancer: the second-leading U.S. cancer killer

136,830 new U.S. cases
50,310 U.S. deaths

Annual U.S. cancer mortality:

- Colorectal: 50,310
- Lung: 159,260
- Prostate: 40,430
- Pancreas: 39,590
- Ovary: 29,480
- Cervix: 14,270

Source: ACS Cancer Facts & Figures 2014; all figures annual
Why is compliance low for colorectal cancer screening?

**Colonoscopy**
- Patient fear & discomfort
- Time off of work and inconvenience

**Fecal Immunochemical Test / Fecal Occult Blood Test**
- Low sensitivity leads to low physician confidence
- Annual testing requirement
- Low adherence to screening regimen
A non-invasive, patient-friendly, convenient solution
Exact Sciences’ new clinical laboratory

- Capacity: 1 million tests/year
- Customer service center 24/7
- 30,000 square feet
- Highly automated
Compliance engine designed to improve patient compliance

Compliance Engine

1. Physician orders test
2. Kit shipped to patient
3. Patient returns kit
4. Exact lab processes sample
5. Results sent to physician

- 24/7 customer call center
- Automated follow-up with patients
- Prompt non-compliant patients to return sample
- Track results and report to ordering physician
- Remind patient when next test is due

For Investigational Use Only. The performance characteristics of this product have not been established.
Compliance improvement strategies proven to work

78%

Medicare population screening rate through 7-year Kaiser program

Screening rate in commercial population was 69%, double the rate at commencement
DeeP-C Pivotal Clinical Trial: One-of-a-kind study

- **Eclipsed primary endpoints**
  - 92% cancer sensitivity
  - 42% pre-cancer sensitivity
  - 87% specificity

- **Eclipsed secondary endpoints vs. FIT test**
  - Cologuard superior for cancer & pre-cancer detection

10,000 patients
90 sites

For Investigational Use Only. The performance characteristics of this product have not been established.
Cologuard outperforms FIT in Deep-C study
Results are statistically significant

<table>
<thead>
<tr>
<th></th>
<th>Cologuard</th>
<th>FIT</th>
<th>Improvement</th>
<th>P Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cancer</strong></td>
<td>92.3%</td>
<td>73.8%</td>
<td>25%</td>
<td>0.002</td>
</tr>
<tr>
<td></td>
<td>(60/65)</td>
<td>(48/65)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Advanced Adenomas</strong></td>
<td>42.4%</td>
<td>23.8%</td>
<td>78%</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td></td>
<td>(321/757)</td>
<td>(180/757)</td>
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<td></td>
</tr>
</tbody>
</table>

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Pre-cancer Detection by Polyp Size

Cologuard  FIT

<table>
<thead>
<tr>
<th>Polyp Size</th>
<th>Cologuard</th>
<th>FIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;1.0cm</td>
<td>30.3%</td>
<td>15.2%</td>
</tr>
<tr>
<td>1.0–1.9cm</td>
<td>39.0%</td>
<td>20.9%</td>
</tr>
<tr>
<td>2.0–2.9cm</td>
<td>64.6%</td>
<td>43.0%</td>
</tr>
<tr>
<td>≥3.0cm</td>
<td>68.4%</td>
<td>42.1%</td>
</tr>
</tbody>
</table>

(N = 66)          (N = 574)          (N = 79)          (N = 38)


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Pre-cancer Detection by Polyp Type

<table>
<thead>
<tr>
<th>Polyp Type</th>
<th>Cologuard</th>
<th>FIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Grade Dysplasia (&lt;N = 39&gt;)</td>
<td>69.2%</td>
<td>46.2%</td>
</tr>
<tr>
<td>Sessile Serrated lesions ≥ 1.0cm (&lt;N = 99&gt;)</td>
<td>42.4%</td>
<td>5.1%</td>
</tr>
</tbody>
</table>
Distribution of Findings

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Lesions</td>
<td>45%</td>
</tr>
<tr>
<td>Nonadvanced Adenoma</td>
<td>31%</td>
</tr>
<tr>
<td>Advanced Adenoma</td>
<td>20%</td>
</tr>
<tr>
<td>CRC</td>
<td>4%</td>
</tr>
</tbody>
</table>

N=1,611


For Investigational Use Only. The performance characteristics of this product have not been established.
Distribution of Findings

Cologuard Negative Result

- CRC: 0.06%
- Advanced Adenoma: 5%
- Nonadvanced Adenoma: 29%
- No Lesions: 66%

N = 8,389


For Investigational Use Only. The performance characteristics of this product have not been established.
Cologuard U.S. market opportunity

80M eligible for screening (>50 years old)

> $2B Potential U.S. market
30% penetration

Source: Company estimates

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Current U.S. screening of average-risk patients

10.2M fecal blood tests

4.3M screening colonoscopies

14.5 million tests per year

Source: CPT/HCPCS/ICD-9 Codes by Ailerion Solutions; Company estimates
Despite inadequacies, FIT rapidly gained market share over FOBT

- Strategy of converting systems and high-volume users
- Insignificant sales & marketing investment
- Sensitivity advantages over FOBT
- Without compliance engine

Sources: Company estimates and CMS, Medicare Part B, Colorectal Cancer Screening
Cologuard commercial strategy

Provider
- Physician & system outreach
- Medical education
- Publications

Drive demand

Secure payment
- CMS parallel review
- Managed care team

Payer

Promote compliance
- Direct advertising
- Public relations
- Compliance engine

Patient
Target segmentation

Highest Prescribers

5,000 physicians = 2.0 million FIT/FOBT tests per year

Large Networks

Employ a high percentage of U.S. physicians

Source: Company estimates
Cologuard market research **Physicians**

- **96%** percent of physicians likely to order Cologuard (67% very likely; 29% moderately likely)

- **74%** percent of FOBT/FIT tests that would be replaced with Cologuard by surveyed physicians

Source: Medspan research 2013; ZS Associates 2013 physician survey

For Investigational Use Only. The performance characteristics of this product have not been established.
Cologuard market research Patients

92% of patients likely to use Cologuard

2x more patients likely to get screened through compliance program

Sources: Medspan research; Epidemiol Rev 2011; 33(1):101-110 (Levin, T); Compliance in commercially insured Kaiser patients increased from 34% to 69% from 2004 to 2010. For Investigational Use Only. The performance characteristics of this product have not been established.
Medical practice guidelines

- sDNA testing included in American Cancer Society screening guidelines in 2008
  - Recommended for use by average-risk patients
- Included in American College of Gastroenterology guidelines
  - 3-year interval for stool DNA
- U.S. Preventative Services Task Force
  - 2015 update expected
- If A/B rating, then all commercial payers must cover test
Exact Sciences key milestones

- Prior to March 27: Peer reviewed journal
- March 27, 2014:
  - Draft submitted
  - Medicare coverage application
  - Unanimous 10-0 recommendation
  - FDA Advisory Panel
- March 27, 2014:
  - Potential FDA approval
- March 27, 2014:
  - Preliminary Medicare coverage
- March 27, 2014:
  - Medicare coverage, coding, payment
- March 27, 2014:
  - Cologuard launch

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

2013 Estimated U.S. Cancer Deaths

- GI 145K
- Other
- Lymphoma
- Leukemia
- Urinary
- Respiratory
- Breast
- Genital

Source: American Cancer Society 2013, Surveillance Research
Exact’s pipeline advancing on broad collaboration with Mayo Clinic on all GI cancers

- Assay performance
- Assay optimization
- Tissue validation
- Marker selection
- Methylome-wide sequencing

All GI cancers
Diagnostic & Screening

21 joint studies underway
Multiple publications expected in 2014
10 joint abstracts submitted for May 2014 Digestive Disease Week
Significant IP protection
Thank You