

INVITAE:

Genetics from downstream to mainstream

Q4 & FULL YEAR 2016 CONFERENCE CALL



Safe harbor statement

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to the company's belief that it has the fastest growing market share in the genetic testing industry; that it is on track to generate positive cash flow by the end of 2018; that it can get the right diagnosis for more patients and connect them faster with its biopharma partners speeding up the time to market for potential therapies; the company's announced guidance and business objectives for 2017, including plans to double volume, grow revenue, lower cost of goods sold, improve revenue per report, commercially launch its medical exome by the end of the first quarter of 2017, secure additional biopharma partnerships, and continue to expand its Genome Network to accelerate the understanding, diagnosis, and treatment of hereditary disease through permission-based sharing of genetic and clinical information. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially, and reported results should not be considered as an indication of future performance. These risks and uncertainties include, but are not limited to: the company's history of losses; the company's ability to compete; the company's failure to manage growth effectively; the company's need to scale its infrastructure in advance of demand for its tests and to increase demand for its tests; the company's ability to develop and commercialize new tests and expand into new markets; the risk that the company may not obtain or maintain sufficient levels of reimbursement for its tests; the company's inability to raise additional capital on acceptable terms; risks associated with the company's ability to use rapidly changing genetic data to interpret test results accurately, consistently, and quickly; risks associated with the company's limited experience with respect to acquisitions; security breaches, loss of data and other disruptions; laws and regulations applicable to the company's business; and the other risks set forth in the company's filings with the Securities and Exchange Commission, including the risks set forth in the company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016. These forward-looking statements speak only as of the date hereof, and Invitae Corporation disclaims any obligation to update these forward-looking statements.










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Genetics from downstream to mainstream

EMERGING AS A LEADER IN THE DYNAMIC GENETIC INFORMATION LANDSCAPE

- Everyone has a unique genome that has a significant impact on their health
- There are more than 4,000 medically relevant genetic tests today – most of which are over-priced and under-utilized
- High quality, low priced genetic testing will dramatically increase the total market to include everyone with access to healthcare
- Invitae is rapidly establishing itself as one of the market leaders

| | |
|---|---|
|  | CARDIOLOGY |
|  | DERMATOLOGY |
|  | HEMATOLOGY |
|  | HEREDITARY CANCER |
|  | IMMUNOLOGY |
|  | METABOLIC DISORDERS AND NEWBORN SCREENING |
|  | NEUROLOGY |
|  | OPHTHALMOLOGY |
|  | PEDIATRIC GENETICS |

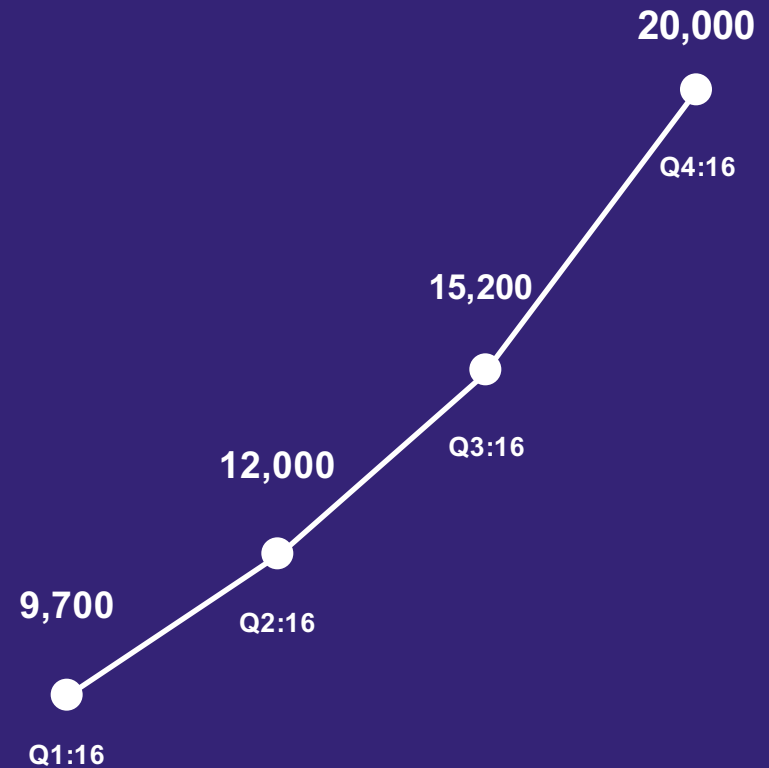
Key measures to cash flow positive

- Volume of samples accessioned and reports delivered
- Value of billable reports delivered
- Revenue
- Average revenue per report delivered assuming 90 days sales outstanding (DSO)
- Average cost of goods per sample accessioned
- Gross margin per report
- Non-COGS related operating expenses
- Cash

Continued rapidly growing volume

- Accessioned over 20K samples
- Roughly tripling volume year-over-year
- 35 sales representatives in 2016, now roughly double that number
- Projecting 110–120K samples accessioned in 2017

Accessioned volume



A significant business emerging

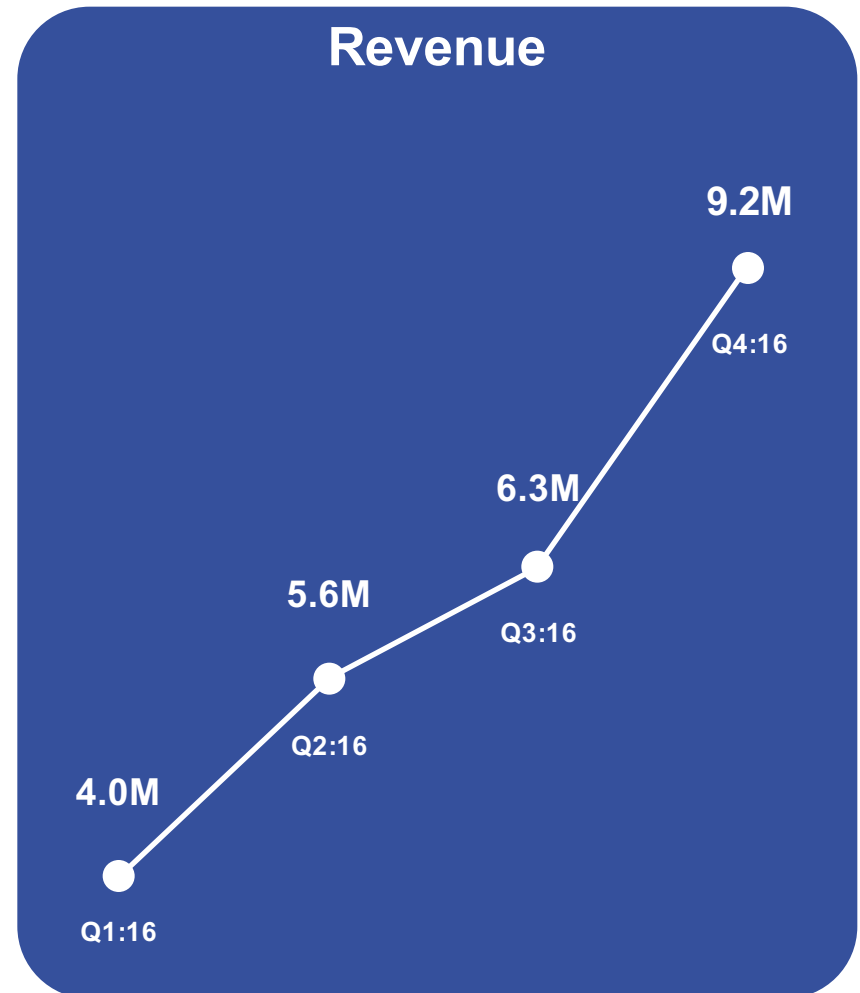
- Q4 billable report value of \$22.6M

Value of billable reports



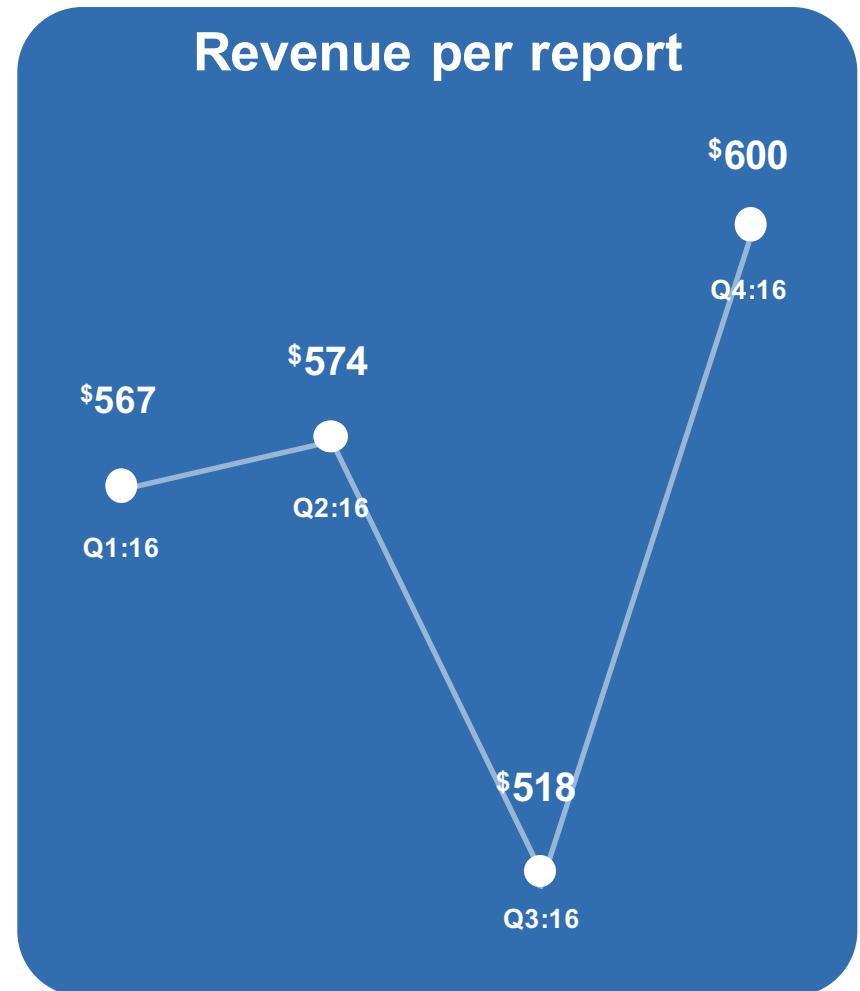
Revenue will outpace sample volume growth

- \$9.2M in Q4 revenue
- Nearly 200% year-over-year growth
- 2016 annual revenue of \$25M
- Expect 2017 revenue from \$55–65M



Revenue per report trails contract operationalization

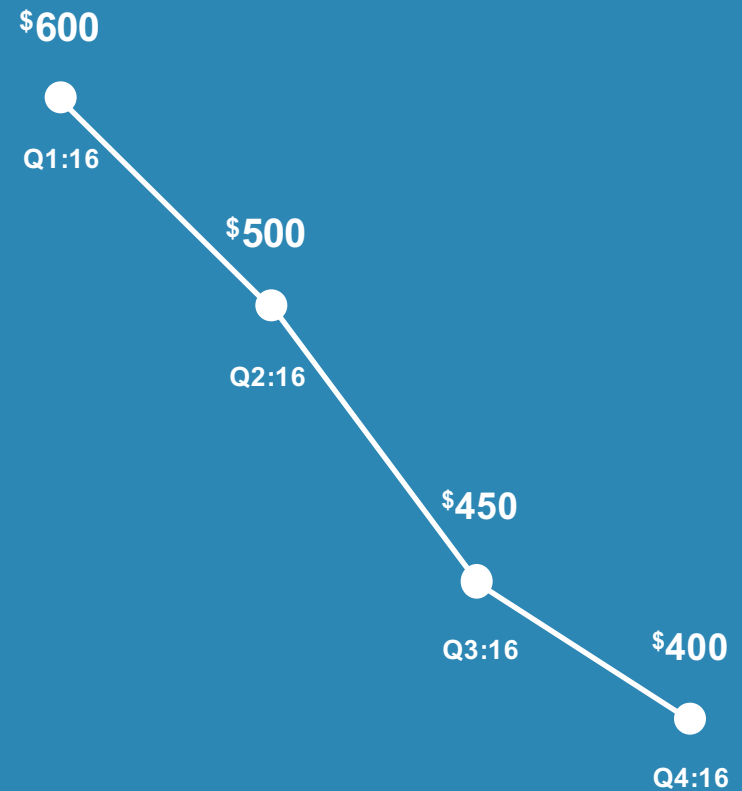
- \$600 revenue per report delivered at 90 DSO
- Expected to increase as payer contracts move into operation
- Will vary from quarter to quarter, will show consistent improvement towards second half of the year



Continuing progress on lowering costs

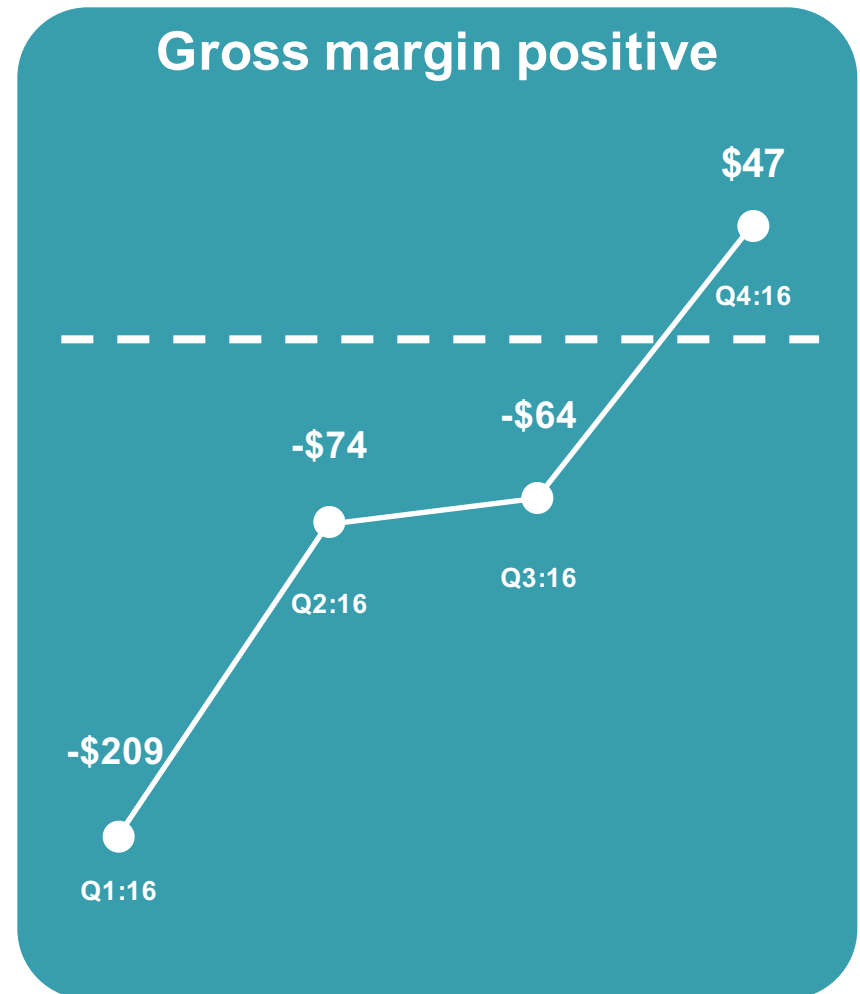
- Average cost per sample of ~\$400
- 43% improvement year-over-year
- Expect to continue lowering COGS throughout 2017

COGS per sample



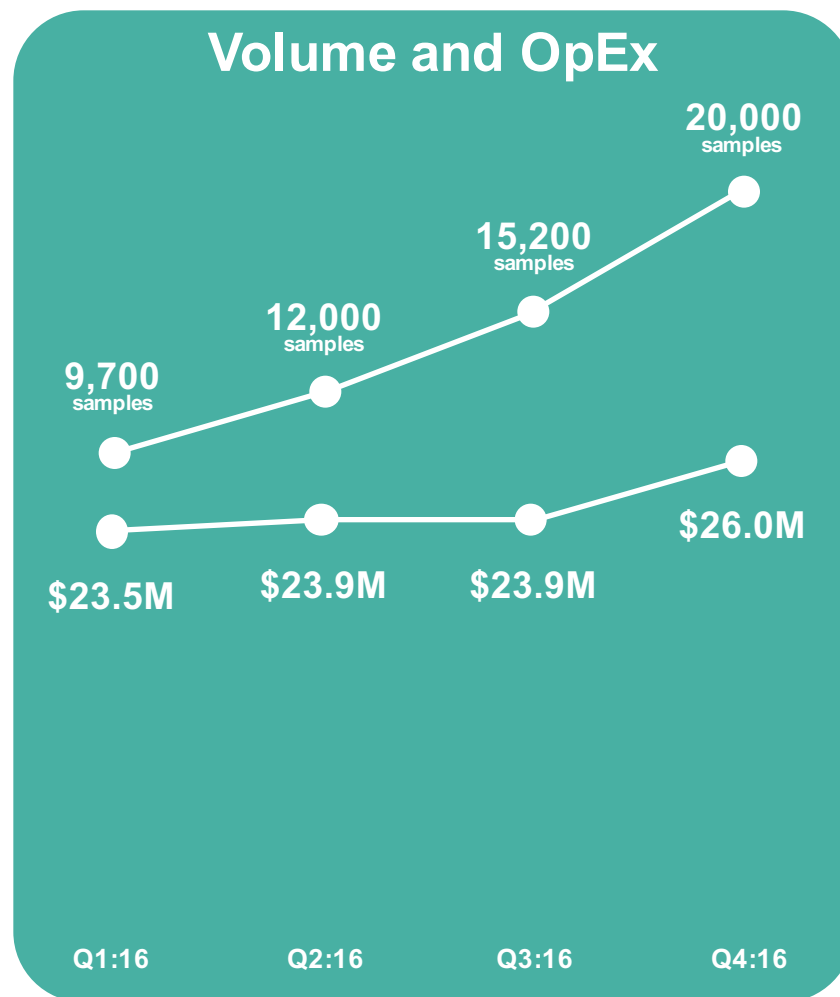
Volume now accelerates drive to positive cash flow

- \$47 average gross margin per report



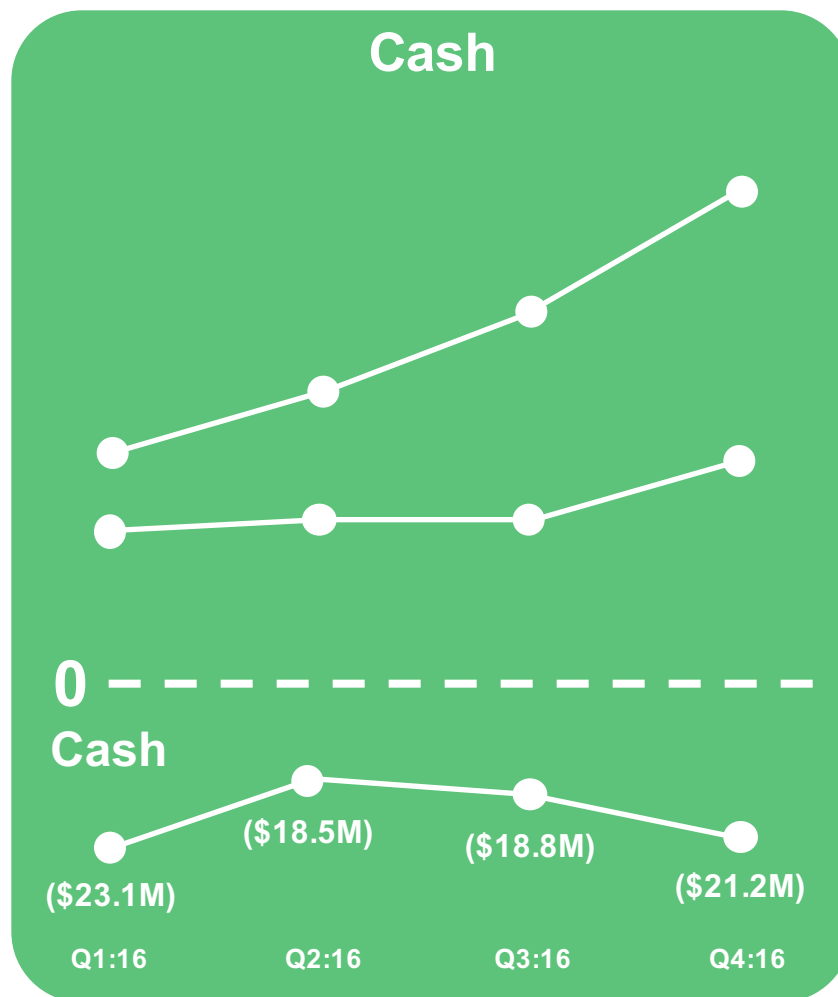
Maintaining leverage from operating expenses

- Q4 operating expenses of \$26M
- \$6.7M in non-cash expenses, including one-time \$4.3M in performance equity compensation
- Non-COGS operating expenses declined as compared to Q3 excluding a one-time performance stock plan



Healthy balance sheet, extending cash to end of 2018

- Exited 2016 with \$97.3M in cash
- \$76.3M cash used in operating expenses in 2016 as compared to \$80.7M in 2015
- Accelerated reductions in cash usage in back half of the year
- Cash flow positive in 2018



Q&A: General discussion