

## Statement regarding use of non-GAAP financial measures

In this press release, the Company's financial results and financial guidance are provided in accordance with accounting principles generally accepted in the United States (GAAP) and using certain non-GAAP financial measures. Management believes that presentation of operating results using non-GAAP financial measures provides useful supplemental information to investors and facilitates the analysis of the Company's core operating results and comparison of operating results across reporting periods. Management also uses non-GAAP financial measures to establish budgets and to manage the Company's business. A reconciliation of the GAAP financial results to non-GAAP financial results is included in the attached schedules.

Following is a description of the adjustments made to GAAP financial measures:

- Acquisition – amortization of intangible assets: Represents recurring amortization charges resulting from the acquisition of intangible assets, including developed technology and database rights
- Acquisition – integration related costs: Costs related to closing and integration of acquired companies
- Equity compensation – non-cash equity-based compensation provided to Myriad employees
- Deferred Tax impact of non-GAAP adjustments - Changes in effective tax rate based upon ASU 2016-09 and the deferred tax impact of non-deductible acquisition costs
- Non-recurring legal expenses – one-time legal expenses tied to non-recurring events
- Potential future consideration related to acquisitions - Non-cash expenses related to valuation adjustments of earn-out and milestone payments tied to recent acquisitions
- COVID-19 costs - One time expenses associated with the COVID-19 global pandemic
- Sale of entities – One time gain on disposition of German clinic pension
- Elevate initiatives - Expenses tied to Elevate 2020 program
- Leadership transition – One time expenses related to the leadership transition
- Impairment of Goodwill and Intangibles – One time impairment charges on intangible assets and goodwill tied to company acquisitions

The Company encourages investors to carefully consider its results under GAAP, as well as its supplemental non-GAAP information and the reconciliation between these presentations, to more fully understand its business. Non-GAAP financial results are reported in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP.

**Reconciliation of GAAP to Non-GAAP Financial Measures  
for the Three and Nine months ended March 31, 2020**  
(Unaudited data in millions, except per share amount)

	Three Months Ended		Nine Months Ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Revenue	\$ 164.0	\$ 216.6	\$ 545.4	\$ 635.7
<b>GAAP Cost of molecular diagnostic testing</b>	43.1	40.3	125.3	126.6
<b>GAAP Cost of pharmaceutical and clinical services</b>	7.0	8.3	24.1	23.8
Acquisition - Integration related costs	—	(0.1)	—	(0.2)
Equity Compensation	(0.4)	(0.3)	(1.1)	(0.5)
Elevate initiatives	—	(0.2)	(0.2)	(3.7)
<b>Non-GAAP COGS</b>	\$ 49.7	\$ 48.0	\$ 148.1	\$ 146.0
<b>Non-GAAP Gross Margin</b>	69.7%	77.8%	72.8%	77.0%
<b>GAAP Research and Development</b>	\$ 19.7	\$ 21.5	\$ 59.8	\$ 65.0
Acquisition - amortization of intangible assets	—	(0.1)	—	(0.2)
Acquisition - Integration related costs	—	(0.1)	—	(0.7)
Equity compensation	(1.2)	(1.7)	(3.8)	(4.2)
Elevate initiatives	(0.1)	—	(1.1)	(2.3)
<b>Non-GAAP R&amp;D</b>	\$ 18.4	\$ 19.6	\$ 54.9	\$ 57.6
<b>GAAP Contingent Consideration</b>	\$ (3.4)	\$ —	\$ (2.8)	\$ 1.4
Potential future consideration related to acquisitions	3.4	—	2.8	(1.4)
<b>Non-GAAP Contingent Consideration</b>	\$ —	\$ —	\$ —	\$ —
<b>GAAP Impairment of Goodwill and Intangibles</b>	\$ 98.4	\$ —	\$ 99.7	\$ —
Impairment of goodwill and intangibles	(98.4)	—	(99.7)	—
<b>Non-GAAP Impairment of Goodwill and Intangibles</b>	\$ —	\$ —	\$ —	\$ —
<b>GAAP Selling, General and Administrative</b>	\$ 132.9	\$ 140.6	\$ 402.7	\$ 405.7
Acquisition - amortization of intangible assets	(15.1)	(15.1)	(45.5)	(43.5)
Acquisition - Integration related costs	—	(5.1)	(0.6)	(18.0)
Non-recurring legal expenses	—	—	(1.3)	—
COVID-19 costs	(0.1)	—	(0.1)	—
Leadership Transition	(1.0)	—	(1.0)	—
Equity compensation	(5.9)	(7.6)	(18.4)	(20.1)
Elevate initiatives	(2.7)	(1.4)	(7.2)	(3.9)
<b>Non-GAAP SG&amp;A</b>	\$ 108.1	\$ 111.4	\$ 328.6	\$ 320.2
<b>GAAP Operating Income (Loss)</b>	\$ (133.7)	\$ 5.9	\$ (163.4)	\$ 13.2
Acquisition - Integration related costs	—	5.3	0.6	18.9
Acquisition - amortization of intangible assets	15.1	15.2	45.5	43.7
Impairment of goodwill and intangibles	98.4	—	99.7	—
Non-recurring legal expenses	—	—	1.3	—
COVID-19 costs	0.1	—	0.1	—
Leadership Transition	1.0	—	1.0	—
Equity compensation	7.5	9.6	23.3	24.8
Elevate initiatives	2.8	1.6	8.5	9.9
Potential future consideration related to acquisitions	(3.4)	—	(2.8)	1.4
<b>Non-GAAP Operating Income (Loss)</b>	\$ (12.2)	\$ 37.6	\$ 13.8	\$ 111.9
<b>Non-GAAP Operating Margin</b>	-7%	17%	3%	18%
<b>GAAP Net Income (Loss) Attributable to Myriad Genetics, Inc. Stockholders</b>	\$ (115.2)	\$ 6.9	\$ (144.1)	\$ 8.8
Acquisition - Integration related costs	—	5.3	0.6	18.9
Acquisition - amortization of intangible assets	15.1	15.2	45.5	43.7
Impairment of goodwill and intangibles	98.4	—	99.7	—
Non-recurring legal expenses	—	—	1.3	—
COVID-19 costs	0.1	—	0.1	—
Leadership Transition	1.0	—	1.0	—
Equity compensation	7.5	9.6	23.3	24.8
Elevate initiatives	2.8	1.6	8.5	9.9
Potential future consideration related to acquisitions	(3.4)	—	(2.8)	1.4
Sale of entities	(1.0)	—	(1.0)	—
Deferred tax impact of non-GAAP adjustments	(8.9)	0.2	(6.0)	2.8
Tax effect associated with non-GAAP adjustments	(2.7)	(4.5)	(9.0)	(14.1)
<b>Non-GAAP Net Income (Loss)</b>	\$ (6.3)	\$ 34.3	\$ 17.1	\$ 96.2
<b>GAAP Diluted EPS</b>	\$ (1.55)	\$ 0.09	\$ (1.94)	\$ 0.12
<b>Non-GAAP Diluted EPS</b>	\$ (0.08)	\$ 0.46	\$ 0.23	\$ 1.26
Diluted shares outstanding	74.5	74.9	74.2	76.4

*Free Cash Flow Reconciliation*  
(Unaudited data in millions)

	Three Months Ended		Nine Months Ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>GAAP cash flow from operations</b>	\$ 16.8	\$ 6.6	\$ 30.7	\$ 52.2
Capital expenditures	(3.0)	(3.1)	(7.8)	(7.2)
<b>Free cash flow</b>	\$ 13.8	\$ 3.5	\$ 22.9	\$ 45.0
Elevate initiative costs	2.8	0.6	8.5	8.7
Non-recurring legal expenses	—	—	1.3	—
Acquisition - Integration related costs	—	3.5	0.6	11.9
Tax effect associated with non-GAAP adjustments	(0.8)	(1.1)	(2.9)	(5.8)
<b>Non-GAAP Free cash flow</b>	\$ 15.8	\$ 6.5	\$ 30.4	\$ 59.8