

Myriad Genetics, Inc.(MYGN)

\$14.27 (As of 08/19/20)

Price Target (6-12 Months): **\$15.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 01/09/20)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

4-Sell

Zacks Style Scores:

VGM:D

Value: C

Growth: C

Momentum: F

Summary

Myriad Genetics exited fourth-quarter fiscal 2020 on a dismal note. In spite of a narrower-than-expected adjusted loss, it reported year-over-year decline in the top and the bottom lines. Also, revenues missed the consensus mark. Sales in major operating segments were down due to the full-quarter adverse impact of the pandemic. Gross margin contraction and operating loss were discouraging. The company's inability to provide any guidance is deterring. Adverse impact of new regulations, foreign exchange fluctuations and stiff competition are other headwinds. In the past six months, Myriad Genetics has underperformed the industry. Yet, a slew of product launches and regulatory approvals look encouraging. Potential from new products also bode well. Increased focus on global business and strong solvency with slight leverage instill optimism.

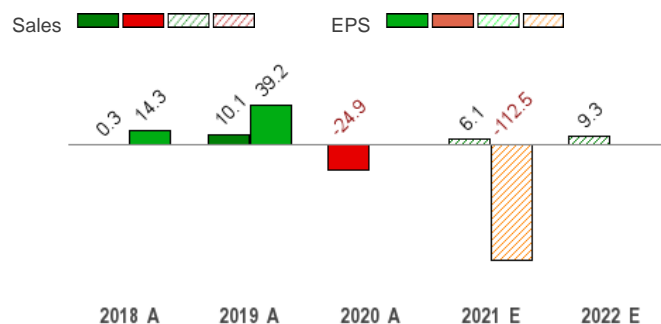
Price, Consensus & Surprise



Data Overview

52 Week High-Low	\$35.29 - \$9.24
20 Day Average Volume (sh)	901,299
Market Cap	\$1.1 B
YTD Price Change	-47.6%
Beta	1.29
Dividend / Div Yld	\$0.00 / 0.0%
Industry	Medical - Biomedical and Genetics
Zacks Industry Rank	Bottom 29% (178 out of 252)

Sales and EPS Growth Rates (Y/Y %)



Last EPS Surprise	13.9%
Last Sales Surprise	-2.3%
EPS F1 Est- 4 week change	-900.0%
Expected Report Date	11/02/2020
Earnings ESP	0.0%
P/E TTM	NA
P/E F1	NA
PEG F1	NA
P/S TTM	1.7

Sales Estimates (millions of \$)

	Q1	Q2	Q3	Q4	Annual*
2022					741 E
2021	135 E	169 E	183 E	191 E	678 E
2020	186 A	195 A	164 A	93 A	639 A

EPS Estimates

	Q1	Q2	Q3	Q4	Annual*
2022					\$0.45 E
2021	-\$0.33 E	-\$0.05 E	\$0.08 E	\$0.20 E	-\$0.17 E
2020	\$0.08 A	\$0.23 A	-\$0.08 A	-\$0.31 A	-\$0.08 A

*Quarterly figures may not add up to annual.

The data in the charts and tables, including the Zacks Consensus EPS and Sales estimates, is as of 08/19/2020. The reports text is as of 08/20/2020.

Overview

Myriad Genetics, headquartered in Salt Lake City, UT, employs a number of proprietary technologies to target the genetic basis of human diseases and the role these genes might play in the onset, progression and treatment of the respective diseases. The company currently has 12 proprietary molecular diagnostic products in market.

Currently, Myriad Genetics has so far made significant progress with its five strategic imperatives that include transition and expand the hereditary cancer market, diversify revenues by commercializing its new products, increase the company's international contribution by investing in large countries, gaining reimbursement for new products, increasing international RNA kit revenue and enhancing profitability with Elevate 2020.

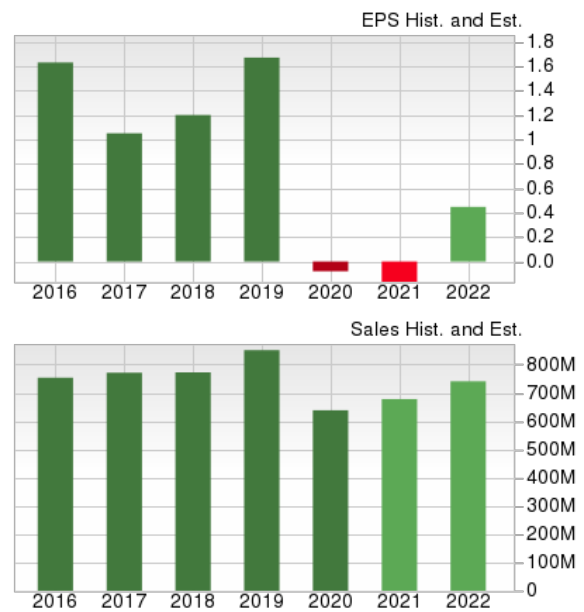
Myriad Genetics' flagship product – BRACAnalysis – offers a comprehensive analysis of BRCA1 and BRCA2 genes to assess a woman's risk of hereditary breast and ovarian cancers. In Sep 2013, Myriad launched its major pipeline product myRisk Hereditary Cancer.

On July 31, 2018, the company completed the acquisition of Counsyl, Inc. for a total consideration of \$405.9 million. In Oct 2013, Myriad Genetics' launched its myPlan Lung Cancer and in Nov 2013, it launched its molecular diagnostic test – myPath Melanoma, which detects malignancy in skin biopsy.

In the global market that is worth \$18 billion, myChoice HRD/BRACAnalysis CDx/Tumor BRACAnalysis CDx holds an opportunity of 33.3%, myRisk of 27.8%, Vectra DA of 27.5%, Prolaris of 11.1% and both myPlan Lung Cancer and myPath Melanoma of 5.6% each.

The company currently reports through two operating segments: Molecular diagnostic (91.9% of revenues in fiscal 2020) and Pharmaceutical and clinical services (8.1%).

In fiscal 2020, Molecular diagnostic tests segment registered 25.7% decline and Pharmaceutical and clinical services segment registered 16.2% fall from fiscal 2019 figures.



Reasons To Buy:

▲ **Progress in Five-Pronged Strategy:** Myriad Genetics has so far made significant progress with its five strategic imperatives that include transition and expansion of the hereditary cancer market, diversify revenues by commercializing its new products, increase the company's international contribution by investing in large countries, gaining reimbursement for new products, increasing international RNA kit revenue and enhancing profitability with Elevate 2020.

Myriad is making significant progress in its portfolio expansion. The company's impressive five-year plan also encourages us.

▲ **Huge Potential of Hereditary Cancer Testing:** The company is boding well to cash on the huge potential in the breast cancer screening market. Also, per a report by DPI Research on Medium, the breast cancer screening market in the United States is expected to reach a value of roughly \$5.8 billion by 2022.

Going ahead, Myriad Genetics expects to register an uptick in hereditary cancer volumes on account of its contract with UnitedHealthcare.

The company's myPath Melanoma, which is in the preliminary stages of commercialization, has completed the first phase of the expanded launch and is being promoted to approximately 35% of the targeted market.

From a companion diagnostic perspective, the company witnessed significant progress with both BRACAnalysis CDx and myChoice CDx. Following its FDA approval in 2019, in the reported quarter, the company has received a slew of favorable study results for its BRACAnalysis CDx and myChoice CDx tests.

Myriad Genetics published two important studies on its riskScore test, which is a breast cancer risk stratification tool. In July, the company announced two publications which validate the polygenic risk score (PRS) component of its riskScore. Myriad Genetics, in June, announced publication of a new study which validates the accuracy of myPath Melanoma while classifying skin lesions termed as indeterminate by standard pathological reviews. Another study published by the company was regarding the validation of the polygenic risk score component of the test, which evaluates key single nucleotide polymorphisms in a variety of genes known to be associated with higher breast cancer risk.

These developments are expected to result in a clinical impetus for patients of these two cancer types which comprise approximately 90000 incident patients in the United States per year.

▲ **New Products Bode Well:** Myriad Genetics continues to record strong testing volumes from new products.

In the fourth quarter of fiscal 2020, the testing volumes although lower due to the pandemic-led disruptions, has been relatively stable through July. The company noted that it is currently witnessing test volumes on average at approximately 75% of normal, which is expected to continue for the remainder of first-quarter 2021.

Myriad Genetics is currently on track to launch its COVID-19 testing services. The company confirmed that its Salt Lake City laboratory has already launched the COVID-19 testing and has begun receiving samples since late July. Further, the Mason, Ohio and South San Francisco, CA labs are likely to be up and running in August.

In the fiscal fourth quarter, Myriad Genetics entered into a collaboration with OptraHEALTH with the aim of implementing a cognitive ChatBOT, Gene. The AI-powered ChatBOT will provide genetic and financial assistance information to prospective patients of hereditary cancer.

Earlier, Myriad genetics had signed a master service deal with a large pharmacy benefit manager in the United States to offer GeneSight to its commercial payer and self-funded employer customers.

▲ **myChoice CDx Progresses Domestically:** Myriad Genetics' progress in the United States with respect to myChoice CDx test seems impressive. The company also received the FDA's approval for the test to be used as a companion diagnostic by healthcare professionals. The recent FDA clearance of the myChoice CDx test as a companion diagnostic in first-line maintenance therapy in a varying cancer with olaparib, buoys optimism.

▲ **Increased Focus on International Revenues:** In line with one of its strategies, the company earlier stated that it aims to boost international revenues to 10% by fiscal 2020. Further, the company informed that they have switched to focus on a kit-based strategy to grow globally. In this regard, the company's EndoPredict, Prolaris, and myPath Melanoma tests can be performed on Thermo Fisher's QuantStudio 5.

Fortifying its foothold internationally, the company has been receiving encouraging response for its BRACAnalysis CDx in Japan for metastatic breast cancer. In this regard, the company has received Japanese approval for BRACAnalysis CDx as the companion diagnostic in first line ovarian cancer with olaparib. The company is optimistic about the scope of this test in Japan on the fact that, every year roughly 22,000 cancer patients in Japan are eligible for companion diagnostic testing. The company also recently filed for regulatory approval of myChoice CDx in Japan for its potential use in ovarian cancer, which comprises approximately 9000 patients per year.

Myriad Genetics had earlier announced the inclusion of EndoPredict by the United Kingdom's National Institute for Health and Care Excellence (NICE) in its recommendations for guiding adjuvant chemotherapy decisions for patients with ER-positive, HER2-negative early breast cancer and are lymph node-negative. Per management, this development provides the company access to a new market opportunity of roughly 25,000 patients per year.

▲ **Product Launches:** Myriad Genetics launched a slew of products in the recent months. It rolled out its proprietary AMPLIFY technology in July, which enhances the performance of its Prequel non-invasive prenatal screening (NIPS) test. In the same month, the company launched a new enhancement which is currently available on its Vectra test report. The new test report provides a customized estimate of a patient's one-year risk of rapid radiographic progression.

Further in July, Myriad Genetics launched a patient home collection kit for the GeneSight Psychotropic test. The kit allows the DNA sample

collection, which is typically administered in a clinician's office, to be completed at home.

- ▲ **Regulatory Approvals:** Myriad Genetics has witnessed a series of regulatory clearances in the recent months. In July, the company announced that Medicare expanded coverage for BRACAnalysis CDx for men with prostate cancer who are eligible or may become eligible for treatment with Lynparza (olaparib).

The company, in June, received favorable coverage decisions for Prolaris from three new commercial health plans, which includes one of the top five national health insurance providers. Further, in the same month, Myriad Genetics announced the release of a final local coverage determination for pharmacogenomic testing by Palmetto GBA, which is one of the administrative contractors for the Centers for Medicare & Medicaid Services.

In May, Myriad Genetics had received the FDA's clearance for its BRACAnalysis CDx test for use as a companion diagnostic by healthcare professionals to identify men with metastatic castration-resistant prostate cancer who are eligible for treatment with Lynparza (olaparib). The same month, the company's myChoice CDx test was approved by the FDA for use as a companion diagnostic by healthcare professionals to identify advanced ovarian cancer patients with positive homologous recombination deficiency status, who are eligible or may become eligible, for first-line maintenance treatment with Lynparza (olaparib) in combination with bevacizumab.

In April, the company received reimbursement for the BRACAnalysis Diagnostic System in Japan. The system can be utilized by physicians to identify whether people, who already have breast and ovarian cancer, have Hereditary Breast and Ovarian Cancer syndrome, thus qualifying for additional diagnostic and medical management.

Myriad Genetics had earlier submitted supplementary application with the Japan's Ministry of Health, Labour and Welfare for its BRACAnalysis in March and a supplementary premarket approval application to the FDA for its myChoice CDx test based on favorable study outcome from the Phase 3 PAOLA-1 trial of Lynparza.

- ▲ **Impressive Reimbursement Update:** Myriad Genetics continues to witness progress with respect to commercial payers' ongoing GeneSight technical assessments. According to the company, its GeneSight and Vectra volumes gradually improved by the end of the fiscal fourth quarter after being severely impacted by the pandemic-led business disruptions.

An expansion in the GeneSight Medicare LCD to primary care is awaited, which is expected to add approximately \$30 million annually to the company's revenues.

With GeneSight, the management has finalized the new pricing for its GeneSight test with MolDX. Although the company has not provided any details on pricing, management expects the pricing along with coverage expansion will lead to a neutral to slightly positive net impact to the GeneSight average selling prices. The pricing finalization had earlier been delayed due to the pandemic based upon the volume of LCDs, which have been issued by Medicare.

With regard to EndoPredict test, this test got included in the National Comprehensive Cancer Network (NCCN) guidelines. With myPath Melanoma, during the last fiscal, the company received reimbursement from eight commercial payers and a final local coverage determination from Meridian Healthcare Solutions or Medicare Administrative Contractor. This test has also been recognized in the American Academy of Dermatology and NCCN guideline.

- ▲ **Strong Solvency With Slight Leverage:** Myriad Genetics exited fiscal 2020 with cash and cash equivalents, and marketable investment securities of \$218 million compared with \$182 million at the end of the third quarter of fiscal 2020. Meanwhile, total debt rose to \$295 million for the period, up from \$297 million in the sequentially last reported quarter. The figure, however, is higher than the quarter-end cash and cash equivalent, and marketable investment securities.

However, if we go by the company's level of debt payable in the near term, it stands at \$14 million, insignificant compared to the current cash holding. This is good news in terms of the company's solvency structure, implying that it has sufficient cash for debt repayment despite the pandemic.

Debt comparison with the industry is, however, favorable as industry's total debt of \$6.15 billion, is much higher to the company's debt level.

The quarter's total debt-to-capital ratio of 0.24 indicates a slightly leveraged balance sheet. This also represents a marginal increase from 0.23 compared with the sequentially last-reported quarter. This compares favorably with the total debt-to-capital ratio of the industry, which is at a higher level of 0.50. The overall data concludes that in terms of solvency level of the company, the picture is encouraging.

Reasons To Sell:

▼ **Share Price Performance:** Over the past six months, Myriad Genetics has underperformed the industry it belongs to. The stock fell 27.4% against the industry's 0.3% rise. Myriad Genetics exited fourth-quarter fiscal 2020 on a dismal note. Revenues missed the Zacks Consensus Estimate. Although adjusted loss was narrower than the Zacks Consensus Estimate, the company saw a year-over-year decline in the top and the bottom lines. Barring Other Testing revenues, sales in each of the operating segments plummeted in the quarter owing to the full-quarter adverse impact of the pandemic.

The company experienced margin contraction and incurred operating loss during the quarter. Further, this time too, the company could not come up with any guidance. Continued pressure on margin and adverse impact of new regulations are concerning as well. Foreign exchange fluctuations and stiff competition are other headwinds.

Emerging competitors and pricing pressure may plague Myriad's stock in the near future. Additionally, macroeconomic uncertainty and higher expenses owing to extensive pipeline of some tests still remain a matter of concern.

▼ **Pressure on Margin Continues:** Myriad Genetics has been continuing to witness pressure on margins for the past few quarters. In the reported quarter, the gross margin contracted 1589 basis points (bps) to 60.6%. Further, Research and development (R&D) expenses fell 16.7% year over year to \$17.4 million. Selling, general and administrative (SG&A) expenses declined 28.3% to \$107.4 million in the reported quarter. Adjusted operating loss was \$68.3 million compared with adjusted operating loss of \$5.9 million in the year-ago quarter.

▼ **Foreign Exchange Headwinds:** Myriad receives a considerable portion of its revenues and pays a portion of its expenses in foreign currencies. As a result, the company remains at risk of exchange rate fluctuations between foreign currencies and the U.S. dollar. If the dollar strengthens against foreign currencies, the translation of these foreign currency denominated transactions will result in decreased revenues, operating expenses and net income. Management fears this may not be significantly outweighed through increased revenues.

Moreover, management does not currently utilize hedging strategies to mitigate foreign currency risk. This is also worrying given that currently the dollar has strengthened, affecting many U.S. companies trading in foreign currencies in some of the previous quarters.

▼ **Increasing Competition:** With the entry of new players, imminent price competition is another cause of concern. Per management, Myriad is currently facing competition in its key BRACAnalysis market. The company expects competition to intensify in its current fields with recently observed advancements in technology. Further, Myriad anticipates that other companies may also launch their own molecular diagnostic tests which may compete with its testing products and services. In our opinion, competitive headwinds might push down prices for the high-priced tests provided by Myriad. This might deter margin improvement going forward.

▼ **Adverse Impact of new Regulations:** CMS has lately adopted a new coding set for diagnoses, commonly known as ICD-10-CM, which significantly expands the current coding set. Myriad fears that the company may have to incur considerable expense in implementing ICD-10-CM, and, in failure of its adequate implementation, Myriad's business might suffer a setback. In addition, as a result of the new coding set, if physicians fail to provide appropriate codes for desired tests, Myriad may not be reimbursed for tests it performs; which in turn might drag down the demand for its tests.

Last Earnings Report

Myriad Genetics' Q4 Loss Narrower Than Estimated

Myriad Genetics reported adjusted loss per share of 31 cents for the fourth quarter of fiscal 2020 in contrast to earnings of 41 cents reported in the year-ago quarter. Adjusted loss per share was however narrower than the Zacks Consensus Estimate of a loss of 36 cents.

The quarter's adjustments exclude one-time impairment charges on an intangible assets and goodwill tied to company acquisitions, certain impact related to COVID-19 expenses and the impact of Elevate 2020 program-related expenses, among others.

On a reported basis, earnings per share were 74 cents compared with the prior-year quarter's earnings of 6 cents per share.

Overall, a sharp year-over-year decline in revenues stemming from the coronavirus impact through the second quarter affected the bottom line.

For the full-year, the company registered adjusted loss of 8 cents per share as against adjusted earnings of \$1.67 per share in the year-ago period.

Revenues

Total revenues plunged 56.7% year over year to \$93.2 million in the quarter under review. The figure also missed the Zacks Consensus Estimate by 2.3%. In the quarter, the company faced a significant challenge from the global pandemic and its impact on elective testing volume.

Fiscal 2020 total revenues were \$638.6 million, marking a 25% decline from fiscal 2019.

Quarter in Detail

Segment-wise, **Molecular Diagnostic** tests recorded total revenues of \$83.3 million, down 58% year over year.

Within this segment, Hereditary Cancer testing revenues fell 66% year over year to \$39.9 million. Vectra testing revenues were \$7.2 million, down 41% year over year.

Further, GeneSight testing revenues fell 71% year over year to \$8.5 million in the reported quarter. Prolaris tests raked in revenues of \$4.5 million, down 29% year over year. Prenatal testing revenues came in at \$16.6 million, down 34%.

EndoPredict testing revenues were down 27% year over year to \$2.2 million. Other testing revenues surged 175% to \$4.4 million year on year.

Pharmaceutical and clinical service revenues in the quarter under review totaled \$9.9 million, down 47% on a year-over-year basis.

Margin Trends

Gross margin in the quarter under review contracted 1589 basis points (bps) to 60.6%.

R&D expenses fell 16.7% year over year to \$17.4 million. SG&A expenses declined 28.3% to \$107.4 million in the reported quarter.

Adjusted operating loss was \$68.3 million compared with adjusted operating loss of \$5.9 million in the year-ago quarter.

Financial Position

Myriad Genetics exited fiscal 2020 with cash and cash equivalents of \$163.7 million compared with \$121 million at the end of the third quarter of fiscal 2020. Long-term debt at the end of the fiscal was \$224.4 million compared with \$225.2 million at the end of the third quarter.

Cumulative cash flow from operating activities at the end of the fourth quarter was \$60.7 million compared with \$83.7 million at the end of the year-ago period.

2021 Guidance

Given the difficulty in predicting the future business trend, the company has not provided fiscal year 2021 financial guidance.

Quarter Ending **06/2020**

Report Date	Aug 13, 2020
Sales Surprise	-2.34%
EPS Surprise	13.89%
Quarterly EPS	-0.31
Annual EPS (TTM)	-0.08

Recent News

Myriad Genetics' BRACAnalysis CDx Included in Medicare's Expanded Coverage: Jul 31, 2020

Myriad Genetics announced that Medicare has expanded coverage for BRACAnalysis CDx for men with prostate cancer who are eligible or may become eligible for treatment with Lynparza (olaparib).

Myriad Genetics Enhances NIPS Test via Technology Launch: Jul 29, 2020

Myriad Genetics launched its AMPLIFY technology, which enhances the performance of its Prequel non-invasive prenatal screening (NIPS) test.

Myriad Genetics Enhances Vectra Test via Launch of a RP Tool: Jul 28, 2020

Myriad Genetics launched an enhancement which is currently available on its Vectra test report. The new test report provides a personalized estimate of a patient's one-year risk of rapid radiographic progression (RP).

Myriad Genetics' PRS Component Proved Superior Per New Study: Jul 7, 2020

Myriad Genetics announced two recent publications which validate the polygenic risk score (PRS) component of the company's breast cancer risk stratification tool riskScore.

Myriad Genetics, OptraHEALTH Partner to Offer Cancer Knowledge: Jul 6, 2020

Myriad Genetics announced a collaboration with OptraHEALTH with the aim of implementing a cognitive ChatBOT, Gene. The AI-powered ChatBOT will provide genetic and financial assistance information to prospective patients of hereditary cancer.

Myriad Genetics Unveils New Home DNA Sample Collection Kit: Jul 1, 2020

Myriad Genetics launched a new patient home collection kit for its GeneSight Psychotropic test, enabling the DNA sample collection that is generally undergone in a clinician's office to be completed at home.

Myriad Genetics' myPath Melanoma Proved Superior Per New Study: Jun 25, 2020

Myriad Genetics announced the publication of a new study in *Future Medicine*, which validates the accuracy of myPath Melanoma while classifying skin lesions termed as indeterminate by standard pathological review.

Myriad Genetics' Prolaris Receives Favorable Coverage Policies: Jun 15, 2020

Myriad Genetics announced the receipt of favorable coverage decisions for Prolaris from three new commercial health plans, including one of the top five national providers of health insurance.

Myriad Genetics' Test Better Predicts Drug Levels Per Study: Jun 8, 2020

Myriad Genetics announced a newly published study which illustrated that the GeneSight Psychotropic test is better at predicting citalopram and escitalopram blood concentrations unlike single-gene testing.

Myriad Genetics' EndoPredict Test Proved Superior Per New Study: Jun 4, 2020

Myriad Genetics announced the publication of a prospective study which demonstrated that the EndoPredict test can predict which patients with ER+, HER2- early-stage breast cancer can be benefitted from neoadjuvant therapy.

Myriad Genetics' riskScore Test Proved Superior Per New Study: May 29, 2020

Myriad Genetics announced the presentation of two new studies at the 2020 American Society of Clinical Oncology annual meeting, which demonstrated the ability of Myriad's riskScore test to provide personalized breast cancer risk information allowing patients and physicians to take better treatment decisions.

Myriad Genetics Receives FDA's Approval for BRACAnalysis CDx for Use as a Companion Diagnostic: May 20, 2020

Myriad Genetics announced the receipt of the FDA's approval for the BRACAnalysis CDx test for use as a companion diagnostic by healthcare professionals to identify men with metastatic castration-resistant prostate cancer (mCRPC) who are eligible for treatment with Lynparza (olaparib).

Valuation

Myriad Genetics shares are down 47.6% in the year to date period and down 43.1% in the trailing 12-month periods. Stocks in the Zacks sub-industry are up 2.7% while the Zacks Medical sector rose 0.9% in the year to date period. Over the past year, the Zacks sub-industry is up 13.7% and sector is up 8.1%.

The S&P 500 index is up 4.7% in the year to date period and up 15.6% in the past year.

The stock is currently trading at 1.5X Forward 12-months sales, which compares to 2.8X for the Zacks sub-industry, 2.8X for the Zacks sector and 3.7X for the S&P 500 index.

Over the past five years, the stock has traded as high as 4.3X, as low as 0.9X, with a 5-year median 2.6X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$15 price target reflects 1.6X forward 12-months earnings.

Valuation Multiples - MYGN

		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	1.52	2.75	2.82	3.70
	5-Year High	4.30	3.23	3.41	3.70
	5-Year Low	0.96	1.93	2.22	2.53
	5-Year Median	2.55	2.74	2.89	3.05
P/B TTM	Current	1.16	2.99	3.78	4.53
	5-Year High	4.66	5.83	5.07	4.56
	5-Year Low	0.68	2.06	2.94	2.83
	5-Year Median	2.17	3.86	4.28	3.75
EV/S F12M	5-Year Median	1.46	3.15	3.23	3.35
	5-Year Median	3.84	3.72	3.64	3.52
	5-Year Median	1.28	1.81	2.49	2.28
	5-Year Median	2.58	2.89	3.17	2.86

As of 08/19/2020

Industry Analysis Zacks Industry Rank: Bottom 29% (178 out of 252)



Top Peers

Company (Ticker)	Rec	Rank
Danaher Corporation (DHR)	Outperform	2
Hologic, Inc. (HOLX)	Outperform	1
QIAGEN N.V. (QGEN)	Outperform	1
Thermo Fisher Scientific Inc. (TMO)	Outperform	2
Abbott Laboratories (ABT)	Neutral	3
Becton, Dickinson and Company (BDX)	Neutral	3
Laboratory Corporation of America Holdings (LH)	Neutral	3
Illumina, Inc. (ILMN)	Underperform	5

Industry Comparison Industry: Medical - Biomedical And Genetics				Industry Peers		
	MYGN	X Industry	S&P 500	ILMN	LH	TMO
Zacks Recommendation (Long Term)	Neutral	-	-	Underperform	Neutral	Outperform
Zacks Rank (Short Term)	4	-	-	5	3	2
VGM Score	D	-	-	F	A	B
Market Cap	1.07 B	274.56 M	23.61 B	51.59 B	17.80 B	166.39 B
# of Analysts	5	3	14	7	8	8
Dividend Yield	0.00%	0.00%	1.65%	0.00%	0.00%	0.21%
Value Score	C	-	-	F	A	C
Cash/Price	0.23	0.23	0.07	0.06	0.03	0.04
EV/EBITDA	-8.04	-4.04	13.36	35.37	11.03	25.80
PEG Ratio	NA	2.04	2.99	11.51	1.53	1.85
Price/Book (P/B)	1.16	4.17	3.16	11.38	2.42	5.57
Price/Cash Flow (P/CF)	23.18	18.23	12.71	42.93	9.40	23.26
P/E (F1)	NA	27.97	21.82	80.54	13.20	27.69
Price/Sales (P/S)	1.67	15.90	2.47	15.39	1.55	6.34
Earnings Yield	-1.19%	-12.61%	4.37%	1.24%	7.57%	3.61%
Debt/Equity	0.31	0.02	0.76	0.29	0.83	0.69
Cash Flow (\$/share)	0.62	-1.08	6.94	8.23	19.44	18.08
Growth Score	C	-	-	C	B	B
Hist. EPS Growth (3-5 yrs)	-17.56%	19.03%	10.44%	20.27%	8.86%	14.10%
Proj. EPS Growth (F1/F0)	-107.50%	16.19%	-5.97%	-33.23%	22.29%	23.00%
Curr. Cash Flow Growth	-73.12%	14.27%	5.22%	13.10%	12.16%	6.99%
Hist. Cash Flow Growth (3-5 yrs)	-19.17%	7.73%	8.52%	16.75%	17.70%	10.08%
Current Ratio	2.26	5.86	1.33	3.76	1.12	2.62
Debt/Capital	23.45%	3.40%	44.50%	22.70%	45.50%	40.86%
Net Margin	-31.24%	-199.98%	10.13%	20.67%	3.16%	14.12%
Return on Equity	-2.69%	-59.21%	14.67%	19.13%	14.39%	18.18%
Sales/Assets	0.42	0.19	0.51	0.46	0.65	0.45
Proj. Sales Growth (F1/F0)	6.20%	1.56%	-1.54%	-12.78%	9.87%	9.77%
Momentum Score	F	-	-	F	A	B
Daily Price Chg	0.56%	0.00%	-0.38%	-0.76%	-2.04%	0.80%
1 Week Price Chg	3.86%	-1.69%	1.09%	-2.28%	-1.69%	-0.14%
4 Week Price Chg	19.41%	-2.32%	2.23%	-9.79%	-8.68%	2.40%
12 Week Price Chg	-2.19%	2.75%	6.91%	-2.88%	4.49%	24.68%
52 Week Price Chg	-43.13%	9.61%	2.28%	21.64%	8.38%	51.15%
20 Day Average Volume	901,299	326,030	1,899,976	951,111	733,827	1,145,990
(F1) EPS Est 1 week change	-900.00%	0.00%	0.00%	0.00%	-0.04%	1.57%
(F1) EPS Est 4 week change	-900.00%	0.00%	1.70%	-28.62%	26.62%	19.34%
(F1) EPS Est 12 week change	-526.32%	1.67%	3.08%	-29.78%	44.60%	27.43%
(Q1) EPS Est Mthly Chg	-3,075.00%	0.00%	0.83%	-55.69%	52.84%	30.04%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	C
Growth Score	C
Momentum Score	F
VGM Score	D

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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