October 22, 2012

Veracyte Announces Publication of Analytical Validity Study for its Afirma® Gene Expression Classifier

The study adds to the growing body of published data supporting the company's genomic test and underscores the rigorous standards we set for our test's performance

South San Francisco, Calif. --- October 22, 2012 --- Veracyte, Inc., a molecular diagnostics company pioneering the emerging field of molecular cytology, today announced that study findings demonstrating the analytic validity of its Afirma® Gene Expression Classifier have been published online in the *Journal of Clinical Endocrinology & Metabolism* (*JCEM*) and are scheduled to appear in the December print issue. The study adds to the growing body of published data supporting the company's genomic test, which resolves inconclusive results on thyroid nodule samples obtained via fine needle aspiration (FNA) and is thus intended to help reduce unnecessary surgeries in thyroid cancer diagnosis.

"This study, together with other published data showcasing the Afirma Gene Expression Classifier's clinical validity, clinical utility and cost-effectiveness, underscores the rigorous standards we set for our test's performance," said Bonnie Anderson, Veracyte's cofounder and chief executive officer. "These findings should further reinforce physicians' confidence in the test's results."

The new study found that the Afirma Gene Expression Classifier demonstrated strong accuracy, reliability and reproducibility under a range of conditions and variables. This includes maintenance of FNA sample stability during collection and shipment; analytic sensitivity, as demonstrated by the test's tolerance of low RNA quantities and small amounts of malignant material in patient samples; and analytical specificity, as the test performed well even when samples were highly diluted by blood and other genetic material. The study also showed that the test's results were reproducible across operators, processing runs, reagent lots and laboratories.

Veracyte's Afirma Gene Expression Classifier evaluates the expression patterns of 142 genes to classify inconclusive thyroid nodule FNA samples as benign or suspicious for cancer. The genomic test is part of Veracyte's comprehensive Afirma Thyroid FNA Analysis, which combines expert cytopathology assessment for initial review of thyroid nodule FNAs, with the gene expression test used to clarify inconclusive results. The Afirma Gene Expression Classifier is covered for Medicare patients nationwide and is available throughout the U.S. through a global co-promotion partnership with Genzyme, a Sanofi company and one of the world's leading biotechnology companies.

Thyroid cancer is the fastest-increasing cancer in the United States, with 56,460 new cases expected in 2012, according to the American Cancer Society. Approximately 450,000 thyroid nodule FNAs – a minimally invasive procedure to extract cells for examination under the microscope – are performed each year in the U.S. to rule out cancer. Up to 30% of the time, the results are inconclusive, and current protocols typically recommend thyroid surgery for final diagnosis. Following surgery, however, 70-80% of patients turn out to have benign nodules.

About Veracyte

Veracyte, Inc., based in South San Francisco, Calif., is pioneering the emerging field of molecular cytology, applying molecular biomarkers to cytology samples in order to improve disease diagnosis by clarifying indeterminate results obtained from current methods. The company aims to enable doctors to make more informed treatment decisions early, thus improving patient care and providing cost savings to the healthcare system. The company utilizes rigorous science and an extensive, multicenter clinical program throughout discovery and development. Veracyte's first product – the Afirma® Thyroid FNA Analysis – combines specialized cytopathology assessment with the Afirma Gene Expression Classifier, a genomic test that clarifies inconclusive thyroid nodule results as benign or suspicious for cancer. The company has formed a global co-promotion partnership with Genzyme, a Sanofi company, to make the Afirma Thyroid FNA Analysis available throughout the U.S. and, subsequently, globally. Veracyte is currently in the early biomarker discovery phase for lung cancer and interstitial lung diseases. Veracyte is privately held and funded by Domain Associates, Kleiner Perkins Caufield & Byers, TPG Biotech and Versant Ventures. For more information, visit www.veracyte.com.

# # #

CONTACT: Tracy Morris

650-473-1272 (o)

650-380-4413 (c)

tracy.morris@veracyte.com

Send Veracyte media related inquiries to media@veracyte.com.