January 7, 2013

Veracyte Announces That New Guidelines Include Molecular Testing for Indeterminate Thyroid Nodules To Reduce Unnecessary Surgeries

South San Francisco, Calif. --- January 7, 2013 --- Veracyte, Inc., a molecular diagnostics company pioneering the emerging field of molecular cytology, today announced that, for the first time, molecular testing is now included in the National Comprehensive Cancer Network Clinical Practice Guidelines in Oncology (NCCN Guidelines®) for Thyroid Carcinoma. The new NCCN Guidelines indicate that, when a thyroid nodule fine needle aspiration (FNA) result is indeterminate using traditional cytopathology, which relies on microscope-based review, physicians should consider using molecular testing in lieu of diagnostic surgery, provided the test's performance is similar in accuracy to a benign diagnosis using cytopathology. This new approach could enable tens of thousands of patients to avoid surgery to remove all or part of their thyroids for diagnosis. The NCCN is an alliance of 21 world-leading cancer centers. The new guidelines are published online at www.nccn.org.

Veracyte's Afirma® Gene Expression Classifier test demonstrated in a multicenter, prospective validation study, published recently in the *New England Journal of Medicine,* that when it reclassified thyroid nodule FNA samples that were initially deemed indeterminate by cytopathology as benign – which it did more than 50% of the time – its accuracy was similar to a benign diagnosis using cytopathology.

"We are pleased that NCCN, a leader in establishing evidence-based, high-quality cancer diagnosis and management, has recommended the use of molecular testing to replace surgery to address the clinical problem of inconclusive thyroid nodule results," said Bonnie Anderson, cofounder and CEO of Veracyte. "Their recommendation reinforces the growing use of the Afirma Gene Expression Classifier by endocrinologists around the country to help many patients safely avoid unnecessary thyroid surgeries."

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. In 15-30% of cases, the results are indeterminate, or not clearly benign or malignant, and current protocols typically recommend thyroid surgery for final diagnosis. Following surgery, however, most (70-80%) patients turn out to have benign nodules.

About the Afirma® Gene Expression Classifier

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

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 helping patients avoid unnecessary invasive procedures and providing cost savings to the healthcare system. 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.

# # #

Media Contact:

Tracy Morris

650-473-1272 (o); 650-380-4413 (c)

Tracy.Morris@veracyte.com

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