



Q2 2015 Earnings Call



Forward-Looking Statements

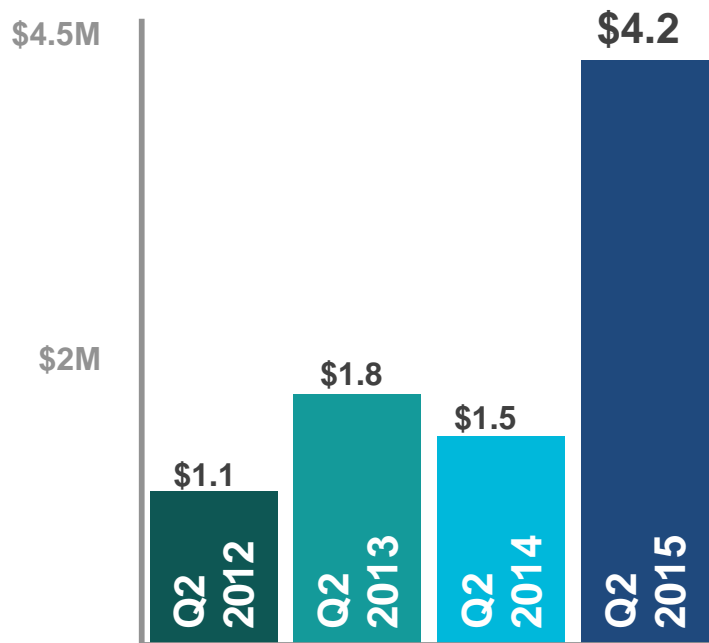
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This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements pertaining to future financial and/or operating results, future growth in research, technology, clinical development and potential opportunities for Cancer Genetics, Inc. products and services, along with other statements about the future expectations, beliefs, goals, plans, or prospects expressed by management constitute forward-looking statements. Any statements that are not historical fact (including, but not limited to, statements that contain words such as "will," "believes," "plans," "anticipates," "expects," "estimates") should also be considered to be forward-looking statements. Forward-looking statements involve risks and uncertainties, including, without limitation, risks inherent in the development and/or commercialization of potential products, risks of cancellation of customer contracts or discontinuance of trials, risks that anticipated benefits from acquisitions will not be realized, uncertainty in the results of clinical trials or regulatory approvals, need and ability to obtain future capital, maintenance of intellectual property rights and other risks discussed in the Company's Forms 10-K for the year ended December 31, 2014 and 10-Q for the quarter ended June 30, 2015 along with other filings with the Securities and Exchange Commission. These forward-looking statements speak only as of the date hereof. Cancer Genetics disclaims any obligation to update these forward-looking statements.



2nd Quarter 2015 Revenue Highlights

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Q2 TOTAL REVENUE GREW FROM

\$1.5M TO **\$4.2M**

2014

2015

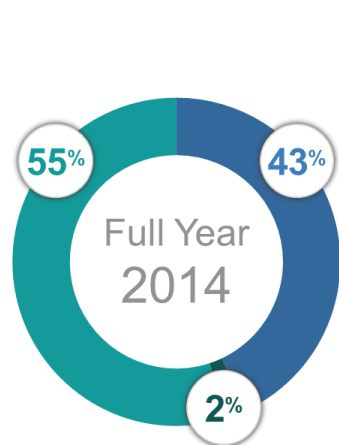
554%

BIOPHARMA REVENUE
GROWTH FROM Q2 2014

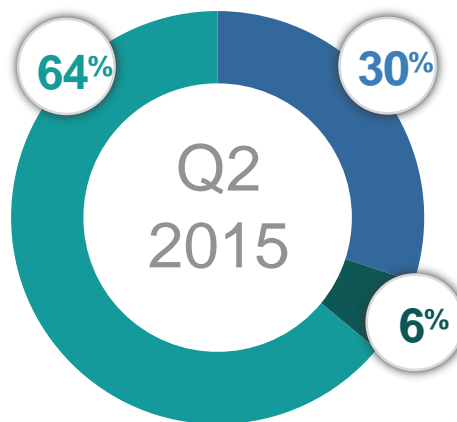
177% REVENUE GROWTH
FROM Q2 2014

Revenues By Category

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\$10.2 Mn



\$4.2 Mn

BIOPHARMA SERVICES **\$2.7 M**

- Entered into partnership with ICON to offer access to ICON Laboratory Services combined with Cancer Genetics' Focus::CLL™ chosen for global clinical trial by leading biotechnology company

CLINICAL SERVICES **\$1.3 M**

- Launched new NGS panels, including Focus::Myeloid™
- Entered into preliminary agreement to acquire Response Genetics (OTCQB:RGDX)

DISCOVERY SERVICES **\$0.3 M**

- New research studies with leading cancer centers and academic institutions
- Selected by regenerative medicine company, ReproCELL, Inc., to provide (NGS) services



Q2 2015 Financial Highlights

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- Q2 2015 revenues were **\$4.2 million**, a **177% increase** over Q2 2014 revenues of \$1.5 million
- Revenue from **Biopharma Services grew 554%** year-over-year during the second quarter while revenue from **Clinical Services increased 13%** year-over-year during the same period due to increased volumes
- Total operating expenses were **\$5.5 million** in the quarter, including **\$757,000** of **non-cash** equity compensation expense
- Gross margin percentage **improved to 26%** (from 1% in Q2 2014) due to improved utilization.
- Sales and Marketing expenses of **\$1.2 million** included \$0.3 million of costs due to increased Biopharma sales efforts
- Net loss for the quarter was **\$5.0 million**, or **\$0.51** per diluted share, compared to a net loss of **\$4.2 million**, or **\$0.47** per diluted share in the second quarter of 2014
- Total cash at June 30, 2015 was **\$23.7 million**



Summary Statement of Operations

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Income Statement Item (\$ in Thousands)	Q2 2013	Q2 2014	Q2 2015
Revenue	\$1,831	\$1,512	\$4,185
Gross Profit	\$ 552	\$ 9	\$1,087
Gross Margin (%)	30%	1%	26%
Research & Development (R&D)	\$ 455	\$1,106	\$1,256
Sales & Marketing (S&M)	\$ 446	\$ 919	\$1,184
General & Administrative (G&A)	\$1,384	\$2,395	\$3,062
Operating Profit (Loss)	(\$1,733)	(\$4,411)	(\$4,414)
Net Income (Loss)	(\$9,142)	(\$4,187)	(\$4,980)

Balance Sheet Information	Actual 06/30/15
All Cash	\$23,744
Stockholders' Equity	\$26,772

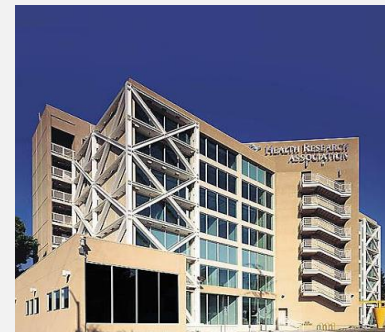
\$ in thousands

Proposed Acquisition of Response Genetics

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Response is an oncology-focused central laboratory headquartered in Los Angeles, CA.

- Founded in 1999
- Core business in solid tumor molecular diagnostics
 - Lung cancer, colorectal cancer and melanoma
- Majority of revenue from clinical operations
 - 85-90% Clinical and 10-15% Biopharma
- FDA-cleared, Medicare-reimbursed Tissue of Origin™ test launched in Q1 2014
 - \$61M invested in this test – acquired from PathWork Diagnostics
- 3,000+ Clinical ordering sites
- Next Generation Sequencing program launched Q2 2014
 - Partnering with Oregon Health Sciences University for lung cancer NGS
- Established TC/PC Partnering Program
 - Patient specimens are prepared in-house and the results are interpreted by the ordering physician over a web-based portal
- Awarded multi-million dollar ALCHEMIST trial contract with NCI in Q2 2014
 - Focus of ALCHEMIST trial is lung cancer



Quick Facts:

- 27,000 sq. ft.
- Focused on solid tumor genetic and biomarkers
- 92 Employees
- CLIA Certified
- CAP Accredited
- NYS License
- 87% clinical, 13% pharma in Q1 2015

Thank You

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