UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 6, 2020

MYRIAD GENETICS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**0-26642**	**87-0494517**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

320 Wakara Way
Salt Lake City, Utah 84108
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (801) 584-3600

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Public Common Stock, $0.01 par value	MYGN	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

EXPLANATORY NOTE

This Amendment No. 1 to the Current Report on Form 8-K ("Amendment") is being furnished to amend Items 2.02 and 9.01 of the Current Report on Form 8-K furnished on February 6, 2020 announcing the registrant's financial results for the three and six months ended December 31, 2019 to correct errors with respect to Reconciliation of GAAP to Non-GAAP Financial Measures and the Free Cash Flow Reconciliation used in the non-GAAP financial presentation. This Amendment does not change the registrant's GAAP results and guidance provided on February 6, 2020.

ITEM 2.02 Results of Operations and Financial Condition

On February 7, 2020, Myriad Genetics, Inc. ("Myriad") posted a corrected press release on its website announcing its financial results for the three and six months ended December 31, 2019 to correct the earnings release issued on February 6, 2020 ("Original Release"). The Original Release inadvertently stated in the Reconciliation of GAAP to Non-GAAP Financial Measures that GAAP earnings per share was $(0.38) for the six months ended December 31, 2019. The correct GAAP earnings per share was $(0.39) for the six months ended December 31, 2019. The Original Release also inadvertently used incorrect inputs in the Free Cash Flow Reconciliation for the three months ended December 31, 2019 and December 31, 2018 and inadvertently omitted the settlement of the hereditary cancer qui tam complaint in the calculation of non-GAAP free cash flow for the three and six months ended December 31, 2019. Myriad has prepared and furnished, as Exhibit 99.1 to this Amendment, a corrected earnings release which includes the corrected information. The corrections to the Reconciliation of GAAP to Non-GAAP Financial Measures and the Free Cash Flow Reconciliation did not impact Myriad's GAAP results reported in the Original Release and did not change Myriad's guidance that it provided in the Original Release. The corrected earnings release is attached hereto as Exhibit 99.1 to this Amendment and incorporated herein by reference.

ITEM 7.01 Regulation FD Disclosure

On its earnings conference call for the three and six months ended December 31, 2019, Myriad also delivered a slide presentation, which is attached hereto as Exhibit 99.2 to this Current Report on Form 8-K and incorporated herein by reference. The slide presentation will also be available under the "Investors –Events & Presentations" section of Myriad's website at www.myriad.com.

FORWARD-LOOKING STATEMENTS

Exhibits 99.1 and 99.2 contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to our business, goals, strategy and financial and operational outlook. These "forward-looking statements" are management's present expectations of future events and are subject to a number of risks and uncertainties that could cause actual results to differ materially and adversely from those set forth in or implied by forward-looking statements. These risks include, but are not limited to: the risk that sales and profit margins of our existing molecular diagnostic tests and pharmaceutical and clinical services may decline or will not continue to increase at historical rates; risks related to our ability to transition from our existing product portfolio to our new tests; risks related to changes in the governmental or private insurers reimbursement levels for our tests or our ability to obtain reimbursement for our new tests at comparable levels to our existing tests; risks related to increased competition and the development of new competing tests and services; the risk that we may be unable to develop or achieve commercial success for additional molecular diagnostic tests and pharmaceutical and clinical services in a timely manner, or at all; the risk that we may not successfully develop new markets for our molecular diagnostic tests and pharmaceutical and clinical services, including our ability to successfully generate revenue outside the United States; the risk that licenses to the technology underlying our molecular diagnostic tests and pharmaceutical and clinical services tests and any future tests are terminated or cannot be maintained on satisfactory terms; risks related to delays or other problems with operating our laboratory testing facilities; risks related to public concern over our genetic testing in general or our tests in particular; risks related to regulatory requirements or enforcement in the United States and foreign countries and changes in the structure of the healthcare system or healthcare payment systems; risks related to our ability to obtain new corporate collaborations or licenses and acquire new technologies or businesses on satisfactory terms, if at all; risks related to

our ability to successfully integrate and derive benefits from any technologies or businesses that we license or acquire; risks related to our projections about the potential market opportunity for our products; the risk that we or our licensors may be unable to protect or that third parties will infringe the proprietary technologies underlying our tests; the risk of patent-infringement claims or challenges to the validity of our patents; risks related to changes in intellectual property laws covering our molecular diagnostic tests and pharmaceutical and clinical services and patents or enforcement in the United States and foreign countries, such as the Supreme Court decisions in *Mayo Collab. Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66 (2012), *Ass'n for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576 (2013), and *Alice Corp. v. CLS Bank Int'l*, 573 U.S. 208 (2014); risks of new, changing and competitive technologies and regulations in the United States and internationally; the risk that we may be unable to comply with financial operating covenants under our credit or lending agreements; the risk that we will be unable to pay, when due, amounts due under our credit or lending agreements; and other factors discussed under the heading "Risk Factors" contained in Item 1A of our most recent Annual Report on Form 10-K, which has been filed with the Securities and Exchange Commission, as well as any updates to those risk factors filed from time to time in our Quarterly Reports on Form 10-Q or Current Reports on Form 8-K. All information in the exhibits is as of the date of the exhibits, and Myriad undertakes no duty to update this information unless required by law.

ITEM 9.01 Financial Statements and Exhibits.

Exhibit Number	Description
99.1	Earnings release dated February 6, 2020 for the three and six months ended December 31, 2019, as corrected on February 7, 2020.
99.2*	Earnings call slide presentation dated February 6, 2020 for the three and six months ended December 31, 2019.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

*Previously filed.

The exhibit(s) may contain hypertext links to information on our website or other parties' websites. The information on our website and other parties' websites is not incorporated by reference into this Current Report on Form 8-K and does not constitute a part of this Form 8-K.

In accordance with General Instruction B-2 of Form 8-K, the information set forth in Item 2.02 and Item 7.01 and in Exhibits 99.1 and 99.2 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MYRIAD GENETICS, INC.

Date: February 7, 2020

By: /s/ R. Bryan Riggsbee
R. Bryan Riggsbee
Interim President and Chief Executive Officer, Chief Financial Officer

Exhibit 99.1

News Release

Media Contact: Ron Rogers (801) 584-3065 rrogers@myriad.com
Investor Contact: Scott Gleason (801) 584-1143 sgleason@myriad.com

Myriad Genetics Reports Fiscal Second-Quarter 2020 Financial Results

- **Total Second-Quarter Revenues of $195.1 Million**
- **Second-Quarter Diluted EPS of ($0.11) and Adjusted EPS of $0.23**

SALT LAKE CITY, Feb. 6, 2020 – Myriad Genetics, Inc. (NASDAQ: MYGN, “Myriad” or the “Company”), a global leader in molecular diagnostics and precision medicine, today announced financial results for its fiscal second-quarter 2020, provided an update on recent business highlights and provided revised fiscal year and third-quarter 2020 financial guidance.

"Revenue in the fiscal second quarter fell short of expectations largely due to the prenatal business. Prenatal cash collections were negatively impacted by issues in billing operations that occurred during the transition of the homegrown Counsyl billing system to an industry-standard system used by Myriad. We are in the process of implementing a number of initiatives focused on improving cash collections, have made several organizational changes to bolster growth and are evaluating additional initiatives,” said R. Bryan Riggsbee, president and CEO, Myriad Genetics. “Despite recent payer related headwinds, we continue to see significant near-term prospects to drive increased revenue and I am highly focused on returning Myriad to a position of sustained long-term profitable growth.”

Financial Highlights

The following table summarizes the financial results for the fiscal second-quarter of 2020:

Revenue

($ in millions)	Fiscal Second-Quarter 2020	2019	% Change
Molecular diagnostic testing revenue			
Hereditary Cancer	$ 117.7	126.7	(7%)
GeneSight®	22.5	24.0	(6%)
Prenatal	16.4	31.2	(47%)
Vectra®	10.3	11.8	(13%)
Prolaris®	6.8	6.1	11%
EndoPredict®	2.6	2.2	18%
Other testing revenue	4.8	1.0	380%
Total molecular diagnostic testing revenue	181.1	203.0	(11%)
Pharmaceutical and clinical service revenue	14.0	13.8	1%
Total Revenue	$ 195.1	$ 216.8	(10%)

Income Statement

($ in millions)	Fiscal Second-Quarter 2020	2019	% Change
Total Revenue	$ 195.1	216.8	(10%)
Gross Profit	145.5	164.7	(12%)
Gross Margin	74.6%	76.0%	
Operating Expenses	154.3	158.6	(3%)
Operating Income	(8.8)	6.1	NM
Operating Margin	(4.5%)	2.8%	
Adjusted Operating Income	18.4	37.4	(51%)
Adjusted Operating Margin	9.4%	17.3%	
Net Income	(8.3)	2.6	NM
Diluted EPS	$ (0.11)	$ 0.03	NM
Adjusted EPS	$ 0.23	$ 0.38	(40%)

- **Recent Business Highlights Portfolio Payer Contract**
  - Signed a fixed-price portfolio contract with UnitedHealthcare.
- **Hereditary Cancer**
  - Grew hereditary cancer volumes at a mid-single digit rate on a year-over-year basis.
  - Presented data at the San Antonio Breast Cancer Symposium demonstrating the ability of riskScore® to modify cancer risk assessments for women with breast cancer who test positive for a genetic mutation in common breast cancer genes.
  - Received regulatory approval from Japan's Ministry of Health, Labour and Welfare for the BRACAnalysis® Diagnostic System to help physicians determine which women with breast cancer have Hereditary Breast and Ovarian Cancer (HBOC) syndrome and qualify for additional medical management.
- **GeneSight®**
  - Agreed to GeneSight coverage with additional major self-funded employers bringing the total to six and are in discussions with an additional 21 companies.
  - Published the precision medicine analysis of the GUIDED study in the *Journal of Clinical Psychiatry*. The study evaluated 787 patients at baseline who were on medications with known gene drug interactions. The analysis showed that patients who had their treatment guided by GeneSight saw a 70 percent improvement in remission, 42 percent improvement in response, and a 23 percent improvement in symptoms, all of which were statistically significant.
  - Published a new analysis of the GUIDED clinical trial using the 6-item Hamilton Depression Rating Scale (HAM-D6) in *BMC Psychiatry*. The key finding of the study was that there were statistically significant improvements in all three clinical endpoints of remission, response and symptoms between GeneSight®-guided care and treatment-as-usual at Week 8 using the HAM-D6 scale.
- **Prenatal**
  - Published a new study in *Prenatal Diagnosis* demonstrating that Prequel® is the only non-invasive prenatal screening (NIPS) test that outperforms traditional measures of aneuploidy detection across all classes of obesity. Other NIPS testing methodologies can have failure rates up to 24 percent in obese patients leading the American College of Gynecology to recommend against using NIPS in patients with significant obesity.
  - Published data from a 58,000 patient study in *Ultrasound in Obstetrics and Gynecology* showing Prequel is more sensitive than other technologies in low fetal fraction samples with an industry leading 1 in 1,000 no call rate.

- **Vectra®**

- The test was included in an American College of Rheumatology publication stating that the test was one of several disease activity measures that met a minimum standard for regular clinic use.

- **Prolaris®**
  - Grew Prolaris volumes at a double-digit rate in the fiscal-second quarter.
  - Received a positive coverage decision from Wellmark Blue Cross and Blue Shield for Prolaris.
- **Companion Diagnostics**
  - Submitted application with the U.S. Food and Drug Administration (FDA) for BRACAnalysis® CDx as a companion diagnostic test for Lynparza® in metastatic, castrate-resistant, prostate cancer patients with germline *BRCA* mutations.
  - Received FDA approval for BRACAnalysis CDx as a companion diagnostic test for patients with metastatic pancreatic cancer seeking treatment with Lynparza.
  - Received FDA approval for myChoice® CDx as a companion diagnostic in ovarian cancer patients being considered for niraparib PARP inhibitor therapy in accordance with the approved label.
  - Received Application for Advanced Diagnostic Laboratory Test status for myChoice CDx with an initial price of $4,040.

Fiscal Year 2020 and Fiscal Third-Quarter 2020 Financial Guidance

Below is a table summarizing Myriad's fiscal year 2020 and fiscal third-quarter 2020 financial guidance:

	Revenue	GAAP Diluted Earnings Per Share	Adjusted Earnings Per Share
Fiscal Year 2020	$735 million	($0.80)	$0.45
Fiscal Third-Quarter 2020	$172 million	($0.30)	$0.02

Myriad's fiscal year 2020 and third-quarter 2020 adjusted earnings per share guidance excludes the impact of stock-based compensation expense, non-cash amortization associated with acquisitions and certain non-recurring expenses. These projections are forward-looking statements and are subject to the risks summarized in the safe harbor statement at the end of this press release. The company will provide further details on its business outlook during the conference call today and discuss the fiscal second-quarter financial results and fiscal year 2020 financial guidance.

Conference Call and Webcast

A conference call will be held today, Thursday, February 6, 2020, at 4:30 p.m. EST to discuss Myriad's financial results for the fiscal second-quarter, business developments and financial guidance. The dial-in number for domestic callers is 1-800-757-5680. International callers may dial 1-212-231-2938. All callers will be asked to reference reservation number 21950986. An archived replay of the call will be available for seven days by dialing (800) 633-8284 and entering the reservation number above. The conference call along with a slide presentation will be available through a live webcast at www.myriad.com.

About Myriad Genetics

Myriad Genetics, Inc., is a leading precision medicine company dedicated to being a trusted advisor transforming patient lives worldwide with pioneering molecular diagnostics. Myriad discovers and commercializes molecular diagnostic tests that: determine the risk of developing disease, accurately diagnose disease, assess the risk of disease progression, and guide treatment decisions across six major medical specialties where molecular diagnostics can significantly improve patient care and lower healthcare costs. Myriad is focused on five critical success factors: building upon a solid hereditary cancer foundation, growing new product volume, expanding reimbursement coverage for new products, increasing RNA kit revenue internationally and improving profitability with Elevate 2020. For more information on how Myriad is making a difference, please visit the Company's website: www.myriad.com.

MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS (Unaudited)
(in millions, except per share amounts)

	Three months ended December 31,		Six months ended December 31,	
	2019	2018	2019	2018
Molecular diagnostic testing	$ 181.1	$ 203.0	$ 353.1	$ 392.0
Pharmaceutical and clinical services	14.0	13.8	28.3	27.1
Total revenue	195.1	216.8	381.4	419.1
Costs and expenses:				
Cost of molecular diagnostic testing	41.0	44.0	82.2	86.3
Cost of pharmaceutical and clinical services	8.6	8.1	17.1	15.5
Research and development expense	18.8	22.4	40.1	43.5
Change in the fair value of contingent consideration	(0.1)	1.0	0.6	1.4
Selling, general, and administrative expense	135.6	135.2	271.1	265.1
Total costs and expenses	203.9	210.7	411.1	411.8
Operating income	(8.8)	6.1	(29.7)	7.3
Other income (expense):				
Interest income	0.8	0.9	1.7	1.6
Interest expense	(2.5)	(3.4)	(5.4)	(5.6)
Other	(0.9)	—	(0.3)	1.1
Total other expense:	(2.6)	(2.5)	(4.0)	(2.9)
Income before income tax	(11.4)	3.6	(33.7)	4.4
Income tax provision	(3.1)	1.0	(4.8)	2.6
Net income	$ (8.3)	$ 2.6	$ (28.9)	$ 1.8
Net loss attributable to non-controlling interest	—	—	—	(0.1)
Net income attributable to Myriad Genetics, Inc. stockholders	$ (8.3)	$ 2.6	$ (28.9)	$ 1.9
Earnings per share:				
Basic	$ (0.11)	$ 0.04	$ (0.39)	$ 0.03
Diluted	$ (0.11)	$ 0.03	$ (0.39)	$ 0.02
Weighted average shares outstanding:				
Basic	74.4	74.2	74.1	73.6
Diluted	74.4	76.5	74.1	76.9

Consolidated Balance Sheets (Unaudited)

(in millions)

ASSETS	December 31, 2019	June 30, 2019
Current assets:		
Cash and cash equivalents	$ 81.2	$ 93.2
Marketable investment securities	60.4	43.7
Prepaid expenses	16.2	16.6
Inventory	28.1	31.4
Trade accounts receivable	118.3	133.9
Prepaid taxes	24.7	25.1
Other receivables	3.5	4.7
Assets held for sale	32.9	0.0
Total current assets	365.3	348.6
Property, plant and equipment, net	36.5	57.3
Operating lease right-of-use assets	67.3	—
Long-term marketable investment securities	47.6	54.9
Intangibles, net	653.5	684.7
Goodwill	408.1	417.2
Total assets	$ 1,578.3	$ 1,562.7
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 21.0	$ 33.3
Accrued liabilities	61.1	78.9
Current maturities of operating lease liabilities	12.8	—
Short-term contingent consideration	3.4	3.4
Deferred revenue	3.6	2.2
Liabilities held for sale	10.5	0.0
Total current liabilities	112.4	117.8
Unrecognized tax benefits	22.4	21.7
Noncurrent operating lease liabilities	58.7	—
Other long-term liabilities	—	7.8
Contingent consideration	6.9	10.4
Long-term debt	225.1	233.5
Long-term deferred taxes	75.5	82.6
Total liabilities	501.0	473.8
Commitments and contingencies		
Stockholders’ equity:		
Common stock, 74.5 and 73.5 shares outstanding at December 31, 2019 and June 30, 2019 respectively	0.7	0.7
Additional paid-in capital	1,085.1	1,068.0
Accumulated other comprehensive loss	(5.3)	(5.4)
Retained earnings	(3.3)	25.6
Total Myriad Genetics, Inc. stockholders’ equity	1,077.2	1,088.9
Non-Controlling Interest	0.1	—
Total stockholders' equity	1,077.3	1,088.9
Total liabilities and stockholders’ equity	$ 1,578.3	$ 1,562.7

Consolidated Statement of Cash Flows (Unaudited)

(in millions)

	Six months ended December 31,	
	2019	**2018**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income attributable to Myriad Genetics, Inc. stockholders	$ (28.9)	1.9
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	36.4	36.3
Non-cash interest expense	0.2	(1.2)
Gain on disposition of assets	(0.1)	(0.9)
Share-based compensation expense	15.8	15.2
Deferred income taxes	(6.8)	2.3
Unrecognized tax benefits	0.7	(2.3)
Impairment of goodwill classified as held for sale	1.3	0.0
Change in fair value of contingent consideration	0.7	(1.4)
Changes in assets and liabilities:		
Prepaid expenses	(0.2)	0.8
Trade accounts receivable	13.6	(0.9)
Other receivables	(0.3)	(1.9)
Inventory	2.6	6.1
Prepaid taxes	0.4	(3.1)
Accounts payable	(11.3)	(0.3)
Accrued liabilities	(11.8)	(4.7)
Deferred revenue	1.6	(0.3)
Net cash provided by operating activities	13.9	45.6
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(4.8)	(4.1)
Acquisitions, net of cash acquired	—	(278.5)
Purchases of marketable investment securities	(45.0)	(36.6)
Proceeds from maturities and sales of marketable investment securities	35.5	32.1
Net cash used in investing activities	(14.3)	(287.1)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from common stock issued under share-based compensation plans	1.3	4.5
Payment of contingent consideration recognized at acquisition	(3.9)	—
Net proceeds from revolving credit facility	—	340.0
Repayment of revolving credit facility	(8.6)	(75.0)
Repurchase and retirement of common stock	0.0	(50.0)
Net cash provided by (used in) financing activities	(11.2)	219.5
Effect of foreign exchange rates on cash and cash equivalents	1.1	1.7
Change in cash and cash equivalents classified as held for sale	(1.5)	—
Net decrease in cash and cash equivalents	(12.0)	(20.3)
Cash and cash equivalents at beginning of the period	93.2	110.9
Cash and cash equivalents at end of the period	$ 81.2	$ 90.6

Safe Harbor Statement

This press release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to resolution this quarter of the issues in billing operations that occurred during the transition of the homegrown Counsyl billing system to an industry-standard system used by Myriad; pricing visibility from renewed payer contracts; a number of new product growth drivers materializing in the near term; the business exceeding historical levels of profitability; an additional 21 prospective employers in discussions regarding GeneSight coverage; the Company’s fiscal year 2020 and fiscal third-quarter 2020 financial guidance for revenue, GAAP diluted earnings per share, and adjusted earnings per share under the caption “Fiscal Year 2020 and Fiscal Third-Quarter 2020 Financial Guidance”; and the Company’s strategic imperatives under the caption “About Myriad Genetics.” These “forward-looking statements” are management’s present expectations of future events and are subject to a number of risks and uncertainties that could cause actual results to differ materially and adversely from those described or implied in the forward-looking statements. These risks include, but are not limited to: the risk that sales and profit margins of the Company’s existing molecular diagnostic tests and pharmaceutical and clinical services may decline or will not continue to increase at historical rates; risks related to the Company’s ability to successfully transition from its existing product portfolio to its new tests; risks related to changes in the governmental or private insurers’ reimbursement levels for the Company’s tests or the Company’s ability to obtain reimbursement for its new tests at comparable levels to its existing tests; risks related to increased competition and the development of new competing tests and services; the risk that the Company may be unable to develop or achieve commercial success for additional molecular diagnostic tests and pharmaceutical and clinical services in a timely manner, or at all; the risk that the Company may not successfully develop new markets for its molecular diagnostic tests and pharmaceutical and clinical services, including the Company’s ability to successfully generate revenue outside the United States; the risk that licenses to the technology underlying the Company’s molecular diagnostic tests and pharmaceutical and clinical services tests and any future tests are terminated or cannot be maintained on satisfactory terms; risks related to delays or other problems with operating the Company’s laboratory testing facilities; risks related to public concern over the Company’s genetic testing in general or the Company’s tests in particular; risks related to regulatory requirements or enforcement in the United States and foreign countries and changes in the structure of the healthcare system or healthcare payment systems; risks related to the Company’s ability to obtain new corporate collaborations or licenses and acquire new technologies or businesses on satisfactory terms, if at all; risks related to the Company’s ability to successfully integrate and derive benefits from any technologies or businesses that it licenses or acquires; risks related to the Company’s projections about the potential market opportunity for the Company’s products; the risk that the Company or its licensors may be unable to protect or that third parties will infringe the proprietary technologies underlying the Company’s tests; the

risk of patent-infringement claims or challenges to the validity of the Company's patents; risks related to changes in intellectual property laws covering the Company's molecular diagnostic tests and pharmaceutical and clinical services and patents or enforcement in the United States and foreign countries, such as the Supreme Court decisions *Mayo Collab. Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66 (2012), *Ass'n for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576 (2013), and *Alice Corp. v. CLS Bank Int'l*, 573 U.S. 208 (2014); risks of new, changing and competitive technologies and regulations in the United States and internationally; the risk that the Company may be unable to comply with financial operating covenants under the Company's credit or lending agreements; the risk that the Company will be unable to pay, when due, amounts due under the Company's credit or lending agreements; and other factors discussed under the heading "Risk Factors" contained in Item 1A of the Company's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission, as well as any updates to those risk factors filed from time to time in the Company's Quarterly Reports on Form 10-Q or Current Reports on Form 8-K.

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
- Impairment of goodwill classified as held for sale – Impairment charges related to the sale of the German clinic.
- 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
- Elevate Initiatives: Expenses tied to Elevate 2020 program

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 Six months ended December 31, 2019
(Unaudited data in millions, except per share amount)

	Three Months Ended		Six Months Ended	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Revenue	$ 195.1	$ 216.8	$ 381.4	$ 419.1
GAAP Cost of molecular diagnostic testing	41.0	44.0	82.2	86.3
GAAP Cost of pharmaceutical and clinical services	8.6	8.1	17.1	15.5
Acquisition - Integration related costs	—	(0.1)	—	(0.1)
Equity Compensation	(0.4)	—	(0.7)	(0.2)
Elevate initiatives	—	(0.6)	(0.2)	(3.6)
Non-GAAP COGS	$ 49.2	$ 51.4	$ 98.4	$ 97.9
Non-GAAP Gross Margin	74.8%	76.3%	74.2%	76.6%
GAAP Research and Development	$ 18.8	$ 22.4	$ 40.1	$ 43.5
Acquisition - amortization of intangible assets	—	(0.1)	—	(0.1)
Acquisition - Integration related costs	—	(0.6)	—	(0.7)
Equity compensation	(1.2)	(1.3)	(2.7)	(2.5)
Elevate initiatives	(0.3)	(1.5)	(1.0)	(2.2)
Non-GAAP R&D	$ 17.3	$ 18.9	$ 36.4	$ 38.0
GAAP Contingent Consideration	$ (0.1)	$ 1.0	$ 0.6	$ 1.4
Potential future consideration related to acquisitions	0.1	(1.0)	(0.6)	(1.4)
Non-GAAP Contingent Consideration	$ —	$ —	$ —	$ —
GAAP Selling, General and Administrative	$ 135.6	$ 135.2	$ 271.1	$ 265.1
Acquisition - amortization of intangible assets	(15.2)	(15.2)	(30.4)	(28.5)
Acquisition - Integration related costs	—	(3.3)	(0.6)	(12.8)
Impairment of goodwill classified as held for sale	(1.3)	—	(1.3)	—
Non-recurring legal expenses	(1.3)	—	(1.3)	—
Equity compensation	(5.5)	(6.2)	(12.5)	(12.5)
Elevate initiatives	(2.1)	(1.4)	(4.4)	(2.5)
Non-GAAP SG&A	$ 110.2	$ 109.1	$ 220.6	$ 208.8
GAAP Operating Income	$ (8.8)	$ 6.1	$ (29.7)	$ 7.3
Acquisition - Integration related costs	—	4.0	0.6	13.6
Acquisition - amortization of intangible assets	15.2	15.3	30.4	28.6
Impairment of goodwill classified as held for sale	1.3	—	1.3	—
Non-recurring legal expenses	1.3	—	1.3	—
Equity compensation	7.1	7.5	15.9	15.2
Elevate initiatives	2.4	3.5	5.6	8.3
Potential future consideration related to acquisitions	(0.1)	1.0	0.6	1.4
Non-GAAP Operating Income	$ 18.4	$ 37.4	$ 26.0	$ 74.4
Non-GAAP Operating Margin	9%	17%	7%	18%
GAAP Net Income Attributable to Myriad Genetics, Inc. Stockholders	$ (8.3)	$ 2.6	$ (28.9)	$ 1.9
Acquisition - Integration related costs	—	4.0	0.6	13.6
Acquisition - amortization of intangible assets	15.2	15.3	30.4	28.6
Impairment of goodwill classified as held for sale	1.3	—	1.3	—
Non-recurring legal expenses	1.3	—	1.3	—
Equity compensation	7.1	7.5	15.9	15.2
Elevate initiatives	2.4	3.5	5.6	8.3
Potential future consideration related to acquisitions	(0.1)	1.0	0.6	1.4
Deferred tax impact of non-GAAP adjustments	1.5	(0.1)	2.9	2.6
Tax effect associated with non-GAAP adjustments	(2.8)	(4.6)	(6.2)	(9.7)
Non-GAAP Net Income	$ 17.6	$ 29.2	$ 23.5	$ 61.9
GAAP Diluted EPS	$ (0.11)	$ 0.03	$ (0.39)	$ 0.02
Non-GAAP Diluted EPS	$ 0.23	$ 0.38	$ 0.31	$ 0.80
Diluted shares outstanding	75.3	76.5	75.4	76.9

Free Cash Flow Reconciliation
(Unaudited data in millions)

	Three Months Ended		Six Months Ended	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
GAAP cash flow from operations	$ (1.9)	$ 37.8	$ 13.9	$ 45.6
Capital expenditures	(3.4)	(2.8)	(4.8)	(4.1)
Free cash flow	$ (5.3)	$ 35.0	$ 9.1	$ 41.5
Elevate initiative costs	2.4	3.4	5.6	8.1
Non-recurring legal expenses	1.3	—	1.3	—
Acquisition - Integration related costs	—	0.3	0.6	8.4
Settlement of hereditary cancer Qui Tam compliant	9.1	—	9.1	—
Tax effect associated with non-GAAP adjustments	(1.0)	(1.1)	(2.1)	(4.0)
Non-GAAP Free cash flow	$ 6.5	$ 37.6	$ 23.6	$ 54.0

Reconciliation of GAAP to Non-GAAP for Fiscal Year 2020

The Company's future performance and financial results are subject to risks and uncertainties, and actual results could differ materially from guidance set forth below. Some of the factors that could affect the Company's financial results are stated in the safe harbor statement of this press release. More information on potential factors that could affect the Company's financial results are included under the heading "Risk Factors" contained in Item 1A in the Company's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission, as well as any updates to those risk factors filed from time to time in the Company's Quarterly Reports on Form 10-Q or Current Reports on Form 8-K.

	Fiscal Year 2020
Diluted net income per share	
GAAP diluted net income per share	$ (0.80)
Stock Based Compensation Expense	0.30
Acquisition - amortization of intangible assets	0.80
Adjustments to GAAP financial measures	0.15
Non-GAAP diluted net income per share	**$ 0.45**

	Fiscal Third-Quarter 2020
Diluted net income per share	
GAAP diluted net income per share	$ (0.30)
Stock Based Compensation Expense	0.08
Acquisition - amortization of intangible assets	0.20
Adjustments to GAAP financial measures	0.04
Non-GAAP diluted net income per share	**$ 0.02**