

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

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the quarterly period ended December 31, 1999

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 0-26642

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

Delaware

87-0494517

(State or other jurisdiction
of incorporation or organization)

(I.R.S. Employer Identification No.)

320 Wakara Way, Salt Lake City, UT

84108

(Address of principal executive offices)

(Zip Code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

As of February 8, 2000, the registrant had 10,303,403 shares of common stock outstanding.

MYRIAD GENETICS, INC.

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MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	Dec. 31, 1999 (Unaudited)	June 30, 1999
Assets		

Current assets:		
Cash and cash equivalents	\$ 27,679,996	\$ 5,404,944
Marketable investment securities	16,940,184	4,477,138
Prepaid expenses	911,778	622,700
Trade accounts receivables, less allowance for doubtful accounts of \$108,847 at December 31, 1999, \$73,439 at June 30, 1999	1,798,478	1,322,950
Other receivables	113,449	1,855,696
	-----	-----
Total current assets	47,443,885	13,683,428
	-----	-----
Equipment and leasehold improvements:		
Equipment	14,129,785	13,351,229
Leasehold improvements	3,951,776	3,520,253
	-----	-----
	18,081,561	16,871,482
Less accumulated depreciation and amortization	8,242,006	6,871,981
	-----	-----
Net equipment and leasehold improvements	9,839,555	9,999,501
Long-term marketable investment securities	15,422,327	29,044,377
Other assets	1,156,408	823,634
	-----	-----
	\$ 73,862,175	\$ 53,550,940
	=====	=====
Liabilities and Stockholders' Equity		

Current liabilities:		
Accounts payable	\$ 3,426,068	\$ 2,917,810
Accrued liabilities	2,317,545	1,754,634
Deferred revenue	12,629,422	662,760
	-----	-----
Total current liabilities	18,373,035	5,335,204
	-----	-----
Stockholders' equity		
Common stock, \$0.01 par value. Authorized 15,000,000 shares; issued and outstanding 10,284,349 on December 31, 1999 and 9,428,732 on June 30, 1999	102,843	94,287
Additional paid-in capital	103,592,079	92,377,949
Accumulated other comprehensive loss	(85,715)	(68,846)
Deferred compensation	(111,945)	(247,774)
Accumulated deficit	(48,008,122)	(43,939,880)
	-----	-----
Net stockholders' equity	55,489,140	48,215,736
	-----	-----
	\$ 73,862,175	\$ 53,550,940
	=====	=====

See accompanying notes to condensed consolidated financial statements.

MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended		Six Months Ended	
	Dec. 31, 1999 (Unaudited)	Dec. 31, 1998 (Unaudited)	Dec. 31, 1999 (Unaudited)	Dec. 31, 1998 (Unaudited)
Revenues:				
Research revenue	\$ 6,255,872	\$ 4,536,512	\$ 11,503,517	\$ 9,183,028
Molecular diagnostic revenue	2,023,871	1,210,959	3,638,157	2,124,429
Total revenues	8,279,743	5,747,471	15,141,674	11,307,457
Expenses:				
Molecular diagnostic cost of revenue	989,156	778,936	1,792,087	1,381,808
Research and development expense	6,205,468	5,681,806	11,992,270	11,499,295
Selling, general and administrative expense	3,353,944	2,760,301	6,375,930	5,315,717
Total costs and expenses	10,548,568	9,221,043	20,160,287	18,196,820
Operating loss	(2,268,825)	(3,473,572)	(5,018,613)	(6,889,363)
Other income (expense):				
Interest income	736,664	579,471	1,310,453	1,275,690
Interest expense	-	(3,908)	-	(6,279)
Gain (loss) on disposition of assets	(344,989)	47,750	(360,082)	67,191
Net loss	(\$1,877,150)	(\$2,850,259)	(\$4,068,242)	(\$5,552,761)
Basic and diluted loss per share	(\$0.19)	(\$0.30)	(\$0.42)	(\$0.59)
Basic and diluted weighted average shares outstanding	10,123,902	9,391,844	9,778,319	9,367,393

See accompanying notes to condensed consolidated financial statements.

MYRIAD GENETICS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six Months Ended	
	Dec. 31, 1999 (Unaudited)	Dec. 31, 1998 (Unaudited)
Cash flows from operating activities:		
Net loss	(\$4,068,242)	(\$5,552,761)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	1,565,663	1,750,082
Loss on disposition of assets	360,082	12,401
Bad debt expense	35,410	21,000
Increase in trade receivables	(510,936)	(333,159)
Decrease in other receivables	1,742,247	36,800
Increase in prepaid expenses	(289,080)	(455,370)
Decrease (increase) in other assets	(332,774)	84,375
Increase (decrease) in accounts payable and accrued expenses	1,071,169	(2,146,413)
Increase (decrease) in deferred revenue	11,966,662	(987,429)
Net cash provided by (used in) operating activities	11,540,201	(7,570,474)
Cash flows from investing activities:		
Capital expenditures	(1,582,927)	(1,897,878)
Proceeds from sale of equipment	-	3,554,379
Net change in marketable investment securities	1,095,091	8,370,588
Net cash provided by (used in) investing activities	(487,836)	10,027,089
Cash flows from financing activities:		
Net payments of notes payable	-	(128,843)
Net proceeds from issuance of common stock	11,222,686	380,039
Net cash provided by financing activities	11,222,686	251,196
Net increase in cash and cash equivalents	22,275,051	2,707,811
Cash and cash equivalents at beginning of period	5,404,944	14,595,034
Cash and cash equivalents at end of period	\$ 27,679,995	\$ 17,302,845

See accompanying notes to condensed consolidated financial statements.

MYRIAD GENETICS, INC. AND SUBSIDIARIES
NOTES TO CONDENSED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

(1) Basis of Presentation

The accompanying condensed unaudited consolidated financial statements have been prepared by Myriad Genetics, Inc. (the "Company") in accordance with generally accepted accounting principles for interim financial information and pursuant to the applicable rules and regulations of the Securities and Exchange Commission. The condensed unaudited consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. In the opinion of management, the accompanying financial statements contain all adjustments (consisting of normal and recurring accruals) necessary to present fairly all financial statements. The financial statements herein should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the fiscal year ended June 30, 1999, included in the Company's Annual Report on Form 10-K for the year ended June 30, 1999. Operating results for the three and six month periods ended December 31, 1999 may not necessarily be indicative of the results to be expected for any other interim period or for the full year.

(2) Leases

On October 25, 1999, the Company entered into a Master Lease Agreement with Comdisco Laboratory and Scientific Group, a Division of Comdisco Healthcare Group, Inc. ("Comdisco") for a 48 month period. Under the Master Lease Agreement, the Company is subject to certain financial covenants. As of December 31, 1999, the Company was fully compliant with these covenants.

(3) Collaborative Research Agreements

In December 1999, the Company entered into a 12 month collaboration with Hoffmann-LaRoche Inc., to utilize the Company's protein interaction technology ("ProNet") for drug discovery and development in the area of cardiovascular disease. This collaboration may provide the Company with research funding, licensing fees, and milestone payments with a value of up to \$13,000,000.

(4) Common Stock

In October 1999, the Company announced the expansion of its collaboration with Schering AG, Germany to include research into the field of cardiovascular disease. The Company also entered into a Securities Purchase Agreement and a Standstill Agreement with Schering Berlin Venture Corporation ("Schering Berlin") to sell to Schering Berlin 303,030 shares of the Company's unregistered Common Stock, \$.01 par value per share (the "Shares"). Schering Berlin acquired the Shares for an aggregate purchase price of \$5,000,000.

(5) Comprehensive Earnings (Loss)

The Company adopted Statement of Financial Accounting Standards No. 130 (SFAS 130), "Reporting Comprehensive Income", effective July 1, 1998. SFAS 130 establishes standards for reporting and displaying comprehensive loss and its components in financial statements. The components of the Company's comprehensive loss are as follows:

	Three Months Ended		Six Months Ended	
	Dec. 31, 1999 (unaudited)	Dec. 31, 1998 (unaudited)	Dec. 31, 1999 (unaudited)	Dec. 31, 1998 (unaudited)
Net loss	(\$1,877,150)	(\$2,850,259)	(\$4,068,242)	(\$5,552,761)
Unrealized loss on available- for-sale marketable investment securities	(16,842)	(129,085)	(16,869)	(36,007)
Comprehensive loss	(\$1,893,992)	(\$2,979,344)	(\$4,085,111)	(\$5,588,768)

(6) Segment and Related Information

The Company's business units have been aggregated into two reportable segments: (i) research and (ii) molecular diagnostics. The research segment is focused on the discovery and sequencing of genes related to major common diseases, marketing of subscriptions to proprietary database information, and the development of therapeutic products for the treatment and prevention of major diseases. The molecular diagnostics segment provides testing to determine predisposition to common diseases.

The accounting policies of the segments are the same as those described in the basis of presentation (note 1). The Company evaluates segment performance based on loss from operations before interest income and expense and other income and expense. The Company's assets are not identifiable by segment.

	Research	Molecular diagnostics	Total
Three months ended December 31, 1999:			
Revenues	\$ 6,255,872	\$2,023,871	\$ 8,279,743
Depreciation and amortization	582,021	189,915	771,936
Segment operating loss	641,612	1,627,213	2,268,825
Three months ended December 31, 1998:			
Revenues	4,536,512	1,210,959	5,747,471
Depreciation and amortization	705,620	203,867	909,487
Segment operating loss	2,107,730	1,365,842	3,473,572
Six months ended December 31, 1999:			
Revenues	11,503,517	3,638,157	15,141,674
Depreciation and amortization	1,190,624	375,039	1,565,663
Segment operating loss	2,228,560	2,790,053	5,018,613
Six months ended December 31, 1998:			
Revenues	9,183,028	2,124,429	11,307,457
Depreciation and amortization	1,344,242	405,840	1,750,082
Segment operating loss	3,742,649	3,146,714	6,889,363

(7) Net Loss Per Common and Common Equivalent Share

Loss per common share is computed based on the weighted-average number of common shares and, as appropriate, dilutive potential common shares outstanding during the period. Stock options and warrants are considered to be potential common shares.

Basic loss per common share is the amount of loss for the period available to each share of common stock outstanding during the reporting period. Diluted earnings per share is the amount of loss for the period available to each share of common stock outstanding during the reporting period and to each share that would have been outstanding assuming the issuance of common shares for all dilutive potential common shares outstanding during the period.

In calculating loss per common and common-equivalent share the net loss and the weighted average common and common-equivalent shares outstanding were the same for both the basic and diluted calculation.

As of December 31, 1999 and December 31, 1998, there were antidilutive potential common shares of 1,753,484 and 2,017,645, respectively. Accordingly, these potential common shares were not included in the computation of diluted loss per share for the years presented, but may be dilutive to future basic and diluted earnings per share.

(8) Recent Accounting Pronouncements

On December 3, 1999, the SEC staff issued Staff Accounting Bulletin No. 101, Revenue Recognition in Financial Statements (SAB 101). SAB 101 summarizes certain of the staff's views in applying generally accepted accounting principles to revenue recognition in financial statements. The Company will incorporate the guidance of SAB 101 in the first quarter of fiscal 2001. Management has not yet determined the impact that SAB 101 will have on the financial position or results of operations of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

Since inception, the Company has devoted substantially all of its resources to maintaining its research and development programs, supporting collaborative research agreements, operating a molecular diagnostic laboratory, and more recently establishing genomic sequencing, high throughput screening, and drug development facilities. The Company's revenues have been primarily payments received pursuant to collaborative research agreements, upfront fees, milestone payments, and sales of molecular diagnostics. The Company has been unprofitable since its inception and, for the quarter ended December 31, 1999, the Company had a net loss of \$1,877,150 and as of December 31, 1999 had an accumulated deficit of \$48,008,122.

In April 1995, the Company commenced a five-year collaborative research and development arrangement with Novartis Corporation ("Novartis"). This collaboration may provide the Company with an equity investment, research funding and potential milestone payments of up to \$60,000,000. The Company is entitled to receive royalties from sales of therapeutic products sold by Novartis.

In September 1995, the Company commenced a five-year collaborative research and development arrangement with Bayer Corporation ("Bayer"). This collaboration may provide the Company with an equity investment, research funding and potential milestone payments of up to \$71,000,000. In November 1997 and again in December 1998, the Company announced expansions of its collaborative research and development arrangement with Bayer. The expanded collaboration may provide the Company with additional research funding and potential milestone payments of up to \$137,000,000. The Company is entitled to receive royalties from sales of therapeutic products sold by Bayer.

In October 1996, the Company announced the introduction of BRACAnalysis, a comprehensive BRCA1 and BRCA2 gene sequence analysis for susceptibility to breast and ovarian cancer. In January 1998, the Company announced the introduction of CardiaRisk, which may assist physicians both in (i) identifying which hypertensive patients are at a significantly increased risk of developing cardiovascular disease and (ii) identifying which patients are likely to respond to low salt diet therapy and antihypertensive drug therapy. The Company, through its wholly owned subsidiary Myriad Genetic Laboratories, Inc., recognized molecular diagnostic revenues, primarily from BRACAnalysis, of \$2,023,871 for the quarter ended December 31, 1999.

In April 1997, the Company commenced a three-year collaborative research and development arrangement with Schering Corporation ("Schering-Plough"). This collaboration may provide the Company with an equity investment, license fees, research funding and potential milestone payments of up to \$60,000,000. The Company is entitled to receive royalties from sales of therapeutic products sold by Schering-Plough.

In October 1998, the Company entered into a five-year collaboration with Schering AG, Germany ("Schering AG"), to utilize the Company's protein interaction technology ("ProNet) for drug discovery and development. Under the agreement, the Company will have an option to co-promote all new therapeutic products in North America and receive 50 percent of the profits from North American sales of all new drugs discovered with ProNet. This collaboration may provide the Company with licensing fees, subscription fees, option payments and milestone fees with a value of up to \$51,000,000. If the Company chooses to co-promote a drug developed by Schering AG as a 50 percent partner, the Company may be required to pay funds to Schering AG to establish equal ownership.

In November 1998, the Company entered into a 15 month collaboration with Monsanto Company ("Monsanto"), to utilize ProNet for drug discovery and development. In December 1999, Monsanto exercised its option to extend the research term for an additional twelve months and exercised its option to expand the research funding. This collaboration may provide the Company with research funding, option payments, license fees and potential milestone payments of up to \$28,000,000. The Company is entitled to receive royalties from sales of therapeutic products sold by Monsanto.

In July 1999, the Company entered into a two-year collaboration and license agreement with the Novartis Agricultural Discovery Institute, Inc. ("NADII"). The genomic collaboration will focus on the discovery of the genetic structure of cereal crops. The collaboration may provide the Company with an upfront payment and research funding of up to \$33,500,000. Upon completion, NADII and the Company intend to jointly offer commercial access to the genomic databases and share equally in any resulting proceeds.

In October 1999, the Company announced the expansion of its collaboration with Schering AG to include research in the field of cardiovascular disease. The Company also entered into a Securities Purchase Agreement and a Standstill Agreement with Schering Berlin Venture Corporation ("Schering Berlin") to sell to Schering Berlin 303,030 Shares. Schering Berlin acquired the Shares for an aggregate purchase price of \$5,000,000.

In December 1999, the Company entered into a 12 month collaboration with Hoffmann-LaRoche Inc. ("Roche"), to utilize ProNet for drug discovery and development in the area of cardiovascular disease. This collaboration may provide the Company with research funding, licensing fees, and milestone payments with a value of up to \$13,000,000. The Company is entitled to receive royalties from sales of therapeutic products sold by Roche.

The Company intends to enter into additional collaborative relationships to locate and sequence genes and discover protein networks associated with other common diseases as well as to continue to fund internal research projects. There can be no assurance that the Company will be able to enter into additional collaborative relationships on terms acceptable to the Company. The Company expects to incur losses for at least the next several years, primarily due to expansion of its research and development programs, expansion of its drug discovery efforts, increased staffing costs and expansion of its facilities. Additionally, the Company expects to incur substantial sales, marketing and other expenses in connection with building its molecular diagnostic business. The Company expects that losses will fluctuate from quarter to quarter and that such fluctuations may be substantial.

Results of Operations for the Three Months Ended December 31, 1999 and 1998

Research revenues for the quarter ended December 31, 1999 were \$6,255,872 as compared to \$4,536,512 for the same quarter of 1998. The increase in research revenue is primarily attributable to revenue recognized from the NADII collaboration which began in July 1999. Research revenue from the research collaboration agreements is recognized as related costs are incurred. Consequently, as these programs progress and costs increase or decrease, revenues increase or decrease proportionately.

Molecular diagnostic revenues of \$2,023,871 were recognized in the quarter ended December 31, 1999, an increase of 67% or \$812,912 over the same quarter of the prior year. Molecular diagnostic revenue is comprised of sales of molecular diagnostic tests. The Company's sales and marketing efforts since that time have given rise to the increased revenues for the quarter ended December 1999. There can be no assurance, however, that molecular diagnostic revenues will continue to increase at the historical rate.

Research and development expenses for the quarter ended December 31, 1999 were \$6,205,468 as compared to \$5,681,806 for the same quarter of 1998. This increase was primarily due to an increase in research activities as a result of the Company's recent collaboration with NADII. The increased level of research spending also includes the ongoing drug discovery efforts of Myriad Pharmaceuticals, a wholly-owned subsidiary, continuing development and utilization of ProNet, and third-party sponsored research programs.

Selling, general and administrative expenses for the quarter ended December 31, 1999 were \$3,353,944 as compared to \$2,760,301 for the same quarter of 1998. The increase was primarily attributable to costs associated with expansion of the Company's sales force and start-up expenses for the sales staff including recruiting, training, and sales supplies. The Company has also incurred increased expenses for its ongoing promotion of its molecular diagnostic business and the filing of patent applications both domestically and abroad. The Company expects its selling, general and administrative expenses will continue to fluctuate as needed in support of its molecular diagnostic business and its research and drug development efforts.

Cash, cash equivalents, and marketable investment securities were \$60,042,507 at December 31, 1999 as compared to \$47,410,710 at December 31, 1998. This increase in cash and investments is primarily attributable to the private

sale of approximately \$10,000,000 worth of the Company's Common Stock, as well as the receipt of advance payments from the Company's collaborators. These cash receipts were offset by expenditures incurred in the ordinary course of business. As a result of the Company's increased cash position, the Company's interest income for the quarter ended December 31, 1999 was \$736,664 as compared to \$579,471 for the same quarter of 1998. Interest expense for the quarter ended December 31, 1998, amounting to \$3,908, was due entirely to borrowings under the Company's equipment financing facility. The loss on sale of assets of \$344,989 in the quarter ended December 31, 1999 is the result of the Company retiring an unproductive asset.

Results of Operations for the Six Months Ended December 31, 1999 and 1998

Research revenues for the six months ended December 31, 1999 were \$11,503,517 as compared to \$9,183,028 for the same period of 1998. The increase in research revenue is primarily attributable to revenue recognized from the NADII collaboration which began in July 1999. Research revenue from the research collaboration agreements is recognized as related costs are incurred. Consequently, as these programs progress and costs increase or decrease, revenues increase or decrease proportionately.

Molecular diagnostic revenues of \$3,638,157 were recognized in the six months ended December 31, 1999, an increase of \$1,513,728 over the same six month period of 1998. Molecular diagnostic revenue is comprised of sales of diagnostic tests. The Company's sales and marketing efforts have given rise to the increased revenues for the six months ended December 1999. There can be no assurance, however that molecular diagnostic revenues will continue to increase at the historical rate.

Research and development expenses for the six months ended December 31, 1999 were \$11,992,270 as compared to \$11,499,295 for the prior year. This increase was primarily due to an increase in research activities as a result of the Company's recent collaboration with NADII. The increased level of research spending also includes the ongoing drug discovery efforts of Myriad Pharmaceuticals, a wholly-owned subsidiary, continuing development and utilization of ProNet, and third-party sponsored research programs.

Selling, general and administrative expenses for the six months ended December 31, 1999 were \$6,375,930 as compared to \$5,315,717 for the prior year. The increase was primarily attributable to costs associated with expansion of the Company's sales force and start-up expenses for the sales staff including recruiting, training, and sales supplies. The Company has also incurred increased expenses for its ongoing promotion of its molecular diagnostic business and the filing of patent applications both domestically and abroad. During the six months ended December 31, 1999, the Company also wrote off an intangible asset resulting in a one-time expense of \$344,531. The Company expects its selling, general and administrative expenses will continue to fluctuate as needed in support of its molecular diagnostic business and its research and drug development efforts.

Cash, cash equivalents, and marketable investment securities were \$60,042,507 at December 31, 1999 as compared to \$47,410,710 at December 31, 1998. This increase in cash and investments is primarily attributable to the private sale of approximately \$10,000,000 of Company Common Stock, as well as advance payments received by the company from its collaborators. These cash receipts were offset by expenditures incurred in the ordinary course of business. As a result of the Company's increased cash position, the Company's interest income for the six months ended December 31, 1999 was \$1,310,453 as compared to \$1,275,690 for the six month period ended December 31, 1998. Interest expense for the six months ended December 31, 1998, amounting to \$6,279, was due entirely to borrowings under the Company's equipment financing facility. The loss on disposition of assets of \$360,082 in the six months ended December 31, 1999 is primarily the result of the Company retiring an unproductive asset.

Liquidity and Capital Resources

Net cash provided by operating activities was \$11,493,157 during the six months ended December 31, 1999 as compared to net cash used by operating activities of \$7,570,474 during the same six months of 1998. Trade receivables for the six months ended December 31, 1999 increased by \$510,936, from \$1,396,389 to \$1,907,325. This increase is primarily attributable to the increase in molecular diagnostic revenue for the six month period ended December 31, 1999. Other receivables decreased \$1,742,247, from \$1,855,696 to \$113,449, for the six months ended December 31, 1999 primarily as a result of the receipt of collaborative partner payments for research work

performed in prior periods. Prepaid expenses decreased by \$289,080 during the six months ended December 31, 1999. The decrease is primarily due to advance royalties and insurance premiums being expensed during the six month period. Accounts payable and accrued expenses increased by \$1,071,170 between June 30, 1999 and December 31, 1999 primarily as a result of a large order of laboratory supplies which was received by the Company in December 1999 but not paid for until after December 31, 1999. Deferred revenue, representing the difference in collaborative payments received and research revenue recognized, increased by \$11,966,662, from \$662,760 to \$12,629,422, during the six months ended December 31, 1999 in large part due to an upfront payment by NADII.

The Company's investing activities used cash in the amount of \$440,792 in the six months ended December 31, 1999. Investing activities were comprised primarily of capital expenditures for research equipment, office furniture, and facility improvements and marketable investment securities. During the six month period ended December 31, 1999, the Company shifted a portion of its investment in marketable securities from longer term investments to cash and cash equivalents in order to take advantage of more favorable interest rates.

Financing activities provided \$11,222,686 during the six months ended December 31, 1999. Proceeds were recognized from two separate financings during the period. In September 1999, the Company entered into a Subscription Agreement pursuant to which the Company sold 355,000 shares of the Company's unregistered Common Stock, \$.01 par value per share (the "Shares") for a purchase price of \$4,987,750. The Company has no obligation to register the Shares with the Securities and Exchange Commission. In conjunction with the Subscription Agreement, the Company issued a 3-year warrant to purchase an additional 17,750 Shares at a premium of 10%. In October 1999, the Company entered into a Securities Purchase Agreement and a Standstill Agreement with Schering Berlin to sell to Schering Berlin 303,030 Shares. Schering Berlin agreed to acquire the Shares for an aggregate purchase price of \$5,000,000. Additional cash was provided from the exercise of stock options during the six months ended December 31, 1999.

The Company anticipates that its existing capital resources will be adequate to maintain its current and planned operations for at least the next two years, although no assurance can be given that changes will not occur that would consume available capital resources before such time. The Company's future capital requirements will be substantial and will depend on many factors, including progress of the Company's research and development programs and drug discovery and drug development programs; the cost of developing and launching additional molecular diagnostic tests; results and costs of clinical correlation testing of the Company's molecular diagnostic tests; the costs of filing, prosecuting and enforcing patent claims; competing technological and market developments; payments received under collaborative agreements and changes in collaborative research relationships; the costs associated with potential commercialization of its gene discoveries, if any, including the development of manufacturing, marketing and sales capabilities; the cost and availability of third-party financing for capital expenditures and administrative and legal expenses. Because of the Company's significant long-term capital requirements, the Company intends to raise funds when conditions are favorable, even if it does not have an immediate need for additional capital at such time.

Impact of the Year 2000 Issue

The Year 2000 Issue

The Year 2000 Issue arose because many computer programs use a two-digit format, as opposed to four digits, to indicate the year. Any of the Company's computer programs or other information systems that have time-sensitive software or embedded microcontrollers may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruptions of operations.

State of Readiness

The Company completed its Year 2000 readiness testing in the quarter ended December 31, 1999. Testing was performed on all of the Company's critical systems and any necessary modifications have taken place. Where possible, third-party certification of Year 2000 readiness was obtained on systems purchased by the Company. Third-party systems which were not certified by the supplier were tested internally or upgraded to compliant versions. The Company has received assurances from its significant suppliers and customers that they are Year 2000 ready. The Company has not experienced any significant Year 2000 problems, either before or after December 31, 1999.

Risks of the Year 2000 Issue

The Company is not aware of any Year 2000 compliance problems relating to its information technology or non-information technology systems that would have a material adverse effect on its business. If critical systems fail due to a lack of Year 2000 readiness, or if any of the Company's suppliers or customers do not successfully deal with the Year 2000 Issue, the Year 2000 Issue could have a material impact on the operations of the Company. The Company could experience delays in receiving or sending its molecular diagnostic products that would increase its costs and that could cause the Company to lose business and even customers and could subject the Company to claims for damages. Problems with the Year 2000 Issue could also result in delays in the Company invoicing its molecular diagnostic customers or in the Company receiving payments from them. In addition, the Company's research and development efforts which rely heavily on the storage and retrieval of electronic information could be interrupted resulting in significant delays in discovering genes, the loss of current collaborations, and the impairment of the Company's ability to enter into new collaborations. The severity of these possible problems would depend on the nature of the problem and how quickly it could be corrected or an alternative implemented, which is unknown at this time. In the extreme, such problems could bring the Company to a standstill.

Contingency Plan

As discussed above, the Company has conducted a Year 2000 assessment and has not found it necessary to implement any contingency plans. Contingency plans will be implemented if it appears that the Company or any of its vendors will not be Year 2000 compliant and such noncompliance is expected to have a material adverse impact on the Company's operations. The cost of developing and implementing such plans may itself be material.

Certain Factors That May Affect Future Results of Operations

The Company believes that this report on Form 10-Q contains certain forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties which could cause actual results to differ materially from those described in the forward-looking statements. The Company cautions investors that there can be no assurance that actual results or business conditions will not differ materially from those projected or suggested in such forward-looking statements as a result of various factors, including, but not limited to, the following: the timely implementation by the Company of its plan to prepare its computer systems for the Year 2000, the costs to the Company of such preparation, and the timely conversion by other parties on which the Company's business relies; intense competition related to the discovery of disease-related genes and the possibility that others may discover, and the Company may not be able to gain rights with respect to, genes important to the establishment of a successful molecular diagnostic business; difficulties inherent in developing genetic tests once genes have been discovered; the Company's limited experience in operating a molecular diagnostic laboratory; the Company's limited marketing and sales experience and the risk that tests which the Company has or may develop may not be able to be marketed at acceptable prices or receive commercial acceptance in the markets that the Company is targeting or expects to target; uncertainty as to whether there will exist adequate reimbursement for the Company's services from government, private health care insurers and third-party payors; uncertainties as to the extent of future government regulation of the Company's business; uncertainties as to whether the Company and its collaborators will be successful in developing and obtaining regulatory approval for, and commercial acceptance of, therapeutics based on the discovery of disease-related genes and proteins; uncertainties as to the Company's ability to develop therapeutic lead compounds, which is a new business area for the Company; and the risk that markets will not exist for therapeutic lead compounds that the Company develops or if such markets exist, that the Company will not be able to sell compounds which it develops at acceptable prices. As a result, the Company's future development efforts involve a high degree of risk. For further information, refer to the more specific risks and uncertainties disclosed throughout this Quarterly Report on Form 10-Q.

PART II - Other Information

Item 1. Legal Proceedings.

The Company is not a party to any legal proceedings.

Item 2. Changes in Securities.

(c) Sales of Unregistered Securities

During the three months ended December 31, 1999, the Company issued a total of 25,269 shares of Common Stock to an employee, a director, and consultants of the Company pursuant to the exercise of stock options at a weighted average price of \$1.03 per share. During the same period, the Company issued a total of 1,654 shares of Common Stock to a holder of warrants issued to Trautman Kramer & Company, the placement agent for the Company's 1995 private placement of Series B convertible Preferred Stock, at a weighted average exercise price of \$15.40 per share.

On October 15, 1999, the Company entered into a Securities Purchase Agreement and a Standstill Agreement pursuant to which the Company sold 303,030 Shares for an aggregate purchase price of \$5,000,000. The sale was made to an accredited investor in a private placement that was exempt from registration under Rule 506 of Regulation D of the Securities Act.

No person acted as an underwriter with respect to the transactions set forth above. In each of the foregoing instances, the Company relied on Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act") or Rule 701 promulgated under the Securities Act for the exemption from the registration requirements of the Securities Act, since no public offerings were involved.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Security Holders.

On November 10, 1999, the Company held its Annual Meeting of Shareholders (the "Annual Meeting"). A quorum of 6,089,755 shares of Common Stock of the Company (of a total 9,438,989 outstanding shares, or approximately 64.5%) was represented at the Annual Meeting in person or by proxy, which was held to vote on the following proposals:

1. To elect three members to the Board of Directors. Nominees for Directors were Walter Gilbert, Ph.D., Arthur H. Hayes, Jr., M.D., and John J. Horan.
2. To consider and act upon a proposal to amend the Company's 1992 Employee, Director and Consultant Stock Option Plan to increase, from 2,000,000 to 3,000,000, the aggregate number of shares of Common Stock authorized for issuance thereunder.
3. To consider and act upon a proposal to ratify the appointment of KPMG LLP as the Company's independent public accountants for the fiscal year ending June 30, 2000.

Each of the proposals was adopted, with the vote totals as follows:

Proposal 1:

	FOR	WITHHELD
	-----	-----
Walter Gilbert, Ph.D.	5,910,122	179,633

Arthur H. Hayes, Jr., M.D. 5,541,214 548,541
John J. Horan 5,905,372 184,383

Michael J. Berendt, Ph.D., Alan J. Main, Ph.D., and Dale A. Stringfellow, Ph.D. continue to serve as Directors for terms which expire in 2000 and Peter D. Meldrum and Mark H. Skolnick, Ph.D., continue to serve as Directors for terms which expire in 2001 and until their successors are duly elected and qualified.

Proposal 2:

For	2,752,713
Against	688,040
Abstain	36,043
Broker Non-Vote	2,612,959

Proposal 3:

For	6,070,354
Against	13,801
Abstain	5,600

Item 5. Other Information.

None.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

The following is a list of exhibits filed as part of this Quarterly Report on Form 10-Q.

Exhibit Number	Description
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- 10.1 Master Lease Agreement dated October 25 between Comdisco Laboratory and Scientific Group, a Division of Comdisco Healthcare Group, Inc. and the Company.
- 10.2 Addendum to the Master Lease Agreement dated October 25, 1999 between Comdisco Laboratory and Scientific Group, a Division of Comdisco Healthcare Group, Inc. and the Company.
- 10.3 Amendment No. 1 to the Master Lease Agreement dated October 25, 1999 between Comdisco Laboratory and Scientific Group, a Division of Comdisco Healthcare Group, Inc. and the Company.
- 10.4 Equipment Schedule No. SG01 dated November 10, 1999 to Master Lease Agreement dated October 25, 1999 between Comdisco Laboratory and Scientific Group, a Division of Comdisco Healthcare Group, Inc. and the Company.
- 27.1 Financial Data Schedule

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the quarter ended December 31, 1999.

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 thereunto duly authorized.

MYRIAD GENETICS, INC.

Date: February 14, 1999

By: /s/ Peter D. Meldrum

Peter D. Meldrum
President and Chief Executive Officer

Date: February 14, 1999

/s/ Jay M. Moyes

Jay M. Moyes
Vice President of Finance
(principal financial and accounting officer)

EXHIBIT INDEX

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COMDISCO

MASTER LEASE AGREEMENT

A TECHNOLOGY SERVICES COMPANY

MASTER LEASE AGREEMENT dated as of OCTOBER 25, 1999 by and between COMDISCO LABORATORY AND SCIENTIFIC GROUP, A DIVISION OF COMDISCO HEALTHCARE GROUP, INC. ("Lessor") and MYRIAD GENETICS, INC. ("Lessee").

IN CONSIDERATION of the mutual agreements described below, the parties agree as follows (all capitalized terms are defined in Section 14.12:

1. Property Leased.

Lessor leases to Lessee all of the Equipment described on each Schedule. In the event of a conflict, the terms of a Schedule prevail over this Master Lease.

2. Term.

On the Commencement Date Lessee will be deemed to accept the Equipment, will be bound to its rental obligations for each item of Equipment and the term of a Schedule will begin and continue through the Initial Term and thereafter until terminated by either party upon prior written notice received during the Notice Period. No termination may be effective prior to the expiration of the Initial Term.

3. Rent and Payment.

Rent is due and payable in advance, in immediately available funds, on the first day of each Rent Interval to the payee and at the location specified in Lessor's invoice. Interim Rent is due and payable when invoiced. If any payment is not made when due, Lessee will pay interest at the Overdue Rate.

4. Selection and Warranty and Disclaimer of Warranties.

4.1 Selection. Lessee acknowledges that it has selected the Equipment and disclaims any reliance upon statements made by the Lessor.

4.2 Warranty and Disclaimer of Warranties. Lessor warrants to Lessee that, so long as Lessee is not in default, Lessor will not disturb Lessee's quiet and peaceful possession, and unrestricted use of the Equipment. To the extent permitted by the manufacturer, Lessor assigns to Lessee during the term of the Schedule any manufacturer's warranties for the Equipment. LESSOR MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE MERCHANTABILITY OF THE EQUIPMENT OR ITS FITNESS FOR A PARTICULAR PURPOSE, OR ITS COMPLIANCE WITH GOVERNMENTAL REGULATIONS. Lessor is not responsible for any liability, claim, loss, damage or expense of any kind (including strict liability in tort) caused by the Equipment except for any loss or damage caused by the negligent acts of Lessor. In no event is Lessor responsible for special, incidental or consequential damages.

5. Title and Assignment.

5.1 Title. Lessee holds the Equipment subject and subordinate to the rights of the Owner, Lessor, any Assignee and any Secured Party. Lessee authorizes Lessor, as Lessee's agent, to prepare, execute and file in Lessee's name precautionary Uniform Commercial Code financing statements showing the interest of the Owner, Lessor, and any Assignee or Secured Party in the Equipment and to insert serial numbers in Schedules as appropriate. Except as provided in Sections 5.2 and 7.2, Lessee will, at its expense, keep the Equipment free and clear from any liens or encumbrances of any kind (except any caused by Lessor) and will indemnify and hold Lessor, Owner, any Assignee and Secured Party harmless from and against any loss caused by Lessee's failure to do so.

5.2 Relocation or Sublease. Upon prior written notice, Lessee may relocate the Equipment to any location within the continental United States provided (i) the Equipment will not be used by an entity exempt from federal income tax, (ii) all additional costs (including any administrative fees, additional taxes and insurance coverage) are reconciled and promptly paid by Lessee. Lessee may sublease the Equipment upon the reasonable consent of the Lessor and the Secured Party and provided Lessee meets the requirements under (i) and (ii) above. No relocation or sublease will relieve Lessee from any of its obligations under this Master Lease and the applicable Schedule.

5.3 Assignment by Lessor. The terms and conditions of each Schedule have been fixed by Lessor in order to permit Lessor to sell and/or assign or transfer its interest or grant a security interest in each Schedule and/or the Equipment to a Secured Party or Assignee. In that event the term Lessor will mean the Assignee and any Secured Party. However, any assignment, sale, or other transfer by Lessor will not relieve Lessor of its obligations to Lessee and will not materially change Lessee's duties or materially increase the burdens or risks imposed on Lessee. The Lessee consents to and will acknowledge such assignments in a written notice given to Lessee. Lessee also agrees that:

- (a) The Secured Party will be entitled to exercise all of Lessor's rights, but will not be obligated to perform any of the obligations of Lessor. The Secured Party will not disturb Lessee's quiet and peaceful possession and unrestricted use of the Equipment so long as Lessee is not in default and the Secured Party continues to receive all Rent payable under the Schedule;
- (b) Lessee will pay all Rent and all other amounts payable to the Secured Party, despite any defense or claim which it has against Lessor. Lessee reserves its right to have recourse directly against Lessor for any defense or claim; and
- (c) Subject to and without impairment of Lessee's leasehold rights in the Equipment, Lessee holds the Equipment for the Secured Party to the extent of the Secured Party's rights in that Equipment.

6. Net Lease and Taxes and Fees.

6.1 Net Lease. Each Schedule constitutes a net lease. Lessee's obligation to pay Rent and all other amounts is absolute and unconditional and is not subject to any abatement, reduction, set-off, defense, counterclaim, interruption, deferment or recoupment for any reason whatsoever.

6.2 Taxes and Fees. Lessee will pay when due or reimburse Lessor for all taxes, fees or any other charges (together with any related interest or penalties not arising from the negligence of Lessor) accrued for or arising during the term of each Schedule against Lessor, Lessee or the Equipment by any governmental authority (except only Federal, state and local taxes on the capital or the net income of Lessor). Lessor will file all personal property tax returns for the Equipment and pay all property taxes due. Lessee will reimburse Lessor for property taxes within thirty (30) days of receipt of an invoice.

7. Care, Use and Maintenance, Attachments and Reconfigurations, and Inspection by Lessor.

7.1 Care, Use and Maintenance. Lessee will operate the Equipment in accordance with all laws and regulations and maintain the Equipment in good operating order and appearance, protect the Equipment from deterioration, other than normal wear and tear, and will not use the Equipment for any purpose other than that for which it was designed. If commercially available, Lessee will maintain in force a standard maintenance contract with the manufacturer of the Equipment and upon request will provide Lessor with a complete copy of that contract. With Lessor's prior written consent, Lessee may have the Equipment maintained by a party other than the manufacturer. Lessee agrees to pay any costs necessary for the manufacturer to bring the Equipment to then current release, revision and engineering change levels, and to re-certify the Equipment as eligible for manufacturer's maintenance at the expiration of the lease term. The lease term will continue upon the same terms and conditions until recertification has been obtained.

7.2 Attachments and Reconfigurations. Upon Lessor's prior written consent, Lessee may reconfigure and install Attachments on the Equipment. In the event of such a Reconfiguration or Attachment, Lessee shall, upon return of the Equipment, at its expense, restore the Equipment to the original configuration specified on the Schedule in accordance with the manufacturer's specifications and in the same operating order, repair and appearance as when installed (normal wear and tear excluded). Alternatively, with Lessors prior written consent which will not be unreasonably withheld, Lessee may return the Equipment with any Attachment or upgrade.

7.3 Inspection by Lessor. Upon request, Lessee, during reasonable business hours and subject to Lessee's security requirements, will make the Equipment and its related log and maintenance records, instruction manuals, published statements of capabilities and technical specifications and certification, qualification and calibration reports available to Lessor for inspection.

8. Representations and Warranties of Lessee.

Lessee represents and warrants that for the Master Lease and each Schedule:

- (a) The execution, delivery and performance of the Lessee have been duly authorized by all necessary corporate action;
- (b) The individual executing was duly authorized to do so;
- (c) The Master Lease and each Schedule constitute legal, valid and binding agreements of the Lessee enforceable in accordance with their terms;
- (d) The Equipment is personal property and when subjected to use by the Lessee will not be or become fixtures under applicable law; and
- (e) The Equipment will be for laboratory use only and will not be used in a clinical environment on patients.

9. Delivery and Return of Equipment.

Lessee assumes the full expense of transportation of the Equipment to its initial location, installation, deinstallation, and return to a location within the continental United States (including without limitation the expense of in-transit insurance) all pursuant to Lessor's instructions and manufacturer's specifications. Regarding deinstallation, Lessee will assure that the Equipment is deinstalled by the manufacturer in accordance with the manufacturer's recommended procedures and decontaminated for transport in accordance with any Environmental Law, and returned with a Verification of Decontamination in the same operating order, repair, condition and appearance as when originally installed (less normal wear and tear and depreciation) meeting all original equipment manufacturer's specifications for continued manufacturer's maintenance, and accompanied by all associated documents, manuals (including, but not limited to, those listed in Section 7.3), spare parts and accessories and maintenance records for the duration of the Schedule. In connection with deinstallation, Lessee will assure that any Contaminant removed from the Equipment will be removed and transported by a licensed waste removal transporter.

10. Labeling.

Upon request, Lessee will mark the Equipment indicating Lessors interest. Lessee will keep all Equipment free from any other marking or labeling which might be interpreted as a claim of ownership.

11. Indemnity.

Lessee will indemnify and hold Lessor, its parent company, any Assignee and any Secured Party harmless from and against any and all claims, costs, expenses, damages and liabilities, including reasonable attorneys' fees, arising out of the ownership (for strict liability in tort only), selection, possession, leasing, operation, control, use, maintenance, delivery, return or other disposition of the Equipment. However, Lessee is not responsible to a party indemnified hereunder for any claims, costs, expenses, damages and liabilities occasioned by the negligent acts of such indemnified party. Lessee agrees to carry death, bodily injury and property damage liability insurance during the term of the Master Lease in amounts and against risks customarily insured against by the Lessee on similar equipment owned by it. Any amounts received by Lessor under that insurance will be credited against Lessee's obligations under this Section.

12. Risk of Loss.

Effective upon delivery and until the Equipment is returned, Lessee relieves Lessor of responsibility for all risks of physical damage to or loss or destruction of the Equipment. Lessee will carry casualty insurance for each item of Equipment in an amount

not less than the Casualty Value. All policies for such insurance will name the Lessor and any Secured Party as additional insured and as loss payee, and will provide for at least thirty (30) days prior written notice to the Lessor of cancellation or expiration. The Lessee will furnish appropriate evidence of such insurance. Lessee shall promptly repair any damaged item of Equipment unless such Equipment has suffered a Casualty Loss. Within fifteen (15) days of a Casualty Loss, Lessee will provide written notice of that loss to Lessor and Lessee will, at Lessors option, either (a) replace the item of Equipment with Like Equipment and marketable title to the Like Equipment will automatically vest in Lessor or (b) pay the Casualty Value and after that payment and the payment of all other amounts due and owing, Lessee's obligation to pay further Rent for the item of Equipment will cease.

13. Default, Remedies and Mitigation.

13.1 Default. The occurrence of any one or more of the following Events of Default constitutes a default under a Schedule:

- (a) Lessee's failure to pay Rent or other amounts payable by Lessee when due if that failure continues for ten (10) days after written notice; or
- (b) Lessee's failure to perform any other term or condition of the Schedule or the material inaccuracy of any representation or warranty made by the Lessee in the Schedule or in any document or certificate furnished to the Lessor hereunder if that failure or inaccuracy continues for fifteen (15) days after written notice; or
- (c) An assignment by Lessee for the benefit of its creditors, the failure by Lessee to pay its debts when due, the insolvency of Lessee, the filing by Lessee or the filing against Lessee of any petition under any bankruptcy or insolvency law or for the appointment of a trustee or other officer with similar powers, the adjudication of Lessee as insolvent, the liquidation of Lessee, or the taking of any action for the purpose of the foregoing; or
- (d) The occurrence of an Event of Default under any Schedule or other agreement between Lessee and Lessor or its Assignee or Secured Party.

13.2 Remedies. Upon the occurrence of any of the above Events of Default, Lessor, at its option, may:

- (a) enforce Lessee's performance of the provisions of the applicable Schedule by appropriate court action in law or in equity;
- (b) recover from Lessee any damages and or expenses, including Default Costs;
- (c) with notice and demand, recover all sums due and accelerate and recover the present value of the remaining payment stream of all Rent due under the defaulted Schedule (discounted at the same rate of interest at which such defaulted Schedule was discounted with a Secured Party plus any prepayment fees charged to Lessor by the Secured Party or, if there is no Secured Party, then discounted at 6%) together with all Rent and other amounts currently due as liquidated damages and not as a penalty;
- (d) with notice and process of law and in compliance with Lessee's security requirements, Lessor may enter on Lessee's premises to remove and repossess the Equipment without being liable to Lessee for damages due to the repossession, except those resulting from Lessors, its assignees', agents' or representatives' negligence; and
- (e) pursue any other remedy permitted by law or equity.

The above remedies, in Lessor's discretion and to the extent permitted by law, are cumulative and may be exercised successively or concurrently.

13.3 Mitigation. Upon return of the Equipment pursuant to the terms of Section 13.2, Lessor will use its best efforts in accordance with its normal business procedures (and without obligation to give any priority to such Equipment) to mitigate Lessors damages as described below. EXCEPT AS SET FORTH IN THIS SECTION, LESSEE HEREBY WAIVES ANY RIGHTS NOW OR HEREAFTER CONFERRED BY STATUTE OR OTHERWISE WHICH MAY REQUIRE LESSOR TO MITIGATE ITS DAMAGES OR MODIFY ANY OF LESSOR'S RIGHTS OR REMEDIES STATED HEREIN. Lessor may sell, lease or otherwise dispose of all or any part of the Equipment at a public or private sale for cash or credit with the privilege of purchasing

the Equipment. The proceeds from any sale, lease or other disposition of the Equipment are defined as either:

- (a) if sold or otherwise disposed of, the cash proceeds less the Fair Market Value of the Equipment at the expiration of the Initial Term less the Default Costs; or
- (b) if leased, the present value (discounted at three points over the prime rate as referenced in the Wall Street Journal at the time of the mitigation) of the rentals for a term not to exceed the Initial Term, less the Default Costs.

Any proceeds will be applied against liquidated damages and any other sums due to Lessor from Lessee. However, Lessee is liable to Lessor for, and Lessor may recover, the amount by which the proceeds are less than the liquidated damages and other sums due to Lessor from Lessee.

14. Additional Provisions.

14.1 Entire Agreement. This Master Lease and associated Schedules supersede all other oral or written agreements or understandings between the parties concerning the Equipment including, for example, purchase orders. ANY AMENDMENT OF THIS MASTER LEASE OR A SCHEDULE, MAY ONLY BE ACCOMPLISHED BY A WRITING SIGNED BY THE PARTY AGAINST WHOM THE AMENDMENT IS SOUGHT TO BE ENFORCED.

14.2 No Waiver. No action taken by Lessor or Lessee shall be deemed to constitute a waiver of compliance with any representation, warranty or covenant contained in this Master Lease or a Schedule. The waiver by Lessor or Lessee of a breach of any provision of this Master Lease or a Schedule will not operate or be construed as a waiver of any subsequent breach.

14.3 Binding Nature. Each Schedule is binding upon, and inures to the benefit of Lessor and its assigns. LESSEE MAY NOT ASSIGN ITS RIGHTS OR OBLIGATIONS.

14.4 Survival of Obligations. All agreements, obligations including, but not limited to those arising under Section 6.2, representations and warranties contained in this Master Lease, any Schedule or in any document delivered in connection with those agreements are for the benefit of Lessor and any Assignee or Secured Party and survive the execution, delivery, expiration or termination of this Master Lease.

14.5 Notices. Any notice, request or other communication to either party by the other will be given in writing and deemed received upon the earlier of actual receipt or three days after mailing if mailed postage prepaid by regular or airmail to Lessor (to the attention of "Lease Administrator") or Lessee, at the address set out in the Schedule or, one day after it is sent by courier or facsimile transmission if receipt is verified by the receiving party.

14.6 Applicable Law. THIS MASTER LEASE HAS BEEN, AND EACH SCHEDULE WILL HAVE BEEN MADE, EXECUTED AND DELIVERED IN THE STATE OF ILLINOIS AND WILL BE GOVERNED AND CONSTRUED FOR ALL PURPOSES IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS WITHOUT GIVING EFFECT TO CONFLICT OF LAW PROVISIONS. NO RIGHTS OR REMEDIES REFERRED TO IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE WILL BE CONFERRED ON LESSEE UNLESS EXPRESSLY GRANTED IN THIS MASTER LEASE OR A SCHEDULE.

14.7 Severability. If any one or more of the provisions of this Master Lease or any Schedule is for any reason held invalid, illegal or unenforceable, the remaining provisions of this Master Lease and any such Schedule will be unimpaired, and the invalid, illegal or unenforceable provision replaced by a mutually acceptable valid, legal and enforceable provision that is closest to the original intention of the parties.

14.8 Counterparts. This Master Lease and any Schedule may be executed in any number of counterparts, each of which will be deemed an original, but all such counterparts together constitute one and the same instrument. If Lessor grants a security interest in all or any part of a Schedule, the Equipment or sums payable thereunder, only that counterpart Schedule marked "Secured Party's Original" can transfer Lessor's rights and all other counterparts will be marked "Duplicate".

14.9 Licensed Products. Lessee shall obtain no title to Licensed Products which will at all times remain the property of the

owner of the Licensed Products. A license from the owner may be required and it is Lessee's responsibility to obtain any required license before the use of the Licensed Products. Lessee agrees to treat the Licensed Products as confidential information of the owner, to observe all copyright restrictions, and not to reproduce or sell the Licensed Products.

14.10 Additional Documents. Lessee will, upon execution of this Master Lease and as may be requested thereafter, provide Lessor with a secretary's certificate of incumbency and authority and any other documents reasonably requested by Lessor. Upon the execution of each Schedule with an aggregate Rent in excess of \$2,000,000, Lessee will provide Lessor with an opinion from Lessee's counsel regarding the representations and warranties in Section 8. Lessee will furnish, upon request, audited financial statements for the most recent period.

14.11 Electronic Communications. Each of the parties may communicate with the other by electronic means under mutually agreeable terms.

14.12 Definitions.

Assignee - means an entity to whom Lessor has sold or assigned its rights as owner and Lessor of Equipment.

Attachment - means any accessory, equipment or device and the installation thereof that does not impair the original function or use of the Equipment and is capable of being removed without causing material damage to the Equipment and is not an accession to the Equipment.

Casualty Loss - means the irreparable loss or destruction of Equipment.

Casualty Value - means the amount equal to the present value of the aggregate Rent remaining for the balance of the current term, plus the present value of the Fair Market Value (determined as of the expiration of the current term) of Like Equipment computed using an interest rate equal to the rate for Treasury Securities having a comparable term to the current term. However, if a Casualty Value Table is attached to the relevant Schedule its terms will control.

Commencement Certificate - means the Lessor provided certificate which must be signed by Lessee within ten days of the Commencement Date as requested by Lessor.

Commencement Date - is defined in each Schedule.

Contaminant - means those substances which are regulated by or form the basis of liability under any Environmental Law, including without limitation, asbestos, polychlorinated biphenyls ("PCB"), and radioactive substances, or other material or substance which has in the past or could in the future constitute a health, safety or environmental hazard to any person, property or natural resources.

Default Costs - means reasonable attorney's fees and remarketing costs resulting from a Lessee default or Lessor's enforcement of its remedies.

Environmental Law - means any federal, foreign, state or local law, rule or regulation pertaining to the protection of the environment, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") (42 U.S.C. Section 9601 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), the Toxic Substances Control Act (15 O.S.C. 2601 et seq.), the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. 1361 et seq.), and the Occupational Safety and Health Act (10 U.S.C. 651 et seq.), as these laws have been amended or supplemented, and any analogous foreign, state or local statutes, and the regulations promulgated pursuant thereto.

Equipment - means the property described on a Schedule and any replacement for that property required or permitted by this Master Lease or a Schedule but not including any Attachment.

Event of Default - means the events described in Subsection 13.1.

Fair Market Value - means the aggregate amount which would be obtainable in an arms-length transaction between an informed

and willing buyer/user purchasing the Equipment in place for its originally intended use and an informed and willing seller under no compulsion to sell.

Initial Term - means the period of time beginning on the first day of the first full Rent Interval following the Commencement Date for all items of Equipment and continuing for the number of Rent Intervals indicated on a Schedule.

Installation Date - means the day on which the Equipment is installed and qualified for a commercially available manufacturer's standard maintenance contract or warranty coverage, if available.

Interim Rent - means the pro-rata portion of Rent due for the period from the Commencement Date through but not including the first day of the first full Rent Interval included in the Initial Term.

Licensed Products - means any software or other licensed products attached to the Equipment.

Like Equipment - means replacement Equipment which is lien free and of the same model, type, configuration and manufacture as Equipment.

Notice Period - means the time period described in a Schedule during which Lessee may give Lessor notice of the termination of the term of that Schedule.

Overdue Rate - means the lesser of 18% per year or the maximum rate permitted by the law of the state where the Equipment is located.

Owner - means the owner of Equipment.

Reconfiguration - means any change to Equipment that would upgrade or downgrade the performance capabilities of the Equipment in any way.

Rent - means the rent, including Interim Rent, Lessee will pay for each item of Equipment expressed in a Schedule either as a specific amount or an amount equal to the amount which Lessor pays for an item of Equipment multiplied by a lease rate factor plus all other amounts due to Lessor under this Master Lease or a Schedule.

Rent Interval - means a full calendar month or quarter as indicated on a Schedule.

Schedule - means an Equipment Schedule which incorporates all of the terms and conditions of this Master Lease and, for purposes of Section 14.8, its associated Commencement Certificate(s).

Secured Party - means an entity to whom Lessor has granted a security interest in a Schedule and related Equipment for the purpose of securing a loan.

Verification of Decontamination - means a letter from the party performing the decontamination, stating that it is properly licensed to perform the decontamination and that an actual decontamination and disposal of Contaminants was completed in accordance with the manufacturer's specifications and procedures and all applicable governmental rules and regulations including but not limited to all Environmental Laws.

IN WITNESS WHEREOF, the parties hereto have executed this Master Lease on or as of the day and year first above written.

MYRIAD GENETICS, INC
as lessee

COMDISCO LABORATORY AND SCIENTIFIC GROUP
A DIVISION OF COMDISCO HEALTHCARE GROUP,
INC. As Lessor

By: /s/ Jay M. Moyes

Title: C.F.O.

By: /s/ Doug Berman

Title: Credit Manager

ADDENDUM DATED AS OF OCTOBER 25, 1999
 TO THE MASTER LEASE AGREEMENT DATED AS OF OCTOBER 25, 1999
 BETWEEN MYRIAD GENETICS, INC. ("LESSEE")
 AND COMDISCO LABORATORY AND SCIENTIFIC GROUP, A DIVISION OF
 COMDISCO HEALTHCARE GROUP, INC. ("LESSOR")

The terms and conditions of this Addendum shall be incorporated into the Master Lease Agreement and supersedes the Master Lease Agreement to the extent expressly provided herein. Each capitalized terms used herein and not otherwise defined shall have the same meaning attributed to it in the Master Lease Agreement.

The terms and conditions of the following sections of the Master Lease Agreement are hereby modified:

1. SECTION 5, TITLE AND ASSIGNMENT

In subsection 5.3, line 8, delete the word "The" and insert the words "Subject to the foregoing,". The penultimate sentence of the first paragraph of subsection 5.3 is revised to read as follows: "However, the mere act of assignment, sale or other transfer by Lessor will not relieve Lessor of its obligations to Lessee under the applicable Schedule and will not result in a material change in Lessee's duties nor a material increase in the burdens or risks imposed on Lessee."

2. SECTION 6, NET LEASE AND TAXES

In subsection 6.2, in line 1, delete the words "or reimburse Lessor" and insert the words "and indemnify and hold Lessor harmless from and against". Delete the last two sentences in their entirety and replace with the following: "Lessee will, for the entire lease term of each Schedule, file all personal property tax returns for the Equipment and pay all property taxes when due. Lessee will forward copies of such tax returns to Lessor at the time of filing such tax returns and will give Lessor evidence of payment of such taxes."

3. SECTION 7, CARE, USE AND MAINTENANCE, ATTACHMENTS AND RECONFIGURATIONS, AND

INSPECTION BY LESSOR

In subsection 7.1, delete the fourth and fifth sentences in their entirety and replace with the following: "Lessee agrees to return the Equipment at the end of the lease term with the manufacturer's then current release, revisions and engineering change levels (not including Attachments) that are ordinarily provided to an end-user/lessee at no cost under the manufacturer's standard maintenance agreement."

4. SECTION 8, REPRESENTATIONS AND WARRANTIES OF LESSEE

Paragraph (e) is revised to read as follows: "The Equipment will be used for general laboratory use only for screening purposes, but will not be used directly on patients."

5. SECTION 9, DELIVERY AND RETURN OF EQUIPMENT

In line 6, after the word "manufacturer" insert the words "or qualified third party".

6. SECTION 11, INDEMNITY

In line 9, delete the word "death,".

7. SECTION 14, ADDITIONAL PROVISIONS

A. In subsection 14.4, line 2, after the words "Section 6.2" insert the words "and Sections 4, 5, 7, 9, 11, 12, 14, plus". In line 6, after the word "Lease" insert the words "for a period of time sufficient to cover any applicable statute of limitations". Add the following sentence at the end of this subsection: "Notwithstanding the foregoing, Lessee's obligations to pay Rent shall terminate following expiration or

termination of the Initial Term or any extension thereof so long as Lessee has fully performed its obligations under the applicable Schedule."

- B. In subsection 14.6, lines 3 and 5, delete the word "ILLINOIS" and insert the word "UTAH".
- C. In subsection 14.10, line 6, after the word "Lessee's" insert the word "in-house".
- D. In subsection 14.12, in the definition of "Environmental Law", line 1 before the word "foreign" insert the word "pertinent". In line 10, before the word "foreign" insert the word "applicable".

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed by their authorized representatives as of the date and year set forth below.

ACCEPTED AND AGREED TO:

Myriad Genetics, Inc.

Comdisco Laboratory and Scientific Group,
A Division of Comdisco Healthcare Group, Inc.

By: /s/ Jay M. Moyes

By: /s/ Doug Berman

Printed Name: Jay M. Moyes

Printed Name: Doug Berman

Title: C.F.O.

Title: Credit Manager

Date: 11/16/99

Date: 11/21/99

AMENDMENT NO. 1 TO MASTER LEASE AGREEMENT DATED OCTOBER 25, 1999 (the "Lease")
BY AND BETWEEN MYRIAD GENETICS, INC. ("Lessee")
AND COMDISCO LABORATORY AND SCIENTIFIC GROUP,
A DIVISION OF COMDISCO HEALTHCARE GROUP, INC. ("Lessor")

WHEREAS, Lessor and Lessee desire to enter into the Lease; and

WHEREAS, Lessor and Lessee desire to amend certain provisions of the Lease as hereafter provided; and

WHEREAS, the Amendment shall be deemed to have been entered into contemporaneously with and integrated into the terms and conditions of the Lease.

NOW THEREFORE, for good and valuable consideration, Lessor and Lessee hereby agree to amend the Lease as follows:

1. Lessee agrees to maintain a financial status of all of the following during the term of the Lease and any extension or renewal thereof:

- a. Current ratio of no less than 1.5:1;
- b. Tangible net worth of not less than \$15,000,000.00;
- c. Cash and Marketable Securities (including long-term) of not less than \$15,000,000.00;
- d. Total liabilities to tangible net worth not to exceed .75:1.
- e. For purposes of this Agreement, Deferred Revenue is not included as debt and Convertible Debt is treated as equity and not as debt.

2. In addition, Lessee agrees to provide Lessor with quarterly financial statements within forty-five (45) days after the end of each fiscal quarter and audited annual financial statements within one hundred twenty (120) days of the end of each fiscal year.

3. Failure of Lessee to maintain any one of the above at any time during the Lease term and any extension or renewal thereof or the failure to make any payment due under the Lease is an Event of Default under the Lease which Lessee must, within twenty (20) days following notice from Comdisco, provide a Letter of Credit from a bank acceptable to Lessor for one hundred percent (100%) of all rent then due or to become due under the lease as of the date of the default. Along with the Letter of Credit, Lessee shall also execute a Letter of Credit Agreement with Lessor. The Letter of Credit and Letter of Credit Agreement shall be in a form substantially similar to Exhibits A & B attached and incorporated herein.

4. Lessor shall also be entitled to any or all remedies or actions in the event of default, as provided in the Lease, and this Amendment shall not be construed to limit Lessor's rights in any way.

Except as set out herein, Lessor and Lessee hereby agree that the terms and conditions of the Lease shall remain in full force and effect as entered into by the parties on or prior to the date hereof.

MYRIAD GENETICS, INC.
as Lessee
By: /s/ Jay M. Moyes

COMDISCO LABORATORY AND SCIENTIFIC GROUP,
A DIVISION OF COMDISCO HEALTHCARE GROUP, INC.
as Lessor
By: /s/ Doug Berman

Title: C.F.O.

Title: Credit Manager

Date: 11/16/99

Date: 11/21/99

EQUIPMENT SCHEDULE NO. SG01

DATED AS OF NOVEMBER 10, 1999,

TO MASTER LEASE AGREEMENT DATED AS OF OCTOBER 25, 1999 ("Master Lease")

LESSEE: MYRIAD GENETICS, INC. LESSOR: COMDISCO LABORATORY AND SCIENTIFIC GROUP, A DIVISION OF COMDISCO HEALTHCARE GROUP, INC.

Address for Legal Notices: -----

320 Wakara Way Salt Lake City, Utah 84108

Attn: Corporate Secretary

Address for Administrative Correspondence: -----

320 Wakara Way Salt Lake City, Utah 84108

Attn: Mr. Jay Moyes Phone: 801-584-3633 Fax: 801-584-3640

Location of Equipment:

320 Wakara Way Salt Lake City, Utah 84108

Attn: Mr. Jim Evans Phone: 801-584-3672

Address for All Notices: -----

6111 North River Road Rosemont, Illinois 60018

Attn: Contracts Administration

Address for Invoices: -----

320 Wakara Way Salt Lake City, Utah 84108

Attn: Ms. Tina Frisby

Lessee Reference No: -----

(24 digits maximum)

Initial Term/ Rent Interval: 16 Quarters -----

Lease Rate Factor: .066921 -----

Estimated Rent: \$421,315.08 -----

EQUIPMENT (as defined below): -----

Item No.	Qty.	Mfg.	Machine Type	Model/ Feature	Description	Serial Number
---	---	---	---	---	-----	-----

SEE ATTACHMENT A

Notice Period: The Notice Period will be not less than one hundred eighty (180) days nor more than twelve (12) months prior to the expiration of the Initial Term, or any extension thereof. If Lessee gives proper written notice of termination but fails to return the Equipment on the expiration date of the Initial Term, or any extension thereof, the Schedule will continue in full force and effect and Lessee will be required to provide an additional sixty (60) days written notice of termination. Such termination will be effective at the end of the quarter in which the last day of the sixty (60) day notice requirement occurs. The Rent will continue at the current rate until the effective date of written notice of termination and the Equipment is properly returned.

Special Terms: The following additional terms are a part of this Equipment Schedule. The terms and conditions of the Master Lease Agreement as they pertain to this Equipment Schedule are modified and amended as follows:

Master Lease Modifications

7. Section 7.1, "Care, Use and Maintenance"

Delete this subsection in its entirety and replace with the following:

"Lessee will, at its sole expense, maintain each unit of Equipment in good operating order and repair, normal wear and tear excepted. Lessee shall also maintain the Equipment in accordance with manufacturer's recommendations. Lessee shall make all alterations or modifications required to comply with any applicable law, rule or regulation during the term of the Schedule. Lessee agrees to return the Equipment at the end of the lease term with the manufacturer's then current release, revisions and engineering change levels (not including Attachments) that are ordinarily provided to an end-user/lessee at no cost under the manufacturer's standard maintenance agreement. Lessee agrees that upon return of the Equipment, it will comply with all original manufacturer's performance specifications for new Equipment without expense to Lessor. Lessee shall, if requested by Lessor, obtain a certificate or service report from the manufacturer attesting to such condition."

7. Section 9, "Delivery and Return of Equipment"

Delete the second and third sentences in their entirety and replace with the following:

"At the expiration or termination of the Schedule, Lessee shall perform any testing and repairs required to place the units of Equipment in the same condition and appearance as when received by Lessee (reasonable wear and tear excepted) and in good working order for the original intended purpose of the Equipment. If required the units of Equipment shall be deinstalled, disassembled and crated by an authorized manufacturer's representative or such other service person as is reasonably satisfactory to Lessor. All Equipment will be cleaned, cosmetically acceptable, and in such condition as to be immediately installed into use in a similar environment for which the Equipment was originally intended to be used. All Contaminants must be removed from the Equipment and disposed of in accordance with then current waste disposal laws. The Equipment will be returned to Lessor accompanied by all associated documents, manuals (including, but not limited to, those listed in Section 7.3) spare parts and accessories, current release, revision and engineering change levels of the manufacturer, and maintenance records for the duration of the Schedule.

Upon the expiration or termination of the Schedule, but in no event more than ninety (90) days prior to the expiration or termination of the Schedule, Lessee shall, at its expense:

7. cause the manufacturer's representative or qualified equipment maintenance provider, acceptable to Lessor, (the "Authorized Inspector") to perform a comprehensive physical inspection, including testing all material and workmanship of the Equipment and ensure all Equipment and Equipment operations conform to all applicable local, state, and federal laws, health and safety guidelines including the then current FDA regulations; and if during such inspection, examination and test, the Authorized Inspector finds any of the material or workmanship to be defective or the Equipment not operating within manufacturer's specifications and the then current FDA regulations, then Lessee shall repair or replace such defective material and, after corrective measures are completed, Lessee will provide for a follow-up inspection of the Equipment by the Authorized Inspector as outlined in the preceding clause;

- 7. have each item of Equipment returned with an in-depth field service report detailing said inspection as outlined in Section (a) above. The report shall certify that the Equipment has been properly inspected, examined and tested and is operating within the manufacturer's specifications;
- 7. (C)ensure all items of Equipment will be completely free of Contaminants upon return to Lessor;
- (d) have the Equipment returned with a certificate supplied by the manufacturer's representative qualifying the Equipment to be in good condition and to be eligible for the manufacturer's maintenance plan.

1. Commencement Date and Purchase/Leaseback (Installed Equipment)

The Commencement Date will be the date Lessor tenders payment of the purchase price for the Equipment. The Initial Term will begin on the first day of the calendar quarter following the Commencement Date for all items of Equipment. The Rent is computed and this Schedule is contingent upon Lessor purchasing the Equipment for an aggregate amount of approximately \$6,295,708.07 pursuant to satisfactory purchase documentation. Lessee acknowledges that it has either received or approved Lessor's purchase documentation for the Equipment. If the cost or configuration of the Equipment changes, Lessor may adjust the Lease Rate Factors for any additional costs or expenses resulting from those changes.

7. Interest Rate Adjustment

In the event the Commencement Date for all items of Equipment to be leased hereunder is after September 30, 1999, the following will apply. The Lease Rate Factors set forth in this Schedule have been calculated, in part, based on the 4-year U.S. Treasury Constant Maturity of 5.77% as set forth in the Federal Reserve Statistical Release H.15 ("Treasury Rate"). If on the last Commencement Date for all items of Equipment to be leased hereunder, there is a change in Treasury Rate in excess of 10 basis points, the effective lease rate of 3.71% will be adjusted one basis point for each basis point change in the Treasury Rate. Additionally, if there is an adverse change in Lessee's credit standing prior to the Commencement Date for all items of Equipment to be leased hereunder, the Lease Rate Factors may be adjusted accordingly.

7. Equipment Procurement Charges (Progress Payments-Lease Rate Factor)

Because items of Equipment will be delivered to Lessee prior to the Commencement Date, progress payments will be required to be paid to the vendor prior to the Commencement Date ("Progress Payments"). With respect to any items of Equipment delivered prior to the Commencement Date, all terms and conditions of this Equipment Schedule will be applicable except the Lessee's rental obligations. However, Lessee agrees to pay Lessor "Equipment Procurement Charges" equal to a daily lease rate factor of .000744 multiplied by the aggregate of the Progress Payments paid by Lessor for each day from the date Progress Payments are made until the Commencement Date. Accrued Equipment Procurement Charges are payable when invoiced.

If the Commencement Date occurs after the Outside Date, the daily lease rate factor applicable from the Outside Date until the Commencement Date will be equal to .000744. If Lessee rejects the Equipment prior to the Commencement Date pursuant to the purchase agreement with the Equipment vendor or if Lessee is in default of this Equipment Schedule, then this Equipment Schedule will terminate and Lessee will (i) reimburse Lessor for all amounts paid by Lessor for the purchase of the Equipment and (ii) pay all Equipment Procurement Charges due through the date of termination. Upon payment of all amounts due and owing by Lessee, Lessor will transfer to Lessee all of Lessor's interest in the Equipment and under any purchase agreement.

7. General Upgrade Provision

If Lessee is not in default, and assuming all required third party consents are obtained, Lessor will, on Lessee's request enter into negotiation of a contract in which Lessor would on mutually agreeable terms and conditions, lease to Lessee standard feature and/or equipment model upgrades to the Equipment offered either by the Equipment manufacturer or by another manufacturer.

7. Renewal Option (Fair Market Rental Value)

So long as no Event of Default shall have occurred, Lessee shall have the right to extend the Initial Term of this Schedule by giving Lessor at least one hundred eighty (180) days written notice prior to the expiration of the Initial Term, provided, however, this Schedule shall continue in effect following the extended period until terminated by either party upon not less than one hundred eighty (180) days prior written notice, which notice shall be effective the first of the month following receipt. The rent required to be paid during the extended period shall be based on the Fair Market Rental Value of the Equipment. Unless otherwise agreed in writing between the parties, this option shall not apply to add-ons or upgrades to the Equipment leased hereunder. Fair Market Rental Value shall be defined as the amount which would be obtainable at the commencement of the extended Initial Term in an arm's-length transaction between an informed and willing lessee/user leasing the Equipment in place for its originally intended use for the proposed lease term, and an informed and willing lessor/dealer under no compulsion to lease.

7. Purchase Option (Fair Market Value)

So long as no Event of Default shall have occurred and is continuing hereunder, and upon at least one hundred eighty (180) days prior written notice to Lessor, Lessee will have the option at the expiration of the Initial Term of this Schedule to purchase all, but not less than all, of the Equipment for an amount equal to the aggregate amount which would be obtainable in an arm's-length transaction between an informed and willing buyer/user purchasing the Equipment in place for its originally intended use and an informed and willing seller under no compulsion to sell (plus any taxes applicable at time of purchase) on the date of the expiration of the Initial Term (the "Purchase Date"), payable to Lessor by the Purchase Date. Title to the Equipment will automatically pass to Lessee on the Purchase Date, provided Lessee has paid the full purchase price.

7. Return Option

In the event that Lessee does not elect the "Purchase Option" or "Renewal Option" contained herein, Lessee will return the Equipment to Lessor upon termination of the Schedule in accordance with the "Delivery and Return of Equipment" provision.

Master Lease: This Equipment Schedule is issued pursuant to the Master Lease identified on page 1 of this Equipment Schedule. All of the terms and conditions of the Master Lease are incorporated in and made a part of this Equipment Schedule as if they were expressly described in this Equipment Schedule, and this Equipment Schedule constitutes a separate lease for the Equipment. The parties reaffirm all of the terms and conditions of the Master Lease (including, without limitation, the representations and warranties set forth in the Master Lease) except as modified by this Equipment Schedule. This Equipment Schedule may not be amended or rescinded except by a writing signed by both parties.

MYRIAD GENETICS, INC.
as Lessee

COMDISCO LABORATORY AND SCIENTIFIC GROUP,
A DIVISION OF COMDISCO HEALTHCARE GROUP, INC.
as Lessor

By: /s/ Jay M. Moyes

By: /s/ Doug Berman

Title: C.F.O.

Title: Credit Manager

Date: 11/16/99

Date: 11/21/99

ATTACHMENT A
MYRIAD GENETICS, INC.
SG-01

MANUFACTURER/ VENDOR NAME	MACHINE TYPE/MODEL	EQUIPMENT DESCRIPTION	SERIAL #	PO Number	Invoice Number	EQUIPMENT COST	Total
Boise Technology	5843-02	Base Unit 72"W x 84"H				1,910.00	
	5843-06	Worksurface 72" w/cmb				592.00	
	5843-08	Fixed shelf 72" w/lip				672.00	
	2125-32Q	Independent 31" roll out shelf				232.00	
	2148-23Q	Cable guide for roll out shelf				22.00	
	58411-WT	Cable Management trough				348.00	
		Freight				346.64	
	5840-08	Power bar 22" w/8 outlets		13615	572447	232.00	4,354.64
Miron Eletronics		Millennia MAX				2,615.00	
		Client Pro		13626	4517423	5,196.00	8,336.99
CPS Computer Protection		Toshiba 1400XL Plus Series, 8KVA 240VAC UPS		13619	28102	7,383.00	7,501.95
		Freight				118.95	
Molucular Dynamics		Megabase 1000	13215	1995	132158	180,000.00	
		Freight				1,400.00	
		Freight			132793-1	2,337.00	183,737.00
Bio-Rad	165-2102	E. Coli Pulser	941BR2165	13853	1685228	1,625.00	
		Freight				19.12	1,644.12
Cole Palmer Instruments	KN-07550-10	Peristaltic Pump				8,250.00	
	KN-07550-64	rs-232 Interface C				270.00	
	KN-07519-06	L/S Multi Channel				1,950.00	
	KN07519-50	L/S Cartridge Lar				510.00	
	FK-06360-22	In Line Quick conn				56.76	
	IK-06360-43	In Line Quick conn				56.76	
	KN-06429-25	Tygon Lfl 42/25 Tu		13913		324.00	
		Freight				93.32	11,510.84
Granite Funiture Company	GFU21M4G	Gibson 21' Freezer				6,400.00	
	KTRP20KG	20cf Refrigerator		13933		2,799.96	9,199.96
McMaster - Carr Supply	2791T28	Foot Operated Liif		14034		1,139.46	1,139.46
Micron PC		Client Pro with LC				14,988.00	
		Client Pro with Cr		14041		8,640.00	23,628.00
1 Advanced System Group	E4500	Disk Array		2008	16266	205,230.00	
					16292		
					16392		
					13514		
					16517		
					16619		
					17220		
					17312		
		Total Freight				659.00	
					17359		205,889.00
Wallac	196-345	Quadra Sv Station	196-345-133, 196-248-134			316,000.00	
	196-35-384	384 Well Plate Rgt				4,800.00	
	196-36	Tip Wash Station				2,000.00	
	196-350	Quadra Bar Code Re	9920608, 9920613			34,000.00	

ATTACHMENT A
MYRIAD GENETICS, INC.
SG-01

MANUFACTURER/ VENDOR NAME	MACHINE TYPE/MODEL	EQUIPMENT DESCRIPTION	SERIAL #	PO Number	Invoice Number	EQUIPMENT COST	Total
	196-135-03	Reservior Only for				2,400.00	2,400.00
		Freight				736.90	736.90
	196-130-01	Reservior W/ Dimple		2009	120824	1,024.00	360,960.90
Genetix Limited	QP21	Qpix Colony Picker		2010		186,200.00	
		Freight				85.00	
Note: Customer made first deposit of \$55,860.00 to vendor. Check Number 598							186,200.00
MJ Research	PTC-2225	DNA Tetrad Engine				167,344.20	
		Total Freight				1,644.00	
	ALS-1238	Alpha Unit 384 Well		2011	61338, 63114	133,696.80	302,685.00
Molecular Dynamics	MBW-WKSTN	Megabace 1000 DNA		2012	132793	4,140,000.00	4,140,000.00
Zymark Corporation	63808	Twister Microplate				118,405.00	
	65125	Extended Capacity				38,850.00	
		Freight				876.00	
	64709	Standard Stack		2013	114441-M	9,520.00	167,651.00
Molecular Devices	0200-3040	SpectraMax Gemini		2016	20544	32,250.00	32,311.36
		Freight				61.36	
Amersham	MEGABACE1000	Workstation		2017		360,000.00	
		Freight				15.00	360,015.00
Advanced System Group	X2602A	Cpu Memory Board				25,920.00	
	X2580A	400mhz Ultrasparc				100,800.00	
	DSR702/1024	3rd Party 1gb Memo				18,472.00	
	A6713A	Fcal Gbic Module				1,728.00	
	X954A	Power/Cooling Modu				1,296.00	
	X6710A	9.1gb 10,000 rpm L				18,792.00	
	DRS2OUT/256	memory				639.00	
	X2612A	Sbus I/O Board		2018	1,710,817,151	4,680.00	172,327.00
		Freight				160.00	
	SLNBS11500	NetBackup Package		2020		23,483.00	23,483.00
Jouan, Inc.	11175331	Jouan Cr422 Ref Ce				34,080.00	
	11175338	M4 Rtr C/G Ser 4p			199380003	4,800.00	
		Freight				917.95	
	11174223	Carrier Seal		13762	199360128	7,200.00	46,997.95
Forma Scientific	8516	Upright Freezer		13750	284734	6,772.80	6,772.80
Datavision	LS2106	Laserlink Scanner				13,680.00	
		Freight				153.20	
	LS3070	Base Power Supply		13789	121,282,121,733	1,400.00	15,233.20
Mathsoft	Licences	2 users for SPLus		13858	81205-92555	11,414.00	
		Freight				24.95	11,439.90
Barcode	SATO300DPI	Barcode applicator		2023		12,689.00	12,689.00
TOTAL EQUIPMENT							6,295,708.07

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM CONDENSED
 CONSOLIDATED STATEMENTS OF OPERATIONS AND CONDENSED CONSOLIDATED BALANCE SHEETS

6-MOS		
	JUN-30-2000	
	JUL-01-1999	
	DEC-31-1999	
		27,679,996
		32,362,511
		2,020,774
		108,847
		0
	47,443,885	
		18,081,561
	8,242,006	
	73,862,175	
18,373,035		
		0
	0	
		0
		102,843
		55,386,297
73,862,175		
		3,638,157
	15,141,674	
		1,792,087
	20,160,287	
	360,082	
		0
		0
	(4,068,242)	
		0
(4,068,242)		
		0
		0
		0
	(4,068,242)	
		(0.42)
		(0.42)