February 8, 2017

Veracyte to Expand Patient Access to the Afirma® Gene Expression Classifier In Thyroid Cancer Diagnosis Through Agreement with Quest Diagnostics

SOUTH SAN FRANCISCO, Calif., Feb. 8, 2017 /PRNewswire/ -- Veracyte, Inc. (NASDAQ: VCYT), a genomic diagnostics company focused on reducing unnecessary surgeries and healthcare costs by resolving diagnostic uncertainty, will extend access to its Afirma Gene Expression Classifier (GEC) through an agreement with Quest Diagnostics (NYSE: DGX), the world's leading provider of diagnostic information services. The agreement is intended to meet growing physician demand for innovative genomic testing services to improve thyroid cancer diagnosis.

The Afirma GEC is a laboratory-developed test that is widely ordered by physicians who perform fine needle aspiration (FNA) biopsies to evaluate thyroid nodules for potential cancer. Under the agreement, physician clients of Quest Diagnostics will be able to order the test on behalf of patients and refer patient specimens to Veracyte for genomic testing. Quest Diagnostics will make the service available through AmeriPath, the anatomic pathology business of Quest Diagnostics, for use on cytopathology results of these biopsies in cases when they are indeterminate (not clearly benign or malignant).

Veracyte currently makes the Afirma GEC available to physicians at institutions and community-practice settings throughout the country. Quest Diagnostic serves approximately half the physicians and hospitals in the United States, further broadening access to the Afirma GEC for patients who could benefit.

Quest Diagnostics is expected to begin offering the test to its customers nationally in the second quarter of 2017. Financial and other terms of the agreement were not disclosed.

"We are pleased to partner with Quest Diagnostics to further make the Afirma GEC available to physicians and their patients as our test increasingly becomes the new standard of care in thyroid cancer diagnosis," said Bonnie Anderson, Veracyte's chairman of the board, president and chief executive officer. "We believe Quest's leadership in innovation and quality and its extensive reach to endocrinologists and other physicians will enable us to further accelerate growth for the Afirma GEC."

Since launching the genomic test in 2011, Veracyte has performed over 65,000 Afirma GEC tests and estimates that the test has helped prevent more than 25,000 unnecessary thyroid surgeries. Such surgeries are invasive, costly and - because they involve removal of all or part of the thyroid - often render patients dependent on lifelong daily thyroid hormone replacement drugs. The Afirma GEC is supported by more than 20 published studies, including a clinical validation study published in *The New England Journal of Medicine*, and is recommended in leading clinical practice guidelines. The Afirma GEC is covered by Medicare and most leading private insurance companies, which collectively represent approximately 200 million Americans.

"Indeterminate thyroid nodules pose a significant challenge to physicians and patients, and many people have undergone unnecessary surgeries because it was difficult to rule out cancer in advance. It puts the physician and the patient in a difficult position," said Christopher C. Fikry, M.D., general manager, oncology, Quest Diagnostics. "The Afirma GEC is a terrific example of how diagnostic innovation can help replace uncertainty with clarity to promote better care and outcomes. We look forward to making it available through our already significant offering in cancer and endocrinology so that fewer people face the specter of unnecessary surgery and treatment."

About 15 to 30 percent of the more than 520,000 patients who undergo evaluation for potentially cancerous thyroid nodules in the United States each year receive an indeterminate result. Historically, most of these patients were directed to thyroid surgery for a definitive diagnosis. Following surgery, however, 70 to 80 percent of cases proved to be benign, meaning the surgery was unnecessary.

About Veracyte
Veracyte (NASDAQ: VCYT) is a leading genomic diagnostics company that is fundamentally improving patient care by resolving diagnostic uncertainty with evidence that is trustworthy and actionable. The company's products uniquely combine genomic technology, clinical science and machine learning to provide answers that give physicians and patients a clear path forward without risky, costly surgery that is often unnecessary. Since its founding in 2008, Veracyte has commercialized three genomic tests, which are transforming the diagnosis of thyroid cancer, lung cancer and idiopathic pulmonary fibrosis and collectively target a $2 billion market opportunity. Veracyte is based in South San Francisco, California. For more information, please visit www.veracyte.com and follow the company on Twitter (@veracyte).

Cautionary Note Regarding Forward-Looking Statements
This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "expect," "believe," "should," "may," "will" and similar references to future periods. Examples of forward-looking statements include, among others, our ability to successfully scale the company and our belief that we are well positioned for profitable growth. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, anticipated events and trends, the economy and other future conditions. Forward-looking statements involve risks and uncertainties, which could cause actual results to differ materially, and reported results should not be considered as an indication of future performance. These risks and uncertainties include, but are not limited to: the applicability of clinical results to actual outcomes; laws and regulations applicable to our business, including potential regulation by the Food and Drug Administration or other regulatory bodies; the size of the market opportunity for our products; our ability to successfully achieve adoption of and reimbursement for our products; the amount by which use of our products are able to reduce invasive procedures and misdiagnosis, and reduce healthcare costs; our products' ability to become the standard of care; the occurrence and outcomes of clinical studies; the timing and publication of clinical study results; and other risks set forth in the company's filings with the Securities and Exchange Commission, including the risks set forth in the company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016. These forward-looking statements speak only as of the date hereof and Veracyte specifically disclaims any obligation to update these forward-looking statements.

SOURCE Veracyte