



NeoGenomics, Inc.

**OTCBB: NGNM**

*Time Matters. Results Count!*

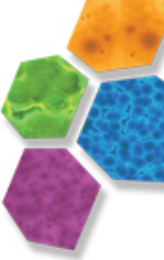
## **Company Overview Presentation**

April 2012

*“Improving Patient Care  
through exceptional cancer  
genetic testing services!”*

# Forward-looking Statements

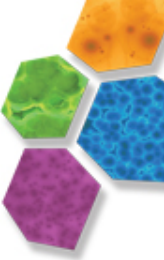
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This presentation contains statements which constitute forward-looking statements within the meaning of Section 27A of the Securities Act, as amended; Section 21E of the Securities Exchange Act of 1934; and the Private Securities Litigation Reform Act of 1995. The words “may”, “would”, “could”, “will”, “expect”, “estimate”, “anticipate”, “believe”, “intend”, “plan”, “goal”, and similar expressions and variations thereof are intended to specifically identify forward-looking statements. All statements that are not statements of historical fact are forward-looking statements.

Investors and prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those projected in the forward-looking statements as a result of various factors. The risks that might cause such differences are identified in our filings with the Securities and Exchange Commission. We undertake no obligation to publicly update or revise the forward looking statements made in this presentation to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events.

# Investment Highlights

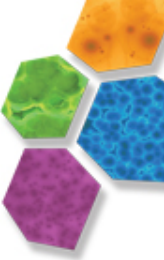


- Fast growing pure-play, cancer genetics lab
- Servicing: Oncologists, Pathologists and Hospitals
- Innovative “Tech-Only” business model creates strategic partnerships with customers
- Rapidly growing industry undergoing consolidation
- Strong Management Team with large cap lab experience
- Accelerating revenue with increasing operating leverage

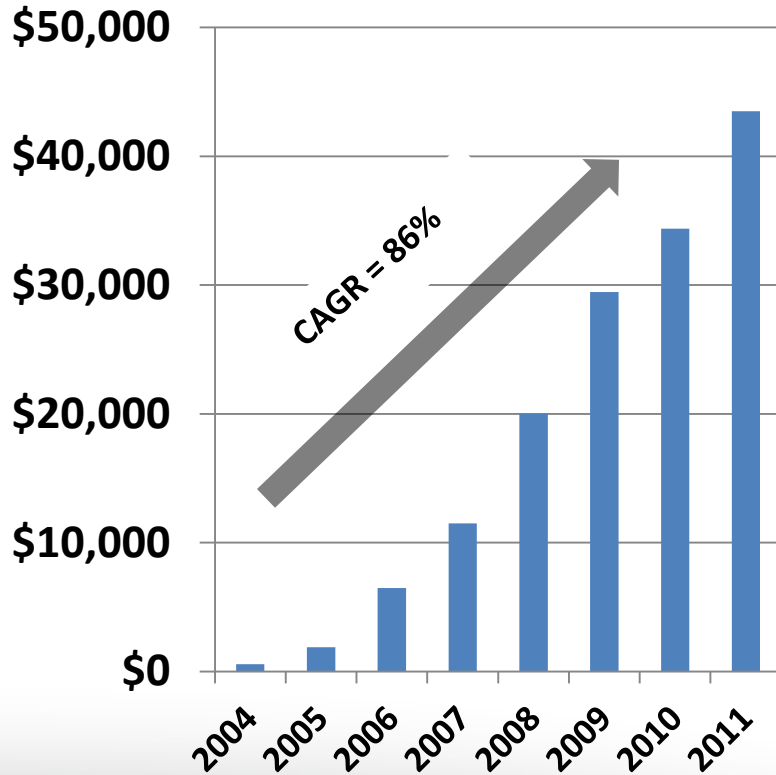
	<u>Q1 11</u>	<u>Q2 11</u>	<u>Q3 11</u>	<u>Q4 11</u>	<u>Q1 12</u>	<u>Q2 12</u>
% Revenue Growth (YoY)	4.6%	23.3%	30.0%	47.3%	72.2%	50.5%*
Adjusted EBITDA	\$ (97)	\$ 483	\$ 693	\$ 1,055	\$ 1,775	

\* Based on Midpoint of Q2 2012 Revenue Guidance

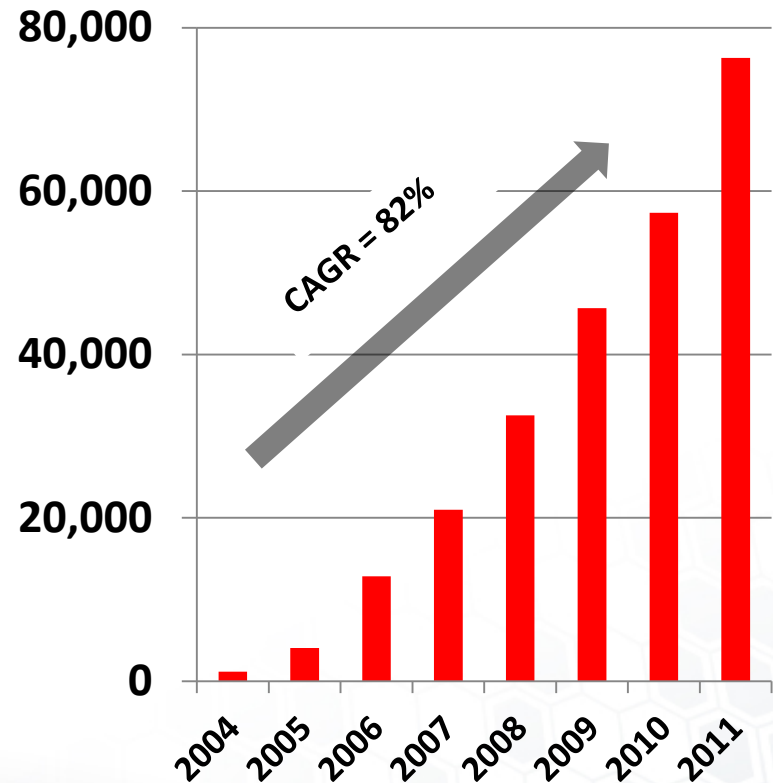
# Consistent Historical Growth



## Annual Revenue (\$, 000s)

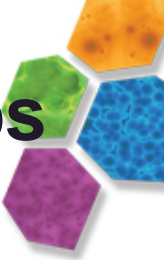


## Tests Performed



# Business Model Targets Two Customer Groups

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## **Pathologists and Hospital Path Groups: “Tech only”**

- Innovative technical component-only services – Flow, FISH, IHC
- Enables community pathologists to compete with large labs
- Rapid turnaround-time and web-based reporting
- Extensive training programs

## **Oncologists and Clinician Groups: “Full Service”**

- Specialized high level of service and outstanding quality for clinicians
- Genetic Pathology Solutions™ (GPS) reporting – all relevant case data on one page report

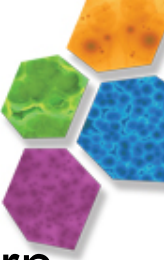
# Key Growth Drivers

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- Rapidly increasing sales force productivity
- Penetration of increasingly larger customers
- Tech-only model facilitates clinician office insourcing
- Extensive and highly regarded education programs to train clients in “*Genetic Pathology*”
- Rapid expansion of IHC capabilities
- Solid pipeline of new molecular genetic test offerings
  - 12 new tests launched in 2011
  - 25-30 planned for 2012
- Increasing use of molecular genetics for solid tumor testing
- Exclusive worldwide license to Health Discovery Corp’s IP portfolio for cancer-related laboratory developed tests (LDTs)

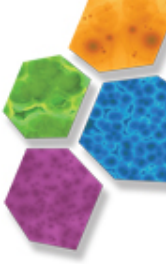
# Exclusive License Agreement with HDC

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- Covers 84 patents and pending patents relating to pattern recognition technology, digital image analysis, biomarker discovery, and gene & protein-based tests
- Unrestricted sublicensing and assignment rights
- Success-based license structure
  - \$3 MM in cash and stock paid upfront (\$1MM cash/\$2MM stock)
  - Up to \$5 MM in milestone payments on first \$20 MM in Revenue
  - Thereafter, 6.5% royalties on net product revenue & profit sharing on sublicensing revenue
- Targeted Initial focus areas:
  - Prostate, pancreatic and colon cancer tests
  - Automating cytogenetics and flow cytometry analysis

# Advanced Molecular Genetics Services



## **Cytogenetics: chromosome analysis**

- “Neighborhood view of 46 houses from 1000 feet”

## **Flow Cytometry: cell surface marker analysis**

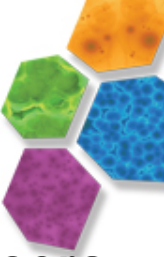
- “Single house view from 500 feet”

## **Fluorescence in-situ Hybridization (FISH): gene analysis** - “Door and window view of one house”

## **Molecular testing: DNA sequence analysis**

- “View of serial number on door lock”

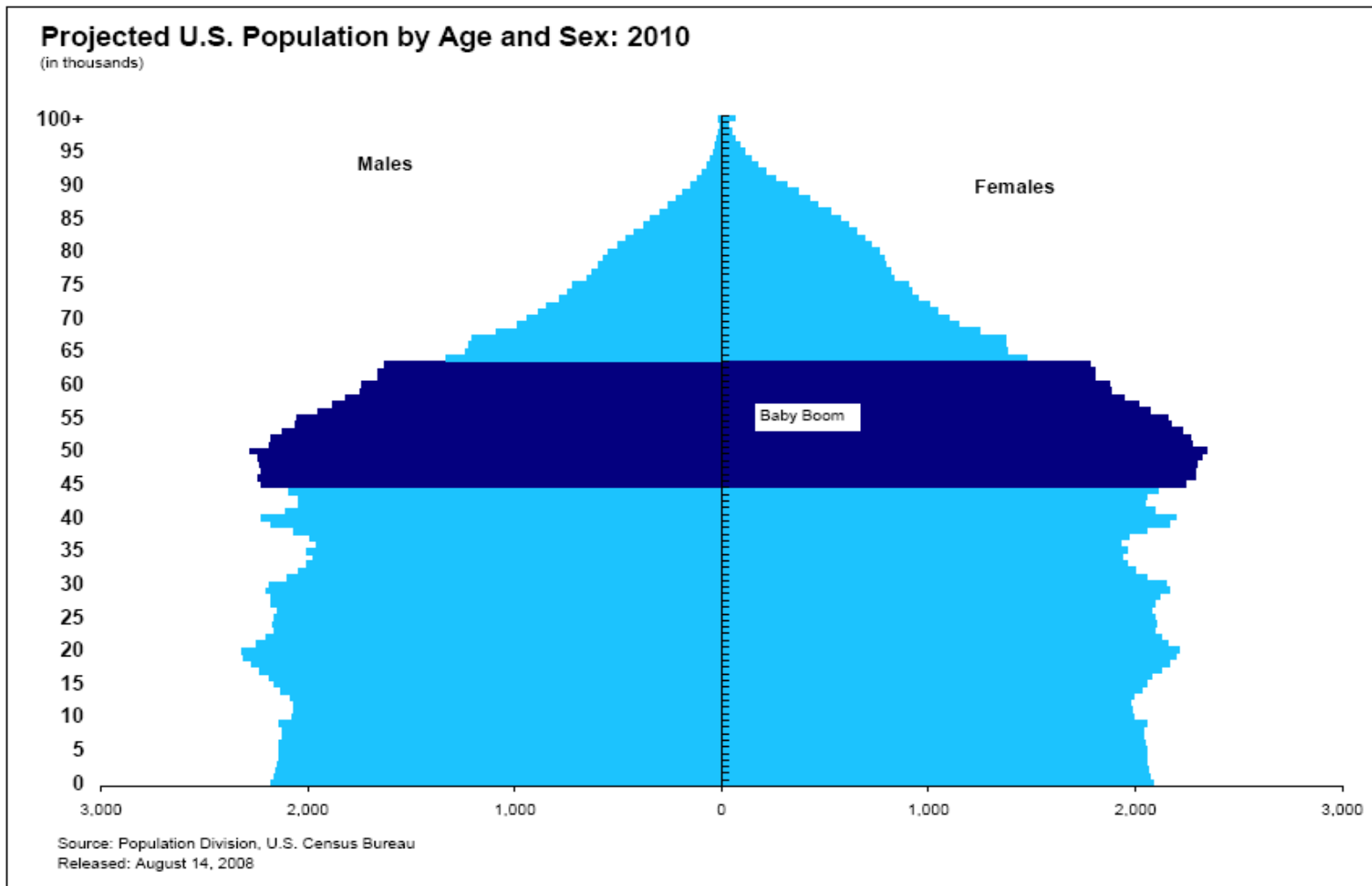
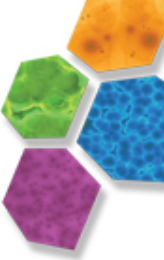
# U.S. Cancer Testing Market: \$10-12 Billion



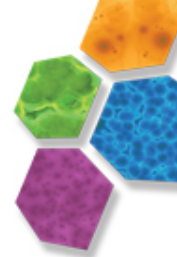
	<u>Hematopoietic Cancers</u>	<u>Solid Tumor Cancers</u>
Total Testing Market:	\$3 - 4 Billion	\$7 - 8 Billion
Est. Genetic Mkt. (TAM)	~\$1 - 2 Billion	~\$1 - 2 Billion
Patients in Treatment:	850,000	7.0 million
New Diagnoses/Yr.:	150,000	1.45 million
Specimen Types:	Bone Marrow (350K/Yr) Per. Blood (150K/Yr) Lymph Nodes	Tiss. Biopsies (8-10MM) Fine Needle Aspirates Other Bodily Fluids
TAM % Neo Addresses:	90-100%	10-20%
Neo Revenue Split:	~85%	~15%

# Boomer Impact on U.S. Cancer Market

77% of all Cancers Diagnosed are in People Age 55 or Older, the Fastest Growing Segment of the US Population (American Cancer Society)



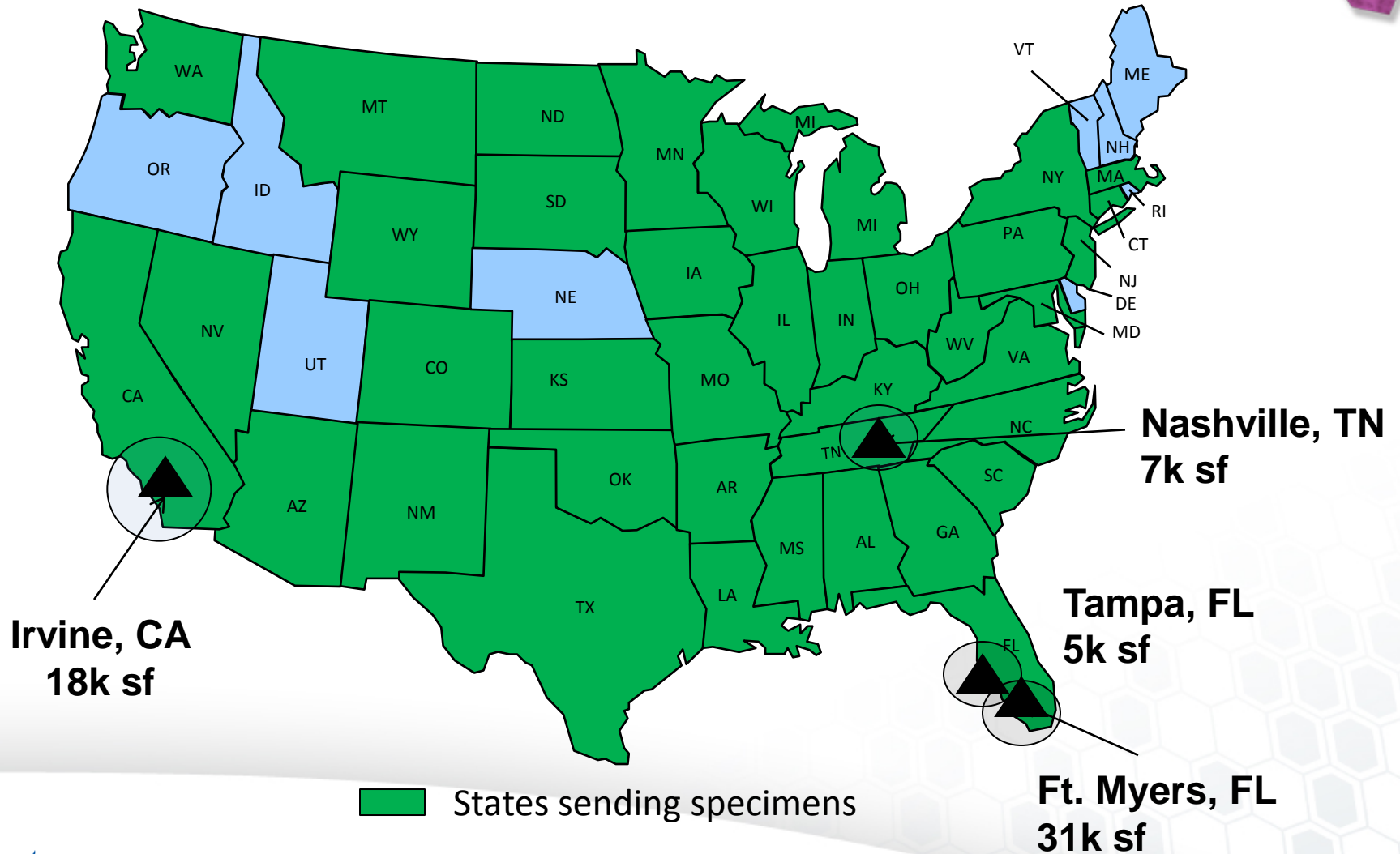
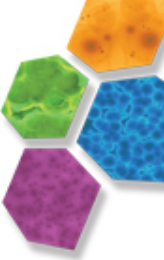
# Cancer Testing Market Dynamics



- Highest growth segment of lab Industry
  - 20-25% annual growth in genetics testing
  - 8-10% annual growth in related AP testing
- Approx. 360 Genetic Labs in the U.S.
  - 2/3 affiliated with academic institutions
  - Approximately 20% perform 80% of testing
  - Only 15-20 labs with national reach
- High pace of consolidation - Recent examples include:

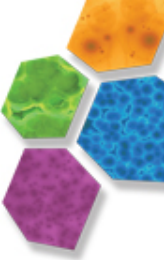
<u>Target</u>	<u>Acquiror</u>	<u>TV/LTM Rev</u>
Caris Diagnostics	Miraca	3.5x
Genoptix	Novartis	1.7x
Clariant	GE Healthcare Svcs	5.8x
Genzyme Genetics	LabCorp	2.5x

# A Growing Landscape



# Management Team

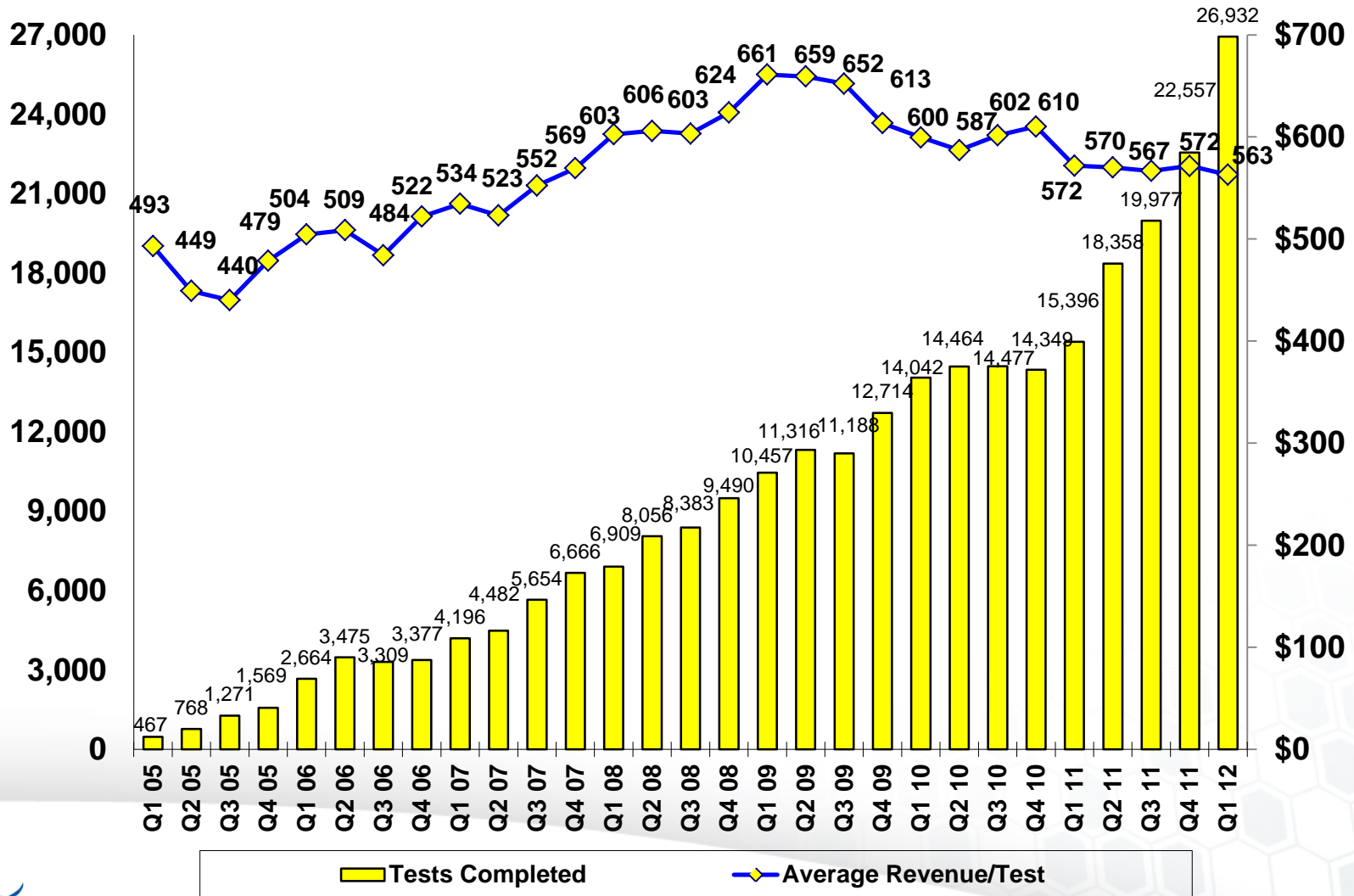
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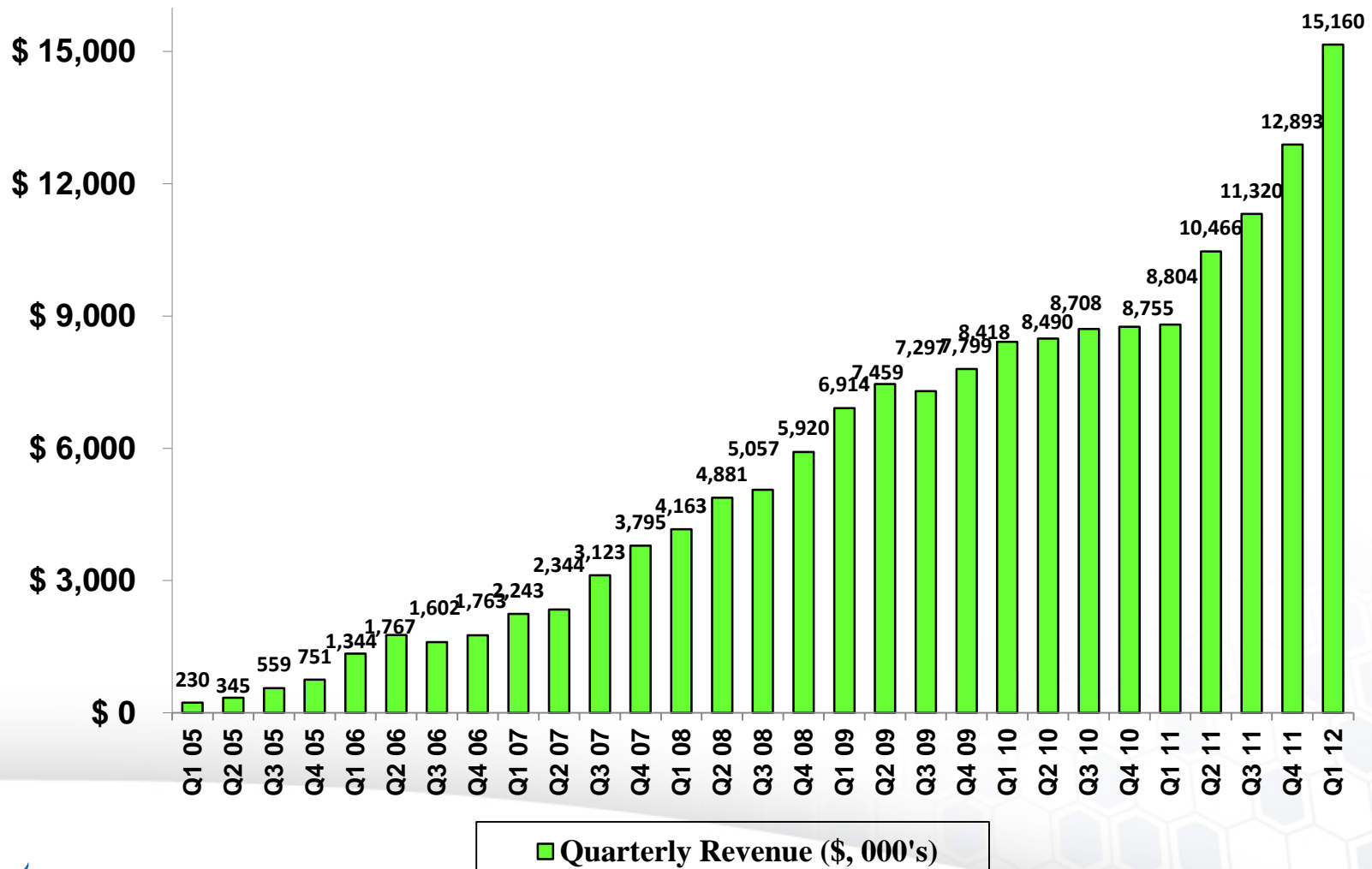
- **Douglas VanOort, *Chairman & CEO***  
Operating Partner, Summer Street Capital Partners;  
Chief Operating Officer, Quest Diagnostics
- **Maher Albitar, M.D., *Chief Medical Officer & Director of R&D***  
Med. Dir. for Hematopathology & Oncology and Chief of R&D, Quest Nichols Institute;  
Director of Leukemia and Molecular Laboratory, MD Anderson Cancer Center
- **Robert Gasparini, *Director & Chief Scientific Officer***  
Director of Genetics, U.S. Labs; Worldwide Marketing Mgr., Ventana Medical Systems;  
Asst. Director, Prenatal Diagnostic Center (Harvard)
- **Steven Jones, *Director & EVP - Finance***  
Chairman, Aspen Capital Group; Managing Member, Medical Venture Partners;  
Vice President, Merrill Lynch Investment Banking
- **George Cardoza, *Chief Financial Officer***  
CFO, Protocol Global Solutions; Controller, Central Region, Quest Diagnostics
- **Robert Horel, *Vice President, Sales & Marketing***  
Regional Mgr., US Labs; Product Specialist, Ventana Medical Systems; Pilot, U.S. Navy



# Volume and Price Growth



# Quarterly Revenue



# Historical Financial Information

<u>(\$, 000's)</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Total Revenue</b>	\$ 11,505	\$ 20,015	\$ 29,469	\$ 34,371	\$ 43,484
<b>% Growth</b>	78.0%	74.0%	47.2%	16.6%	26.5%
<b>% Growth Adjusted *</b>			70.0%	25.4%	30.2%
<b>Gross Margin %</b>	52.0%	53.3%	51.6%	45.9%	44.7%
<b>Sales &amp; Marketing as a % of Rev</b>	20.5%	16.8%	23.4%	21.8%	16.0%
<b>General &amp; Admin as a % of Rev</b>	<u>58.8%</u>	<u>40.9%</u>	<u>34.1%</u>	<u>32.8%</u>	<u>29.6%</u>
<b>SG&amp;A Expenses</b>	9,123	11,545	16,942	18,746	19,837
<b>Total SG&amp;A as a % of Rev</b>	79.3%	57.7%	57.5%	54.5%	45.6%
<b>Net Income/(Loss)</b>	\$ <u>(3,380)</u>	\$ <u>(1,383)</u>	\$ <u>(2,243)</u>	\$ <u>(3,303)</u>	\$ <u>(1,177)</u>
<b>Diluted EPS</b>	(\$0.11)	(\$0.04)	(\$0.06)	(\$0.09)	(\$0.03)
<b>Adjusted EBITDA</b>	\$ (1,017)	\$ 809	\$ (103)	\$ (566)	\$ 2,134
<b><u>Summary Testing Metrics</u></b>					
<b>% Growth in Tests Performed</b>	63.7%	55.7%	39.7%	25.5%	33.1%
<b>Avg. Revenue/Test</b>	\$ 548	\$ 612	\$ 645	\$ 600	\$ 570

\* Excludes impacts to revenue growth from insourcing by one large account that occurred from mid 2009 to mid 2010.

# Quarterly Financial Information

<u>(\$, 000's)</u>	<u>Q1 11</u>	<u>Q2 11</u>	<u>Q3 11</u>	<u>Q4 11</u>	<u>Q1 12</u>
Total Revenue	\$ 8,805	\$ 10,466	\$ 11,320	\$ 12,893	\$ 15,160
% Growth (YoY)	4.6%	23.3%	30.0%	47.3%	72.2%
% Growth (YoY) - Adjusted*	11.4%	25.0%	32.0%	47.3%	72.2%
Gross Margin	43.9%	44.5%	44.8%	45.2%	47.1%
Sales & Marketing as a % of Rev	19.9%	16.1%	15.2%	14.0%	13.4%
General & Admin as a % of Rev	<u>32.1%</u>	<u>29.5%</u>	<u>29.2%</u>	<u>28.4%</u>	<u>28.0%</u>
SG&A Expenses	4,576	4,770	5,032	5,459	6,283
Total SG&A as a % of Rev	52.0%	45.6%	44.5%	42.3%	41.4%
Net Income/(Loss)	\$ <u>(893)</u>	\$ <u>(293)</u>	\$ <u>(143)</u>	\$ <u>152</u>	\$ <u>603</u>
Diluted EPS	(\$0.02)	(\$0.01)	(\$0.00)	\$0.00	\$0.01
Adjusted EBITDA	\$ (97)	\$ 483	\$ 693	\$ 1,055	\$ 1,775
% of YoY Rev Growth to Net Income	NM	34.7%	40.4%	21.8%	23.5%
<b>Summary Operating Data</b>					
% Growth in Tests Performed (YoY)	9.6%	26.9%	38.0%	57.2%	74.9%
Avg. Revenue/Test	\$ 572	\$ 570	\$ 567	\$ 572	\$ 563

\* Excludes impacts to revenue growth from insourcing by one large account that occurred from mid 2009 to mid 2010.

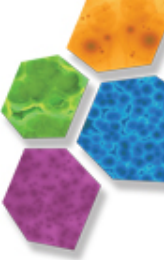
# Key Financial Information

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<b>Recent Share Price (4/24/2012):</b>	<b>\$ 1.70</b>
<b>Basic Shares Outstanding:</b>	<b>44.8 M</b>
<b>Current Market Cap:</b>	<b>\$76.2 M</b>
<b>Diluted Shares for Reporting (MRQ):</b>	<b>47.4 M</b>
<b>Fully Diluted Shares:</b>	<b>53.0 M</b>
<b>Public Float Shares:</b>	<b>35.0 M</b>
<b>52 Week High/Low:</b>	<b>\$0.96/\$1.84</b>
<b>Avg. Daily Trading Volume (3 Mos):</b>	<b>30,991</b>

# NeoGenomics Summary

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- Emerging leader in the fastest growing segment of the lab testing industry
- Strong competitive advantages and product portfolio
- Strong Management Team with directly relevant industry experience
- Accelerating profitability through revenue growth and increased operating leverage
- Q2 2012 guidance: \$15.5 - \$16.0 million of revenue with \$0.00 - \$0.01 per share of net income
- Full-year 2012 guidance: \$57 - \$63 million of revenue with \$0.02 - \$0.04 per share of net income