Cancer Genetics is focused on **EMPOWERING PERSONALIZED CANCER TREATMENT** through the development of innovative products and services that drive patient value across the diagnosis, management and treatment of cancer.

**WWW.CANCERGENETICS.COM**
2014 was a year of significant growth and investment for Cancer Genetics. The business gained strong momentum through several strategic initiatives which support our mission of empowering personalized cancer treatment. We are uniquely positioned with a combination of innovation and global infrastructure for the development and delivery of diagnostics and testing to support oncology needs from bench to bedside.

We successfully closed two acquisitions in 2014, namely of Gentris Corporation, based in Raleigh, North Carolina with satellite facilities in Shanghai, China, and of BioServe Biotechnologies India, located in Hyderabad. These acquisitions have broadened our team of experts, provided us with global capabilities, and expanded our market access to biopharma companies, clinical centers and hospitals and research organizations.

Our research collaborations with over 17 leading cancer centers are providing us with the opportunity to translate disease and genomic insight on the bench to clinical oncology tests and capabilities at the bedside. We believe that leveraging our market-leading capabilities in molecular oncology and our global footprint will position us to become the partner-of-choice for personalized oncology diagnostics.

In 2014 our full-year revenues increased 54% driven by a 112% increase in Biopharmaceutical Services and 21% growth in our Clinical Services business over 2013. We laid the foundation for significant future growth and added more value to our customers through the development of our Discovery Services, which provide critical genomic and biomarker discovery support and development services to research institutions.

At Cancer Genetics, we are driven by a passion to help clinicians and researchers fulfill the promise of precision medicine and transform it into clinical reality to improve the management of patients with cancer.

Thank you for your interest in our company, our unique products and services, and our mission. Together, we are helping to deliver the next generation of cancer diagnostics and testing from bench to bedside.

PANNA SHARMA
President and Chief Executive Officer
The Cancer Genetics mission to personalize cancer treatment is supported by our core values of knowledge, innovation, leadership, and collaboration. Our world-class team of leading scientists, technologists, experts in genetics, pharmacogenomics, and diagnostic development, along with experts in healthcare policy and commercial expansion help us make this a reality every day. Together, we believe these disciplines are coming together to accelerate the pace and transform the practice of oncology care.

CGI’s focus on recruiting top talent has resulted in a team with top rate expertise from around the globe. CGI’s commitment to interdisciplinary environment fosters a productive and innovative workplace that empowers employees and further our mission. Our management team works tirelessly to ensure cross-team collaboration and a focus on driving shareholder value. This, along with our strategic partnerships with cancer centers and academic research organizations, puts CGI at the forefront of precision oncology diagnostics.
## Global Market Potential

### New Cancer Patient Diagnoses

<table>
<thead>
<tr>
<th></th>
<th>Globally</th>
<th>In the USA:</th>
<th>In India:</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.1M</td>
<td>1.6M</td>
<td>1M</td>
<td></td>
</tr>
<tr>
<td>50% CAN BE IMPACTED BY CGI'S PORTFOLIO</td>
<td>47% CAN BE IMPACTED BY CGI'S PORTFOLIO</td>
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</tbody>
</table>

### Cost of Cancer Care

<table>
<thead>
<tr>
<th>Projected Cost of Cancer Care by 2030</th>
<th>Average Cost of Therapy Per Cancer Patient</th>
</tr>
</thead>
<tbody>
<tr>
<td>$458B</td>
<td>$135K</td>
</tr>
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### R&D Expenditure in Biopharma

<table>
<thead>
<tr>
<th></th>
<th>Globally</th>
<th>Spent in the USA</th>
<th>Spent Globally in Oncology</th>
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<tbody>
<tr>
<td>$115B</td>
<td>$49B</td>
<td>$26B</td>
<td></td>
</tr>
</tbody>
</table>

Sources:
1. Globocan 2012
2. American Cancer Society 2013
3. AIMMRG
5. AIM Specialty Health
7. PhRMA 1999-2014
8. TTC LLC 2012
Innovation is central to our mission and ability to deliver the promise of personalized medicine. CGI’s world-class team boasts expertise across a number of disciplines and includes a roster of the leading research scientists, bioinformaticians and pharmacologists. Our research collaborations with major cancer treatment centers and academic research organizations allow us to combine our internal expertise with the scientific knowledge and clinical experience of leaders in the field to deliver unique, validated products for cancer diagnosis, prognosis, theranosis.

READ MORE ABOUT OUR VISION AND STRATEGIC COLLABORATIONS »
The goal of the Research and Development team at CGI is to deliver cutting-edge proprietary tests that help clinicians better serve oncology patients. I am very lucky to work with an outstanding team of research scientists who share a passion for discovery, and a commitment to improving patient care through innovation in oncology diagnostics. Together, we were able to reach a number of significant milestones in 2014.

One of our major focus areas in 2014 was the development and validation of next-generation sequencing-based panels for chronic lymphocytic leukemia (CLL) and myeloid diseases. Focus::CLL™ was the first in our line of NGS-based panels to be validated and launched for clinical use in 2014.

Establishing meaningful research collaborations with leaders in the field of oncology research remains a cornerstone of our innovation services, as they allow us to access larger data sets essential to validating new findings. This year, we established significant collaborations with Beth Israel Deaconess Medical Center, Columbia University, Keck Medicine of the University of Southern California, University of Alabama, and Indo-American Cancer Hospital & Research Institute.

As we look forward to 2015 and beyond, we remain encouraged by the promise of deep sequencing technologies and will continue development of targeted NGS panels for lymphoid diseases and kidney cancer that we believe will improve patient care and reduce healthcare costs. We also anticipate the establishment of additional collaborations for FHACT®, which will help us expand its clinical value and offering to additional HPV-associated cancers.

JANE HOULDSWORTH, PH.D.
VICE PRESIDENT OF RESEARCH AND DEVELOPMENT

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ONGOING COLLABORATIONS

COLUMBIA UNIVERSITY
CGI entered into a collaboration with leading researchers from Columbia University to identify genomic signatures, biomarkers, and novel treatments for chronic lymphocytic leukemia (CLL), mantle cell lymphoma (MCL), and follicular lymphoma (FL). The collaboration seeks to identify and evaluate unique gene copy number changes that can serve as additional prognostic markers in DLBCL. Genomic aberrations that significantly correlate with patient prognosis will be further analyzed with the goal that they will be added to the panel of aberrations already identified by CGI having prognostic values in DLBCL.

NEW COLLABORATIONS

UNIVERSITY OF ALABAMA
CGI and the University of Alabama School of Medicine entered into a collaboration to investigate biomarkers for primary central nervous system lymphomas (PCNSL). PCNSL is a group of poorly understood, aggressive cancers. The collaboration leverages CGI's proprietary array-CGH technique to investigate chromosomal changes in PCNSL.

BETH ISRAEL DEACONESS MEDICAL CENTER
A collaboration between CGI and Beth Israel Deaconess Medical Center was initiated in 2014 to correlate genetic markers to outcomes in patients with diffuse large B-cell lymphoma (DLBCL). The study seeks to assess the relationship of shared genetic variants to overall survival in order to develop a robust model of DLBCL patient survival and outcome. The company plans to integrate biomarkers validated in the study into CGI’s proprietary tests and genetic signatures for the prediction of outcome in DLBCL.

COLUMBIA UNIVERSITY
CGI entered into a collaboration with leading researchers from Columbia University to identify genomic signatures, biomarkers, and novel treatments for myelodysplastic syndromes (MDS) and acute myeloid leukemia (AML). The collaboration seeks to identify markers to be used in a novel next-generation sequencing (NGS) based panel for the diagnosis and prognosis of MDS and AML, as well as novel therapies to target these diseases.

KECK MEDICINE OF USC
In 2014, CGI entered into a collaboration with a leading pathologist from Keck Medicine of the University of Southern California to evaluate and optimize a genomic panel for DLBCL. The collaboration seeks to identify and evaluate unique gene copy number changes that can serve as additional prognostic markers in DLBCL. Genomic aberrations that significantly correlate with patient prognosis will be further analyzed with the goal that they will be added to the panel of aberrations already identified by CGI having prognostic values in DLBCL.

WESTCHESTER MEDICAL CENTER
CGI entered into a collaborative research agreement and non-exclusive license arrangement with Westchester Medical Center to identify genomic biomarkers from hemangioblastoma specimens. Hemangioblastomas are slow-growing tumors of the central nervous system for which no targeted therapies are currently available. Hemangioblastomas share similarities to clear cell renal cell carcinoma. CGI’s proprietary UroGenRA®-Kidney panel was used to assess genomic gains and losses involved in hemangioblastomas.

CLEVELAND CLINIC
CGI and Cleveland Clinic are engaged in an active collaboration focused on validating genomic biomarkers for renal cell carcinoma diagnostic test.

DANA FARBER CANCER INSTITUTE
In 2013, a research collaboration with the Dana Farber Cancer Institute was initiated in order to clinically validate a chronic lymphocytic leukemia (CLL) outcome scheme.

GEORGIA REGENTS UNIVERSITY
CGI has an active research collaboration with the John Theurer Cancer Center at Hackensack University Medical Center. The collaboration is working to further validate regions assessed in MatBA®-CLL.

HACKENSACK UNIVERSITY MEDICAL CENTER
CGI and Hackensack University Medical Center entered into a collaboration focused on developing molecular testing to facilitate diagnosis, prognosis, and management of DLBCL patients.

KAMINENI HOSPITAL, INDIA
CGI and Kamineni Hospital are collaborating to evaluate FHACT®, CGI’s proprietary FISH-based HPV-Associated Cancer Test, as a screening tool for the identification of pre-cancerous and cancerous cervical cells. In February of 2014, Kamineni launched FHACT® as a key diagnostic tool in evaluating and managing cervical cancer in its multi-center hospital system.

MEMORIAL SLOAN-KETTERING CANCER CENTER
Memorial Sloan-Kettering Cancer Center and CGI are engaged in several collaborations across multiple cancer categories. Current collaborative efforts are focused on kidney cancer, chronic lymphocytic leukemia (CLL), diffuse large B-cell lymphoma (DLBCL), mantle cell lymphoma (MCL), and follicular lymphoma (FL).

NATIONAL CANCER INSTITUTE
A research collaboration with NCI was formed to investigate FISH (fluorescence in situ hybridization) as a screening tool for the detection of HPV-associated pre-cancerous and cancerous cells.

NORTH SHORE-LONG ISLAND JEWISH HEALTH SYSTEM
CGI’s partnership with North Shore-Long Island Jewish Health System was established for the clinical validation of CGI’s proprietary microarray, MatBA®-CLL and for the assessment of additional biomarkers for CLL/SLL.

STANFORD UNIVERSITY
Stanford University granted CGI a worldwide, nonexclusive license under US Patent for the classification of diffuse large B-cell lymphoma (DLBCL) using a method and algorithm developed at Stanford.

UNIVERSITY OF IOWA CANCER CENTER
CGI and the University of Iowa are involved in a collaboration to evaluate in the evaluation of FHACT® for clinical use, and the validation of the MatBA®-DLBCL microarray.
Launched in 2013, Oncospire Genomics was established as an equally owned joint venture between Cancer Genetics, Inc. and Mayo Clinic. Focused on developing and commercializing next generation sequencing (NGS) panels for areas of critical unmet need in oncology, Oncospire Genomics is currently developing targeted NGS diagnostic panels for solid tumors and hematological cancers, including lung cancer, multiple myeloma, and follicular lymphoma.

**LUNG CANCER**

More than 1.6 million new cases of lung cancer are diagnosed globally each year—making lung cancer the second most commonly diagnosed cancer. In the United States, lung cancer represents more than 25% of cancer deaths. Despite its significant global impact on healthcare, to date, only a handful of biomarkers have been identified for this disease. Recognizing that earlier diagnosis and better differentiation is critical to improving patient outcomes, Oncospire Genomics is focused on delivering NGS panels that will provide comprehensive lung cancer insight.

**MULTIPLE MYELOMA**

There is a significant need for improved diagnostics for multiple myeloma (MM). Currently available tests are expensive, invasive, and often require multiple biopsies. Because next generation sequencing allows for the assessment of a number of genomic biomarkers with a single test and requires less specimen material, NGS can improve cost and reduce invasive testing. Oncospire Genomics is working to develop a test that would improve early detection by predicting transformation from Monoclonal Gammopathy of Undetermined Significance (MGUS) to multiple myeloma, and better prognose those patients already confirmed with the disease.

**FOLLICULAR LYMPHOMA**

The second most common form of lymphoma in the US, Follicular Lymphoma represents approximately 30% of all non-Hodgkin lymphomas. Oncospire Genomics is working to develop an NGS-based test that can better identify at-risk patients’ likelihood of disease progression, provide more cost-effective monitoring, and eventually become a standard for predicting FL patient outcome.

INSIGHTS FROM OUR PARTNERS

Our collaborative approach to impacting patient care is a blueprint for health care innovation with the potential to revolutionize patient management in a disease-specific manner. By bringing together Mayo Clinic’s team of world-class researchers and clinicians with expertise from CGI, Oncospire will soon be delivering oncology diagnostics and insights that can be integrated into the clinical practice to improve patient outcomes.

KEITH STEWART, M.B., CH.B.
CARLSON AND NELSON ENDOWED DIRECTOR
MAYO CLINIC CENTER FOR INDIVIDUALIZED MEDICINE
CGI offers unique tests and testing services for the clinical community, biopharma companies, and leading research organizations. Our **CLINICAL TESTING SERVICES** provide clinicians and hospitals with critical genomic and biomarker information, which can be used to inform decisions about treatment and patient management. Our **BIOPHARMA TESTING SERVICES** enable pharmaceutical and biotech companies to improve the outcomes of clinical trials and accelerate the drug approval process by improving patient selection, ensuring the right patients are enrolled in the right trial. Our **DISCOVERY SERVICES** allow research institutions to access our expertise, technology, and testing services to guide their research and aid development and discovery initiatives.

SEE HOW OUR CAPABILITIES HAVE GROWN »
Personalized medicine has been gaining ground in the recent years, especially in oncology, and will be the very definition of cancer care in the not-too-distant future. As a community-based oncologist, I see the benefits of personalized medicine on a regular basis. One of the most powerful examples I’ve seen was with a patient who was diagnosed with del5q myelodysplastic syndrome (MDS). I initially saw the patient for a consultation in rural Kansas. He was severely anemic, had a very poor quality of life, and was requiring 3-4 transfusions in a month. Thanks to genomic testing, we were able to get a firm diagnosis of his disease, and he was started on an oral agent approved for del5q MDS. A few months later, his hemoglobin was up, he was able to function, and was even able go to the grocery store for the first time in years! He has been transfusion-independent since.

CLINICAL & DISCOVERY SERVICES

This year our clinical testing services expanded to include new diseases, new technologies and new services, allowing us to serve more patients than ever before. One of our main goals for 2014 was to extend our testing offerings for solid tumor cancers - and that’s exactly what we did. With the addition of Complete™ testing for breast, colorectal, and lung, we are now able to provide comprehensive clinical testing for three of the largest disease markets.

Another focus of 2014 was expanding our testing for leukemias and lymphomas. We achieved this through the launch of a new complete program for MPN, the launch of three new proprietary MatBa® tests for FL, MCL, and CLL, the addition of new tests to our CLL-Complete™ and the launch of our Focus™ next-generation sequencing panel for CLL/SLL.

In 2014, we added “technical-only” testing to our ExpandDx™ community-based hospital partnership program. This service allows community-based hospitals and pathology labs to provide the same cutting-edge technologies available at larger cancer centers. More than 85% of cancers are diagnosed in community-based clinics and hospitals. Partnering with CGI allows these care centers to reduce the burden of travel and cost for patients and their families.

Looking to 2015, we are anticipating being the first company to validate and launch NGS-based panels for several myeloid diseases, including myelodysplastic syndrome (MDS), myeloproliferative neoplasms (MPN) and acute myeloid leukemia (AML). NGS testing is expected to transform the diagnostic paradigm. With our Focus::NGS™ panels, CGI is at the forefront of delivering precision medicine.

INSIGHTS FROM OUR PARTNERS

CINDERELLA CHAVEZ, M.D.
MEDICAL ONCOLOGIST
CENTRAL CARE CANCER CENTER, EMPORIA, KANSAS

Discovery services are becoming a fast growing and key part of our “bench to bedside” value proposition. By expanding our technological abilities and global reach, we are able to serve a greater customer base with the some of the most sophisticated genomic services in the marketplace.

Cancer Genetics is an important partner for our work, as their research capabilities are helping us to better understand the unique genetic and genomic factors at play in a number of cancers. Their partnership will help us provide more precise treatment targeted to an individual’s unique disease.

VIDUDALA V.T.S. PRASAD, PH.D.
HEAD OF RESEARCH & DEVELOPMENT
INDO-AMERICAN CANCER HOSPITAL AND RESEARCH INSTITUTE
CGI’s enables pharmaceutical and biotech companies to increase the efficiency and economic viability of their clinical trials. One of our major sources of growth in 2014 was the introduction of pharmacogenomics testing to our clinical trials services to assess the relationship between an individual's genetic makeup and their likely response to drug compounds. This is essential to delivering the promise of precision medicine.

As a result of CGI’s acquisition of Gentris in 2014, we were able to add a significant number of new services for our biopharma customers. With our expanded range of proprietary tests, and our strengthened library of pharmacogenomics biomarkers, we’ve been able to bolster our position in the clinical trials services market.

The acquisition also provided additional resources to develop new biomarkers on a number of platforms across a number of locations. With growing operations in Shanghai and Hyderabad, we look forward to continuing to strengthen our position in the Chinese and Indian clinical trials markets.

Our services play a crucial role in helping improve the outcome of clinical trials. In order to better serve these trials, we’ve worked to extend CGI’s next-generation sequencing testing for the specialized needs of our biopharma customers. In 2014, we worked to develop a unique NGS-based pharmacogenomics panel that includes the main pharmacore adenine markers, as well as additional safety and efficacy markers. The panel is unique to the market and we look forward to its validation and launch in 2015.

Pharmacogenomic testing is helping us to better understand the relationship between an individual’s exposure to a drug and the resulting response. With this information, we are able to maximize the therapeutic benefit of each drug for each patient. For clinical trials, this information is essential to helping us better characterize the patient population.

**IMPROVING CLINICAL TRIALS THROUGH GENOMIC INSIGHT**

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**INSIGHTS FROM OUR PARTNERS**

**SCOTT CLARK, PH.D.**

VICE PRESIDENT OF GLOBAL SCIENTIFIC OPERATIONS

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**ZACHAROULA KONSOLA, PH.D.**

VICE PRESIDENT OF PRECLINICAL TOXICOLOGY, NON-CLINICAL AND CLINICAL PHARMACOLOGY AT INDIVIOR

Pharmacogenomic testing is helping us to better understand the relationship between an individual’s exposure to a drug and the resulting response. With this information, we are able to maximize the therapeutic benefit of each drug for each patient. For clinical trials, this information is essential to helping us better characterize the patient population.
Expansion and diversification were the cornerstones of CGI's 2014 revenue growth strategy. The company focused on the following critical areas: strategic acquisitions in the United States and abroad, investments that would result in revenue diversification and the cultivation of relationships with the payer community to improve payment processes.

With the closing of two acquisitions, significant revenue growth, increased demand across all customer categories, and the support of key payers, we are uniquely positioned as leaders in oncology diagnostics. Our 2014 accomplishments will open opportunities for the company to benefit from increased global demands for biopharma and clinical services as well as pharmacogenomics and germ line DNA testing.

LEARN ABOUT OUR REVENUE & GROWTH STRATEGY »
In 2014, Cancer Genetics focused on growing and diversifying revenue streams and investing in the continued development of genomic tests and technology products that contributed to compounded annual growth rate of 32% from 2010 to 2014.

Growth in 2014 revenue was directly related to CGI’s expansion of biopharma and biotech services. These services, which leverage the company’s existing infrastructure and proprietary testing portfolio, experienced a 112% increase over 2013. The company closed the year with $25M in signed contract value with biopharma customers. During 2015 we expect significant continued growth in this category due to the continued need for biomarker-based information to guide clinical trials.

CGI’s 2014 acquisitions and collaborations enabled CGI to strategically increase its footprint in the United States, as well as in international markets. Through its presence in China and India, CGI is positioned to gain share in these high-growth oncology markets, where personalized medicine is quickly becoming the standard of care.

Cancer Genetics continues reinvestment in its innovation services, which leverage the company’s world-class research and development team, key collaborations, and joint venture to optimize and grow the company’s proprietary testing portfolio. By delivering state-of-the-art genomic tests, these investments drive continued growth in the company’s biopharma and clinical testing services.

PROVEN RECORD OF CONTINUOUS GROWTH

CI PERSPECTIVES

RANDY GOODMAN, PH.D.
DIRECTOR OF REIMBURSEMENT AND REVENUE CYCLE MANAGEMENT

Personalized medicine holds the promise not only to enhance the life of patients and increase the quality of care, but also to lower overall healthcare costs through better prevention, earlier detection, more accurate risk assessments, and increased efficiencies in care delivery.

Through the application of state-of-the-art genomic technologies, we provide clinical knowledge that we believe will allow both clinicians and payers to tailor treatments to individuals, greatly reducing the cost of ineffective therapies incurred through the traditional trial and error clinical paradigm.

By virtue of The Patient Protection and Affordable Care Act, reimbursement models are rapidly changing, and there is growing focus on demonstrating improved outcomes. Ensuring that healthcare providers see the added value in our testing services is central to our long term value. To achieve this end, we are working with payors, cost management organizations, insurance providers and accountable care organizations to demonstrate the clinical value and cost-effectiveness of our products and services.

There is a growing understanding and movement within the payor community toward what is being defined as the P4 medical approach, which prioritizes predictive, preventive, personalized, and participatory medicine. Novel genome-based diagnostics represent a significant advance in medical practice compared to current prevention methods. Outcome-based approaches for reimbursement, and joint approaches by payors and diagnostic companies, offer the opportunity for faster adoption of personalized medicine-based diagnostics, and thus improve the overall process of transparency when making coverage decisions. We are developing an economic and reimbursement platform that will support this paradigm shift and improve payment opportunities for our products and services.
ACQUISITIONS

We are committed to becoming a premier partner for biotech and biopharma companies in the personalization of oncology treatment from bench to bedside. Through our acquisition of Bioserve Biotechnologies in Hyderabad, India and Gentris in North Carolina and Shanghai, China, we’ve established a global footprint that is top-tier in molecular oncology. We’ve added significant depth to our offering by becoming more global and are uniquely positioned to help commercialize and deliver tests in hospitals and healthcare centers around the world.

The Bioserve acquisition has enhanced our focus on cancer-related services in India, expanded our next generation sequencing capabilities and enabled the India team to offer comprehensive discovery services. We believe the Gentris acquisition will allow us to accelerate our biopharma business, while expanding our capabilities into pharmacogenomics and germline DNA testing. We are also developing a center of excellence for clinical oncology trials at the Gentris site in Research Triangle Park.

GENTRIS CORPORATION

Acquisition closed July 16, 2014

- Biopharma Services
- Discovery Services
- Pharmacogenomics
- Next Generation Sequencing
- Genotyping
- Biorepository

SNAPSHOT

- Raleigh, North Carolina
- Shanghai, China
- 42 Employees
- 25,000 sq. ft. laboratory
- CAP and CLIA accredited

BIOSERVE BIOTECHNOLOGIES, INDIA

Acquisition closed Aug. 18, 2014

- Clinical Testing Services
- Biopharma Services
- Discovery Services
- Next Generation Sequencing
- Bioinformatics
- Diagnostic Manufacturing

SNAPSHOT

- Hyderabad, India
- 33 Employees
- 10,000 sq. ft. laboratory
- NABL accredited
- DSIR recognized

MANDAR KULKARNI, PH.D.
CHIEF TECHNOLOGY OFFICER, HYDERABAD, INDIA

I am excited to develop a hub of next generation sequencing-based oncology and diagnostics to support clinical trials, at our Hyderabad operations. Our discovery-based projects in India will focus primarily on solid tumors, while the diagnostic efforts will include re-validation of CGI’s proprietary extensive proprietary cancer tests for the Indian market. This will be accomplished through collaborations with Indo-American Cancer Hospital, Kamineni Hospital, and Apollo Hospitals in Hyderabad.

We intend to extend the NGS, microarray, and molecular services to support clinical trials. Our strategic partnership with national institutes like the Center for Cellular and Molecular Biology will play a vital role to satisfy these needs.

INTEGRATED STRATEGY FOR SUSTAINED RESULTS

AT THE CLOSE OF 2013, CGI OUTLINED CLEAR BUSINESS OBJECTIVES THAT GUIDED OUR 2014 INITIATIVES AND RESULTED IN TWELVE MONTHS OF GROWTH AND CORPORATE EXPANSION.

OUR FIVE POINT GROWTH STRATEGY

- INCREASED GLOBAL FOOTPRINT
  CGI’s two 2014 acquisitions had a direct positive impact on our 2014 global reach and revenue. The geographic expansion that Gentris and Bioserve provided, allow CGI to service a broader group of global biopharma partners and impact more patients globally.

- PARTNER WITH BIOPHARMA
  CGI’s year-to-year biopharma revenue grew by 112%, with the value of signed contracts reaching over $25M. Biopharma will continue to be a significant growth driver for CGI and the company expects to secure additional partners as it grows.

- FOCUS ON PAYERS AND REIMBURSEMENT
  In 2014, CGI grew its reimbursement team, implemented new technology and systems and worked closely with payers and reimbursement organizations to streamline and simplify the clinical revenue cycle.

- CONTINUED DEVELOPMENT OF OUR PROPRIETARY PORTFOLIO
  CGI’s significant next generation sequencing pipeline will continue to launch new proprietary products throughout 2015. In 2014, CGI’s close relationships with leading research institutions accelerated the launch of five clinically validated genomic tests.

- LEVERAGING OUR JOINT VENTURE WITH MAYO CLINIC
  CGI’s joint venture with Mayo Clinic is focused on Next Generation Sequencing (NGS). During 2014 significant progress was made on a unique NGS-based panel for multiple myeloma, which will provide information that is not available through any other test. This partnership is a model for healthcare innovation going forward.
## SUMMARIZED INCOME STATEMENTS 2013-2014

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
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<tbody>
<tr>
<td><strong>REVENUE</strong> (dollars in thousands)</td>
<td>$10,199</td>
<td>$ 6,610</td>
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<tr>
<td>Cost of revenues</td>
<td>$ 8,454</td>
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<tr>
<td>Research and development expenses</td>
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<tr>
<td>Sales and marketing expenses</td>
<td>$ 3,963</td>
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<tr>
<td>General and administrative expenses</td>
<td>$ 12,369</td>
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<tr>
<td><strong>TOTAL OPERATING LOSS</strong></td>
<td>$(19,209)</td>
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<tr>
<td>Interest income (expense)</td>
<td>$(399)</td>
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<td>Change in fair value of investors consideration</td>
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<td>Debt conversion costs</td>
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</tr>
<tr>
<td><strong>LOSS BEFORE INCOME TAXES</strong></td>
<td>$(18,993)</td>
<td>(13,037)</td>
</tr>
<tr>
<td>Income tax benefit (expense)</td>
<td>2,350</td>
<td>664</td>
</tr>
<tr>
<td><strong>NET LOSS</strong></td>
<td>$(16,643)</td>
<td>$(12,373)</td>
</tr>
</tbody>
</table>

CGI’s mission is to empower personalized cancer treatment. Our 2014 advancements will allow us to impact more patient lives and maintain our momentum in innovation, collaborations and delivering on our strategic initiatives. Our growth strategy has positioned CGI to be the premier partner in oncology diagnostics from bench to bedside.
**Amperic, Inc., PointRight, and American Care Source.**

Mr. Harris graduated from MIT's Sloan School of Management with an MS in Finance Management. Mr. Harris serves as a Director for Healthcare Investment Group from 2011 to 2014, and as a Healthcare Investment Banker with Gleacher & Company from 2009 to 2011. He has over thirty years combined experience as a healthcare analyst and portfolio manager for biotechnology and life sciences companies. Prior to his position with c7 Advisors, Mr. Harris served as Managing Director and co-head of the Cantor Fitzgerald Healthcare Advisory Group. Mr. Harris graduated from MIT's Sloan School of Management with an MS in Finance Management. He has served in numerous advisory roles for the national institute of Health and the National Academy of Sciences' National Research Council. Mr. Harris joined Cancer Genetics’ board of directors in 2014. Mr. Harris is a portfolio manager and managing partner at c7 Advisors. He currently serves on the boards of the following public companies: American CareSource Holdings, Inc., and CNS Response. Mr. Pappajohn previously served on the boards of PharmAthene, Inc., Careguide, Inc., ConMed Healthcare Management, Inc., and SpectraScience, Inc.

**Geoffrey Harris, C.F.A.**

Geoffrey Harris joined Cancer Genetics’ board of directors in 2014. Mr. Harris is a portfolio manager and managing partner at c7 Advisors healthcare advisory firm. Prior to his position with c7 Advisors, Mr. Harris served as Managing Director and co-head of the Cantor Fitzgerald Healthcare Investment Group from 2011 to 2014, and as a Healthcare Investment Banker with Gleacher & Company from 2009 to 2011. He has over thirty years combined experience as a healthcare analyst and portfolio manager for biotechnology and life sciences companies. Mr. Harris graduated from MIT’s Sloan School of Management with an MS in Finance Management. Mr. Harris serves as a Director for Amperic, Inc., PointRight, and American Care Source.

**TAKING AN INTERDISCIPLINARY APPROACH TO MAKE A GLOBAL IMPACT**

Leadership is more than strategy; it establishes culture that is durable, differentiated and drives true shareholder value. Our board of directors, advisory boards, management and team leaders are all committed to creating a culture that embraces collaboration and focuses on improving and personalizing cancer treatment.

**JOHN PAPPANOJH, NON-EXECUTIVE CHAIRMAN**

A pioneer in the venture capital industry, Mr. Pappajohn has served on our board since 2008 and was appointed chairman in January 2014. Mr. Pappajohn has founded multiple financial firms and businesses, and has been involved in over 100 start-up companies and served as a director for over 40 public companies – many in the bioscience and health-related industries. He currently serves on the boards of the following public companies: American CareSource Holdings, Inc., and CNS Response. Mr. Pappajohn previously served on the boards of PharmAthene, Inc., Careguide, Inc., ConMed Healthcare Management, Inc., and SpectraScience, Inc.

**TED CANNON**

Ted Cannon is a member of our board of directors and is founder and President of the Clinical Research Center of Cape Cod. Previously, Mr. Cannon was a marketing and operations consultant for Franey Medical Labs. Prior to that, Mr. Cannon also served at Pharmacia Diagnostics Inc. and was a vice president and co-founder of Allteess, Inc. Mr. Cannon has a degree from Boston State College and attended a Master’s program at Providence College.

**RAJU S.K. CHAGANTI, PH.D.**

An internationally recognized leader in cancer cytogenetics and molecular genetics, Raju S.K. Chaganti, Ph.D., is CGI’s founder and a member of the board of directors. Dr. Chaganti is a co-discoverer of a number of patents for lymphoma and kidney cancers and holds the William Snee E. Chair at the Memorial Sloan- Kettering Cancer Center (MSKCC), where he is on the faculty of the Department of Medicine and Cell Biology Program. He is a professor and the Genstor Sloan- Kettering Graduate School of Biomedical Sciences at Cornell University-Medical College, New York, New York. He was the founder and chief of Memorial Sloan-Kettering Cancer Center’s cytogenetics service. Dr. Chaganti received a Ph.D. in biology (genetics) from Harvard University. Dr. Chaganti is American Board of Medical Genetics certified in medical genetics, with a sub-specialty in clinical cytogenetics.

**HOWARD MCLEOD, PHARM.D.**

Howard McLeod, Pharm.D., joined Cancer Genetics’ board of directors in 2014. Dr. McLeod is the Medical Director of the DeBartolo Family Personalized Medicine Institute at the Moffitt Cancer Center and a Senior Member of the Moffitt Cancer Center’s Division of Population Sciences. Before joining Moffitt, Dr. McLeod served as Founding Director of the University of North Carolina Institute for Pharmacogenomics and Individualized Therapy. Dr. McLeod also held the prestigious title of Fred Eshelman Distinguished Professor at the UNC Eshelman School of Pharmacy from 2006 to 2013.

**FRANKLYN G. PRENDERGAST, M.D., PH.D.**

Dr. Prendergast has served on our board of directors since 2012. He is the Emeritus Edmund and Marion Gugenheim Professor of Biochemistry and Molecular Biology, and a Professor of Molecular Pharmacology and Experimental Therapeutics at Mayo Medical School. He is the Director Emeritus of Mayo Clinic’s Center for Individualized Medicine and is an emeritus member of the Mayo Clinic Board of Governors and Board of trustees. He has served in numerous advisory roles for the national institute of Health and the National Academy of Sciences’ National Research Council. Dr. Prendergast is a member of the board of directors of the Translational Genomics Research Institute and the Infectious Disease Research Institute (IDRI). He also currently serves on the boards of directors for Eli Lilly & Co., Demetix, Inc., and Atvia.

**PANNA SHARMA**

Mr. Sharma became a member of our board of directors and our Chief Executive Officer in May 2010. Additionally, he serves as the general manager of Dicogene Genomics, CGI’s joint-venture with Mayo Clinic. Mr. Sharma previously served as managing partner and founder of TSG Partners, where he established several life science capital market indices that are used today in the life science industry. He has led over 70 buy and sell-side transactions for life sciences, healthcare and biopharma companies. Mr. Sharma formerly served as Chief Strategy Officer at iXL Enterprises Inc. (“iXL”), and was a partner at Interaction Solutions, Inc. and consultant to Putnam Investment Management, LLC and Bank of America Corporation. Mr. Sharma has also served on the board of directors of EpicEdge and as a chairman of the advisory board for EndoChoice.

**MICHAEL J. WELSH, M.D.**

Dr. Michael Welsh joined the board of directors in 2014 brings extensive experience as a leading researcher in biomedical engineering. Dr. Welsh is an investigator at the Howard Hughes Medical Institute, a position he has held since 1989. He is also the Roy J. Carver Biomedical Research Chair in Internal Medicine and Molecular Physiology and Biophysics, professor of neurosurgery, director of the University of Iowa Cystic Fibrosis Research Center, and director of the University of Iowa Institute for Biomedical Discovery at the Roy J. and Lucille A. Carver College of Medicine of the University of Iowa. Dr. Welsh has been a professor at the University of Iowa since 1987. Dr. Welsh received his M.D. from the University of Iowa College of Medicine, where he completed his residency.

**BOARD OF DIRECTORS**

**DIRECTORS**

**GEOFFREY HARRIS, C.F.A.**

**JOHN PAPPAJOHN, NON-EXECUTIVE CHAIRMAN**

**RAJU S.K. CHAGANTI, PH.D.**

**TED CANNON**

**HOWARD MCLEOD, PHARM.D.**

**FRANKLYN G. PRENDERGAST, M.D., PH.D.**

**PANNA SHARMA**

**MICHAEL J. WELSH, M.D.**

**BOARD COMMITTEES**

**AUDIT COMMITTEE**

Geoffrey Harris (chair)
Edmund Cannon
Franklyn G. Prendergast

**COMPENSATION COMMITTEE**

Edmund Cannon (chair)
Franklyn G. Prendergast
Michael Welsh

**GOVERNANCE AND NOMINATING COMMITTEE**

Franklyn G. Prendergast (chair)
Howard McLeod
Michael Welsh
FEATURED CGI TEAM MEMBERS

The 2014 CGI annual report featured many of our colleagues from the Rutherford and RTP facilities, we would like to thank them for involvement in the production and for the daily work that they and their teams accomplish in creating value for our shareholders and for cancer patients globally.

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ANDREA KOEGLER - RTP, NC
ANTHONY SMITH - RTP, NC

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AMANDA GREEN - RTP, NC

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TED QUIJANO - Rutherford, NJ

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ANTHONY SMITH - RTP, NC

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VICTORIA KUSEL - Rutherford, NJ
PEDRO DOS SANTOS - Rutherford, NJ

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SAM HARRIS - RTP, NC

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ASHA GUTTABALLI - Rutherford, NJ
HOLLY NIKITUK - Rutherford, NJ
JANE HOULDSWORTH, PH.D. - Rutherford, NJ
CHARLES MA, PH.D - Rutherford, NJ
PAL SINGH-KAHLOM, PH.D - Rutherford, NJ
PREETI DHAKAL - Rutherford, NJ
EMPOWERING PERSONALIZED CANCER TREATMENT