

NeoGenomics

Company Overview Presentation

March 2018



Forward-looking Statements

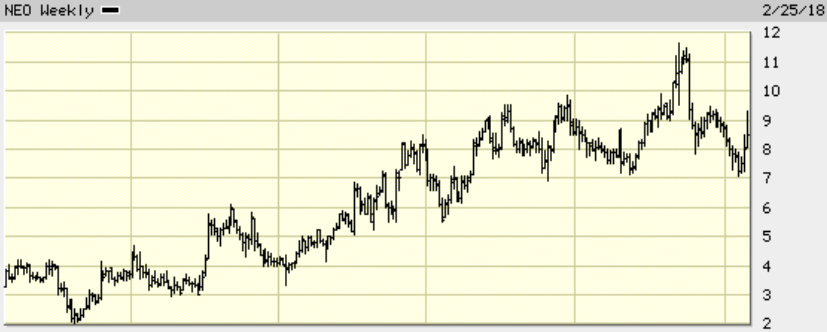
This presentation contains statements which constitute forward-looking statements within the meaning of Section 27A of the Securities Act, as amended; Section 21E of the Securities Exchange Act of 1934; and the Private Securities Litigation Reform Act of 1995. The words “may”, “would”, “could”, “will”, “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

- ✓ Leading pure-play oncology testing company
- ✓ Unique client partnership business model
- ✓ History of strong growth & rapid innovation
- ✓ Favorable demographics driving expanding market
- ✓ Rapidly growing interest from larger clinical clients
- ✓ Increasing momentum in Pharma Services
- ✓ Significant opportunities for market share gains and Adjusted EBITDA and earnings expansion

Financial Facts

| Stock Information | | Market Capitalization & Enterprise Value | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|----------------------|--|---------------|--|----------|---------|------------|-------------------------------------|--|--|----------------------|---------|-------|----------------------|---------|------|--------------------|------|-------|------------------------------|------------|---------------|---------------|-------|------|-----------------|--------|-------|
| NASDAQ Ticker: | NEO | Market Cap (3/1/18) | \$682.7 MM | | | | | | | | | | | | | | | | | | | | | | | | | |
| Stock Price (3/1/18): | \$8.49 | Debt (MRQ) | 105.4 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Basic Common Shares Outs: | 80.1 MM | Preferred Stock (Redemption Value) | 48.1 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Avg. Daily Volume (3 Mos.): | 413K | Less Cash (MRQ) | <u>(12.8)</u> | | | | | | | | | | | | | | | | | | | | | | | | | |
| 52 Week Low/High: | \$7.08/11.63 | Enterprise Value | \$823.4 MM | | | | | | | | | | | | | | | | | | | | | | | | | |
| % Held by Insiders: | 28.3% ⁽¹⁾ | EV/ 2018 Consensus Rev | 3.1x | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 Year Stock Price Performance | | 2017 Financial Highlights | | | | | | | | | | | | | | | | | | | | | | | | | | |
|  | | <table border="1"> <thead> <tr> <th>(\$,MMs)</th> <th>FY 2017</th> <th>YoY % Chg.</th> </tr> </thead> <tbody> <tr> <td>Recent Financial Performance</td> <td></td> <td></td> </tr> <tr> <td>Clinical Test Volume</td> <td>657,394</td> <td>16.7%</td> </tr> <tr> <td>Clinical Testing Rev</td> <td>\$228.1</td> <td>6.2%</td> </tr> <tr> <td>Pharma Service Rev</td> <td>26.9</td> <td>21.7%</td> </tr> <tr> <td>Other Revenue ⁽²⁾</td> <td><u>3.7</u></td> <td><u>-49.8%</u></td> </tr> <tr> <td>Total Revenue</td> <td>258.6</td> <td>6.0%</td> </tr> <tr> <td>Adjusted EBITDA</td> <td>\$32.7</td> <td>-5.5%</td> </tr> </tbody> </table> | | | (\$,MMs) | FY 2017 | YoY % Chg. | Recent Financial Performance | | | Clinical Test Volume | 657,394 | 16.7% | Clinical Testing Rev | \$228.1 | 6.2% | Pharma Service Rev | 26.9 | 21.7% | Other Revenue ⁽²⁾ | <u>3.7</u> | <u>-49.8%</u> | Total Revenue | 258.6 | 6.0% | Adjusted EBITDA | \$32.7 | -5.5% |
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| Recent Financial Performance | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Clinical Test Volume | 657,394 | 16.7% | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Pharma Service Rev | 26.9 | 21.7% | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other Revenue ⁽²⁾ | <u>3.7</u> | <u>-49.8%</u> | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Adjusted EBITDA | \$32.7 | -5.5% | | | | | | | | | | | | | | | | | | | | | | | | | | |
|  | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

1) Includes 15 MM Common shares and 6.6 MM Series A Conv Preferred held by General Electric Corp. on an as-converted basis.

2) The Company divested its PathLogic subsidiary on 8/1/17. During 2017, PathLogic contributed \$3.7 MM to revenue and \$(1.7) MM to Adjusted EBITDA.

Proven Management Team

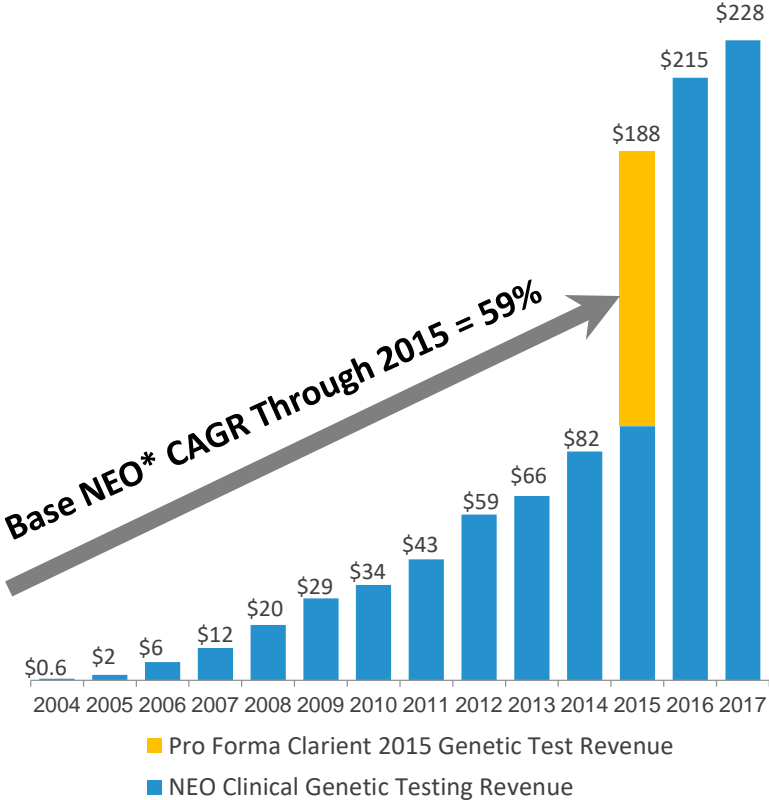
- Combination of industry-experienced medical, financial and technical professionals
- Integral role in the Company's industry leading operating model and unrivaled growth trajectory
- Instrumental to the successful integration of the Clariant Acquisition

| | Position | NEO Experience | Industry Experience |
|-----------------------------|--|----------------|---------------------|
| Douglas VanOort | Chief Executive Officer | 9 years | 36 years |
| Maher Albitar, M.D. | SVP & Chief Medical Officer | 6 years | 27 years |
| Robert Shovlin | President of Clinical Services Division | 3 years | 20 years |
| Steven Jones | Executive Vice President | 15 years | 15 years |
| George Cardoza | SVP & Chief Financial Officer | 8 years | 23 years |
| Jennifer Balliet | Chief Culture Officer | 9 years | 9 years |
| Steven Ross | Chief Information Officer | 3 years | 3 years |
| Denise Pedulla | General Counsel | 2 years | 21 years |
| Bill Bonello | Vice President, Treasurer & Dir. of Corp. Dev. | 1 year | 10 years |
| Steven Brodie, Ph.D., FACMG | Vice President of Operations | 8 years | 14 years |

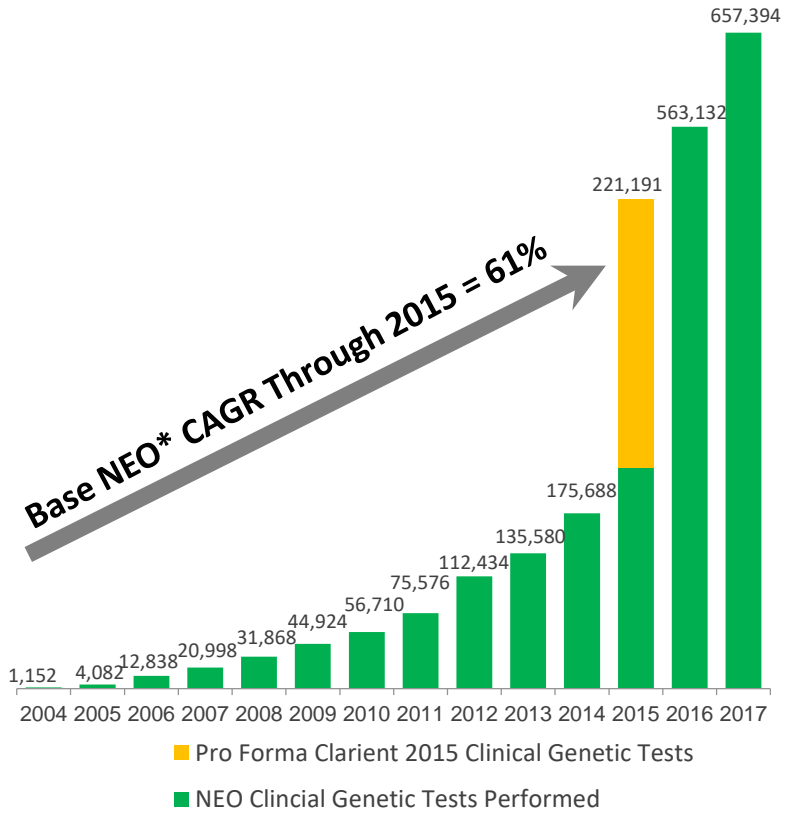
NEO's Proven Track Record of Consistent Growth

Clinical Genetic Testing Annual Revenue

(\$, MMs)



Clinical Genetic Tests Performed



* Base NEO represents organic clinical genetic revenue and test volume growth from legacy business and excludes the impacts from Pharma Services and the PathLogic and Clariant acquisitions (prior to 2016).



Growth Goals

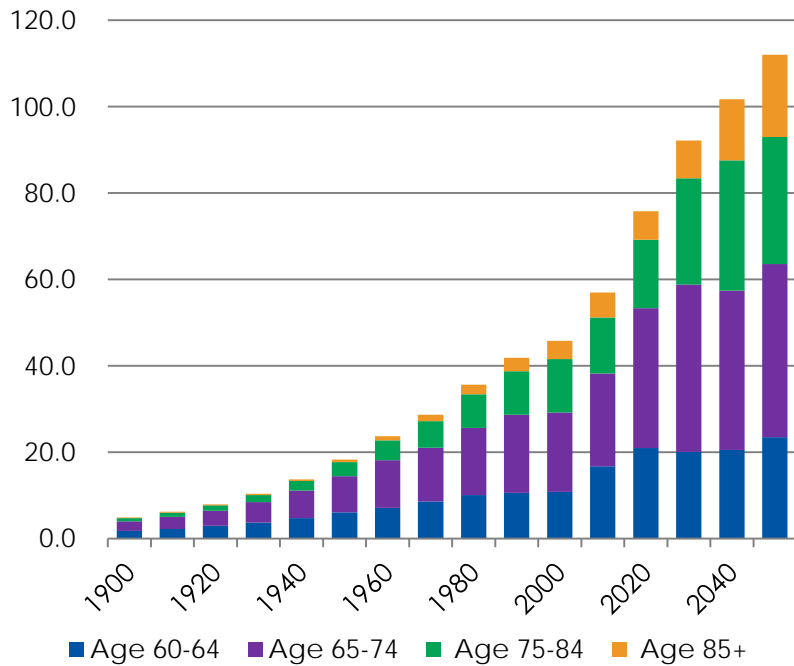
- Mid-teens organic clinical volume growth
- 20%+ organic Pharma revenue growth
- 25-35% incremental Adj. EBITDA on revenue growth

Driven by:

- Comprehensive test menu – “One-Stop Shop”
- Innovation in test development
- Demographics and medical advances
- Increased efficiencies

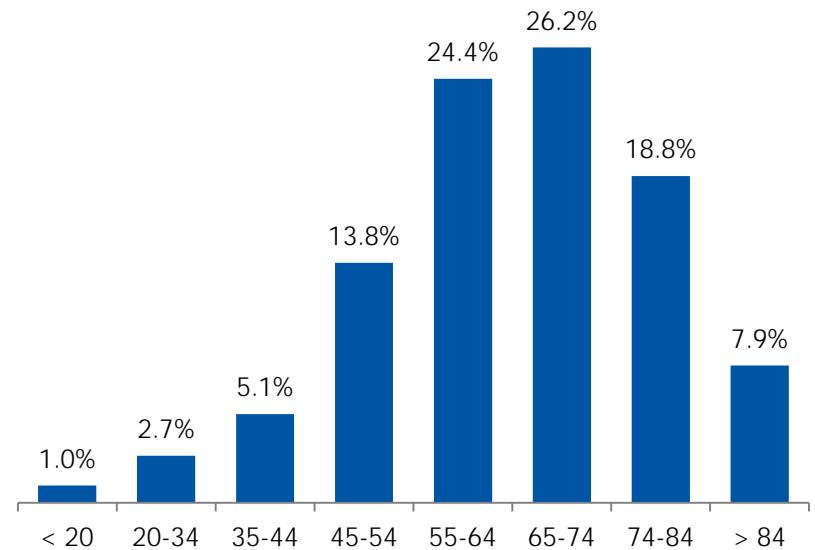
Positive Demographic Tailwinds and ...

Shifting Demographics



Source: United States Census Bureau

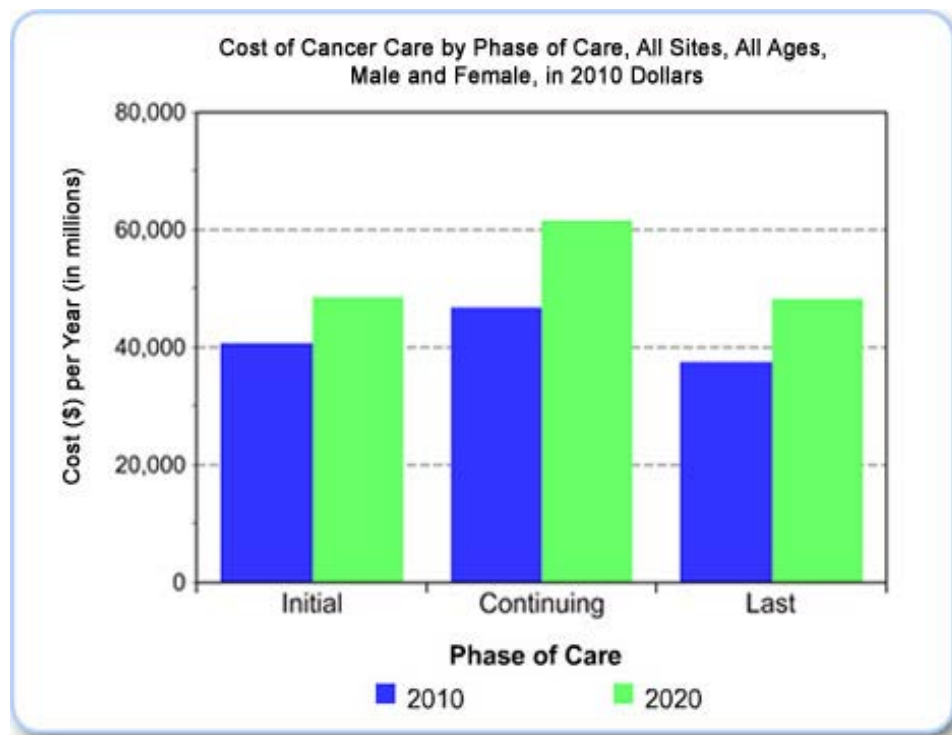
Incidence of Cancer by Age



Source: National Cancer Institute

Rapidly Growing Market Opportunity

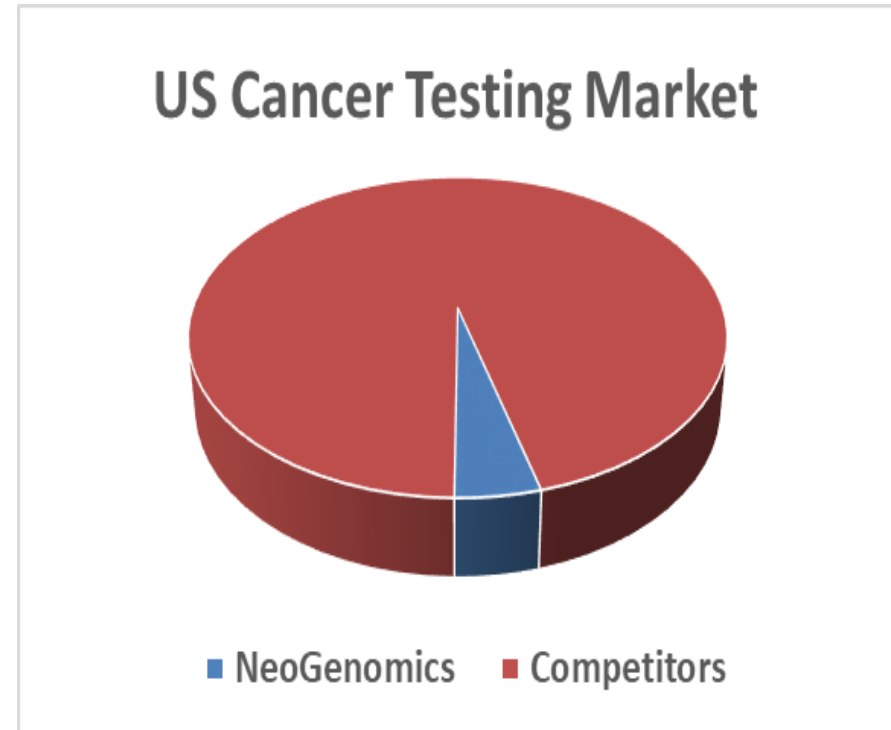
- Aging Population – incidence increases with age
- Increased Prevalence – better treatments lead to more survivors and monitoring
- Scientific advances – driving targeted therapeutics
- Increased cost of drugs – more careful triage and monitoring



Source: National Institutes of Health (NIH)

Positions NEO for Additional Market Share Gains

- Based on CMS Data, the Cancer Market was \$5.1B in 2014
- Assuming modest growth, the Cancer Market is about \$6B in 2017
- NeoGenomics 2017 Revenue of \$258M --- about 5% of the market
- Industry is highly fragmented – and is expected to consolidate further over time



Opportunities by Customer Type

Pathologists & Hospitals (about 80% of Revenue)

- Large Market with 5,600 Hospitals in U.S., and 18,000 active Pathologists
- Enable Pathologists to practice using sophisticated tools/tests and “tech-only” services
- Unique ability to be “One-stop shop” with comprehensive oncology test menu
- Competitive pricing under contract, and agreements with hospitals & hospital GPOs

Oncologists, Hematologists & Clinicians (about 10% of Revenue)

- Disease Panels, liquid biopsies, and comprehensive molecular menus
- Increasing opportunity to service larger practices with Partnership-based tech-only model
- Contracts with key Managed Care organizations

Pharma Services & Other (about 10% of Revenue)

- Contract research/clinical trial support work for Pharma clients
- Opening in Geneva, Switzerland to handle European and Global studies
- MultiOmyx platform is a unique offering gaining acceptance by Pharma firms

Our Clients Demonstrate Significant Loyalty

Historical Comparison: On the heels of a challenging integration, our clients still feel great about NeoGenomics!

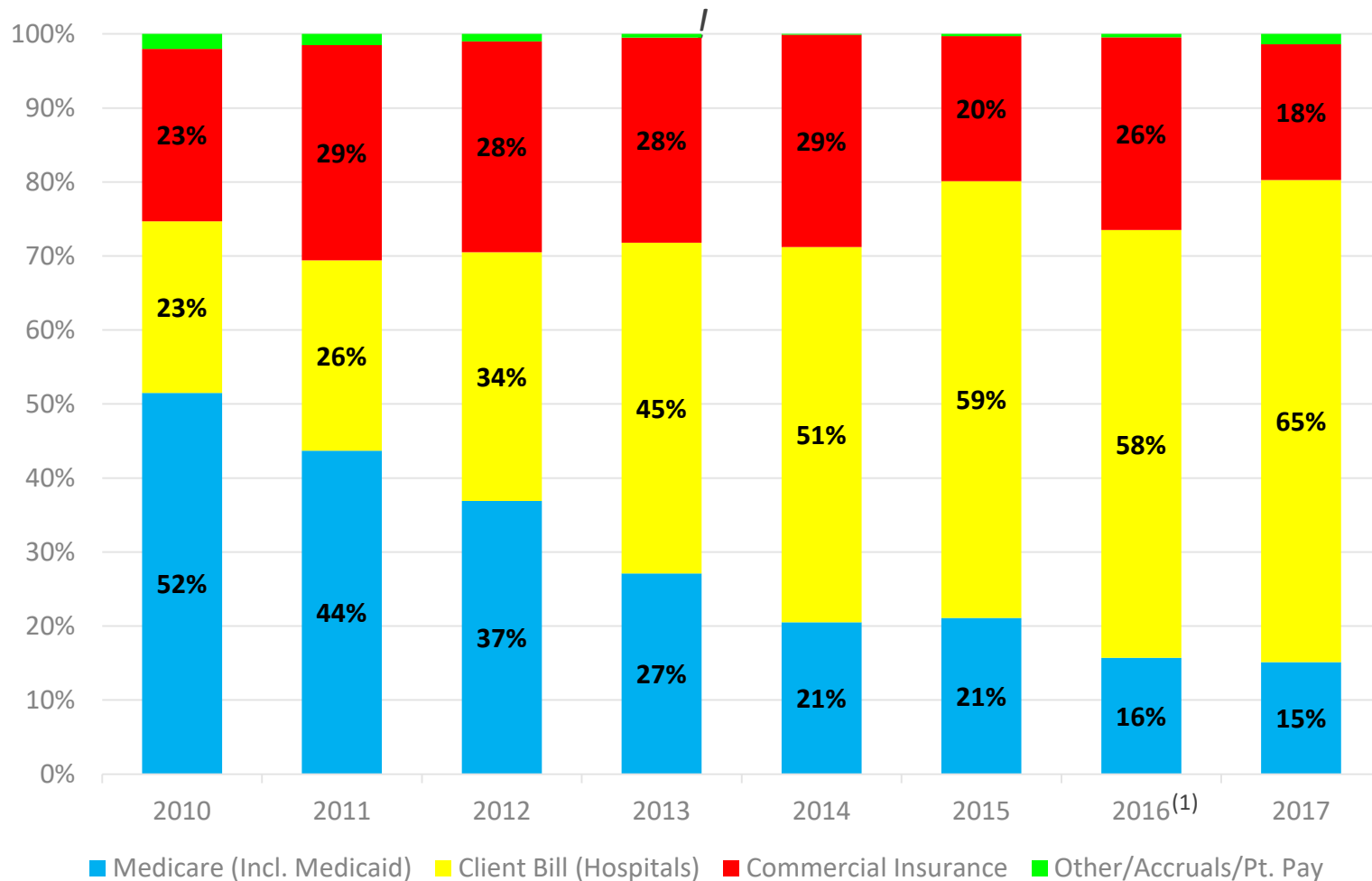
| Net Promoter Score (NPS) = % Promoters (9/10) - % Detractors (0-6) | | | | | |
|---|----------|------------|---------------------|------------------|--------------------|
| Survey | N | NPS | % Detractors | % Passive | % Promoters |
| Q4 2017 | 1242 | 52.13 | 10.38% | 27.11% | 62.51% |
| Q2 2017 | 932 | 53.65 | 9.44% | 27.47% | 63.09% |
| Q4 2016 | 901 | 39.6* | 16.3% | 27.8% | 55.9% |
| Q2 2016 | 1043 | 42.2* | 15.2% | 27.3% | 57.4% |
| Q4 2015 | 708 | 43.4 | 14.7% | 27.3% | 58.1% |

Net Promoter Score(NPS)⁽¹⁾ is a tool for gauging the loyalty of a firm’s customer relationships. It is based on a one question survey that asks customers: “How likely are you to recommend our company to a friend or colleague?” The NPS is the percentage of customers who are promoters (scores of 9 or 10) minus the percentage who are detractors (scores of 0 to 6). Passive scores of 7 or 8 are ignored. The final NPS can range from -100 to 100 and an NPS score over 50 is considered excellent. In most industries, NPS explains roughly 20% to 60% of the variation in organic growth rates among competitors. Studies have shown that on average, an industry’s Net Promoter leader outgrow their competitors by a factor greater than two times.

(1) Net Promoter, Net Promoter System, Net Promoter Score, and NPS are registered trademarks of Bain & Company, Inc.

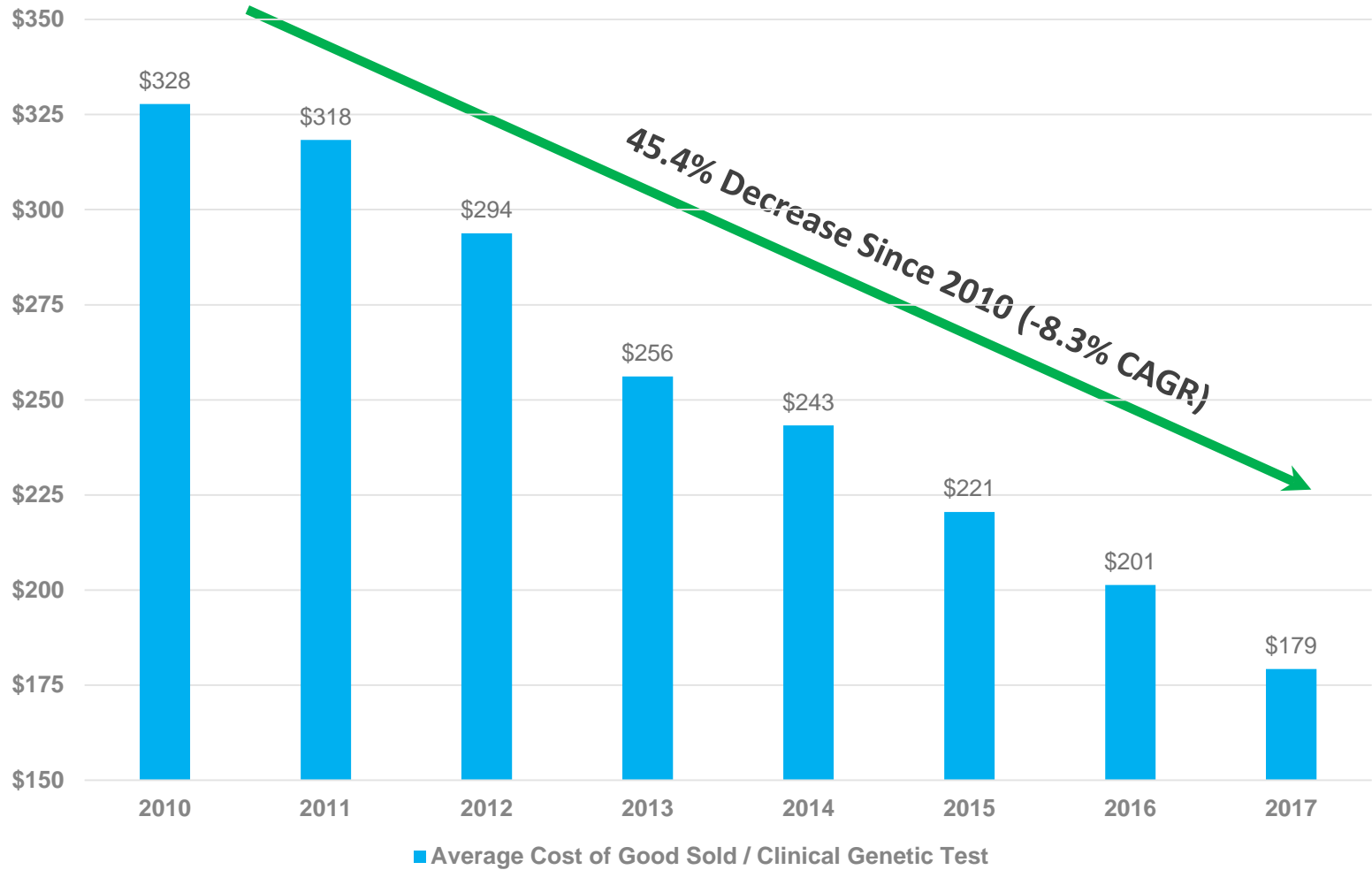
Evolution of Payer Mix For Clinical Testing

Medicare reimbursements have fallen from 52% of payer mix in 2010 to 15% in 2017

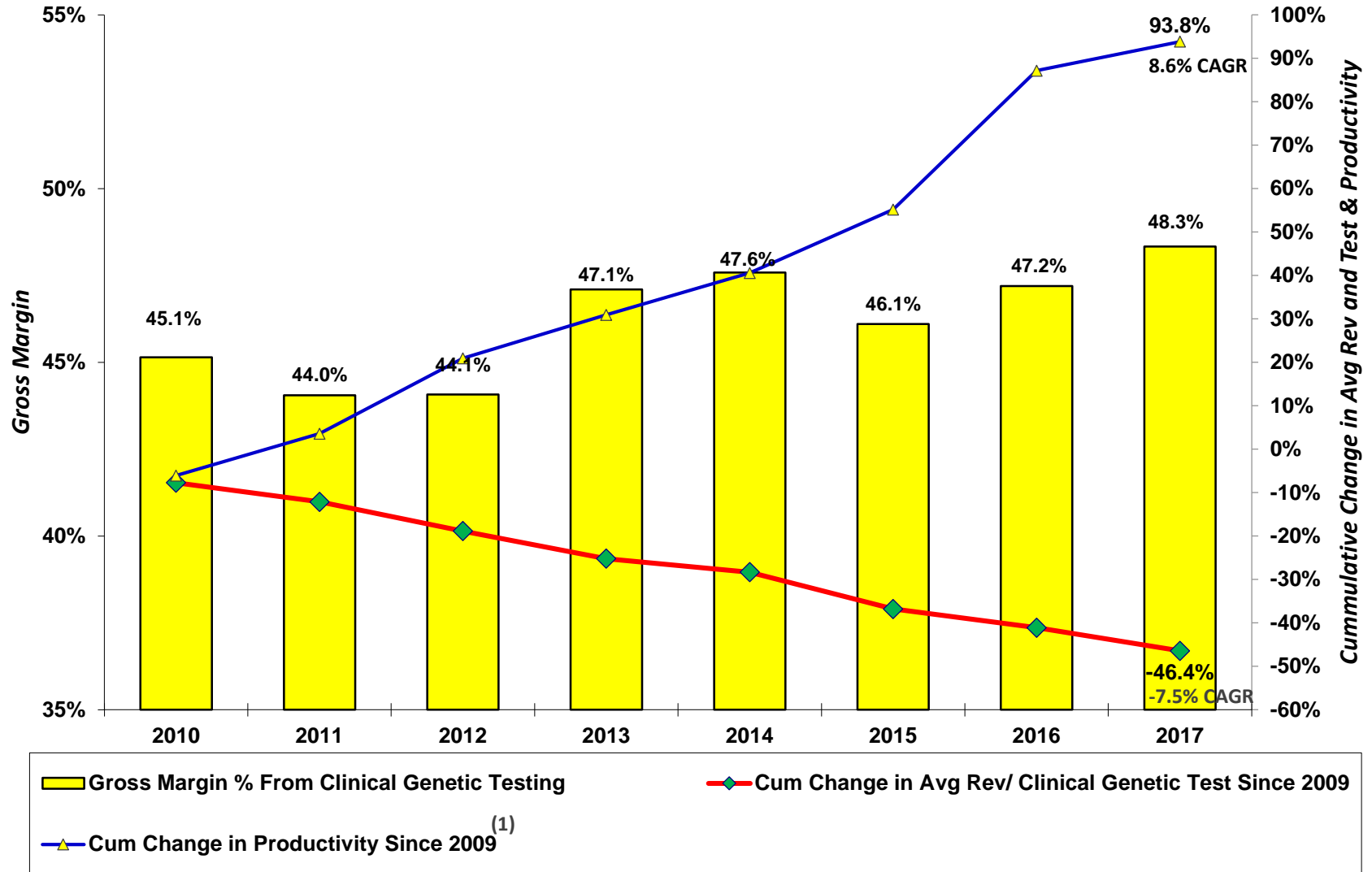


(1) 2016 is a blended average estimate of the Base NEO and Clariant payer mixes.

Accelerating Improvements in Cost per Test



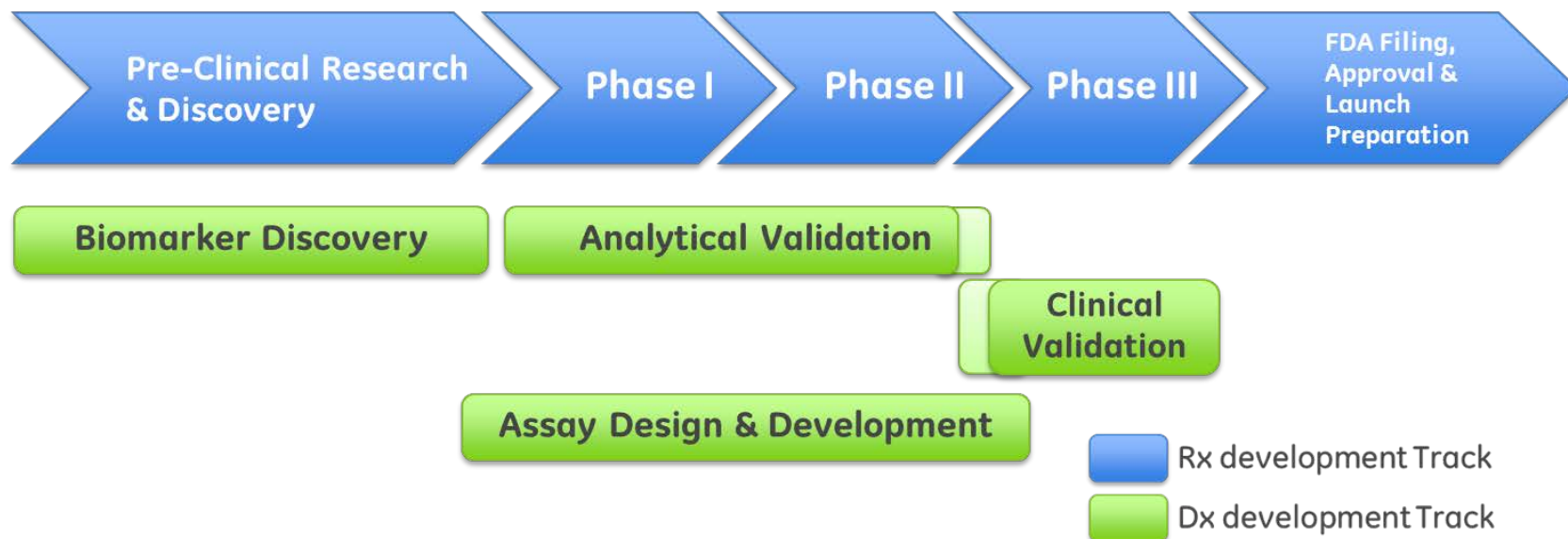
Historically Steady Margins Despite Lower Avg. Unit Prices*



* To facilitate comparison, all data is for Clinical Genetic Testing and excludes the impact from the PathLogic acquisition and Pharma Services.

(1) Productivity calculated as the average number of lab tests completed per month per laboratory FTE excluding couriers and R&D personnel.

Growing Pharma Services



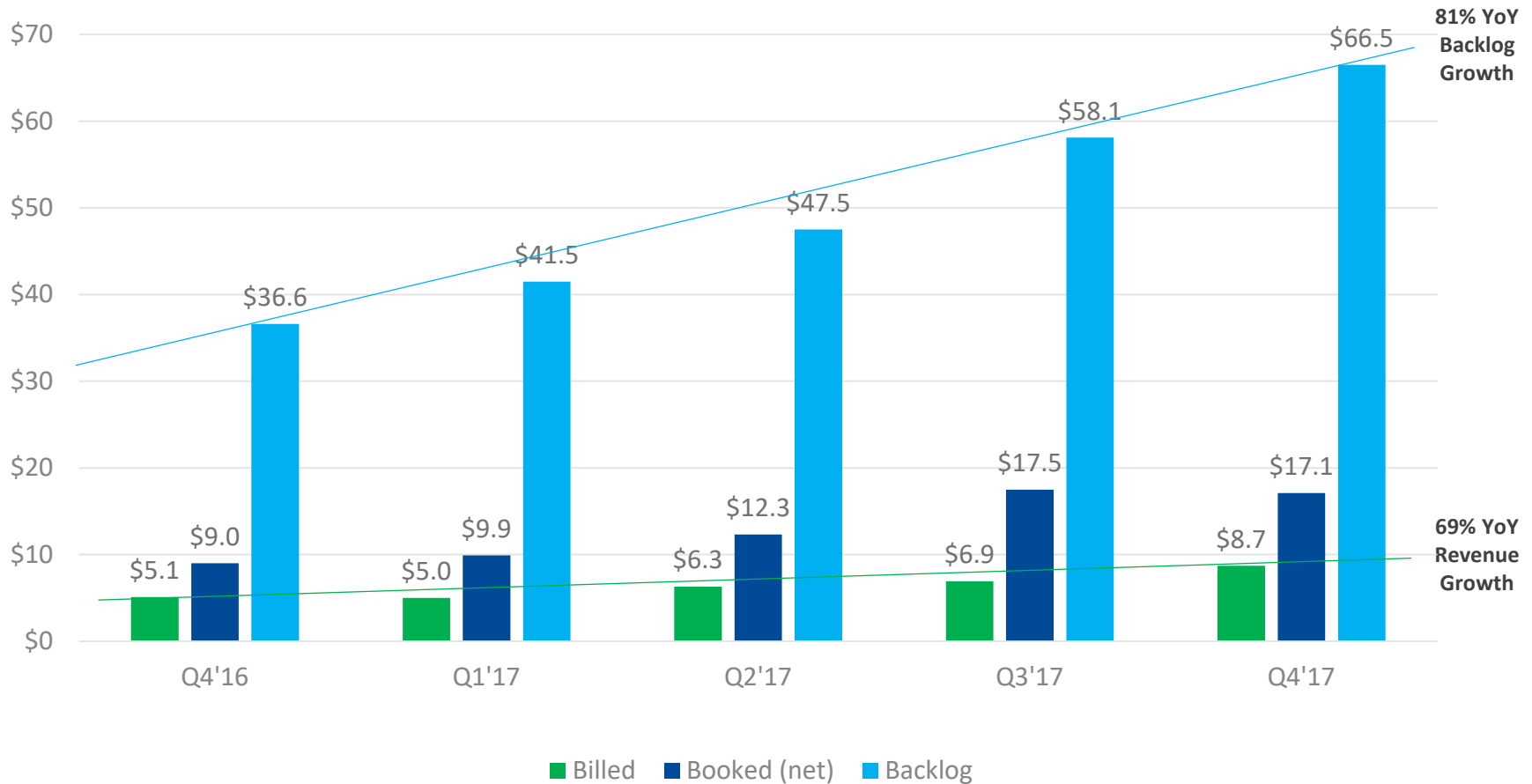
\$66.5mm Backlog as of 12/31/17 - >400 active projects from 100+ Clients

- 50% of projects in pre-clinical space – often leading to more lucrative Phase I, II, and III work
- Major PD-L1 testing site for Keytruda (Merck) and Opdivo (BMS) – Leader in Immuno-Oncology
- Medical and Scientific expertise, comprehensive test menu, & extensive clinical network
- Opened first international lab in November 2017 in Rolle, Switzerland

Pharma Services Revenue and Backlog

(\$, MMs)

Sales Momentum is Strong!



Recent Financial Information (P&L)

| (\$, 000's) | 2015 ⁽¹⁾ | 2016 ⁽²⁾ | 2017 ⁽³⁾⁽⁴⁾ | | Q4 2016 | Q4 2017 ⁽³⁾⁽⁴⁾ |
|--|---------------------|---------------------|------------------------|--|-----------------|---------------------------|
| Total Revenue | \$ 99,802 | \$ 244,083 | \$ 258,611 | | \$ 60,490 | \$ 67,792 ⁽⁶⁾ |
| % Growth (YoY) | 14.6% | 144.6% | 6.0% | | 121.7% | 12.1% |
| Total Gross Profit | 43,756 | 110,379 | 120,316 | | 27,258 | 33.132 ⁽⁶⁾ |
| Gross Margin % | 43.8% | 45.2% | 46.5% | | 45.1% | 48.9% |
| Total SG&A (Incl R&D) Exp ⁽³⁾ | 49,391 | 107,804 | 116,934 | | 30,192 | 28,645 |
| SG&A as a % of Rev | 49.5% | 44.2% | 45.2% | | 49.9% | 42.3% |
| Adjusted Net Income/(Loss)* | <u>4,042</u> | <u>14,399</u> | <u>11,255</u> | | <u>\$ 4,422</u> | <u>\$ 4,362</u> |
| Adjusted Diluted EPS* | \$0.06 | \$0.15 | \$0.13 | | \$0.05 | \$0.05 |
| Adjusted EBITDA* | \$ 9,672 | \$ 34,685 | \$ 32,769 | | \$ 8,149 | \$ 10,502 ⁽⁶⁾ |
| % Growth | 9.7% | 258.4% | -5.5% | | 178.1% | 28.9% |
| Operating Data⁽⁵⁾ | | | | | | |
| % Growth in Clinical Genetic Tests (YoY) | 25.6% | 154.6% | 16.7% | | 140.2% | 18.7% |
| Avg. Revenue/Clinical Genetic Test | \$ 409 | \$ 381 | \$ 347 | | \$ 365 | \$ 338 |
| % Change (YoY) | -11.9% | -6.8% | -9.0% | | -6.8% | -7.6% |
| Avg. COGS/Clinical Genetic Test | \$ 221 | \$ 201 | \$ 179 | | \$ 192 | \$ 171 |
| % Change (YoY) | -9.1% | -9.0% | -11.3% | | -9.0% | -10.9% |

* See Appendix for definitions of Adj. EBITDA, Adj. Net Income and Adj. Diluted EPS as well as a reconciliation of GAAP Net Income to Adjusted financial information.

- (1) 2015 figures include the results of Clariant for two days from the date of the acquisition on December 30, 2015 and \$4.7 MM of Clariant transaction expenses in SG&A.
- (2) 2016 SG&A includes 7.4 MM of one-time bank debt retirement fees and impairment charges. Q3 2017 SG&A includes elevated levels of bad debt as a result of cleaning up certain Clariant related billing, and increased denials from Medicare and certain Managed Care payers for changes in the way molecular tests are being reimbursed in 2017.
- (3) PathLogic was divested on 8/1/17, which resulted in \$1.4 million less revenue in Q3 2017 than in Q3 2016 and \$1.5 MM less revenue in Q4 17 than in Q4 16.
- (4) Q4 17 included a one-time tax benefit of \$3.1 million in conjunction with the passage of the Tax Cut and Jobs Act.
- (5) All Operating data refers to Clinical Genetic Testing and excludes the results from PathLogic and the Pharma Services Division. Clinical genetic testing accounted for 88% of total consolidated revenues in 2017.

2020 Goals

By providing uncompromising quality, exceptional service & innovative solutions, we will be the world's leading cancer testing and information company!

15%+

Clinical
Volume
CAGR

20%+

Pharma
Services
Revenue
CAGR

25-35%

Incremental
Adj. EBITDA
Margins on
Incr. Revenue



Appendix

2018 Guidance*

- Revenue Before Adopt of ASC 606: \$275 - 288 MM
- Revenue After Adopt of ASC 606 ⁽¹⁾ \$260- 272 MM
- Adjusted EBITDA* 39 - 43 MM
- Adjusted Net Income* 14 - 18 MM
- Adjusted Diluted EPS* \$0.15 - 0.20

* See Appendix for definitions of Adjusted EBITDA, Adjusted Net Income and Adjusted Diluted EPS as well as a reconciliation of GAAP Net Income to Adj. EBITDA, Adj. Net Income and Adj. Diluted EPS. NeoGenomics believes that Adjusted EBITDA, Adjusted Net Income and Adjusted Diluted EPS provide a more consistent measurement of operating performance and trends across reporting periods by excluding from income those cash and non-cash items of expense (income) not directly related to ongoing operations. Adjusted figures also assists investors in performing analysis that is consistent with financial models developed by research analysts. Investors should consider non-GAAP results together with GAAP results in analyzing NeoGenomics financial performance.

2018 net income available to common stockholders calculated in accordance with GAAP will be impacted by certain non-cash charges, including: (i) expenses related to variable stock-based compensation, (ii) approximately \$5.7 million of expense related to the amortization of customers lists and other intangibles from the Clariant acquisition, (iii) approximately \$4.0 million of deemed preferred stock dividends, and (iv) approximately \$8.1 million of the amortization of the beneficial conversion feature related to the preferred stock issued in connection with the Clariant acquisition. These non-cash charges have been included in GAAP net income (loss) available to common shareholders and GAAP net income (loss) per share; however, they have been removed from Adjusted Net Income and Adjusted Diluted Net Income per Share. As a result, the Company expects 2018 diluted net loss per share calculated in accordance with GAAP to be \$0.27 - \$0.29 per share lower than 2018 Adjusted Diluted Net Income per Share.

(1) Revenue Guidance is pro forma for the adoption of ASC 606 on January 1, 2018, which provides that all bad debt expense now be booked as a contra revenue adjustment instead of as a General and Administrative expense. NeoGenomics currently estimates \$15-16 MM of bad debt in 2018. ASC 606 does not impact Adjusted EBITDA, net income or EPS.

Reconciliation of GAAP Net Income to Adjusted EBITDA

Use of non-GAAP Financial Measures: NeoGenomics believes that using non-GAAP financial measures provides useful supplemental information to investors and facilitates the analysis of the company's core operating results and the comparison of core operating results more consistently across reporting periods. Management also uses non-GAAP financial measures for financial and operational decision making, planning and forecasting purposes and to manage the company's business. These non-GAAP financial measures enable investors to evaluate our operating results and future prospects in the same manner as management and research analysts. The non-GAAP financial measures do not replace the presentation of GAAP financial results and should only be used as a supplement to and not as a substitute for financial results presented in accordance with GAAP. There are limitations inherent in non-GAAP financial measures because they exclude charges and credits that are required to be included in a GAAP presentation, and do not therefore present the full measure of NeoGenomics recorded costs against its net revenue. In addition, non-GAAP financial measures as defined by NeoGenomics may differ from non-GAAP measures used by other companies.

Reconciliation of GAAP Net Income to Non-GAAP EBITDA and Adjusted EBITDA (Unaudited, in thousands)

| (Unaudited, in thousands) | For the Three Months Ended December 31, | | For the Year Ended December 31, | |
|---|--|-----------------|------------------------------------|------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Net Income (Loss) (GAAP) | \$ 4,951 | \$ (6,223) | \$ (846) | \$ (5,723) |
| <i>Adjustments to Net Income (Loss):</i> | | | | |
| Interest expense | 1,368 | 1,541 | 5,540 | 6,050 |
| Income tax (benefit) | (2,096) | (2,201) | (2,635) | (1,701) |
| Amortization of intangibles | 1,794 | 1,818 | 6,995 | 7,272 |
| Depreciation | 3,856 | 4,387 | 15,596 | 15,937 |
| EBITDA | 9,873 | (678) | 24,650 | 21,835 |
| <i>Further Adjustments to EBITDA:</i> | | | | |
| Facility moving expenses and other adjustments | - | - | 620 | - |
| Loss on sale of business | - | - | 1,058 | - |
| Amortization of issuance costs and prepayment fees upon early termination of debt | - | 3,948 | - | 3,948 |
| Impairment charges | - | 3,464 | - | 3,464 |
| Non-cash, stock-based compensation | 629 | 1,415 | 6,441 | 5,438 |
| Adjusted EBITDA (non-GAAP) | <u>\$ 10,502</u> | <u>\$ 8,149</u> | <u>\$ 32,769</u> | <u>\$ 34,685</u> |

Reconciliation of GAAP Net Income to Adjusted Net Income & GAAP Diluted EPS to Adjusted Diluted EPS

Reconciliation of GAAP Net Income Available to Common Stockholders to Non-GAAP Adjusted Net Income and GAAP Earnings per Share to Non-GAAP Adjusted Earnings per Share (Unaudited, in thousands)

| | For the Three Months Ended December 31, | | For the Year Ended December 31, | |
|---|--|-----------------|------------------------------------|------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Net Income (Loss) attributable to common stockholders (GAAP) | \$ 2,260 | \$ (14,197) | \$ (11,393) | \$ (30,397) |
| <i>Adjustments to Net Income (Loss):</i> | | | | |
| Amortization of intangibles | 1,794 | 1,818 | 6,995 | 7,272 |
| Deemed dividends on preferred stock | 911 | 12,491 | 3,645 | 18,011 |
| Amort. of preferred stock beneficial conversion feature | 1,780 | (4,517) | 6,901 | 6,663 |
| Facility moving expenses and other adjustments | - | - | 620 | - |
| Loss on sale of business | - | - | 1,058 | - |
| Amortization of costs and fees upon debt termination | - | 3,948 | - | 3,948 |
| Income tax benefit | (3,012) | - | (3,012) | - |
| Impairment charges | - | 3,464 | - | 3,464 |
| Non-cash, stock-based compensation | 629 | 1,415 | 6,441 | 5,438 |
| Adjusted net income (non-GAAP) | <u>\$ 4,362</u> | <u>\$ 4,422</u> | <u>\$ 11,255</u> | <u>\$ 14,399</u> |
| Net loss per common share (GAAP) | | | | |
| Diluted EPS | \$ 0.03 | \$ (0.18) | \$ (0.14) | \$ (0.39) |
| <i>Adjustments to diluted loss per share:</i> | | | | |
| Amortization of intangibles | 0.02 | 0.02 | 0.08 | 0.08 |
| Deemed dividends/PIK dividends on preferred stock | 0.01 | 0.13 | 0.04 | 0.19 |
| Amort. of preferred stock beneficial conversion feature | 0.02 | (0.05) | 0.08 | 0.07 |
| Facility moving expenses | - | - | 0.01 | - |
| Loss on sale of business | - | - | 0.01 | - |
| Amortization of costs and fees upon debt termination | - | 0.04 | - | 0.04 |
| Income tax benefit | (0.03) | - | (0.03) | - |
| Impairment charges | - | 0.04 | - | 0.04 |
| Non-cash, stock-based compensation expenses | 0.01 | 0.01 | 0.07 | 0.06 |
| Rounding and impact of including preferred shares and stock options in Adj. Diluted Shares in net loss periods ⁽³⁾ | (0.01) | 0.04 | 0.01 | 0.06 |
| Adjusted Diluted EPS (non-GAAP) | <u>\$ 0.05</u> | <u>\$ 0.05</u> | <u>\$ 0.13</u> | <u>\$ 0.15</u> |

Reconciliation of GAAP Net Income to Adjusted Figures

| | For the Three Months Ended | | For the Year Ended | |
|--|----------------------------|---------------|--------------------|---------------|
| | December 31, | | December 31, | |
| | 2017 | 2016 | 2017 | 2016 |
| Weighted average shares used in computation of adjusted diluted earnings per share: | | | | |
| Diluted Common Shares (GAAP) | 88,611 | 78,490 | 79,426 | 77,542 |
| Options, warrants and restricted stock not included in GAAP | | | | |
| Diluted Shares (using treasury stock method) | - | 2,058 | 1,579 | 1,717 |
| Weighted Avg. Preferred Shares (as converted) | - | 13,878 | 6,600 | 14,468 |
| Adjusted Diluted Shares outstanding (non-GAAP) | 88,611 | 94,426 | 87,605 | 93,727 |

“**Adjusted EBITDA**” is defined by NeoGenomics as net income from continuing operations before: (i) interest expense, (ii) tax expense, (iii) depreciation and amortization expense, (iv) non-cash, stock-based compensation expense, and if applicable in a reporting period (v) acquisition related transaction expenses and other significant non-recurring or non-operating (income) or expenses.

“**Adjusted Net Income**” is defined by NeoGenomics as net income available to common shareholders from continuing operations plus: (i) non-cash amortization of customer lists and other intangible assets, (ii) non-cash, stock-based compensation expense, (iii) non-cash deemed dividends on preferred stock, (iv) non-cash amortization of preferred stock beneficial conversion feature, and if applicable in a reporting period (v) acquisition related transaction expenses and other significant non-recurring or non-operating (income) or expenses.

“**Adjusted Diluted EPS**” is defined by NeoGenomics as Adjusted Net Income divided by Adjusted Diluted Shares outstanding. Adjusted Diluted Shares outstanding is the sum of Diluted shares outstanding and the weighted average number of common shares that would be outstanding if the preferred stock were converted into common stock on the original issue date based on the number of days such common shares would have been outstanding in the reporting period. In addition, If GAAP Net Income is negative and Adjusted Net Income is positive, Adjusted Diluted Shares will also include any options or warrants that would be outstanding as dilutive instruments using the treasury stock method.

Selected 2018 Medicare Physician Fee Schedule Rates

Implied CY 2018 PFS Rates Based on CMS Final Rule on the Physical Fee Schedule (CMS-1676-F issued 11/02/17)

| CPT Proc Code | Procedure Description | National Unadj Rate 2016 | National Unadj Rate 2017 | Final Rule - Implied National Unadj Rate 2018 (1) | % Change 2018 Final Rule vs 2017 |
|---------------|--|--------------------------|--------------------------|---|----------------------------------|
| 88184 | FLOW 1ST MARKER | \$ 76.26 | \$ 61.73 | \$ 68.04 | 10.2% |
| 88185 | FLOW EACH ADDL MARKER | \$ 46.55 | \$ 37.68 | \$ 30.60 | -18.8% |
| 88189 | FLOW INTERP 16 OR MORE MARKERS | \$ 114.22 | \$ 92.59 | \$ 88.92 | -4.0% |
| 88374 | FISH AUTOMATED PER PROBE (Multiplex Probe Stain) | \$ 345.87 | \$ 343.45 | \$ 351.36 | 2.3% |
| 88374 - TC | FISH AUTOMATED PER PROBE TECH (Multiplex Probe Stain) | \$ 299.68 | \$ 297.16 | \$ 305.28 | 2.7% |
| 88374 - PC | FISH AUTOMATED PER PROBE INTERP (Multiplex Probe Stain) | \$ 46.19 | \$ 46.30 | \$ 46.08 | -0.5% |
| 88121 | FISH AUTOMATED - UROVYSION | \$ 558.55 | \$ 553.76 | \$ 541.79 | -2.2% |
| 88121 - TC | FISH AUTOMATED - UROVYSION | \$ 506.63 | \$ 501.72 | \$ 489.59 | -2.4% |
| 88121 - PC | FISH AUTOMATED - UROVYSION | \$ 51.92 | \$ 52.04 | \$ 52.20 | 0.3% |
| 88342 | IMMUNOHISTOCHEMISTRY (1st Stain) | \$ 107.41 | \$ 108.38 | \$ 111.60 | 3.0% |
| 88342 - TC | IMMUNOHISTOCHEMISTRY TECH (1st Stain) | \$ 70.18 | \$ 71.06 | \$ 74.16 | 4.4% |
| 88342 - PC | IMMUNOHISTOCHEMISTRY INTERP (1st Stain) | \$ 37.24 | \$ 37.32 | \$ 37.44 | 0.3% |
| 88341 | IMMUNOHISTOCHEMISTRY (Add'l Stain) | \$ 90.23 | \$ 92.23 | \$ 94.68 | 2.7% |
| 88341 - TC | IMMUNOHISTOCHEMISTRY TECH (Add'l Stain) | \$ 62.30 | \$ 62.45 | \$ 64.80 | 3.8% |
| 88341 - PC | IMMUNOHISTOCHEMISTRY INTERP (Add'l Stain) | \$ 27.93 | \$ 29.79 | \$ 29.88 | 0.3% |
| 88344 | IMMUNOHISTOCHEMISTRY (each Multiplex Stain) | \$ 174.01 | \$ 174.78 | \$ 178.56 | 2.2% |
| 88344 - TC | IMMUNOHISTOCHEMISTRY TECH (each Multiplex Stain) | \$ 133.19 | \$ 133.86 | \$ 137.52 | 2.7% |
| 88344 - PC | IMMUNOHISTOCHEMISTRY INTERP (each Multiplex Stain) | \$ 40.82 | \$ 40.91 | \$ 41.04 | 0.3% |
| 88360 | MORPHOMETRIC ANALYSIS, TUMOR IHC - MANUAL (Each Antibody) | \$ 121.73 | \$ 142.12 | \$ 136.44 | -4.0% |
| 88360 - TC | MORPHOMETRIC ANAL. TC, TUMOR IHC - MANUAL | \$ 65.16 | \$ 84.70 | \$ 89.64 | 5.8% |
| 88360 - PC | MORPHOMETRIC INTERP - MANUAL (Each Antibody) | \$ 56.57 | \$ 57.42 | \$ 46.80 | -18.5% |
| 88361 | MORPHOMETRIC ANALYSIS, TUMOR IHC - AUTOMATED (Each Antibody) | \$ 149.66 | \$ 156.83 | \$ 148.32 | -5.4% |
| 88361 - TC | MORPHOMETRIC ANAL TC, TUMOR IHC - AUTOMATED (Each Antibody) | \$ 88.79 | \$ 95.82 | \$ 98.64 | 2.9% |
| 88361 - PC | MORPHOMETRIC INTERP - AUTOMATED (Each Antibody) | \$ 60.87 | \$ 61.01 | \$ 49.68 | -18.6% |

(1) Assumes no other Physician Fee Schedule (PFS) rule changes or limited coverage determinations are implemented for 2018.

Uses Estimated Conversion Factor of 35.9996 taken from Section VI(C)(1) of CMS-1676-F (page 1149 of display copy of rule on CMS website).

Final Conversion Factor subject to change.

Strong Track Record of Innovation

Leader in FISH, Flow Cytometry, IHC, Molecular, Immuno-Oncology (PD-L1) and Emerging Leader in Liquid Biopsy Testing!

