

To: Elizabeth Holmes[eholmes@theranos.com]; Sunny Balwani[sbalwani@theranos.com]
From: Danise Yam
Sent: Thur 7/16/2015 2:42:02 AM
Importance: Normal
Subject: RE: 409A
Received: Thur 7/16/2015 2:42:04 AM

Hi Elizabeth,

Revised the revenue numbers per discussion and updated the model. I will send this to Aranca.

We will still need to know how many options will be granted at the new value (whether and how many to include for you and SB).

Thanks,

Danise

Year	Revenue	COS %	G&A increase	R&D increase	Cost per device	Price per test	Test per day per machine	Result based on assumptions		
								# of devices needed	# of tests per day	OPEX
2015	\$53M	35%	30%	10%	\$40K	\$35	8	531	4184	\$136M
2016	\$153M	32%	30%	10%	\$35K	\$35	8	992	12012	\$155M
2017	\$253M	32%	30%	10%	\$30K	\$35	8	992	19840	\$178M
2018	\$503M	30%	30%	10%	\$25K	\$35	8	3011	39409	\$205M

From: Danise Yam
Sent: Wednesday, July 08, 2015 2:12 PM
To: Elizabeth Holmes; Sunny Balwani
Subject: RE: 409A

No change in terms of the assumptions. The result changed slightly (see comparison below) after updating the historical data (because the projection is based on a % of historical data. As our actual expenses went up, the projected expenses will go up as well).

Please confirm that these assumptions are ok to use. (I already sent this to Aranca per our conversation yesterday. But we can certainly make changes, if necessary).

Thanks,

Danise

From: Elizabeth Holmes
Sent: Wednesday, July 08, 2015 1:56 PM
To: Danise Yam; Sunny Balwani
Subject: RE: 409A

What are the changes between this model and the last one?

From: Danise Yam
Sent: Thursday, July 02, 2015 12:09 PM
To: Elizabeth Holmes; Sunny Balwani

Subject: 409A

Hi Sunny/Elizabeth,

Wanted to follow up on this.

Thanks,

Danise

From:Danise Yam

Sent: Saturday, June 27, 2015 8:19 PM

To: Elizabeth Holmes; Sunny Balwani

Subject: RE: sunil dhawan

Please see attached for the full projection model. The quickest turnaround time is two weeks, depending on how much changes to the assumptions we are making. The assumptions we had been using since September 2014 were as follows.

Thanks,

Danise

Year	Revenue	COS %	G&A increase	R&D increase	Cost per device	Price per test	Test per day per machine	Result based on assumptions		
								# of devices needed	# of tests per day	OPEX
2015	\$113M	35%	30%	10%	\$40K	\$35	8	1,126	8,845	\$136M
2016	\$223M	32%	30%	10%	\$35K	\$35	8	1,091	17,455	\$155M
2017	\$323M	32%	30%	10%	\$30K	\$35	8	1,000	25,284	\$178M
2018	\$503M	30%	30%	10%	\$25K	\$35	8	2,912	39,374	\$205M

From:Elizabeth Holmes

Sent: Saturday, June 27, 2015 6:15 PM

To: Danise Yam; Sunny Balwani

Subject: RE: sunil dhawan

Send those out by email to me too – we will get this done this weekend. What is turnaround time on the 409a.

We should revisit 2015 numbers in the assumptions too

From:Danise Yam

Sent: Saturday, June 27, 2015 10:54 AM

To: Sunny Balwani

Cc: Elizabeth Holmes

Subject: Re: sunil dhawan

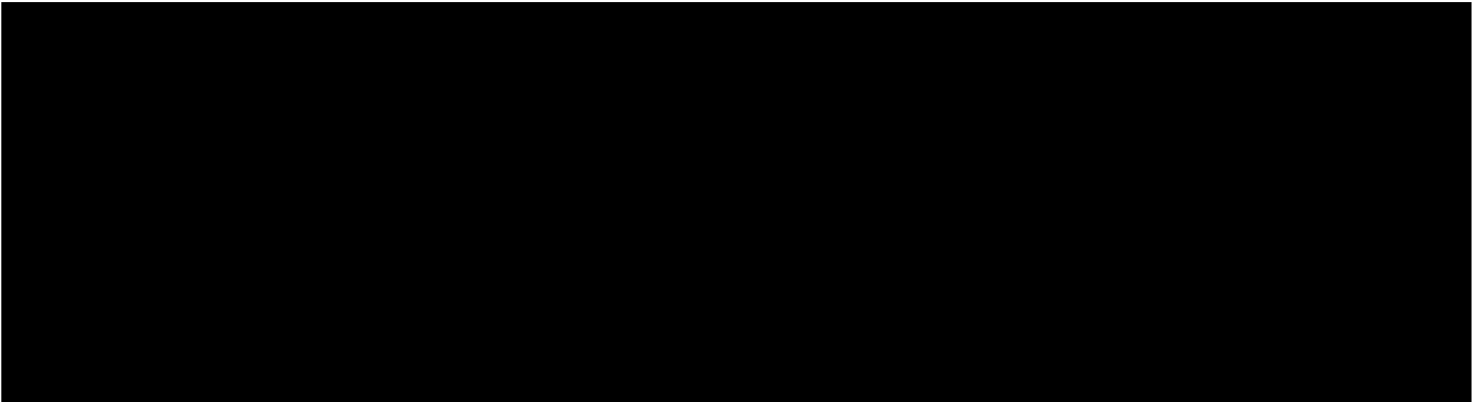
Hi Sunny,

As we briefly touched base last night, all option grants would be pending on the 409a valuation (due to Marc' transaction). If you can help review the assumptions used for the projection, we will move this along quickly.

Thanks,

Danise

On Jun 27, 2015, at 7:10 AM, Mona Ramamurthy <mramamurthy@theranos.com> wrote:



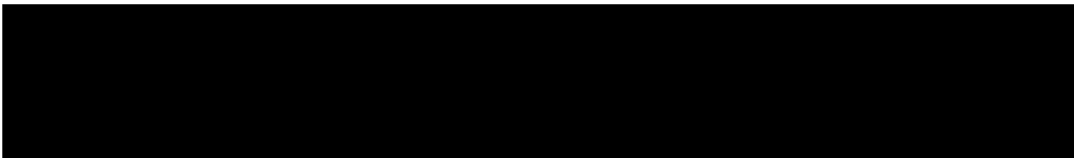
On Jun 26, 2015, at 11:12 AM, Evan North <ENorth@BSFLLP.com> wrote:



Evan E. North, Esq.
BOIES, SCHILLER & FLEXNER LLP
Mobile:
ENorth@BSFLLP.com

-----Original Message-----

From: Sunny Balwani [sbalwani@theranos.com]
Sent: Friday, June 26, 2015 02:12 PM Eastern Standard Time
To: Heather King
Cc: Danise Yam; Scott Marmer; Elizabeth Holmes; Mona Ramamurthy; Evan North; Diana Lee
Subject: RE: sunil dhawan



From: Heather King
Sent: Friday, June 26, 2015 10:37 AM
To: Sunny Balwani
Cc: Danise Yam; Scott Marmer; Elizabeth Holmes; Mona Ramamurthy; Evan North; Diana Lee
Subject: RE: sunil dhawan



[REDACTED]

From: Sunny Balwani
Sent: Thursday, June 25, 2015 9:32 PM
To: Heather King
Cc: Danise Yam; Scott Marmer; Elizabeth Holmes; Mona Ramamurthy
Subject: RE: sunil dhawan

[REDACTED]

From: Heather King
Sent: Thursday, June 25, 2015 9:30 PM
To: Sunny Balwani
Cc: Danise Yam; Scott Marmer; Elizabeth Holmes
Subject: Re: sunil dhawan

[REDACTED]

On Jun 25, 2015, at 9:23 PM, Sunny Balwani <sbalwani@theranos.com> wrote:

[REDACTED]

From: Sunny Balwani
Sent: Thursday, June 25, 2015 7:50 PM
To: Danise Yam; Scott Marmer
Cc: Elizabeth Holmes; Heather King
Subject: RE: sunil dhawan

[REDACTED]

From: Sunny Balwani
Sent: Thursday, June 25, 2015 7:23 PM
To: Danise Yam; Scott Marmer
Cc: Elizabeth Holmes; Heather King
Subject: sunil dhawan

Importance: High



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