
From: Elizabeth Holmes
To: Steve Burd
Sent: 3/15/2011 5:53:59 AM
Subject: FW: FW: Presentation for tomorrow
Attachments: Theranos_SWY BOD Meeting.pdf

FYI

Looking forward to this,

Elizabeth.

From: Elizabeth Holmes
Sent: Monday, March 14, 2011 10:52 PM
To: 'liz.mcgowan@safeway.com'
Cc: Paula Chaltas
Subject: Presentation for tomorrow

Liz,

Please see attached.

Let us know if you need anything else from us.

Best,

Elizabeth.

Elizabeth Holmes
President and CEO
Theranos, Inc.

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Theranos at Safeway

Executive Briefing 03.2011

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Theranos, Inc.

Theranos is a Silicon Valley-based healthcare technology company founded in 2003.

- Theranos' proprietary, patented technology runs comprehensive blood tests from a finger-stick and tests from micro-samples of other matrices in real-time outside of traditional lab settings and generates significantly higher integrity data than currently possible.
- Our current and past clients include 10 of the top 15 major pharmaceutical companies, midsized bio-pharmas, prominent research institutions, healthcare payors, and U.S. and foreign government health and military organizations.
- Theranos is now launching Theranos Systems to providers nationally.



About Theranos

Founder and CEO Elizabeth Holmes left Stanford University to start Theranos around her patents for next-generation healthcare systems, building the company from inception to rapid commercial growth today.

President & COO Sunny Balwani joined Theranos from the graduate studies program in Computer Science at Stanford University after successfully selling his previous company for over \$400M.




Theranos' investors and board members include, amongst others:

- Larry Ellison, Founder and CEO of Oracle Corporation
- Bob Shapiro, former CEO and Chairman of Monsanto and Pharmacia Corporations (now Pfizer); former director of NYSE, Citibank, and other major corporations
- Donald L. Lucas, the first venture capitalist in Silicon Valley, and a legend behind many of today's Fortune 500 companies
- Strategic healthcare organizations including large health plans, providers, and national pharmacy and grocery companies

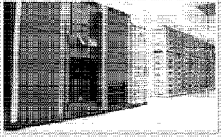
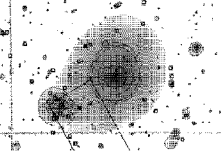



Overview: Theranos Systems

Theranos Systems

		
minilab Devices	Cartridges	Mobile Applications

Theranos Systems: Backend Analytical Infrastructure

		
Data Analysis Infrastructure	Pattern Recognition Algorithms	Applications – e.g. Compliance, Billing, Integration



Validation of Theranos Systems

Theranos Systems have been comprehensively validated over the course of the last seven years by ten of the fifteen largest pharmaceutical companies, with hundreds of thousands of assays processed.

After running clinical trials with Theranos Systems instead of the central laboratory, GlaxoSmithKline's Lab Director concluded that **"Theranos Systems eliminate the need for a lab."**

Theranos Systems are validated under FDA, ICH and WHO guidelines.



Theranos Products

1. Routine, Specialty, & Esoteric Tests

2. Diagnostic & Predictive Women's and Men's Health Tests

- Include the following proprietary tests, amongst others:

Chronic Disease

- Heart disease progression & risk of heart attacks
- Breast & ovarian cancer early detection and onset
- Prostate & colorectal cancer early detection onset

Infectious Disease

- Influenza (H1N1 2009 swine, non-swine flu, H3N2 (global flu), H5N1)
- Viral versus bacterial infection through a comprehensive panel of the most common pathogens
- HIV & other STDs

Fertility & Pregnancy

- Better characterization of optimal time for conception, efficacy of fertility treatments, and how best to optimize them (e.g. during IVF or hormone therapy)
- Earlier & more accurate detection of pregnancy than currently possible
- Early detection of preeclampsia



Theranos at Safeway

Theranos and Safeway have the opportunity to capture a significant share of a market that impacts more than 80% of clinical decisions today.

- General lab testing was a \$58 billion market in 2010
- Projected to grow to \$100B+ in 2018
- On average, every American runs blood tests >3 times a year.
- In 2006 alone, Quest Diagnostics, which only controls 14% of the general lab testing market, processed more than 151 million test requisitions.
- Healthcare reform, increasing healthcare costs, and the changing market dynamics make this industry ripe for innovation



Theranos Safeway Partnership Objectives

- Make blood testing faster and far more accessible, effective, and actionable by introducing a more cost-effective, real-time blood testing service at Safeway stores nationwide.
- Empower Safeway and Safeway Health to play a more active role in patient health management and well-being. Theranos' decision support system will deliver real-time, actionable information to clinicians and consumers by providing analysis, interpretations and recommendations for behavior modification based on patient test results.
- Generate health care cost savings by reducing direct out-of-pocket costs of lab tests and visits.
- Early intervention and reduced hospitalization through early detection of the onset of disease.
- Introduce a new revenue and profit stream for Safeway through this disruptive technology, associated services, and distribution rights to other retail grocers.



Theranos at Safeway: Market Share Strategy

The Medicaid/Medicare Opportunity

- In cutting CMS' costs by >50%, Theranos is setting a new reimbursement threshold
- New Theranos Panel CPT codes will make it difficult for high cost tests to maintain market share, and will contribute to increasing market ownership of Safeway in the market

Relationships with Health Insurance Companies

- Launch built around contracts with private health insurance companies who will contractually work with physicians to send their patients to Safeway