

Projected Statement of Income

Revenue (US COMMERCIAL ONLY)

- Lab Services from US Retail Pharmacies
- Lab Services Revenue from Physicians Offices
- Lab Services Revenue from Hospitals
- OnSite Services Revenue from Hospitals
- Pharmaceuticals Services
- DOD

900,000
Locations

47%
169,000
10,000
60,000

Order of magnitude?
How many pharmacy
How many tests?
How many tests?

-208K/location

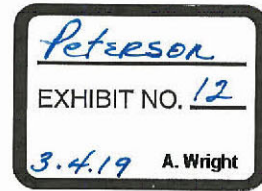
	Period Ending	
	12/31/2014	12/31/2015
Total Revenue	\$ 140,000,000	\$ 990,000,000
Cost of Revenue:		
Retail Pharmacy	\$ (16,000,000)	\$ (188,000,000)
Physicians Office (courier)	\$ (4,000,000)	\$ (64,000,000)
Hospital (courier)	\$ (14,000,000)	\$ (87,000,000)
Hospital (onsite)	\$ -	\$ (3,000,000)
Pharmaceutical Services	\$ (5,000,000)	\$ (12,000,000)
DOD	TBD	TBD
Total Cost of Revenue	\$ (39,000,000)	\$ (354,000,000)
Gross Profit	\$ 101,000,000	\$ 636,000,000
Operating Expenses		
Research & Development (including software apps & support)	\$ (57,000,000)	\$ (127,000,000)
CLIA Lab Operations Fixed overhead (validation, software, facilities,...)	\$ (10,000,000)	\$ (76,000,000)
Data Center	\$ (3,000,000)	\$ (25,000,000)
Sales, Marketing & Branding	\$ (11,000,000)	\$ (76,000,000)
G&A	\$ (21,000,000)	\$ (95,000,000)
Total Operating Expenses	\$ (102,000,000)	\$ (399,000,000)
EBITDA	\$ (1,000,000)	\$ 237,000,000
Depreciation & Taxes		
Depreciation of Capital Assets	\$ (2,000,000)	\$ (7,000,000)
Taxes	\$ -	TBD
Net Income	\$ (3,000,000)	\$ 230,000,000

64.2%

12.8%

40.3%

23.9%



THERANOS, INC. AND SUBSIDIARY
 Period ended July 14, 2014

	July 14, 2014
	\$'000
Current assets	
Cash & investment	162,713
Accounts Receivable	25,000
Inventory	5,853
Other current assets	2,950
Total current assets	<u>196,516</u>
Note Receivable	26,969
Plant & Equipment	21,534
Total Assets	<u>\$ 245,019</u>
Current liabilities	
Accounts Payable	4,627
Other current liabilities	4,188
Total current liabilities	<u>8,815</u>
Deferred revenue & customers' deposits	168,808
Repurchasable shares	11,460
Other long term liabilities	4,183
Total liabilities	<u>193,266</u>
Common stock	25,823
Preferred stock	331,717
Accumulated deficit	(305,787)
Total stockholder' equity	<u>51,753</u>
Total liabilities and stockholders' equity	<u>\$ 245,019</u>

NO DEBT

Countersigned