AGENDIA N.V.

(a public limited liability company (naamloze vennootschap) incorporated in the Netherlands with its statutory seat (statutaire zetel) in Amsterdam, the Netherlands)

Offering of up to 4,587,156 ordinary shares

We are offering up to 4,587,156 new ordinary shares (the "**Offer Shares**") with a nominal value of €0.10 per share in the offering (the "**Offering**"). The Offering consists of a public offering in the Netherlands to institutional and retail investors, and an international offering to certain institutional investors.

In this Prospectus, the "**Company**", "we", "our" or "us" refers to Agendia N.V. a public company with limited liability (*naamloze vennootschap*) and, where appropriate, its subsidiaries.

Prior to the Offering, there has been no public market for the Company's ordinary shares, which have a nominal value of €0.10 each (the "**Ordinary Shares**"). Application has been made to list and admit all the Ordinary Shares to trading on NYSE Euronext in Amsterdam ("**Euronext Amsterdam**"), the regulated market of Euronext Amsterdam N.V. ("**Euronext**") under the symbol "AGDX". Subject to acceleration or extension of the timetable for the Offering, trading in the Ordinary Shares, on an "if-and-when-issued" basis, on Euronext Amsterdam is expected to commence on or about 21 June 2011 (the "**First Trading Date**").

The Offer Shares and any Additional Shares (as defined below) are being offered only in those jurisdictions in which, and only to those persons to whom, offers and sales of the Offer Shares and any Additional Shares may lawfully be made. The distribution of this document and the offering and sale of the Offer Shares and any Additional Shares in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves and observe any restrictions. The Offer Shares and any Additional Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction in the United States. The Offer Shares and any Additional Shares are being offered: (i) in the United States, to "qualified institutional buyers" ("**QIBs**") as defined in Rule 144A under the US Securities Act ("**Rule 144A**"), pursuant to Rule 144A or another exemption from the registration requirements of the US Securities Act and (ii) outside the United States, in accordance with Regulation S under the US Securities Act ("**Regulation S**").

Investing in the Offer Shares and Additional Shares involves a high degree of risk. See "Risk Factors" beginning on page 13 to read about factors you should carefully consider before investing in the Offer Shares.

Price per Offer Share (the "Offer Price")

€16.35 to €19.15 per Offer Share (the "Offer Price Range")

The Offer Price and the exact number of Offer Shares will be determined after the Offer Period (as defined herein) has ended, and after taking into account the factors described in "*The Offering*". Prior to allocation of the Offer Shares ("**Allocation**"), the maximum number of Offer Shares can be increased or decreased and the Offer Price Range can be changed. Any such change will be announced in a press release on our website. The Offer Price and the exact number of Offer Shares will be set out in a pricing statement that will be deposited with the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the "**AFM**") and published in a press release on our website and on the website of Euronext. Printed copies of the pricing statement will be made available at our registered office.

The Company has granted ABN AMRO Bank N.V. and ING Bank N.V. (together, the "**Joint Global Co-ordinators**") on behalf of the Underwriters (as defined herein) an option (the "**Over-Allotment Option**"), exercisable within 30 calendar days after the First Trading Date, pursuant to which the Joint Global Co-ordinators may require the Company to issue at the Offer Price up to 688,073 additional new Ordinary Shares, comprising up to 15% of the total number of Offer Shares sold by it in the Offering (the "**Additional Shares**"), to cover short positions resulting from any over-allotments made in connection with the Offering and short positions resulting from stabilisation transactions.

Each purchaser of Offer Shares or Additional Shares offered hereby, in making a purchase, will be deemed to have made certain acknowledgements, representations and agreements as set out in "Selling and Transfer Restrictions". Potential investors in the Offer Shares or Additional Shares should carefully read the "Selling and Transfer Restrictions" section of this Prospectus. Delivery of the Offer Shares is expected to take place on or about 24 June 2011 (the "**Settlement Date**") through the book-entry systems of Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. trading as Euroclear Nederland ("**Euroclear Nederland**"), in accordance with its normal settlement procedures applicable to equity securities and against payment for the Offer Shares in immediately available funds.

If closing of the Offering does not take place on the Settlement Date or at all, the Offering will be withdrawn, all applications to purchase the Offer Shares and the Additional Shares will be disregarded, any allocations made will be deemed not to have been made and any payments made will be returned without interest or other compensation and Euronext may annul transactions that have occurred. All dealings prior to settlement and delivery of the Offer Shares and Additional Shares are at the sole risk of the parties concerned. The Underwriters, the Company, the Listing Agent (as defined herein) and Euronext do not accept any responsibility or liability with respect to any person as a result of the withdrawal of the Offering or the related annulment of any transaction in Ordinary Shares on Euronext Amsterdam. For more information regarding the conditions to the Offering and the consequences of any annulment or withdrawal of the Offering, see "*The Offering*".

This document (the "**Prospectus**") constitutes a prospectus for the purposes of Article 3 of European Union (EU) Directive 2003/71/EC as amended by Directive 2010/73/EC (the "**Prospectus Directive**") and has been prepared in accordance with Chapter 5.1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and the rules promulgated thereunder (the "**Dutch Financial Supervision Act**"). This Prospectus has been approved by the AFM.

Joint Global Co-ordinators and Joint Bookrunners

ABN AMRO ING

Co-Lead Managers

KBC Securities Kempen & Co

Date of this Prospectus: 3 June 2011 (the "**Publication Date**").

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SUMMARY

The following information should be read as an introduction to this Prospectus only. Any decision to invest in the Offer Shares and/or any Additional Shares should be based on a consideration of this Prospectus and the information incorporated by reference into this Prospectus as a whole and not just this summary.

Where a claim relating to the information contained in, or incorporated by reference into, this Prospectus is brought before a court in a member state of the European Economic Area (a "**Member State**"), the claimant might, under the national legislation of that Member State, have to bear the costs of translating this Prospectus or any document incorporated by reference herein before the legal proceedings are initiated. Civil liability in relation to this summary attaches to us, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus (including information incorporated by reference herein).

Certain capitalised terms used in this Summary are defined in the "*Defined Terms*" section in this Prospectus, and certain terms relevant to molecular diagnostics are set out in the "*Glossary of Selected Terms*" section in this Prospectus.

Overview

We are a commercial-stage molecular diagnostic company, focused on the discovery, development and commercialisation of innovative products to improve the quality of life for cancer patients by providing healthcare professionals with critical information to enable safe and effective personalised treatment. We are currently marketing our Symphony™ suite of four complementary breast cancer tests, of which two currently generate revenue, with a strong focus on the US market. We have discovered, validated and received clearance from the US Food and Drug Administration (the "**FDA**") for the use of clinically useful gene expression profiles for our lead test, MammaPrint® through a combination of our own research and research collaborations and strategic alliances with academia. The current breast cancer treatment paradigm is expensive and has significant shortcomings as a result of relatively poor assessment of recurrence risk and over-use of chemotherapy. Our MammaPrint® test has shown a clinically validated ability to predict the risk of breast cancer recurrence in the first five years after diagnosis, which is the period in which chemotherapy produces most of its benefits to a patient. MammaPrint® thereby gives physicians a more accurate tool to separate "high" risk from "low" risk early stage breast cancer patients and better gauge "high" risk patients' need for chemotherapy than is currently available from competing products. MammaPrint® is marketed as part of our Symphony™ suite of breast cancer tests.

We were founded in 2003 as a spin-off from the Netherlands Cancer Institute / Antoni van Leeuwenhoek Hospital in Amsterdam (the "**NKI**"), for the purposes of pursuing commercialisation of molecular diagnostics using DNA microarray technology for cancer diagnosis and drug development. In 2004 we launched the initial version of our MammaPrint® breast cancer recurrence test in Europe. As market awareness of our products in the United States and Europe grew, we also began to market other elements of our Symphony™ suite of breast cancer tests, adding TargetPrint® in 2009 and BluePrint™ and TheraPrint® in 2010 as laboratory developed tests ("**LDTs**"). A significant landmark in our commercial development was our inclusion in November 2009 in a local coverage determination by Palmetto, the Medicare carrier in California with authority to process reimbursement claims for the Centers for Medicare & Medicaid Services ("**CMS**"), the agency responsible for administering the Medicare program. This determination contributed to our receiving reimbursement from a number of third-party payors in the United States.

We have grown our revenues from €0.5 million in 2008 to €1.4 million in 2009 and €4.7 million in 2010, and our revenues were €1.1 million in the three months ended 31 March 2011. In 2010, 2009 and 2008, we had losses of €16.1 million, €12.5 million and €14.9 million, respectively, and in the three months ended 31 March 2011, we had losses of €5.3 million. We incurred these losses as a result of our investments in developing and achieving initial commercialisation of our Symphony™ suite of breast cancer tests, and in particular due to the fact that we have significantly increased the scale of our US business since launching commercial sales of MammaPrint® in the United States in 2008.

Our Key Strengths and Advantages

We believe we have certain key strengths and advantages which give us an opportunity to increase commercialisation of our existing product offering in a market that is receptive to the use of molecular diagnostics in cancer treatment.

A new set of genomic-based diagnostic tools for oncologists. The four products which make up our Symphony™ suite of complex molecular diagnostic breast cancer tests – TargetPrint®, MammaPrint®, BluePrint™ and TheraPrint® – provide a comprehensive decision support system that enables physicians to determine whether a given breast cancer patient is likely to benefit from hormonal therapy, chemotherapy and targeted therapies.

Benefits over existing treatment approaches – for patients, physicians and payors. We believe Symphony™ significantly improves breast cancer patient outcomes, not only in clinical terms but also by reducing healthcare costs as a cost-effective means of guiding adjuvant chemotherapy use in patients with early stage breast cancer.

Solid foundation for commercialisation. We believe we made progress towards building physician demand and establishing initial insurance reimbursement in 2010. On this basis, now that we have received FDA clearance of our MammaPrint® product and initial coverage and reimbursement from a number of US third-party payors, we believe we have a solid foundation to more widely commercialise our breast cancer tests in the United States.

Strong scientific background and pipeline of innovative products. Our development pipeline includes a further extension of our breast cancer tests as well as similar molecular diagnostic products for colon and lung cancer in various stages of validation, companion diagnostic products, biomarkers for pathway-targeted therapies and new clinically-relevant molecular subtype products under development or under active investigation. We believe our strategic alliances with leading academic consortia and cancer centres as well as with large international pharmaceutical companies will contribute to our ability to develop new molecular diagnostic tests in breast cancer and other cancer areas, and to develop commercial synergies with those companies which may further advance our market position.

Our Business Strategy

Our business strategy is to increase the pace of commercialisation of our existing Symphony™ suite of breast cancer tests, apply our Symphony™ model to other cancers, and eventually expand our product offering into other cancer molecular diagnostic platforms and technologies. We plan to execute our strategy by:

Increasing pace of commercialization of our Symphony™ suite of breast cancer tests. We plan to build upon our initial efforts to commercialise our products and further grow our business in the Untied States by building market awareness of our products among key opinion leaders ("**KOLs**"), developing our reimbursement relationships with third-party payors and seeking inclusion in clinical guidelines.

Expand our breast cancer franchise and broaden into colon and lung cancer. An important part of our ongoing research and development strategy is to continue to strengthen and add new clinical capabilities to our existing Symphony™ suite of breast cancer tests, and expand the number of potential eligible patients. For example, we are exploring ways to expand the utility of our MammaPrint® test in patients diagnosed with ductal carcinoma in-situ ("**DCIS**") and to offer our breast cancer products in the standard formalin-fixed paraffin-embedded ("**FFPE**") tissue sample format.

Given the high incidence rates of colon and lung cancer, we believe there is also significant market opportunity for development and commercialisation of molecular diagnostic assays for colon and lung cancer. We intend to seek FDA clearance for ColoPrint®, our colon cancer recurrence test, in the next 24 months.

Sustain our franchise in cancer molecular diagnostics. In addition to the improvements to our breast cancer franchise, and the potential for similar products for colon and lung cancer, we plan to pursue a research and development strategy focused on using our relationships with leading academic and clinical centres in the Netherlands, elsewhere in Europe and in the United States, to develop innovative, clinically useful gene signatures and biomarkers for the diagnosis and treatment of cancer.

Summary of Risk Factors

Before investing in the Offer Shares and/or any Additional Shares, prospective investors should consider carefully, together with the other information contained in this Prospectus, the factors and risks related to an investment in the Offer Shares and/or any Additional Shares described in "*Risk Factors*", including the following risks:

Risks Related to Our Business

- We have a history of losses and anticipate that we will continue to incur losses for the foreseeable future. We may never achieve or sustain profitability.
- Our business depends on widespread acceptance of our products for coverage and reimbursement by third-party payors such as government health programs and insurance companies.
- Certain of our breast cancer products are currently our only source of revenue, and we will need to generate significant additional revenues from these and other products to execute our business strategy.
- We may be unable to manage our future growth effectively, which would make it difficult to execute our business strategy.
- Our products may fail to gain market acceptance, and as a result we may be unable to increase our revenues.
- We may be unable to bring additional products now in development to market, or may experience significant delays in doing so.
- Our competitors may develop and market products or services that are more effective or more affordable than ours, or obtain regulatory clearance or approval on new products or services before we do.
- Our tests are currently able to process only fresh tissue samples, which requires a different sample collection process that may not be available to many of our potential customers.
- We are likely to face competition from other forms of molecular diagnostic tests, some of which may have greater intellectual property protection.
- We rely on certain suppliers for components of our FDA-cleared products, and would face disruption to our business if these supply relationships were to terminate.
- If we fail to maintain our current clinical partnerships and collaborations or enter into new partnerships and collaborations, our development and commercialisation of additional products could be subject to delays.
- Our research and development activities require access to archival tissue samples and other biological material maintained by third parties, which are in short supply.
- If our relationships with third-party distributors outside the United States are not successful, our ability to market and sell our products will be harmed and our financial performance will be adversely affected.
- Our business may suffer if we are unable to obtain or defend intellectual property protection for our products.
- We may be unable to raise additional capital on acceptable terms in the future, which would limit our ability to develop and commercialise new products and technologies.
- We may in the future seek to raise funds through equity or debt offerings.
- We may face intellectual property infringement claims from third parties that could be time-consuming and costly to defend and may result in liability for damages or prevent us from commercialising our services.
- The loss of key members of our senior management team or inability to retain highly skilled scientists, clinicians and salespeople could adversely affect our business.
- If one or both of our laboratory facilities becomes inoperable, or if we are unable to renew the leases on these facilities, we may be unable to perform our clinical development activities, or process tests for our customers.

- We may fail to effectively identify or execute strategic acquisitions, joint ventures or investments, and if we do pursue such transactions we may fail to successfully integrate them into or realise anticipated benefits to our business in a timely manner.
- As we seek to expand our business internationally, we will be exposed to risks associated with doing business outside of the Netherlands and the United States.
- Exchange rate fluctuations may adversely affect our business and operating results.
- We are subject to risk as a result of our licensing arrangements with third parties.
- Our information technology could face serious disruptions that could adversely affect our business.
- We may not generate sufficient future taxable income to allow us to realise our deferred tax assets.
- As a public company, we will be required to implement additional and costly finance and accounting systems, procedures and controls.
- If we use biological and hazardous materials in a manner that causes injury, we could be liable for damages.
- We have been, and may continue to be, subject to litigation.
- We could be subject to product liability claims not covered by insurance.
- Changes in the financial markets and general economic conditions could have a material adverse effect on our business, revenues, results of operations and financial condition.

Risks Related to the Regulatory Environment

- Our business is subject to regulation by the US Food and Drug Administration.
- Our products are subject to regulation in the European Economic Area.
- Failure to comply with the requirements of the FDA may subject us to administrative or judicially imposed sanctions.
- The elements of our Symphony™ suite of breast cancer tests are subject to different levels of FDA regulation, and specific FDA requirements for each product may change.
- The results of clinical studies on some of our Symphony™ suite of breast cancer products or on other products now in clinical development may not support our claims or may result in our being required to conduct additional clinical studies.
- Changes in government healthcare policy could increase our costs and negatively impact coverage and reimbursement for our products by public and private third-party payors.
- Compliance with US and EU security, privacy and other regulations may increase our costs.
- We are subject to US and EU regulation of our clinical laboratories.
- If we market products in a manner that violates health care fraud and abuse laws, we may be subject to civil or criminal penalties.
- In the United States, we are subject to complex billing rules and regulations.

Risks Related to the Ordinary Shares and the Offering

- There has been no public market for our Ordinary Shares prior to the Offering and we cannot assure that an active market in the Ordinary Shares will develop.
- The price of our Ordinary Shares may be volatile and affected by a number of factors, some of which are beyond our control.
- There is a significant risk that we may be treated as a passive foreign investment company for US federal income tax purposes in the future, which status will subject US holders to adverse US federal income tax consequences.
- Management will have broad discretion over the use of the net proceeds from the Offering and may not apply the net proceeds effectively or in a manner that is consistent with the uses described in this Prospectus.
- The ownership of our Ordinary Shares will continue to be highly concentrated and your interests may conflict with the interests of our Current Shareholders.

- Future sales, or the possibility of future sales, of a substantial number of our Ordinary Shares could have a material adverse effect on the price of the Shares and dilute the interests of shareholders.
- We do not intend to pay dividends for the foreseeable future.
- US and other non-Netherlands holders of our Ordinary Shares may not be able to exercise pre-emption rights.
- If closing of the Offering does not take place on the Settlement Date or at all, subscriptions for the Offer Shares and Additional Shares, if any, will be disregarded and transactions effected in the Offer Shares will be annulled.

Corporate Information

At the Publication Date, we are a public company with limited liability (*naamloze vennootschap*) incorporated under the laws of the Netherlands.

We are registered with the Trade Register of the Chamber of Commerce of Amsterdam, the Netherlands, under number 34185452. Our business address is Science Park 406, 1098 XH Amsterdam, the Netherlands. Our corporate seat is in Amsterdam, the Netherlands.

Issuer:	Agendia N.V., a public company with limited liability (*naamloze vennootschap*) incorporated under the laws of the Netherlands, with its statutory seat in Amsterdam, the Netherlands. See "*Description of Share Capital and Corporate Governance – General*".
Offer Shares:	We are offering up to 4,587,156 Offer Shares in the Offering. The Offer Shares will constitute up to 33.3% of the issued and outstanding share capital of the Company. We have granted the Joint Global Co-ordinators an Over-Allotment Option, as described below.
Ordinary Shares Outstanding:	Following the Restructuring and immediately prior to the settlement of the Offering, we will have 9,178,494 Ordinary Shares outstanding. Immediately after the Offering, we expect to have 13,403,846 Ordinary Shares outstanding, assuming an Offer Price at the mid-point of the Offer Price Range and no exercise of the Over-Allotment Option. See "*Description of Share Capital and Corporate Governance – Share Capital – Authorised and Issued Share Capital following the Restructuring*".
Offering:	The Offering consists of (i) a public offering to institutional and retail investors in the Netherlands and (ii) a private placement to certain institutional investors in various jurisdictions. The Offer Shares are being offered: (i) in the United States to QIBs pursuant to Rule 144A or another exemption from the registration requirements of the US Securities Act and (ii) outside the United States, in accordance with Regulation S.
Offer Period:	Prospective investors may apply for Offer Shares during the period commencing on Monday 6 June 2011 at 9:00 Central European Time ("**CET**") and ending on Monday 20 June 2011 at 14:00 CET. The timetable of the Offering may be accelerated or extended. Any extension will be published in a press release on our website at least three hours before the end of the original Offer Period and any extension will be for a minimum of one full business day. Any acceleration will be published in a press release on our website at least three hours before the proposed end of the accelerated Offer Period. In any event, the Offer Period will be at least six business days.
Offer Price Range:	The Offer Price Range is between €16.35 and €19.15 per Offer Share. Prior to the date on which Allocation will take place, the Offer Price Range can be changed. The Company, following recommendations from the Joint Global Co-ordinators on behalf of the Underwriters, reserves the right, based on, among others, criteria disclosed in this Prospectus, to increase or decrease the Offer Price Range prior to Allocation. Any such change will be published in a press release on our website. See "*The Offering – Application to Purchase Offer Shares*".
Offer Price:	The Offer Price and the exact number of Offer Shares to be sold will be determined after the end of the Offer Period and after taking into account certain conditions and factors described elsewhere in this Prospectus. The Offer Price may be set within, above or below the Offer Price Range (see "*The Offering – Offer Price and Number of Offer Shares*"). The Offer Price and the exact number of Offer Shares offered will be set out in a pricing statement that will be deposited with the AFM and published in a press release on our website and on the website of Euronext (see "*The Offering – Offer Price and Number of Offer Shares*").

Allocation:	The Allocation is expected to take place on the first business day after the end of the Offer Period. Investors may not be allocated all of the Offer Shares for which they apply. We, in consultation with the Joint Bookrunners, retain full discretion to allocate the Offer Shares subscribed for. Applications by eligible retail investors for the Offer Shares will only be made on a market order (*bestens*) basis.
First Trading Date:	Subject to acceleration or extension of the timetable for the Offering, listing of and trading in the Ordinary Shares on an ''if-and-when-issued'' basis on Euronext Amsterdam is expected to commence on 21 June 2011.
Selling and Transfer Restrictions:	The Ordinary Shares will be subject to certain selling and transfer restrictions. See ''*Selling and Transfer Restrictions*''.
Over-Allotment Option:	We have granted the Joint Global Co-ordinators, on behalf of the Underwriters, an option, exercisable within 30 calendar days after the First Trading Date, pursuant to which the Joint Global Co-ordinators on behalf of the Underwriters may require us to issue at the Offer Price up to 688,073 Additional Shares comprising up to 15% of the total number of Offer Shares sold in the Offering, to cover short positions resulting from any over-allotments made in connection with the Offering and short positions resulting from stabilisation transactions.
Stabilisation:	The Joint Global Co-ordinators, through the Stabilisation Agent (as defined herein) or its affiliates or agents, may over-allot or effect transactions that stabilise or maintain the market price of the Ordinary Shares at levels above those which might otherwise prevail in the open market. Such transactions, if commenced, may be effected on Euronext Amsterdam, in the over-the-counter market or otherwise. There is no assurance that such stabilisation will be undertaken and, if it is, it may commence as early as the First Trading Date, may be discontinued at any time without prior notice and will end no later than 30 calendar days after the First Trading Date.
Use of Proceeds:	The gross proceeds from the Offering are expected to amount to approximately €75 million, assuming an Offer Price at the mid-point of the Offer Price Range and no exercise of the Over-Allotment Option. The net proceeds from the Offering are estimated to amount to approximately €68.7 million after deducting the estimated underwriting commission and expenses payable by us, assuming an Offer Price at the mid-point of the Offer Price Range and no exercise of the Over-Allotment Option. We intend to use the net proceeds of the Offering, including the net proceeds of the Over-Allotment Option, if any, (a) primarily to expand our sales and marketing capabilities and activities particularly in the United States, but also to a lesser extent outside the United States, as well as completing technical and clinical validation and initial commercialisation of ColoPrint®, (b) to continue our research and development efforts, (c) to fund capital expenditures on expansion of our laboratory facilities and IT systems and (d) for working capital and other general corporate purposes in line with our business and strategy. See ''*Use of Proceeds*''.
Lock-Up Arrangements:	Each of the Company, the Foundation, the Founders, the members of the Management Board, the members of the Supervisory Board and the members of the Senior Management have agreed with the Underwriters, save for the exceptions as set out in ''*Plan of Distribution – Lock Up*

	Arrangements", not to issue, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Ordinary Shares (or any securities convertible into or exchangeable for Ordinary Shares or which carry rights to subscribe or purchase Ordinary Shares) or enter into a transaction (including a derivative transaction) having an effect on the market in the Ordinary Shares or publicly announce any intention to do any of such things, during the period commencing on the date of the Underwriting Agreement and ending 360 days after the Settlement Date without the prior written consent of the Joint Global Co-ordinators. Additionally, each Current Shareholder, other than the Founders, and Breedinvest B.V. have agreed similar Lock-Up Arrangements with the Underwriters for the period commencing on the date of the Underwriting Agreement and ending 270 days after the Settlement Date. Lastly, ABN AMRO Bank N.V. has agreed to similar Lock-Up Arrangements with the other Underwriters for the period commencing on the date of the Underwriting Agreement and ending 60 days after the Settlement Date. See "*Plan of Distribution – Lock Up Arrangements*" and "*Plan of Distribution – Underwriters' Dealings*".
Dividends:	We currently intend to retain future earnings, if any, to finance the growth and development of our business. As a result, we do not anticipate paying any dividends for the foreseeable future. See "*Dividends and Dividend Policy*".
Voting Rights and Ranking:	Each holder of Ordinary Shares is entitled to cast one vote per Ordinary Share held. The rights of the holders of Offer Shares and Additional Shares, if any, will rank *pari passu* with each other and with all other Ordinary Shares with respect to voting rights and distributions. See "*Description of Share Capital and Corporate Governance*".
Listing and Trading:	Application has been made to have the Ordinary Shares admitted to listing and trading on Euronext Amsterdam under the symbol "AGDX". Listing and trading of the Ordinary Shares on Euronext Amsterdam is expected to commence on the First Trading Date. Trading in the Ordinary Shares before the Settlement Date will take place on an "if-and-when-issued" basis. If closing of the Offering does not take place on the Settlement Date or at all, the Offering will be withdrawn, all applications for the Offer Shares and Additional Shares, if any, will be disregarded, any allocations made will be deemed not to have been made, any payments made will be returned without interest or other compensation and Euronext may annul transactions that have occurred. All dealings in the Ordinary Shares prior to settlement and delivery, and in the Additional Shares which may be part of the Over-Allotment Option if this has been exercised prior to the Settlement Date, are at the sole risk of the parties concerned. The Underwriters, the Company, the Listing Agent and Euronext do not accept any responsibility or liability with respect to any person as a result of the withdrawal of the Offering or the related annulment of any transaction in Ordinary Shares on Euronext Amsterdam.
Payment, Delivery, Clearing and Settlement:	Payment for the Offer Shares, and payment for Additional Shares pursuant to the Over-Allotment Option, if this has been exercised prior to the Settlement Date, shall take place on the Settlement

	Date. Subject to acceleration or extension of the timetable for the Offering, the Settlement Date is expected to be 24 June 2011, being the third business day following the First Trading Date (T+3). Delivery of the Offer Shares, and of the Additional Shares pursuant to the Over-Allotment Option, if this has been exercised prior to the Settlement Date, is expected to take place on or about the Settlement Date through the book-entry facilities of Euroclear Nederland, in accordance with its normal settlement procedures applicable to equity securities and against payment in immediately available funds.
Share Trading Information:	ISIN: NL0006294340 Common Code: 063270628 Euronext Amsterdam Symbol: ''AGDX''
Joint Global Co-ordinators and Joint Bookrunners:	ABN AMRO Bank N.V. and ING Bank N.V.
Co-Lead Managers	KBC Securities N.V. and Kempen & Co N.V.
Listing Agent:	ABN AMRO Bank N.V.
Euroclear Agent:	ABN AMRO Bank N.V.
Stabilisation Agent:	ING Bank N.V.
Paying Agent:	ABN AMRO Bank N.V.
Underwriters' Compensation:	In consideration of the agreement by the Underwriters to use their best efforts to procure purchasers for or, in limited circumstances as described under ''*Plan of Distribution – Underwriting Agreement*'', to purchase themselves, the Offer Shares, and if applicable, the Additional Shares, at the Offer Price and subject to the Offer Shares being sold as provided for in the Underwriting Agreement, the Company has agreed to pay to the Underwriters certain selling, underwriting and management commissions of 4%, not including a discretionary fee and size fee of up to 2% of the gross proceeds of the Offering (including any exercise of the Over-Allotment Option).

SUMMARY CONSOLIDATED FINANCIAL DATA

*The summary consolidated financial data set forth below is that of the Company. The summary consolidated financial data should be read in conjunction with "Operating and Financial Review", "Selected Consolidated Financial Data", the consolidated financial statements of the Company and notes thereto and the auditor's report included elsewhere in this Prospectus. The Company has prepared its consolidated financial statements as of and for the years ended 31 December 2010, 2009 and 2008 and as of and for the three-month period ended 31 March 2011 and for the three month period ended 31 March 2010 in accordance with International Financial Reporting Standards as adopted by the European Commission ("**IFRS**").*

The full year and year-end consolidated financial data is extracted from our consolidated financial statements as of and for the years ended 31 December 2010, 2009 and 2008 that have been audited by PricewaterhouseCoopers Accountants N.V., independent auditors. The three-month and 31 March consolidated financial data is based upon our unaudited interim condensed consolidated financial accounts as of and for the three-month period ended 31 March 2011 and for the three month period ended 31 March 2010. The results for the three-month period ended 31 March 2011 are not necessarily indicative of results for the full year.

The summary consolidated financial data set forth below may not contain all of the information that is important to you.

Summary Consolidated statement of comprehensive income

	Three months ended 31 March (unaudited)		Year ended 31 December		
	2011	**2010**	**2010**	**2009**	**2008**
			(in €)		
Revenue	1,121,146	401,232	4,685,931	1,352,657	486,990
Costs of sales	433,249	474,134	2,328,585	2,006,753	1,106,175
Gross profit	**687,897**	**(72,902)**	**2,357,346**	**(654,096)**	**(619,185)**
Other income	640,335	155,084	803,332	852,444	345,253
Research and development costs	(833,677)	(710,857)	(3,534,093)	(2,813,903)	(2,573,949)
Sales and marketing costs	(1,890,875)	(1,551,922)	(7,060,876)	(5,115,459)	(6,299,978)
General and administrative costs	(2,984,085)	(3,055,656)	(9,073,666)	(4,731,207)	(6,464,745)
Operating profit	**(4,380,405)**	**(5,236,253)**	**(16,507,957)**	**(12,462,221)**	**(15,612,604)**
Financial income	39,325	536,919	396,246	275,539	851,581
Financial costs	(922,551)	(2,683)	(8,082)	(337,399)	(172,978)
Finance costs – net	**(883,226)**	**534,236**	**388,164**	**(61,860)**	**678,603**
Profit before income tax	**(5,263,631)**	**(4,702,017)**	**(16,119,793)**	**(12,524,081)**	**(14,934,001)**
Income tax expense	—	—	—	—	—
Profit/(loss) for the period	**(5,263,631)**	**(4,702,017)**	**(16,119,793)**	**(12,524,081)**	**(14,934,001)**

Summary Consolidated Balance Sheet

	As of 31 March 2011 (unaudited)	As of 31 December		
		2010	**2009**	**2008**
		(in €)		
Non-current assets	6,099,427	5,741,254	3,352,585	4,807,555
Current assets	13,797,378	13,646,564	18,367,930	16,220,551
Total assets	**19,896,805**	**19,387,818**	**21,720,515**	**21,028,106**
Non-current liabilities	4,963,411	4,587,021	2,200,314	3,578,256
Current liabilities	4,632,962	3,726,431	4,752,280	5,657,313
Total equity	10,300,432	11,074,366	14,767,921	11,792,537
Total equity and liabilities	**19,896,805**	**19,387,818**	**21,720,515**	**21,028,106**

Summary Consolidated Statement of Cash Flows

	Three months ended 31 March (unaudited)		Year ended 31 December		
	2011	**2010**	**2010**	**2009**	**2008**
			(in €)		
Net cash generated from operating activities	(4,850,740)	(3,522,626)	(15,400,693)	(12,746,737)	(12,082,138)
Net cash used in investing activities	(70,348)	(41,591)	(239,993)	(141,193)	(753,535)
Net cash from financing activities	3,276,687	—	10,366,510	16,625,275	—
Exchange rate and translation differences on movements in cash	867,876	(495,722)	(364,937)	240,188	124,721
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	**(776,525)**	**(4,059,939)**	**(5,639,113)**	**3,977,533**	**(12,710,952)**
Cash, cash equivalents and bank overdrafts at end of period	**10,982,467**	**13,338,166**	**11,758,992**	**17,398,105**	**13,420,572**

RISK FACTORS

Before investing in the Offer Shares and/or any Additional Shares, prospective investors should consider carefully all of the information that is included or incorporated by reference in this Prospectus and should form their own view before making an investment decision with respect to any Offer Shares and/or any Additional Shares. In particular, investors should evaluate the uncertainties and risks referred to or described below, which may materially adversely affect our business, financial condition or results of operations. Should any of the following events or circumstances occur, the value of our Ordinary Shares could fall and an investor might lose part or all of an investment. Although we believe that the risks and uncertainties described below are our most material risks and uncertainties, they are not the only ones we face. Additional risks and uncertainties that are not presently known to us or that we currently deem immaterial may also materially and adversely affect our business, financial condition or results of operations and may cause the market price of our Ordinary Shares to fall.

Risks Related to Our Business

We have a history of losses and anticipate that we will continue to incur losses for the foreseeable future. We may never achieve or sustain profitability.

We have incurred losses in each year since our inception in 2003. Our losses for 2010, 2009 and 2008 and the three months ended 31 March 2011 were €16.1 million, €12.5 million, €14.9 million and €5.3 million, respectively. We are currently marketing a limited number of breast cancer diagnostic tests and have yet to achieve significant market share, and we continue to incur sales and marketing costs, research and development costs and general and administrative costs in excess of our revenues. In addition, our cash flows and revenues may be subject to fluctuations due to a number of factors, which could have a material adverse effect on our results of operations.

We expect to continue to incur losses for the foreseeable future as we develop sales and distribution channels for our Symphony™ suite of breast cancer products, which includes TargetPrint®, MammaPrint®, BluePrint™ and TheraPrint®. Of our four existing products, MammaPrint® is the only product that has been cleared by the FDA and we currently offer TargetPrint®, BluePrint™ and TheraPrint® as LDTs for which the FDA does not currently require clearance or approval. We do not currently receive any revenues for BluePrint™ and TheraPrint®, and may not for the foreseeable future. In addition, as we seek to validate new products and obtain any necessary clearance from the FDA, we will incur increased costs as we expand our research and development, regulatory and marketing capabilities by adding qualified personnel in these areas. In particular, we expect to incur significant costs in connection with the technical and clinical validation and commercialisation of our ColoPrint® colon cancer product. We expect our levels of research and development costs and sales and marketing costs to continue to increase for the foreseeable future as we seek to significantly expand our US sales and marketing team over the next several years and expand our efforts to win market acceptance of our products by KOLs in the United States and Europe. After the Offering, we will also incur additional costs in connection with being a public company, including directors' and officers' liability insurance, investor relations programs and increased professional fees. See "*As a public company, we will be required to implement additional and costly finance and accounting systems, procedures and controls*."

Our business depends on widespread acceptance of our products for coverage and reimbursement by third-party payors such as government health programs and insurance companies.

Third-party reimbursement for our MammaPrint® and TargetPrint® breast cancer tests represents substantially all of our revenues and we expect third-party payors such as insurance companies and government health programs to remain our most significant source of payments going forward. Coverage and reimbursement for our other breast cancer tests, or for our tests for colon or other cancers, may not be available in the near term, or at all. In Europe, for example, we have not yet established reimbursement for TargetPrint® from third-party payors. Our rate of reimbursement for services already performed has been relatively low historically, and we may continue to face difficulties collecting reimbursement payments for our tests. The reimbursement environment, particularly for molecular diagnostics, is changing and our efforts to broaden coverage and reimbursement for our tests with third-party payors may not be successful as standards evolve.

We have yet to establish widespread reimbursement acceptance of our MammaPrint® and TargetPrint® products by third-party payors. If our products fail to win widespread market acceptance, and customer demand declines, third-party payors will be less likely to accept our products for coverage and reimbursement, either on a case-by-case basis or by including our products in their policy coverage agreements with policyholders. Moreover, most third-party payors from whom we have received reimbursement to date have not entered into agreements with us to govern approval or payment terms, and may be unwilling to enter into such agreements with us in the future. MammaPrint® is currently covered by a local coverage determination from the carrier in California which has authority to process claims for Medicare. To date, CMS has not issued a national coverage determination on MammaPrint®. As a result, whether or not Medicare will cover this test is the decision of the current local Medicare carrier for California, where our US operations are based, which is the contractor with jurisdiction to process our Medicare claims. Medicare's local carrier in California could eliminate our tests from its coverage determination at any time, or could itself be terminated by CMS and lose its authority to process claims. In addition, we currently have a written arrangement regarding reimbursement for MammaPrint® with Humana Insurance Company ("**Humana**") as well as with various other payors operating on behalf of national or regional insurers. Our arrangement with Humana is renewable annually, and Humana could opt against renewal upon expiration. Other third-party payors who have approved our products for coverage and reimbursement could withdraw such coverage and reimbursement for our products in the future, for any reason. In addition, the terms of our written arrangements may require us to seek pre-approval from the third-party payor or put in place other controls and procedures prior to conducting a test for a customer. To the extent we fail to follow these requirements, we may fail to receive some or all of the reimbursement payments to which we are entitled.

Given the relatively high cost of our molecular diagnostic tests compared to traditional methods of determining a course of cancer treatment, physicians may be reluctant to order the use of our products due to the substantial potential cost to the patient if reimbursement coverage is unavailable or reimbursement amounts are inadequate. Government health programs and other third-party payors have recently increased their efforts to control the cost, utilisation and delivery of healthcare services. From time to time, legislative bodies have implemented changes to laboratory and other fee schedules in conjunction with budget legislation, and pricing for tests covered by government healthcare programs is subject to reduction or elimination at any time. Reductions in the rate of third-party reimbursement have occurred and may occur in the future, including as a result of attempts to reduce government budget deficits or otherwise control costs. Reimbursement levels set by the CMS are very influential in determining reimbursement levels by private third-party payors in the United States. Currently, our MammaPrint® test is paid under a general billing code, and the local Medicare carrier responsible for processing our claims determines the amount of payment for the tests we bill on a claim-by-claim basis, under its local coverage determination. In January 2011, the American Medical Association published a set of recommendations to CMS to revise billing codes for products and services involving molecular tests in cancer and genetics. These proposed revisions, if adopted by CMS or a significant number of private insurers in the United States, could result in lower rates of reimbursement for our products from Medicare or from other payors in the United States.

Reimbursement procedures in most countries in the European Union are highly complex and third-party payor health plans are fragmented, which makes systematic reimbursement arrangements difficult to establish. As a result, we will need to expend significant effort and expense to establish reimbursement arrangements in the European Union, and may never succeed in obtaining widespread or systematic reimbursement arrangements in the European Union. Because we do not have reimbursement arrangements with most public or private third-party payors in these markets and instead generally rely on distributors, we may not be able to continue to receive payments from a particular third-party payor if our agreement with a given distributor is terminated or expires. In addition, under certain distribution agreements, our distribution partners' obligations, including their required level of promotional activities, may be conditioned upon our ability to achieve or maintain a specified level of reimbursement coverage.

Certain of our breast cancer products are currently our only source of revenue, and we will need to generate significant additional revenues from these and other products to execute our business strategy.

Sales of our MammaPrint® and TargetPrint® breast cancer products accounted for substantially all of our revenues in 2010, 2009 and 2008, and in the three months ended 31 March 2011. We expect to derive a significant portion of our revenues from our MammaPrint® and TargetPrint® breast cancer products for the foreseeable future, as we do not currently expect significant revenue from the other elements of our Symphony™ suite of breast cancer products. In addition, in 2010, we received significantly more than 10% of our reimbursement payments from each of two parties, Medicare and United Health. As a result of this reliance on certain products and on significant third-party payors, if we are unable to achieve wider market acceptance of MammaPrint® and TargetPrint®, or diversify our base of third-party payors, we will not be able to grow our revenues or execute our business strategy without significant additional funding. In addition, any factors adversely affecting the current level of sales of our breast cancer products could materially adversely affect our revenues and results of operations. These factors include, for example, competition from other molecular diagnostic products that may be equivalent or superior to our own product offerings or that the market perceives to be more attractive, changes in the reimbursement policies of third party payors, changes in the regulatory requirements applicable to these products, technological advances, the marketing strategies of our competitors, and unforeseen adverse events.

Although we expect to apply for FDA 510(k) clearance of our new ColoPrint® test within the next 24 months, upon completion of technical and clinical validation, the FDA regulatory paradigm is changing and there can be no assurance that FDA 510(k) clearance will be granted in a timely manner or at all. Even if ColoPrint® does receive necessary FDA clearances, we do not expect to recognise significant revenues from ColoPrint® until we have successfully launched the product and achieved market acceptance by physicians and by third-party payors, particularly in the United States but also in Europe. We are also in various stages of research and development of tests for lung cancer and companion diagnostic products. We may not be able to successfully commercialise new products as a result of these efforts. See "*We may be unable to bring additional products now in development to market, or experience significant delays in doing so*." Unless and until we are able to commercialise ColoPrint® or our other potential products now in development, our ability to maintain and increase our revenues and achieve profitability will remain dependent on sales of MammaPrint® and TargetPrint®.

We may be unable to manage our future growth effectively, which would make it difficult to execute our business strategy.

The growth of our business and operations has placed, and may continue to place, significant demands on our management team as well as our operational and internal controls. Our reporting accountants have identified certain deficiencies in our internal controls for the twelve months ended 31 December 2010, particularly in our US operations which have experienced the most rapid growth. While we are in the process of addressing these deficiencies, to date we have not yet addressed all of them. In order to manage our growth effectively, we will need to continue to improve our internal operational, financial and management information and control systems, as well as hire, train and retain new employees.

As a result of our growth, we have significantly expanded our research, discovery, development and product support group, our sales and marketing team and administrative staffs. We expect to continue to expand our staff, in particular our sales and marketing team in the United States, in 2011. If we are unable to hire qualified sales and marketing staff in sufficient numbers or our sales and marketing staff fails to perform as expected, we will face difficulty in executing our business strategy in the US, and as a result may fail to achieve revenue growth in the United States.

Effective management of our growth will require, among other things:

- successful implementation of financial and internal control reporting systems, in particular to correct identified material deficiencies in our internal controls;
- successful integration of new employees in our sales and marketing team who are familiar with our product offering and understand the complexity of the new generation of molecular diagnostics;

- improving systems and procedures required for reimbursement from certain public and private third-party payors;
- an upgrade and expansion of our information technology capabilities;
- hiring, training and retaining new employees, particularly for our US-based sales and marketing team as well as technical staff acquainted with new technologies, employees with regulatory knowledge and experience in the field of bioinformatics, and legal and financial personnel;
- maintaining regulatory clearances, standards of quality and high customer satisfaction levels;
- monitoring the complex and changing regulatory environment in the United States, the European Union and other jurisdictions where we operate; and
- effective co-ordination among our management, sales, technical, legal and finance personnel.

In addition, as we increase our customer base and the volume of tests we process for customers, we will need to continue to expand our laboratory capacity, as well as expand our customer service, billing and systems, grow our internal quality assurance program, and expand our technology and manufacturing platforms to support testing on a larger scale. We will also need additional certified laboratory scientists and other scientific and technical personnel to process increased test volumes. We may be unsuccessful in achieving improvements to our management information and control systems, implementing any necessary increases in scale, related improvements and quality assurance, or hiring necessary additional qualified personnel in a timely manner and sufficient numbers. Even if implemented, such improvements may be inadequate to support our operations. Even with quality controls in place, certain elements of our laboratory testing process are manual, and as we increase the volume of tests we process for customers we are likely to experience a higher number of mistakes and faulty test results due to human error. Failure to establish necessary new systems and procedures or to hire the required personnel could result in higher processing costs for our tests, or an inability to meet customer demand. There can be no assurance that we will be able to perform tests on a timely basis at a level consistent with market demand, that our efforts to grow our commercial operations will not negatively affect the quality of our test results, or that we will be successful in responding to the growing complexity of our testing operations. If we encounter difficulty meeting market demand or ensuring quality standards for our tests, or if we otherwise fail to manage our expansion effectively by correcting identified deficiencies in our internal controls or in other respects, we could experience a material adverse effect on our business, financial condition and results of operations.

Our products may fail to gain market acceptance, and as a result we may be unable to increase our revenues.

We incur substantial research and development costs before we can confirm the clinical validity or commercial viability of a potential new product. Even if the FDA grants relevant clearance or approvals for the commercialisation of any new products, we may fail to win market acceptance for our products from KOLs among oncologists, surgeons, pathologists and other medical personnel, or succeed in gaining inclusion for our products in clinical guidelines in the United States. The cancer molecular diagnostics industry as a whole is a developing industry, and molecular diagnostics may fail to achieve widespread use among practitioners. In particular, we may be unable to overcome the perception among oncologists that prescribing chemotherapy and otherwise over-treating cancer patients will serve to mitigate their medical malpractice risk.

The degree of market acceptance for our products from physicians or from third-party payors, and the number of commercial patients we are able to test, will depend on a variety of factors, including:

- our ability to provide acceptable evidence of prognostic and predictive efficacy;
- availability of adequate coverage and reimbursement from third-party payors, both public and private;
- the relative convenience and ease of use of our products;
- the timing of our introduction of new products to the market;
- our ability to hire new sales and marketing personnel and their effectiveness in executing our business strategy;
- the clinical profile of available competing products or services;

- the urgency of the clinical need that is to be addressed by our products;
- existing professional or other incentives for physicians to use other methods of determining a course of cancer treatment for a patient;
- cost-effectiveness; and
- other potential advantages over alternative molecular diagnostic products and services and other risk stratification and treatment selection methods in the treatment of cancer.

In addition, inclusion in influential clinical guidelines such as those promulgated by the National Cancer Center Network ("**NCCN**") and the American Society of Clinical Oncologists ("**ASCO**") in the United States generally serve to accelerate market acceptance and reimbursement for companies whose products and services are endorsed by these guidelines. Although MammaPrint® is included in the 2009 St. Gallen International Expert Consensus on the Primary Therapy of Breast Cancer (the "**2009 St. Gallen**" international guidelines) as a "prognostic" test, none of our products are currently included in the 2009 St. Gallen guidelines as "predictive," or in the NCCN or the ASCO guidelines in the United States in any form. The main product offered by our primary competitor, Genomic Health, has both "predictive" status in the 2009 St. Gallen guidelines and "recommended for use" status in the NCCN and ASCO guidelines. Although gaining inclusion for our products in these guidelines is an important element of our business strategy, we may be unsuccessful and consequently remain at a disadvantage in winning market acceptance compared to our primary competitor.

If we are unable to gain market acceptance, for any of the above or other reasons, we will be unable to increase our market share, generate significant revenue or achieve profitability, which would materially adversely affect our business, financial condition and results of operations. In such event, we would be required to seek additional financing, develop new products and modify our business strategy. See "*We may be unable to raise additional capital on acceptable terms in the future, which would limit our ability to develop and commercialise new products and technologies*."

We may be unable to bring additional products now in development to market, or may experience significant delays in doing so.

The research and development process involves a high degree of risk and may prove unsuccessful for a number of reasons, including:

- failure of the new products at the discovery stage;
- lack of clinical validation data to support the effectiveness of new products;
- difficulty in accessing appropriate archival tissue samples of the type required to validate a given new test;
- failure of technical validation to demonstrate the reproducibility and stability of the new product;
- lack of capacity in our certified clinical laboratories to increase the type and volume of tests we are able to process; or
- failure to obtain necessary clearances and approvals.

Moreover, any of our current pipeline of colon and lung cancer products, companion diagnostics or other new products will be unsuccessful if it:

- does not demonstrate acceptable cancer diagnostic efficacy in preclinical studies or clinical trials or otherwise does not meet applicable regulatory standards;
- does not offer prognostic, predictive or other improvements over existing or future cancer molecular diagnostic products or services;
- fails to win market acceptance among KOLs including oncologists, surgeons or pathologists, or is not accepted for reimbursement by third-party payors; or
- is not capable of being produced in marketable quantities at commercially viable costs.

In addition to our breast cancer products within Symphony™ we have in development our ColoPrint® colon cancer test and several other products at pre-clinical stages. We have invested significant time, money and effort in developing ColoPrint®, which is the product in our research and development pipeline closest to full commercialisation. Before we can commercialise ColoPrint®, we will need to complete technical and clinical validation of our ColoPrint® test and, if technical and clinical validation is completed successfully, our strategy will be to seek relevant

clearances from the FDA. We can provide no assurance that the FDA will grant clearance for our ColoPrint® product in a timely manner, or at all. Prior to receipt of FDA clearance, we may begin marketing ColoPrint® as a LDT. If FDA clearance for ColoPrint® is not received after we begin marketing ColoPrint® as a LDT, we may be required to cease or curtail marketing activities in support of ColoPrint®. In addition, less expensive and more effective alternate diagnostic products and services may become available from our competitors, which could also affect our ability to successfully commercialise ColoPrint®. For these and other reasons, ColoPrint® may fail to gain market acceptance among physicians, patients and insurers, which could have a material adverse effect on our business, financial condition and results of operations.

In addition to ColoPrint®, we have molecular diagnostic gene signatures in the initial stages of clinical validation for lung cancer, and have begun exploring several ''companion diagnostic'' biomarkers for patient responsiveness to targeted cancer drugs. See ''*New Cancer Tests in Development – Lung cancer products*'' and ''*Research and Development – Adding new tests to the breast and colon cancer suite*'' and ''*– Companion diagnostics products*''. We do not expect any of our lung cancer or companion diagnostic products now in clinical development to be commercially available in the near future, if at all. There can be no assurance that these efforts to expand our portfolio of molecular diagnostic gene signatures and companion diagnostics platforms will be successful in producing tests capable of reliably predicting recurrence and responsiveness to treatment with the sensitivity and specificity necessary to be clinically useful and commercially successful. In addition, before we can develop diagnostic tests for additional types of cancers and commercialise any new products, we will need to incur significant costs to conduct substantial research and development, undertake validation studies, may need to apply for regulatory clearance or approval, develop and scale our laboratory processes to accommodate additional tests, establish sales and marketing channels and secure reimbursement approval. There can be no assurance that our additional products, if commercialised, will be successful in gaining market share or that we will effectively manage their commercialisation.

Our competitors may develop and market products or services that are more effective or more affordable than ours, or obtain regulatory clearance or approval on new products or services before we do.

Our success is highly dependent on our ability to discover, develop and validate new and innovative products on a cost-effective basis and to market them successfully in the face of intense competition from a variety of competitors, including other molecular diagnostics companies as well as academic institutions, research firms and large conglomerates, any of which are likely to have greater resources than we do. Based on our total assets and annual revenues, we are smaller than our most significant competitors, which in certain cases have substantially greater market share, financial resources, research and development programmes, and sales and marketing capabilities. Many of these competitors offer products or have conducted research in gene expression in breast or colon cancer. Other potential competitors include companies that develop diagnostic tests, as well as academic and research institutions. In particular, our most direct competitor, Genomic Health, has a market-dominant position with its Oncotype® DX breast cancer and colon cancer tests in the United States, and also benefits from widespread coverage and reimbursement from third-party payors.

These or other competitors may succeed in developing products or services that are more effective or more affordable than ours, or that render our existing or new products uncompetitive or obsolete. Even if we successfully develop new products or improvements to our existing product offering, we will be competing to win market acceptance with products and services from large and well-established companies that have greater marketing and sales experience and capabilities than we do. In addition, our competitors may innovate and commercialise, or license from third parties, technology platforms that compete with ours.

In addition, our products are considered relatively expensive for diagnostic tests and we may have to reduce prices for our products in the future. Any increase in pricing could impact reimbursement of and demand for our products. Many of our present and potential competitors have widespread brand recognition and substantially greater financial and technical resources and development, production and marketing capabilities than we do. Others may develop lower-priced, less complex tests that could be viewed by physicians and payors as functionally equivalent to our tests, which could force us to lower the list price of our products, increase the discounts we offer to our list prices and impact our operating margins and our ability to achieve profitability.

Our tests are currently able to process only fresh tissue samples, which requires a sample collection process that may not be available to many of our potential customers.

Our products also face competition from existing diagnostic methods used by pathologists and oncologists, which in many cases have been relied upon for years and which physicians are hesitant to change. As part of our strategy to process only fresh tissue samples, in order to produce more accurate results, we rely on high quality fresh tissue to conduct our molecular diagnostic tests rather than tissue preserved as FFPE tissue, which is the current standard method of tissue preservation. As a result, our tests are currently able to process only fresh tissue samples. Processing and transmitting fresh tissue samples requires a collection process that may not be available to many of our potential customers, and not all pathologists or hospital labs currently have the operating procedures to collect fresh tissue in a timely manner, and instead rely on FFPE as a preservative. In many cases, an oncologist who would potentially be a customer for our tests will be introduced to a patient's case days or weeks post-surgery, at which point a fresh tissue sample is no longer available, and samples will have been preserved using methods which our current Symphony™ suite of breast cancer tests is unable to process. In order to achieve widespread market acceptance, we will need to convince certain potential customers to modify their tissue collection processes to enable them to process fresh tissue. Use of FFPE is widespread, and there can be no assurance that we will be able to facilitate these changes to customer work flow processes, which could have a material adverse effect on our ability to win market acceptance of our products.

Although we are seeking to develop the parallel capability to apply our molecular diagnostic products to FFPE-preserved tissues without loss of accuracy or quality of results, we may not be successful in developing FFPE testing capability, and fresh tissue may fail to become the clinical standard, which could put us at a commercial disadvantage for so long as our tests are unable to be run on FFPE-preserved tissue.

We are likely to face competition from other forms of molecular diagnostic tests, some of which may have greater intellectual property protection.

Our competitors may enjoy a significant competitive advantage and greater market share if they are able to gain intellectual property protection for their products, obtain regulatory clearance and commence commercial sales of new products before we do, or succeed in developing and commercialising products that are superior to our products or that the market perceives to be superior. We anticipate that more products and services aimed at identifying targeted treatment options for cancer may be developed as a result of The Cancer Genome Atlas, a US federal government-funded project aimed at developing a comprehensive catalogue of the genetic mutations and other genomic changes that occur in cancers and maintaining the information in a free public database. We do not have patents or licenses that protect all components of our Symphony™ suite of breast cancer tests, and the nature of the intellectual property involved in molecular diagnostic testing means that comprehensive patent coverage of our products to protect ourselves from competitive challenge is likely to be difficult or impossible to achieve. In addition, competitors may develop similar tests, including but not limited to in countries where we did not apply for patents or where no patents have been issued to us, and compete with us in those countries, or may encourage the use of their test by physicians or patients in other countries. As a result, our products may become uncompetitive and we may be unable to capture market share, increase revenue or execute our strategy.

Our MammaPrint® test, part of our Symphony™ decision support system, is based to a large extent upon a license we have in place with the NKI for a patent on a 231-gene signature, of which MammaPrint® features a preferred subset of 70 genes. The underlying patent on the 231-gene signature is co-owned by the NKI and Merck. Although our license with the NKI grants us an exclusive, royalty-free license to develop products based on the 231-gene signature, or to license use of the 231-gene signature to another party, we have no rights to protect our exclusivity against Merck, which is free to itself commercialise products using the patent, or to license the rights to any third party without restriction. Merck could therefore have already granted rights to third parties under this patent prior to the assignment of joint ownership to the NKI, or could pursue commercialisation of products based on it, or in the future license use of the 231-gene signature to another party, at any time. Were Merck or another party to develop a product based on the 231-gene signature, we could face significant additional competition to and loss of market share of MammaPrint®, which could have a material adverse effect on our business, results of operation and financial condition.

We rely on certain suppliers for components of our FDA-cleared products, and would face disruption to our business if these supply relationships were to terminate.

We depend on the quality and reliability of the microarray and reader components provided by our key supplier, and the availability of these components on a timely basis and on acceptable commercial terms. Agilent Technologies Inc. ("**Agilent**") is our supplier and manufacturer of the customised microarrays and scanners that provide the readout of the gene signatures in our molecular diagnostic tests. See "*Business Description – Research and Development – Strategic partners and collaboration arrangements – Alliances with technology partners*."

We believe that there are relatively few microarray manufacturers other than Agilent that are currently capable of supplying, on a cost-effective basis, the microarray technology necessary for the continued production and sale of our cancer molecular diagnostic products. As a result, our license agreement with Agilent to use its arrays in our products is among the most significant license granted to us. If we are unable to renew our agreement with Agilent upon its expiration at the end of 2011 on commercially acceptable terms, if the agreement were to terminate for any other reason, if Agilent's intellectual property rights in its microarrays were to be lost or significantly eroded, or if Agilent's production capacity was decreased or became unavailable, we would need to establish a relationship with another provider of microarrays and engage that new supplier to develop components tailored to our tests. If we were unable to do so on a timely basis, we would experience an interruption in sales of our existing products and delays in commercialisation of new products. In addition, we may be unable to enter into an alternative relationship for the supply of microarrays on commercially acceptable terms or at all.

We also depend on the quality and reliability of the reagents and solutions provided by certain other suppliers, including RNA*Retain*™ from Asuragen, QIAzol and RNeasy from Qiagen, and Cy-dyes from GE Healthcare, and the availability of their products on a timely basis and on acceptable commercial terms. The reagents and solutions provided by these suppliers could prove defective or unreliable, which could produce erroneous test results, harm our reputation with customers or patients or expose us to product liability claims. In addition, if we were to change any of our key suppliers of reagents and solutions, under CLIA guidelines our clinical laboratories would be required to undergo new technical validation to ensure the new source of supply did not have an impact on the outcome of our test results. Such technical validation could be delayed, or unavailable, potentially requiring us to seek an alternative source for that material or subjecting the laboratory in question to delays or to loss of its CLIA accreditation or its license.

Moreover, the FDA clearances we have received for our MammaPrint® product are device and platform specific, and are therefore dependent on our use of Agilent microarrays and RNA*Retain*™ from Asuragen. Consequently, if we were required to change from Agilent to another microarray platform provider or from Asuragen to another solution provider, we would be required to extensively cross-validate the technical performance of the new platform, or validate the use of any replacement reagent, to maintain FDA clearance for our MammaPrint® product, which would cause an interruption in sales. Any of the aforementioned events could have a material adverse effect on our business, financial condition and results of operations.

If we fail to maintain our current clinical partnerships and collaborations or enter into new partnerships and collaborations, our development and commercialisation of additional products could be subject to delays.

We have relied on and expect to continue to rely on clinical and scientific partnerships and collaborations with major universities and research institutions as well as large pharmaceutical companies for access to tissue samples, information on new technologies and new research findings, cooperation in large-scale clinical studies of the prognostic and predictive efficacy of our products, and licensing rights to any resulting processes.

We have entered into collaborations with established organisations in the cancer field including, in particular, a longstanding relationship with the NKI. Our strategic partnership with the NKI gives us certain rights to license diagnostic genetic signatures developed at the NKI, the most significant of which has been the 70-gene signature used in our MammaPrint® product. We benefit from the NKI's developments and discoveries in making decisions about the course of our future research and development efforts. In addition, our partnership with the NKI gives us access to the NKI's extensive, longstanding tumour tissue bank. See "*Business Description – Research and Development Strategic partnerships and collaboration arrangements – Academic partnerships with research institutes and hospitals – NKI.*" If our relationship with the NKI were to terminate, we

would lose the option to negotiate an exclusive license to any commercial rights to new gene signatures discovered by the NKI. If we were unable to enter into a similar arrangement with another institution of comparable stature, we could lose access to tissue samples, and to information on new technologies and new research findings. We may also experience reputational damage, based on the public perception of our close relationship with the NKI, if our relationship with the NKI were to terminate.

We are also participating in the Microarray In Node Negative and 1-3 positive lymph node Disease may Avoid Chemotherapy Trial ("**MINDACT**") in Europe and the Investigation of Serial Studies to Predict Your Therapeutic Response with Imaging and Molecular Analysis ("**I-SPY2**") trial in the United States. See "*Business Description – Research and Development – Strategic partners and collaboration arrangements – Clinical trials*." Were our MammaPrint® test to prove less effective than existing tools like Adjuvant! Online, in stratifying "high" risk from "low" risk" breast cancer patients in these trials, we would have difficulty winning market acceptance and could suffer reputational damage as well as lose the relationships and access to clinical data that are important to our development of future products. Any such issues with the effectiveness of MammaPrint® could also require us to perform further clinical validation on MammaPrint®, and this further validation could prove unsuccessful and result in loss of market acceptance of our MammaPrint® test. There is no assurance that our involvement in clinical trials such as MINDACT and I-SPY2 will produce sufficient clinical data to allow future commercialisation of any resulting new products.

Our ability to develop and validate new products, improve our existing products, and win market acceptance will depend in part on the success of our existing partnerships and collaborations, and on our ability to enter into new clinical partnerships and collaborations. Various factors may limit our ability to enter into such partnerships and collaborations. For example, if we were to experience the loss of key research personnel, competitive setbacks or loss of intellectual property protection, we may be less attractive as a potential collaboration partner. Certain organisations limit the number of collaborations they have with any one party, or have insufficient administrative and related infrastructure to enable collaborations with many companies at once, which can extend the time it takes us to develop, negotiate and implement a collaborative clinical trial or research project. Any collaboration partners we do succeed in establishing relationships with may insist on retaining the rights to publish the clinical data resulting from the collaboration. The publication of clinical data in peer-reviewed journals is a crucial step in commercialising and obtaining reimbursement for our products, and if we are unable to publish results of such collaboration, we may face delays in achieving market acceptance of any related products.

Our alliance and collaboration arrangements with certain third parties expose us to the risk that the third parties concerned might claim the sole or partial benefit of intellectual property rights in respect of inventions arising out of our joint projects. We commonly provide these third parties (including universities and other public or private entities) with information and data in various forms relating to our research, development and marketing plans and activities. Despite the contractual and other precautions we take with regard to these collaborations, not all of our collaborations provide that we have sole ownership of any intellectual property rights arising out of such collaborations. As a consequence, these third parties could claim sole ownership of intellectual property rights arising from any research or development work carried out by their employees or any other intellectual property rights relating to our products, and would require us to negotiate for ownership or license rights to such intellectual property.

Our research and development activities require access to archival tissue samples and other biological material maintained by third parties, which are in short supply.

To pursue our research and development program, our research requires access to high quality human cancer tissue samples from treated or untreated patients (depending on the clinical issue being studied), other biological materials and related clinical or other information, which may be in limited supply. We currently rely on our relationship with the NKI, our involvement in ongoing clinical trials such as I-SPY2 and MINDACT, and on other arrangements with third parties, such as academic research and medical centres, that we believe will give us required access to well-annotated tissue samples over the coming years, but we cannot provide assurance that these particular third-party sources will be sufficient to meet our needs. We may also rely upon purchase of tissue samples from commercial tissue banks, and could be required to incur significant expense in doing so.

Going forward, we believe access to quality new tissue samples from different cancer types and with detailed patient follow-up information will be critical to the development of new molecular diagnostic products and to the improvement of our existing products. In the future, we believe access to new tissue samples collected during clinical trials will become increasingly important as cancer treatments, and the resulting demand for diagnostic products, becomes more tailored and personalised to specific types and sub-types of cancer. For cost and other reasons, many clinical trials now underway fail to collect and archive the tissue samples used, and as a result tissue samples are likely to become more costly and difficult to obtain for the foreseeable future. We may be required to actively pursue high quality patient samples from other sources, which could be expensive and time consuming. If the supply of high quality samples from clinical trials becomes more limited or too costly, and we were to fail to gain access to additional sources of tissue and clinical information on commercially acceptable terms, or at all, it would materially adversely affect our business, results of operations and financial condition.

In addition, government regulations in the United States and the European Union governing data protection, privacy laws governing the use and disclosure of medical information and patient rights could result in third parties decreasing the number of tissue samples they provide, or restricting access to, or use of, human tissue samples and related biological data. If we lose access to sufficient numbers or sources of archival tissue samples, or if tighter regulatory restrictions are imposed on our use of the data generated from such samples, this could result in higher research and development costs, and impair our ability to conduct our research and development activities as planned and expand our product offering going forward.

If our relationships with third-party distributors outside the United States are not successful, our ability to market and sell our products will be harmed and our financial performance will be adversely affected.

We have relationships with regional and national distributors, or major pharmaceutical companies to sell our MammaPrint® products in certain countries in Europe, Latin America and Asia, and we may enter into similar arrangements in these or other regions in the future. To promote the growth of our business internationally, we will need to attract additional distributors to expand into new markets and to increase revenues and market penetration in our existing markets outside the United States. Relying on third-party distributors for our sales and marketing subjects us to various risks, including:

- our distributors may fail to commit the necessary resources to develop a market for our products, may spend the majority of their time selling products unrelated to ours, or may be unsuccessful in marketing our products for other reasons;
- agreements with distributors may terminate prematurely due to disagreements or may result in disputes or litigation with our distributors;
- we may not be able to renew existing distributor agreements, or enter into new agreements, on acceptable terms;
- our existing relationships with distributors may preclude us from entering into additional future arrangements;
- our distributors may violate local laws or regulations, potentially causing reputational or monetary damage to our business.

In addition, because we typically rely on distributors to obtain reimbursement for our tests in those markets in which they sell our tests, we are exposed to credit risk on accounts receivable from our distributors in the event the distributors fail to pay us the amounts collected, or are unable to pay us the amounts they owe under any minimum purchase obligations. If our present or future distribution partners do not perform adequately, or we are unable to enter into distribution agreements in new markets, we may be unable to achieve revenue growth or market acceptance in jurisdictions in which we depend on distribution partners.

Our business may suffer if we are unable to obtain or defend intellectual property protection for our products.

Our ability to remain competitive, grow our revenues and increase our market share depends in part on our ability to obtain and defend patents and other forms of intellectual property protection for our products and our know-how. We rely on a combination of patents, trademarks, trade secrets, confidentiality and non-disclosure clauses and agreements, and other forms of intellectual

property protection to define and protect our rights to the intellectual property in our products. See "*Business Description – Intellectual Property – Legal protection*." It may become necessary for us to seek to enforce our patents, trademarks, and other forms of intellectual property protection and to protect our trade secrets by taking legal action, or to defend ourselves against claims of infringement brought against us by third parties. Such legal action is likely to be costly, and may prove unsuccessful.

Patents

While we intend to pursue patent protection as appropriate, the process of obtaining patents is time-consuming and expensive. The nature and breadth of the field of molecular diagnostic products makes it difficult to obtain comprehensive patent protection for any single product. There can be no assurance that patents will be granted in relation to any of our pending or future patent applications, or that such patents will be of sufficient scope and strength to provide us with any meaningful legal protection, any commercial advantage or any ability to recoup our investment in our research and development efforts.

Trademarks

We seek to protect our trademarks, which include the names of our key tests, by filing for trademark protection in most of the countries where we, or our distributors, market these products. However, trademark protection generally provides the protected party primarily a right to sue against infringing uses of a mark and, in order to be effective, requires extensive policing and potentially costly legal action to enforce. If our distributors fail to notify us of, or we fail to detect instances of infringement or fail to convince a court that a third party's trademark may cause confusion, or if we do not succeed in registering and/or defending our trademarks in relevant jurisdictions, our ability to protect our trademarks in the future may be harmed.

Other forms of intellectual property protection

Furthermore, with regard to a substantial portion of our know-how, patent protection or comparable forms of intellectual property protection either is not available or is not suitable. To protect this type of information against appropriation by competitors, we rely on trade secret law and frequently enter into confidentiality agreements with our employees, collaboration partners and suppliers and we ensure, as far as possible, that all employee contracts include the requirement that any intellectual property created during the course of employment is assigned to us. However, our collaboration partners and suppliers may be involved in molecular diagnostic research or product design efforts with or for other companies who may be our competitors. Our confidentiality agreements with these collaboration partners and suppliers may fail to provide meaningful protection for our confidential information or be effective in assigning to us all necessary intellectual property rights. The enforceability of these confidentiality agreements may vary from jurisdiction to jurisdiction, and our remedies under these agreements may be limited in relation to any disclosures in breach of these agreements. It is particularly difficult to enforce the provisions of confidentiality agreements with regard to any disclosure of our confidential information by our former employees who leave our employment, and as a result we may be without effective recourse or may not succeed in winning compensatory damages for any breach by a former employee. There can be no assurance that these agreements or any other type of protection for our trade secrets will be effective or that, in the event of their breach, satisfactory means of redress will be available to us. Moreover, our competitors may gain access to our know-how by lawful means, which would undermine any commercial advantage that our know-how may provide us.

We may be unable to raise additional capital on acceptable terms in the future, which would limit our ability to develop and commercialise new products and technologies.

We expect our sales and marketing costs and our research and development costs to significantly increase over the next several years. We may need to raise additional funding to, among other things:

- increase our sales and marketing efforts to drive market acceptance and address competitive developments;
- improve our Symphony™ suite of breast cancer products;
- fund continued validation and commercialisation of our ColoPrint® colon cancer test and other products now in development, as well as any future products we may develop;

- pursue new molecular tests for other types of cancer, including additional biomarkers, or conduct research into companion diagnostics to new targeted cancer drugs;
- increase our laboratory capacity;
- expand into new markets outside the United States and the European Union;
- acquire or purchase the licensing rights to intellectual property, license new technologies, and protect our intellectual property;
- engage in selected acquisitions; and
- fund general corporate activities.

Our present and future funding requirements will depend on many factors, including:

- the level of research and development required to maintain and improve our cancer molecular diagnostics products;
- changes in regulatory policies or laws, including anticipated new FDA regulations, that may affect our ability to commercialise our products and increase our costs to comply with regulation;
- the nature of threats to our intellectual property rights, and our costs incurred in defending them;
- opportunities to acquire or license complementary technologies or acquire complementary assets; and
- the costs required to keep pace with scientific and medical advances of our competitors in realising new scientific advancements and developing and commercialising new products and services.

If in the future we are unable to raise sufficient additional funds to execute our business strategy, we could be forced to curtail our research and development activities and delay or otherwise modify implementation of our business strategy, which could have a material adverse effect on our business, financial condition and results of operations.

We may in the future seek to raise funds through equity or debt offerings.

After the Offering, we may issue additional equity securities, incur substantial indebtedness or enter into other financing arrangements in order to fund the growth of our business. Any issuance of additional equity securities may significantly dilute the value of the Ordinary Shares held by our shareholders and adversely affect the market price of our Ordinary Shares. In addition, if we raise additional funds by borrowing, the rights of our shareholders would be subordinated to the rights of our creditors, and the terms of any such financing could significantly restrict our operating flexibility and result in the loss of your entire investment if our assets did not exceed the level of our borrowings upon liquidation.

We may also seek to raise additional funds through licensing arrangements, collaborative relationships, joint ventures or other alliances with third parties, which could require us to pay royalties upon any resulting products, relinquish certain intellectual property rights in our existing or new technologies and products.

We may face intellectual property infringement claims from third parties that could be time-consuming and costly to defend and may result in liability for damages or prevent us from commercialising our services.

We may have infringed in the past, and may still be infringing, the proprietary rights of third parties in the United States, the European Union or elsewhere in the world in connection with our cancer molecular diagnostics. We believe it is likely that there are currently, or will be in the future, competing claims of protection by third parties for gene variations and sequences that overlap or conflict with certain of the genes in our licensed 231-gene signature or other products, and as of the date of this Prospectus we have not undertaken an in-depth legal review of intellectual property protection relating to measurement of disease state using differential gene expression in all the jurisdictions where our products are or may be used. Even if such a review were undertaken, it may fail to detect potentially relevant patent applications. In addition, particularly with regard to patent applications filed in the United States, there will always be a risk that patent applications by others with higher priority than ours may be pending. Any such applications by third parties may result in issued patents that cover the method, production, manufacture, commercialisation or use

of certain of our products or the gene signatures which underline our tests. Parties often wait to pursue intellectual property claims until an alleged infringer has generated substantial revenue and profits. As a result, there may be parties with rights to certain elements of our licensed 231-gene signature or other elements of our intellectual property who are awaiting our further growth prior to initiating a claim against us.

In addition, we may be subject to damages resulting from claims that we or our employees have wrongfully used or disclosed alleged trade secrets, proprietary information or confidential intellectual property belonging to the former employers of our employees. Although, to the best of our knowledge, no significant intellectual property claims against us are currently pending, threatened or contemplated, there can be no assurance that our use of our intellectual property (or the use of our intellectual property by our customers or distributors) does not constitute a past or present infringement upon the actual or alleged proprietary rights of third parties. As a result of actual or alleged intellectual property infringement claims regarding the methods or gene signatures we use in our tests, or to avoid potential claims, we might:

- be prohibited from selling or licensing certain products that we may develop unless the patent holder licenses the patent to us, which it may not be required or inclined to do;
- be required to pay substantial royalties or grant a cross-license to our patents to another patent holder;
- be liable for substantial damages for past infringement if a court determines that our products or innovations infringe a competitor's patent or other proprietary rights; or
- be required to redesign an element of our proprietary technology so that it does not infringe a third party's patent or other intellectual property rights, which may not be possible, may require substantial costs, testing or FDA clearance or approval, and may require significant management attention.

There can be no assurance that we will be able to successfully settle or otherwise resolve intellectual property claims that may be brought against us by third parties. If we are unable to successfully settle intellectual property claims on terms acceptable to us, we may be required to engage in costly and time-consuming litigation and may be prevented from, or experience substantial delays in, marketing our existing products and pursuing validation and commercialisation of new products. If we lose any such dispute, in addition to paying monetary claims, we may lose valuable intellectual property rights and may be permanently prohibited from commercialising any of our existing or new products that are held to be infringing. Any of the aforementioned events would require us to divert substantial financial and management resources that we would otherwise be able to devote to our operations, which could have a material adverse effect on our business and results of operations.

The loss of key members of our senior management team or inability to retain highly skilled scientists, clinicians and salespeople could adversely affect our business.

The continued contribution of certain key members of our Senior Management and others in key management or technical positions will be instrumental as we develop new products and seek market acceptance. If we were to lose one or more such key employees, we may experience difficulties in competing effectively, gaining market acceptance, developing new products and executing our business strategy. Certain members of our Senior Management have technical and medical backgrounds and experience, and it may be difficult to find management with similar skills and experience if any members of our management team were to depart. Moreover, certain of our employees hold licenses for operation of our clinical laboratories, and if we were to lose these employees, one or both of our laboratories would be prohibited from conducting its normal operations until the license was amended and a new licensee appointed. See "*We are subject to US and EU Regulation of our clinical laboratories*."

Our research and development efforts, and the provision of test results to our customers in a timely and accurate manner, require us to attract and retain highly skilled scientists and technicians, including licensed laboratory technicians, medical doctors, and biostatisticians. We may not be able to attract or retain qualified employees in these fields in sufficient numbers as a result of the competition for qualified personnel from businesses, universities and public and private research institutions. In addition, as we grow our business, we will also need to attract and retain sales and marketing staff with relevant experience and relationships. If we are unable to recruit or

retain qualified sales and marketing staff, we could experience a delay in market acceptance of our products and difficulty in achieving revenue growth or profitability.

If one or both of our laboratory facilities becomes inoperable, or if we are unable to renew the leases on these facilities, we may be unable to perform our clinical development activities, or process tests for our customers.

We perform all of our key clinical development activities and process tests for our Symphony™ customers in our CLIA-certified laboratory facilities in Amsterdam, the Netherlands, and Irvine, California. These facilities may be damaged or rendered inoperable by flooding, fire, earthquakes, terrorism, severe weather conditions, power failures and other natural or man-made disasters. In addition, our laboratory facilities in both Amsterdam and Irvine are leased. The lease for the Irvine facility expires on 15 June 2013 and lease for the Amsterdam facility expires on 1 December 2014. There can be no assurance that we will be able to renew these leases on acceptable terms or at all. If we lose access to either of our laboratory facilities for any of the aforementioned or other reasons, we may be forced to rely solely on the other facility until such time as we are able to procure an alternate site. As a result, we would be unable to provide test results for our customers or for research studies in a timely manner, or perform certain of our research and development activities on schedule, which could have a material adverse effect on our revenues, market share, the progress of our research and development pipeline, our clinical programs and our results of operations.

We maintain frozen patient tissue from all the patient tests we have performed for customers. If the commercial freezers and the backup systems at either of our clinical laboratories were to fail for an extended period, we could experience loss of these tissue samples, and consequently be unable to perform additional analysis on those patients for our customers.

We could incur significant repair costs as a result of any damage to our laboratory facilities, as well as substantial costs if we are forced to seek new facilities or relocate our research equipment in an emergency. The licenses for our clinical laboratories are also site-specific and therefore we would need to have any new premises re-licensed and re-validated, which would require time and may entail significant costs. Our insurance coverage for property damage and disruptions to our operations may be insufficient to cover all of our potential losses. In addition, such insurance coverage may not continue to be available to us on acceptable terms, or at all.

We may fail to effectively identify or execute strategic acquisitions, joint ventures or investments, and if we do pursue such transactions we may fail to successfully integrate them into or realise anticipated benefits to our business in a timely manner.

We may selectively pursue opportunities to acquire, form joint ventures with or make investments in businesses, products, technologies or innovations which complement our business and strategy. We may not be able to identify suitable candidates for such acquisitions, joint ventures or investments, or if we do identify suitable candidates, we may not be able to complete any transaction on acceptable terms, or at all. Any acquisitions, joint ventures or investments we may pursue in the future could entail risks including:

- difficulties in realising cost, revenue or other anticipated benefits from the acquired entity or investment, including as a result of the loss of key employees or intellectual property from the acquired entity, joint venture or investment;
- costs of executing the acquisition, joint venture or investment, both in terms of capital expenditure and increased management attention;
- potential for undermining our business strategy, our relationships with KOLs or customers or other elements critical to the success of our business;
- liabilities or losses resulting from our control of the acquired entity, joint venture or investment;
- difficulties in conforming the acquired entity's accounting, books and records, internal accounting controls, and procedures and policies to ours; or
- integration of acquired technologies with our products, or the employees or corporate cultures of any acquired company with our business.

If we pursue acquisitions, partnerships or investments in the future and fail to successfully integrate them, our business, results of operations or financial condition could be materially adversely affected.

As we seek to expand our business internationally, we will be exposed to risks associated with doing business outside of the United States and the Netherlands.

Our sales and marketing strategy contemplates eventual expansion internationally, including establishing distribution networks, promoting market awareness and seeking reimbursement arrangements in countries outside of the United States and the European Union. Doing business internationally involves a number of risks, including:

- unfamiliar legal, labour and regulatory restrictions, governmental approvals, permits and licenses;
- the need to find qualified local distribution partners, employees or representatives;
- difficulty in arranging and managing multiple third-party payor relationships and systems;
- regulatory and logistical issues associated with shipping fresh tissue samples;
- local financial practices, including longer payment cycles, difficulty collecting accounts receivable and different reimbursement practices;
- political and economic instability, including wars, terrorism, and political unrest, outbreak of disease, boycotts, curtailment of trade and other business restrictions;
- diminished protection of intellectual property;
- trade protection measures and import or export licensing requirements; and
- risks that the activities of our distributors may conflict with anti-bribery provisions in various jurisdictions.

Any of the aforementioned factors could materially adversely affect our future international expansion and operations and, as a consequence, our revenues and results of operations.

Exchange rate fluctuations may adversely affect our business and operating results.

Due to the international scope of our operations, our revenues and operating results may be affected by fluctuations in exchange rates, particularly between the euro and the US dollar. Although our reporting currency is the euro, a substantial portion of our revenues and expenses are from markets outside the euro zone, particularly the United States. As a result, fluctuations between the euro and the US dollar may cause our reported revenues and profits to vary significantly from period to period. Accordingly, exchange rate fluctuations have affected our results of operations and may continue to do so in the future, which could materially adversely affect our revenues and results of operations.

We have incurred losses in our US operations since commencing activities in the United States in 2008. To date, our US dollar losses have exceeded our US dollar revenues, and we have funded the difference between our US dollar losses and our US dollar revenues by converting our cash and cash equivalents, held in euro, to US dollars. We will continue to fund our US dollar losses out of our euro-denominated cash and cash equivalents for the foreseeable future, and will therefore be subject to increased costs in euro if the US dollar strengthens significantly against the euro. Going forward, as our revenues in the United States increase as a proportion of our total sales, we will be exposed to additional translation risk of our US dollar revenues into euros. We do not currently enter into forward exchange contracts or other forms of currency hedging to limit our foreign exchange risk.

We are subject to risk as a result of our licensing arrangements with third parties.

We have a number of licenses and agreements with third parties, including licenses relating to third-party patents. When we license intellectual property from third parties, those parties generally retain most or all of the underlying rights to that intellectual property, and we generally have no rights to require our licensors to protect the underlying intellectual property by, for example, applying for new patents. With respect to intellectual property that we license, we are generally also subject to all of the same risks with respect to its protection as we are for intellectual property that we own, as described above. See "*Our business will suffer if we are unable to obtain or defend intellectual property protection for our products*."

Certain elements of our intellectual property portfolio, including the 231-gene signature underlying MammaPrint®, have been licensed to us under an agreement for an indefinite period. Under Dutch law, such agreement could under certain circumstances be subject to termination at any time by the relevant licensor notwithstanding the absence of a specified termination date.

Our license agreements may contain indemnification provisions which in certain circumstances may require us to indemnify our customers for liabilities, costs and expenses arising out of violations of intellectual property rights. These provisions may result in indemnification claims or claims of intellectual property right infringement. Any indemnification claims or related disputes or litigation, whether or not we are required to provide indemnification, could be time-consuming and costly, damage our reputation, or require us to enter into royalty or licensing arrangements, which may not be on terms favourable to us.

We are also party to various material transfer agreements (''**MTAs**'') governing the use of tissue samples we obtain to develop our products and conduct clinical validations. Although we currently have in place MTAs governing the use of the tissue samples for all of our current breast and colon cancer products, not all of these MTAs expressly provide us with exclusive rights to any new intellectual property we may produce by our analysis of the tissue provided. Although we seek to obtain these rights before we generate new intellectual property, we may not be successful in obtaining these rights and any resulting intellectual property may be subject to challenge.

Our information technology could face serious disruptions that could adversely affect our business.

Our information technology and other internal infrastructure systems, including corporate firewalls, servers, leased lines and connection to the internet, face the risk of systemic failure or security breaches that could disrupt our operations. These information technology systems support a variety of functions, including the processing of our molecular diagnostic tests, the tracking of archival tissue samples, quality control, customer service and support, billing and reimbursement, research and development activities, and general and administrative activities. A significant disruption in the availability of our information technology and other internal infrastructure systems, or a failure to properly maintain and upgrade our systems, could cause interruptions in communications between our Irvine, California and Netherlands teams, our communications with our partners in scientific collaborations and clinical studies, and other delays in our research and development work, as well as prevent us from processing our tests, providing test results to physicians, handling physician or patient inquiries, coordinating billing and reimbursement activities, and managing the administrative aspects of our business. Moreover, sustained disruptions to our information technology systems could lead regulatory authorities to withhold or suspend our regulatory clearances and commercialisation of our products. Any of these factors could have a material adverse effect on our business, financial condition and results of operations and could negatively affect the price of our Ordinary Shares.

We are currently in the process of implementing a comprehensive upgrade to our information technology infrastructure, and this upgrade may cause disruption in our operations and may prove unsuccessful in achieving our objective of establishing a common information technology infrastructure for the management of sales and customer relationships, quality control and regulatory obligations, finance and billing, patient information and test results, research and development, and overall connectivity within our business.

We may not generate sufficient future taxable income to allow us to realise our deferred tax assets.

We have substantial tax loss carry-forwards that may be available to reduce our future tax liabilities. As of 31 December 2010, we had €52.0 million of tax loss carry-forwards, of which €33.7 million relate to losses in the Netherlands and the remainder relate to losses in the United States and other countries. Our ability to use these deferred tax assets, and the carrying value of these assets, are dependent upon having future taxable income in the relevant jurisdictions during the periods in which we are permitted, under the tax laws of the relevant jurisdictions, to use the loss carry-forwards. Our total tax loss carry-forwards are subject to expiration dates ranging from 2012 to 2019 in the Netherlands and from 2012 to 2030 in other jurisdictions, after which these tax losses will not be available to offset future tax liabilities. There can be no assurance that our future operations will be sufficiently profitable to allow us to realise any value from these deferred tax assets. The value of these tax assets may also be impacted by any changes in tax rates in the Netherlands or in other jurisdictions in which we owe corporate tax.

As a public company, we will be required to implement additional and costly finance and accounting systems, procedures and controls.

As a listed public company with limited liability (*naamloze vennootschap*) in the Netherlands, we will incur significant legal, accounting and other expenses that we did not incur as a private company. We will need to comply with certain rules, regulations and requirements which were not applicable to us prior to the Offering. Complying with rules, regulations and requirements will require substantial effort on the part of our Management Board and will increase our expenses. We will be required to:

- institute more formalised internal controls over financial reporting;
- prepare and distribute periodic and current public reports;
- formalise old and establish new internal policies, such as those relating to disclosure controls and procedures and insider trading;
- involve and retain to a greater degree outside counsel and accountants; and
- establish and maintain an investor relations function, including the provision of certain additional information on our website and to Euronext.

Compliance with public company obligations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect our public company obligations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to incur substantial expense to maintain the same or similar coverage.

Once we are a public company, applicable laws and regulations will require, among other things, that we implement and maintain effective internal controls for financial reporting and disclosure. In particular, under current regulations, commencing with our fiscal year ending 31 December 2011, we must begin to perform system and process evaluation and testing of our internal controls over financial reporting to allow management and to allow our independent registered public accounting firm to evaluate the effectiveness of our internal controls over financial reporting. Our testing, or the subsequent testing by our independent registered public accounting firm, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses. We expect to incur significant expense and devote substantial management effort toward ensuring compliance with these requirements. Moreover, if we are not able to comply with these requirements in a timely manner, or if we or our independent registered public accounting firm identifies deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses, the market price of our Ordinary Shares could decline and we could be subject to sanctions or investigations by regulatory authorities, which would consume additional financial and management resources.

If we use biological and hazardous materials in a manner that causes injury, we could be liable for damages.

Our activities at present require the controlled use of small quantities of potentially harmful biological materials, hazardous materials and chemicals. We cannot eliminate the risk of accidental contamination or injury to employees or third parties from the use, storage, handling or disposal of these materials. In the event of contamination or injury, we could be held liable for any resulting damages, and any liability could exceed our resources or any applicable insurance coverage we may have. In addition, we are subject on an ongoing basis to EU and Dutch regulations and US federal, state and local regulations governing the use, storage, handling and disposal of these materials and specified hazardous waste materials. An increase in the costs of compliance with such laws and regulations could materially adversely affect our results of operations.

We have been, and may continue to be, subject to litigation.

In the ordinary course of our business, legal actions, claims against and by us may arise. We may be subject to litigation from suppliers, collaboration partners, competitors, current or former employees or third parties. The publicity associated with, and the outcome of, such claims, arbitration and legal proceedings could adversely affect our business, results of operations and financial position. In 2009, Slotervaart Ziekenhuis hospital ("**SLZ**") filed a lawsuit against us in the District Court of Amsterdam claiming damages of €520,000 in relation to a lease agreement for office space entered into between us as lessor and SLZ as lessee. After we terminated the lease agreement and vacated the premises, SLZ claimed outstanding rent and recovery costs to restore

the leased premises to its original state. There can be no assurance that our defence will ultimately prevail, or that if it does prevail that it will not incur substantial additional legal costs, which we may not be able to recover.

We could be subject to product liability claims not covered by insurance.

The marketing, sale and use of our tests by physicians could lead to the filing of product liability claims alleging that our tests have failed to perform the risk stratification and predictive functions for which they were designed. We may also be subject to professional liability for errors in the test results we provide to physicians or for misunderstandings of, or inappropriate reliance upon, the information we provide to our customers. A product liability or professional liability claim could result in the assessment of material damages against us and could be costly and time consuming for us to defend. There can be no assurance that our existing product and professional liability insurance is adequate, or that it will cover all or any portion of potential product or professional liability claims against us. Our product and professional liability insurance policies contain, for example, exclusions regarding damage arising out of our participation in clinical studies or as a result of medical malpractice claims. A product liability or professional liability claim brought against us could increase our insurance rates or prevent us from obtaining insurance coverage in the future, which could have a material adverse effect on our business and results of operations.

In addition, a product liability lawsuit brought against us could materially adversely affect our reputation, necessitate the suspension of sales for some or all our products and result in the withdrawal of regulatory clearances, as well as cause our clinical partners to terminate collaboration agreements and refuse to consider future joint activities. Any of these effects could have a material adverse effect on our business and results of operations.

Changes in the financial markets and general economic conditions could have a material adverse effect on our business, revenues, results of operations and financial condition.

Our revenues, results of operations and financial condition are affected by changing financial market and general economic conditions, which are outside of our control. These conditions could cause our results of operations to fluctuate from year to year, as well as on a long-term basis, in ways that may be unpredictable. These conditions include employment levels, consumer lending and spending, corporate spending, changes in monetary policies, inflation, as well as fluctuations in interest rates, financial markets and real property in the countries in which we operate. We will also be affected by the impact on financial markets which may arise from catastrophic events, terrorism and other acts of war and governmental and political developments relating to the foregoing, as well as social or political instability, diplomatic relations and international conflicts. These conditions also include economic cycles such as insurance industry cycles, particularly with respect to health insurance.

Risks Related to the Regulatory Environment

The clinical laboratory testing industry is highly regulated, and we cannot assure you that the regulatory environment in which we operate will not change significantly and adversely in the future. In particular, the laws and regulations governing the marketing and research of clinical diagnostic testing are extremely complex and in many instances there are no clear regulatory or judicial interpretations of these laws and regulations. Set out below are significant risk factors resulting from our regulatory environment.

Our business is subject to regulation by the US Food and Drug Administration.

Our US activities are subject to regulation by the FDA, which regulates the sale or distribution in interstate commerce of products classified as medical devices under the Federal Food, Drug and Cosmetic Act, including in vitro diagnostic devices. Such devices must undergo premarket review by the FDA, either through clearance under 510(k) or by the premarket approval (''**PMA**'') process prior to commercialisation, unless the device is of a type exempted from such review by statute or pursuant to the FDA's exercise of enforcement discretion. Although the FDA has not exercised its authority to regulate most LDTs in the past, in draft guidance first issued in 2006, the FDA indicated its intention to begin to exercise its enforcement discretion by subjecting to premarket review a category of LDTs called in vitro diagnostic multivariate index assays (''**IVDMIAs**''). Most recently, in July 2010 the FDA announced that it intends to reconsider its policy of enforcement discretion and to begin drafting an oversight framework for such tests. The new oversight framework is expected to categorise any LDT as ''low,'' ''intermediate'' or ''high'' risk, based on the

patient health impact of the outcome which the test is intended to predict. LDTs which are categorised as ''high'' risk will be subject to the most stringent clinical validation standards, and may be required to submit for 510(k) clearance or PMA approval prior to being marketed. Depending on their intended use, some or all of our Symphony™ products may be categorised as ''high'' risk under the final FDA oversight framework. As a result, certain LDTs that are currently subject to enforcement discretion may be required to obtain 510(k) clearance or PMA approval prior to being marketed. In such cases, some or all of our offerings may be required to seek premarket review. The number, size and design of preclinical and clinical studies that may be required for FDA clearance or approval of IVDMIAs will vary depending on the genomic and technological characteristics of the offering, its primary diagnostic indications and the specific guidelines and regulations applicable to it. As a result, we could experience significantly increased development costs and a delay in obtaining FDA clearance or approval and winning market acceptance and generating additional revenue from our Symphony™ products, or from other products now in development, which could materially adversely affect our business, financial condition and results of operations. Further, the molecular diagnostics industry as a whole is a growing industry and regulatory agencies such as the FDA may also apply heightened scrutiny in addition to the new LDT regulations described above to new developments in the field of molecular diagnostics. In addition, any new FDA regulations may permit our competitors' products, which do not currently have clearance from the FDA, to continue being marketed and sold, thus undermining what we believe to be a competitive advantage. See ''*Business Description – Regulation – US Food and Drug Administration*.''

The FDA can delay, limit or deny clearance or approval of a product for many reasons, including but not limited to:

- concerns relating to efficacy, whether as a result of adverse or ambiguous clinical results at any clinical stage, or for other reasons;
- heightened regulatory standards requiring new or different evidence of efficacy for the product's primary indication;
- concerns relating to the design, control or conduct of preclinical studies or clinical trials;
- sponsor or patient withdrawals from clinical studies, or other negative responses from such participants;
- the failure of more advanced clinical studies to validate results from preclinical studies or earlier clinical studies; or
- differing interpretations of clinical validation data relating to our products, or challenges to its accuracy or adequacy.

Even after a new product receives clearance or other approval from the FDA, that product is thereafter subject to extensive regulatory requirements relating to manufacturing, testing, labelling, packaging, storage, advertising, promotion, distribution, export, adverse event reporting and record keeping. We and certain of our suppliers are subject to inspection by the FDA to determine our compliance with these requirements. For example, because MammaPrint® is an FDA-cleared test, our facilities are required to be compliant with the Quality System Regulation, as set out in Title 21 Part 820 of the Code of Federal Regulations. Ongoing compliance with the anticipated new FDA regulation of LDTs could increase the burden of compliance and the cost of conducting our business, and subject us to penalties or sanctions for compliance failures.

The FDA imposes significant limitations on the indicated uses or marketing of our products, which could reduce the potential markets for them. For example, under FDA regulations, we are subject to prohibitions on ''off-label'' promotion of our FDA cleared products for marketing and distribution. As a result of the FDA restrictions on ''off-label'' promotion, we are prohibited from any mention of a particular or potential use outside the FDA cleared labelling. Moreover, any materials sent to physicians, KOLs and other members of the medical community, or displayed or distributed at industry events such as conferences and trade shows, are also subject to the ''off-label'' promotion rules. Our sales and marketing representatives, third-party distributors and other parties within our sales and distribution network may violate these FDA rules on ''off-label'' promotion. We are presently working to establish internal procedures and controls regarding labelling, and can provide no assurance as to when these procedures might be complete and fully functional. Instances of labelling violations by individual members of our sales and marketing personnel may have occurred in the past and may occur going forward.

In addition, new statutory requirements or additional regulations may be enacted. We cannot predict the likelihood, nature or extent of adverse government regulation that may arise from future legislation or administrative action, either in the United States, the European Union or elsewhere. If we are unable to maintain regulatory compliance, we could be prohibited from marketing our products in the United States or the European Union, which would have a material adverse effect on our business, financial condition and results of operations.

Our products are subject to regulation in the European Economic Area.

In relation to our activities outside the United States, we have internally assessed MammaPrint®'s compliance with the requirements of the EU In Vitro Diagnostic Medical Devices Directive (Directive No 98/79/EC, as amended), and have drawn up an EC Declaration of Conformity, allowing us to affix the CE conformity mark to MammaPrint®. The CE conformity mark is a requirement for commercialisation of MammaPrint® in the European Economic Area (the "**EEA**"). We also market TargetPrint®, BluePrint™ and TheraPrint® in the EEA. However, we have concluded TargetPrint®, BluePrint™ and TheraPrint® do not require CE marking because, based on our current claims with regard to these products, we believe they do not fall within the definition of "medical device" set out in the Medical Devices Directives (Directive No 98/79/EC and Directive 93/42, both as amended). This belief is based on our interpretation of the relevant provisions of the Medical Device Directives and the European Commission Guidelines on Medical Devices – particularly, the "IVD Guidances: Borderline Issues" (MEDDEV. 2.14/1 rev. 1). These regulations, however, are open to varying interpretations as to whether tests such as TargetPrint®, BluePrint™ or TheraPrint® fall within the definition of medical device. Consequently, an EEA Competent Authority or a court in the EEA could interpret the definition of medical device in a different manner from our interpretation, and could conclude that TargetPrint®, BluePrint™ or TheraPrint® qualify as medical devices and therefore require CE marking before they can be offered in the EEA. In addition, our products are subject to EEA labelling requirements and inspections, and potential EEA fines.

Failure to comply with the requirements of the FDA may subject us to administrative or judicially imposed sanctions.

The FDA is empowered to impose sanctions, including warning letters, civil and criminal penalties, injunctions, product seizure or recall, import bans, restrictions on the conduct of our operations, and total or partial suspension of production. Any of the aforementioned sanctions could cause reputational damage as well as undermine our ability to maintain and increase our revenues and have a material adverse effect on our business, financial condition and results of operations. In particular, if we or the FDA, were to discover that any of our products featured defects which called into question their efficacy for their intended diagnostic use, whether due to a design or other defect, we may be required to undertake a re-test of all results and analysis provided during the period relevant to the defect, recall our products, or be subject to revocation of marketing authorisation. Certain of our MammaPrint® tests were the subject of a recall in early 2010, to remedy a fault which produced false positive readings of certain tests. Although we have addressed this fault to the satisfaction of the FDA, we may be subject to similar or more substantial recalls in the future. The direct costs entailed by such a recall in terms of management time, administrative and legal expenses and lost revenues, together with the indirect costs to our reputation among KOLs and the wider medical community could have a material adverse effect on our business, financial condition and results of operations, and on our ability to execute our business strategy.

While we believe that we are currently in material compliance with applicable laws and regulations, the FDA or other regulatory agencies may not agree, and a determination that we have violated these laws or a public announcement that we are being investigated for possible violations of these laws could adversely affect our business, prospects, results of operations or financial condition.

The elements of our Symphony™ suite of breast cancer tests are subject to different levels of FDA regulation, and specific FDA requirements for each product may change.

In 2010, the FDA stated that it would publish a new set of guidance, using a different regulatory framework, to govern the marketing and distribution of LDTs, including IVMDIAs for use in cancer diagnosis and treatment decision-making in the United States. The new guidance is expected to categorise any LDT as "low", "intermediate" or "high" risk, based on the patient health impact of the outcome which the test is intended to predict. LDTs which are categorised as "high" risk will be subject to the most stringent clinical validation standards, and may be required to submit for

510(k) clearance or PMA registration prior to being marketed. Depending on the clinical claims made, some or all of our Symphony™ suite of breast cancer tests may be categorised as "high" risk under the final FDA guidance. In this case, if our existing 510(k) clearances do not meet the new FDA requirements, we could be required to undergo further FDA submissions under the new standards for our existing products, and consequently experience significantly increased development costs and a delay in winning market acceptance and generating additional revenue from our Symphony™ products, or from other products now in development, which could materially adversely affect our business, financial condition and results of operations. Further, the molecular diagnostics industry as a whole is a maturing industry and regulatory agencies such as the FDA may apply heightened scrutiny in addition to the new LDT regulations described above to new developments in the field of molecular diagnostics.

Although we believe premarket review of our devices is not currently required for commercialisation under the FDA's existing regulatory framework, we have nevertheless applied for and received five FDA clearances for MammaPrint®. Under the present Code of Federal Regulations, if a particular product or service has already received FDA clearance, an additional FDA clearance is required for that product each time (a) the intended use of the product or service is modified, or (b) the technology underpinning that product is substantially modified. As we work to improve our MammaPrint® product, we will from time to time apply modifications which require additional clearance from the FDA. We cannot predict the length of time which would be required to receive FDA clearance for any such modifications to the intended use or technological character of MammaPrint®, or whether such clearance would be available at all. Accordingly, even if we invest significant resources in and successfully develop enhancements to MammaPrint® or our other existing products, there is no assurance that we will be able to receive FDA clearance and commercialise these enhancements to our products within timeframes that allow us to capture additional market share and revenues from these new features in the rapidly advancing field of molecular diagnostics. We currently intend to market a new version of MammaPrint® for use with FFPE-preserved tissue without having first received 510(k) clearance from the FDA. Typically, any modification we make to a 510(k)-cleared device that could significantly affect its safety or effectiveness, or that would constitute a major change in its intended use, design or manufacture, would require us to seek a new 510(k) clearance or, possibly, approval of a PMA. However, we do not believe this change in intended use would constitute the type of modification triggering a new 510(k) submission. If the FDA were to disagree with our conclusion, we could be required to cease marketing any MammaPrint® FFPE products, and as a result may experience reputational damage and loss of revenues.

Further, the FDA clearances we have received for our molecular diagnostic products are device and platform specific. As a result, if the patented microarrays supplied to us by Agilent or the reagent provided by RNA*Retain*™ from Asuragen were to change for any reason, this could require us to extensively validate the new platform and seek additional clearances from the FDA for certain elements of MammaPrint®, resulting in delays, interruptions or prohibitions on the continued marketing and distribution of our products as "FDA cleared" products even if they have previously received FDA clearance. Any of these events could have a material adverse effect on our reputation as well as our business, financial condition and results of operations. *See* "*We rely on a single supplier for the manufacture of microarrays and corresponding readers and would face disruption to our business of this supply relationship were to terminate*".

Until the FDA's new oversight framework is finalised, we are offering BluePrint™, TargetPrint® and TheraPrint® as LDTs. Our BluePrint™ test is an IVDMIA, for which the FDA may in the future require premarket review, clearance or approval. We do not currently have FDA clearance for TheraPrint® or BluePrint™ as LDTs for which we are not receiving customer revenues or third-party reimbursement. When the FDA issues its final guidance on the marketing and distribution of LDTs, our BluePrint™ service is likely to require FDA 510(k) clearance. We do not currently have plans to submit BluePrint™ or TheraPrint® for clearance by the FDA, and we may be unable to compile and submit any required validation and other data to the FDA in the necessary timeframe to successfully obtain FDA clearance for BluePrint™ or TheraPrint® after final FDA guidelines are put into effect. There is also no assurance that the FDA will permit BluePrint™ or TheraPrint® to remain in use prior to receiving clearance, or that BluePrint™ or TheraPrint® will not be subject to labelling requirements which could further limit its usefulness in clinical practice. Additionally, although our TargetPrint® test is also currently marketed as a LDT and does not presently have FDA clearance, the FDA may decide to regulate it in the future.

With regard to ColoPrint® and other future products we now have in development, even if we complete clinical or technical validation, there can be no assurance of clearance or approval by the FDA in a timely manner, or at all. Our technical and clinical validation efforts with regard to ColoPrint®, for example, are ongoing and may fail to produce the results required to allow us to market ColoPrint® as a LDT, or gain FDA clearance, without substantial additional costs and time-consuming delays. FDA regulation of ColoPrint® or our other potential products may therefore result in substantial additional costs, and as a result our pursuit of commercialisation for these products may prove unsuccessful.

The results of clinical studies on some of our Symphony™ suite of breast cancer products or on other products now in clinical development may not support our claims or may result in our being required to conduct additional clinical studies.

We are currently conducting clinical studies, and in the future we may conduct clinical trials, to support clearance or approval of new products. In order to receive FDA clearance on any resulting products, such studies and trials must be conducted in compliance with FDA requirements. The data collected from these studies and clinical trials may ultimately be used to support market clearance or approval for these products. Even if our clinical trials are completed as planned, we cannot be certain that their results will support our product candidate claims or that the FDA or foreign authorities will agree with our conclusions regarding them. Success in early clinical studies does not ensure that later clinical trials will be successful, and we cannot be sure that the later trials will replicate the results of prior trials and studies. The clinical trial process may fail to demonstrate that our tests are safe and effective for the proposed indicated uses, which could cause us to abandon a product candidate and may delay development of others. Any delay or termination of our clinical trials will delay the filing of our product submissions and, ultimately, our ability to commercialize our product candidates as cleared or approved devices and generate revenues.

Changes in government healthcare policy could increase our costs and negatively impact coverage and reimbursement for our products by public and private third-party payors.

Government healthcare policy has been and, we expect, will continue to be a topic of extensive legislative and executive activity in the US Federal and many US state governments as well as in the European Union. We have developed our business strategy based upon government healthcare policies as currently in place, but we do not have a dedicated US regulatory affairs specialist to monitor a rapidly changing and complex US regulatory framework. As a result, our business could be affected by significant and potentially unanticipated changes in government healthcare policy, such as the proposed changes in the FDA regulatory policy for IVDMIAs and LDTs, the creation of broad test utilisation limits for molecular diagnostic products and services in general, or changes in reimbursement levels by Medicare or other public third-party payors. Any of these or other changes could substantially impact our revenues, increase costs and divert management attention from our business strategy. Going forward, we cannot predict the full impact of governmental healthcare policy changes on our business, financial condition and results of operations.

In the United States, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act (collectively, "**PPACA**"), was signed into law in March 2010. The PPACA, among other things, provides for changes to extend medical benefits to those who currently lack insurance coverage, encourages improvements in the quality of health care items and services, and significantly impacts the US pharmaceutical and medical device industries in a number of ways. A number of states have challenged the constitutionality of certain provisions of PPACA, and many of these challenges are still pending final adjudication in several jurisdictions. Congress has also proposed a number of legislative initiatives, including possible repeal of PPACA. At this time, it remains unclear whether there will be any changes made to PPACA, whether to certain provisions or its entirety.

A number of states are also contemplating significant reform of their healthcare policies. Any proposals for additional government-funded healthcare at the Federal or state levels could subject expenditures for healthcare to further governmental budget constraints and limits on spending. We cannot predict what healthcare policy reforms, if any, will be enacted or their impact on our corporate tax burden and other regulatory costs, which could materially adversely affect our business, financial condition and results of operations. In addition, proposals to implement fees or taxes on medical product manufacturers and clinical laboratories have been, and may in the future

be enacted. Any resulting costs or reductions in reimbursement payments by US third-party payors could materially adversely impact our business, financial condition and results of operations.

Compliance with US and EU security, privacy and other regulations may increase our costs.

We are subject to regulations issued by the US Department of Health and Human Services, pursuant to the US Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (collectively, "**HIPAA**"), to safeguard the privacy and security of sensitive individual patient information which is collected by healthcare providers, including diagnostic companies like us. HIPAA also regulates the standardisation of data, codes and formats used in healthcare transactions and the standardisation of identifying information for third-party payors and healthcare providers. In addition to federal regulations issued under HIPAA, some states have enacted privacy and security statutes or regulations that, in some cases, are more stringent than those issued under HIPAA. Although we have implemented internal procedures and controls to ensure our compliance with HIPAA and applicable state laws and regulations, requirements under these regulations may change, which could materially adversely affect our costs of compliance with such laws.

In the EEA, we are subject to laws relating to our collection, disclosure, processing and other use of personal data (for example, employee, patient and research participant data) which impact our operations. The data privacy regime in the EEA is harmonized by Directive 95/46/EC on the protection of individuals with regard to the processing of personal data and on the free movement of such data and by the E-Privacy Directive 2002/58/EC (as amended by Directive 2009/136/EC). Although this legislation has been implemented at a European level, it is for each of the EEA member states to enact national legislation to incorporate these Directives into its national data privacy regime. The laws applicable in each member state therefore differ from jurisdiction to jurisdiction, though the broad principles of the Directives flow through the national laws of all member states. We must therefore ensure compliance with the rules in each jurisdiction in which we use personal data. In particular, to the extent that we process, control or otherwise use sensitive data relating to living individuals (which includes health or medical information) more stringent rules apply and limit the circumstances and the manner in which we are legally permitted to process and transfer that data outside of the EEA. Local laws are amended from time to time and guidance is issued reasonably frequently by regulators and by the Article 29 Working Party (an advisory body formed of the various European privacy regulators). Any changes in law and new guidance may impact, and require changes to, our current operations.

Various EEA Member States have adopted anti-bribery laws providing for severe consequences, in the form of criminal penalties and/or significant fines, for individuals and/or companies committing a bribery offence. Violations of these anti-bribery laws, or allegations of such violations, could have a negative impact on our business, results of operations and reputation.

In addition, the European Commission is undertaking a review of the entire European regulatory regime over the next two years. The outcome of this could further impact our operations. Whilst we have taken steps to ensure compliance with the current regime in all material respects, given its nature and our geographical diversity, there could be areas where we are non-compliant. Should we not be in compliance with this legislation or any changes thereto, we may be subject to sanctions which could include giving undertakings to regulatory authorities to change our operations, adverse publicity, substantial financial penalties and/or criminal proceedings.

We are subject to US and EU regulation of our clinical laboratories.

We are subject to the Clinical Laboratory Improvement Amendments of 1988 ("**CLIA**"), a federal law regulating clinical laboratories that perform testing on specimens derived from humans for the purpose of contributing to the diagnosis, prevention or treatment of disease. See "*Business Description – Regulation – CLIA '88 and state licensure*."

We are also required to maintain a license to conduct testing in California, the site of our Irvine laboratory facilities. In addition, in order to be able to use our clinical laboratory facilities in the Netherlands to conduct tests for US-based patients, we also maintain CLIA certification and an accreditation from the College of American Pathology for our Amsterdam facilities. We receive specimens from various states, and therefore are required under state license laws to maintain laboratory licenses in seven states. As a result of state reciprocity rules, we are permitted to operate in 49 states in total on the basis of these seven state licenses. The availability of our tests in these states is dependent upon our maintenance of these licenses. Certain state laws also

mandate proficiency testing for laboratories with licenses in that state, regardless of whether or not such laboratories are located there. Finally, we may be subject to regulation in foreign jurisdictions as we seek to expand international distribution of our tests.

If either of our laboratories were to lose our CLIA accreditation or California license, whether as a result of a revocation, suspension or limitation, we would no longer be able to conduct customer testing at that facility, which would limit our revenues and harm our business. If we were to lose our license in the states where we are required to hold licenses, we would not be able to test specimens from those states. In addition, under the terms of our written reimbursement agreements with third-party payors, and our ''preferred provider'' network agreements with health care providers, loss of our CLIA accreditation, California license or other relevant laboratory accreditation would be cause for immediate termination of the relevant agreement. If we were to lose our CLIA accreditation or our required state licenses at both our Irvine laboratory facility and our Amsterdam laboratory facility simultaneously, this could have a material adverse effect on the pool of US-based patients for which we are able to conduct tests, or we could be unable to conduct tests for US-based patients at all, which would have a material adverse effect on our business, financial condition and results of operations and on our ability to execute our business strategy.

If we market products in a manner that violates health care fraud and abuse laws, we may be subject to civil or criminal penalties.

We are also subject to healthcare fraud and abuse regulation and enforcement by both the federal government and the states in which we conduct our business. The laws that may affect our ability to operate include:

- the federal healthcare programs' Anti-Kickback Law, which prohibits, among other things, persons from knowingly and wilfully soliciting, receiving, offering or paying remuneration, directly or indirectly, in exchange for or to induce either the referral of an individual for, or the purchase, order or recommendation of, any good or service for which payment may be made under federal healthcare programs such as the Medicare and Medicaid programs;
- federal false claims laws which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment from Medicare, Medicaid, or other third-party payors that are false or fraudulent;
- HIPAA, which created federal criminal laws that prohibit executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters; and
- state law equivalents of each of the above federal laws, such as anti-kickback and false claims laws which may apply to items or services reimbursed by any third-party payor, including commercial insurers.

If our operations are found to be in violation of any of the laws described above or any other governmental regulations that apply to us, we may be subject to penalties, including civil and criminal penalties, damages, fines and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our financial results. The risk of our being found in violation of these laws is increased by the fact that many of them have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations. Further, the recently enacted PPACA, among other things, amends the intent requirement of the federal anti-kickback and criminal health care fraud statutes so that a person or entity no longer needs to have actual knowledge of this statute or specific intent to violate it. In addition, the PPACA provides that the government may assert that a claim including items or services resulting from a violation of the federal anti-kickback statute constitutes a false or fraudulent claim for purposes of the false claims statutes. Any action against us for violation of these laws, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business.

In addition, there has been a recent trend of increased federal and state regulation of payments made to physicians for marketing. Some states, such as California, Massachusetts and Vermont, mandate implementation of commercial compliance programs, along with the tracking and reporting of gifts, compensation, and other remuneration to physicians. We are currently in the process of developing and implementing a compliance plan to address compliance with applicable fraud and abuse laws and regulations. The evolving commercial compliance environment and the need to build and maintain robust and expandable systems to comply with multiple jurisdictions with

different compliance and/or reporting requirements increases the possibility that a healthcare company may violate one or more of the requirements.

In the United States, we are subject to complex billing rules and regulations.

Billing for clinical laboratory services in connection with governmental payor programs is subject to numerous federal and state regulations and other requirements, resulting in additional costs to us to remain compliant. We may also be subject to audits or other reviews of our claims and procedures by governmental payor programs from time to time. If CMS, or its local carrier in California which processes our payments from Medicare, audit or otherwise review our claims and determine that overpayments were made to us for processed and paid claims, a refund may be sought from us. Although we believe our claims meet the requirements for applicable rules and regulations and we have not been subject to payment reviews, we cannot provide assurances that such events would not occur in the future. If any significant overpayments are assessed or penalties are imposed, this could have a material adverse impact on our business and financial condition.

Risks Related to the Ordinary Shares and the Offering

There has been no public market for our Ordinary Shares prior to the Offering and we cannot assure that an active market in the Ordinary Shares will develop.

Prior to the Offering, there has not been a public market for our Ordinary Shares. Application has been made for admission of our Ordinary Shares to listing and trading on Euronext Amsterdam. We cannot predict the extent to which an active market for our Ordinary Shares will develop or be sustained after the closing of the Offering, or how the development of such a market might affect the market price for our Ordinary Shares. The Offer Price will be agreed between us and the Joint Bookrunners based on a number of factors, including market conditions in effect at the time of the Offering, and may not be indicative of the price at which the Ordinary Shares will trade following completion of the Offering. The market price of the Ordinary Shares could be subject to significant fluctuation. An illiquid market for our Ordinary Shares may result in lower trading prices and increased volatility, which could adversely affect the value of your investment, may cause our Ordinary Shares to trade at a discount to the Offer Price and may make it difficult for investors to sell their shares at or above the price paid for them.

The price of our Ordinary Shares may be volatile and affected by a number of factors, some of which are beyond our control.

The stock markets in general, and the markets for shares of molecular diagnostics companies in particular, have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. Any one of the following factors, among others, may cause a substantial decline in the markets in which we operate: general economic conditions; geopolitical conditions, including war, acts of terrorism and other man-made or natural disasters; political or regulatory developments in the United States, the European Union and other jurisdictions; changes in the structure of third-party reimbursement systems, both public and private; publication of significant new scientific research relating to cancer; announcements of technological innovations or new products or services by our competitors; publication of research reports about the molecular diagnostics industry by securities or industry analysts; changes in earnings estimates by stock market analysts; and other events and factors beyond our control. These factors, and the factors described elsewhere in this section, could materially adversely affect the trading price of our Ordinary Shares.

There is a significant risk that we may be treated as a passive foreign investment company for US federal income tax purposes in the future, which status will subject US holders to adverse US federal income tax consequences.

Based on our income, assets and activities, we believe we will not be treated as a passive foreign investment company (a "**PFIC**") for US federal income tax purposes. However, because our PFIC status will in large part depend upon the market value of our Ordinary Shares relative to our cash and cash equivalent balances, there is a significant risk that we will be treated as a PFIC in the future in the event the market value of our Ordinary Shares declines. If we were treated as a PFIC, our status as a PFIC will subject US holders of our Ordinary Shares to adverse US federal income tax consequences. US holders may be able to mitigate these adverse consequences by making a mark to market election with respect to our Ordinary Shares. US holders should consult

their tax advisers regarding the potential application of the PFIC regime. See "*Taxation – Taxation in the United States – Passive Foreign Investment Company Considerations*" below.

Management will have broad discretion over the use of the net proceeds from the Offering and may not apply the net proceeds effectively or in a manner that is consistent with the uses described in this Prospectus.

We intend to use the net proceeds of the Offering to, among other things, expand our sales and marketing capabilities and activities particularly in the United States but also, to a lesser extent outside the United States, complete technical and clinical validation and initial commercialisation of our ColoPrint® colon cancer test, continue our research and development efforts, fund capital expenditures on our laboratory facilities and IT systems, and for working capital and other general corporate purposes in line with our business and strategy. As of the date of this Prospectus, although we will use the proceeds in line with our business and strategy, we cannot predict with certainty all of the particular uses for the proceeds of the Offering or the amounts that we will actually spend on each of these potential uses of the proceeds. Our plans may change from those described in the "*Use of Proceeds*" section of this Prospectus, we maintain broad discretion over how the proceeds will be used and we could use the net proceeds in ways with which shareholders do not agree, or for corporate purposes that may not result in a significant or any return on your investment. However, we will in any event use the proceeds in line with our business and stategy. The amount and timing of actual expenditures may vary significantly depending upon a number of factors, including the success of our sales and marketing strategy in the United States, the level of progress made by our research and development programs, the amount of cash generated by our operations, and other factors.

The ownership of our Ordinary Shares will continue to be highly concentrated and your interests may conflict with the interests of our Current Shareholders.

Our Current Shareholders are expected to own approximately 65% of our Ordinary Shares immediately upon completion of the Offering (assuming no exercise of the Over-Allotment Option and an Offer Price at the mid-point of the Offer Price Range). Accordingly, our Current Shareholders will be able to exert significant influence over the outcome of matters requiring approval of our shareholders, including but not limited to appointments to the Management Board and the approval of significant transactions. Their interests may also differ from the interests of other shareholders. In addition, control by our Current Shareholders may have the effect of delaying or preventing an acquisition or other change in control, which could prevent investors from receiving a premium for our Shares.

Future sales, or the possibility of future sales, of a substantial number of our Ordinary Shares could have a material adverse effect on the price of the Shares and dilute the interests of shareholders.

Future sales of a substantial number of our Ordinary Shares, or the perception that such sales will occur, could cause a decline in the market price of our Ordinary Shares. In connection with the Offering, we, Stichting PSP Agendia (a foundation (*stichting*) incorporated in the Netherlands (the "**Foundation**")), the Founders, all members of our Management Board, Supervisory Board and Senior Management for a period of 360 days, our Current Shareholders (other than the Founders) and Breedinvest B.V. for a period of 270 days and ABN AMRO Bank N.V. for a period of 60 days, see "*Plan of Distribution – Underwriters Dealings*", have agreed to certain restrictions on the sale or other disposition of our Ordinary Shares or securities convertible into or exchangeable for our Ordinary Shares or which carry rights to subscribe or purchase our Ordinary Shares), which periods commence on the date of signing the Underwriting Agreement, except with the prior written consent of the Joint Bookrunners and certain other exceptions as described in "*Plan of Distribution – Lock-Up Arrangements*". In addition, as a result of the amendment of our existing Participation Share Plan, on the Settlement Date our Current Shareholders will transfer to the Foundation a sufficient number of their Ordinary Shares to enable the Foundation to satisfy our obligations to existing participants in the Participation Share Plan. Upon expiration of the lock-up arrangements being entered into by, *inter alios*, the Foundation, the Founders, all members of our Management Board, Supervisory Board and Senior Management and for two years thereafter, holders of awards under the amended Participation Share Plan will be entitled to instruct the Foundation to sell Ordinary Shares on their behalf, for settlement in cash. (See "*Management and Employees – Participation Share Plan*".)

We cannot predict whether substantial numbers of our Ordinary Shares will be sold in the open market following the expiry of the relevant lock-up periods, either by our Current Shareholders or by the Foundation. In particular, there can be no assurance that after this period expires, the Current Shareholders will not reduce their holdings of our Ordinary Shares. Future sales of our Ordinary Shares could be made by our Current Shareholders and entities affiliated with them, by other shareholders, by the Foundation or through a capital increase undertaken for additional working capital, to fund an acquisition or for another purpose. See "*We may be unable to raise additional capital on acceptable terms in the future, which would limit our ability to develop and commercialise new products and technologies.*" A sale of a substantial number of our Ordinary Shares, or the perception that such sales could occur, could materially and adversely affect the market price of our Ordinary Shares, as well as impede our ability to raise capital through an issue of equity securities in the future.

We do not intend to pay dividends for the foreseeable future.

We do not intend to pay any dividends for the foreseeable future. Payment of future dividends to shareholders will effectively be at the discretion of the Management Board, subject to the approval of the Supervisory Board after taking into account various factors including our business prospects, cash requirements, financial performance, new product development and plans for international expansion. See "*Description of Share Capital and Corporate Governance – Share Capital – Dividends and Other Distributions.*" In addition, payment of future dividends may be made only if our shareholders' equity exceeds the sum of our called up and paid-in share capital plus the reserves required to be maintained by law and by our Articles of Association. Accordingly, investors cannot rely on dividend income from the Ordinary Shares and any returns on an investment in the Ordinary Shares will likely depend entirely upon any future appreciation in the price of the Ordinary Shares. We can provide no assurance that the price of the Ordinary Shares will appreciate after the Offering or that the market price for the Ordinary Shares will not fall below the Offer Price.

US and other non-Netherlands holders of our Ordinary Shares may not be able to exercise pre-emption rights.

In the event of an increase in our share capital, holders of our Ordinary Shares are generally entitled to certain pre-emption rights, unless these rights are excluded by a resolution of the General Meeting or of the Management Board, if so designated by the General Meeting or pursuant to our Articles of Association. However, certain holders of Ordinary Shares outside the Netherlands may not be able to exercise pre-emptive rights unless local securities laws have been complied with. In particular, US holders of our Ordinary Shares may not be able to exercise pre-emption rights unless a registration statement under the US Securities Act is declared effective with respect to the Ordinary Shares issuable upon exercise of such rights, or an exemption from the registration requirements of the US Securities Act is available. We intend to evaluate at the time of any rights issue the cost and potential liabilities associated with any such registration statement, as well as the indirect benefits and costs to us of enabling the exercise by US holders of their pre-emption rights for our Ordinary Shares, and any other factors we consider appropriate at the time. We will then make a decision as to whether to file such a registration statement. There can be no assurance given that we will file a registration statement or that any exemption from registration would be available to enable the exercise of a US holder's pre-emption rights.

If closing of the Offering does not take place on the Settlement Date or at all, subscriptions for the Offer Shares and Additional Shares, if any, will be disregarded and transactions effected in the Offer Shares will be annulled.

Application has been made for admission of our Ordinary Shares to listing and trading on Euronext Amsterdam under the symbol "AGDX". We expect that our Ordinary Shares will first be admitted to listing and that trading in such Ordinary Shares will commence prior to the closing of the Offering on the First Trading Date on an "if-and-when-issued" basis. The Settlement Date, on which the closing of the Offering is scheduled to take place, is expected to occur on or about 24 June 2011, the third business day following the date on which trading is expected to commence. The closing of the Offering may not take place on the Settlement Date or at all if certain conditions or events referred to in the Underwriting Agreement (see the "*Plan of Distribution*" section of this Prospectus) are not satisfied or waived or occur on or prior to such date. Such conditions include the receipt of officers' certificates and legal opinions, and such events include the suspension of trading on Euronext Amsterdam a material adverse change in our financial condition or business affairs or in

the financial markets. Trading in our Ordinary Shares before the closing of the Offering will take place subject to the condition subsequent (*ontbindende voorwaarde*) that, if closing of the Offering does not take place on the Settlement Date or at all, the Offering will be withdrawn, all subscriptions for the Offer Shares and Additional Shares, if any, will be disregarded, any allotments made will be deemed not to have been made, any subscription payments made will be returned without interest or other compensation and transactions on Euronext Amsterdam will be annulled. All dealings in our Ordinary Shares prior to settlement and delivery are at the sole risk of the parties concerned. The Underwriters, the Company, the Listing Agent and Euronext do not accept any responsibility or liability for any loss incurred by any person as a result of a withdrawal of the Offering or (the related) annulment of any transactions on Euronext Amsterdam.

IMPORTANT INFORMATION AND RESTRICTIONS

Potential investors are expressly advised that an investment in the Ordinary Shares entails certain risks and that they should therefore carefully review the entire contents of this Prospectus. Furthermore, before making an investment decision with respect to any Ordinary Shares, potential investors should consult their stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers and carefully review the risks associated with an investment in the Ordinary Shares and consider such an investment decision in light of the potential investor's personal circumstances.

Responsibility Statement

Potential investors should rely on the information contained in this Prospectus, the pricing statement and any supplement to this Prospectus within the meaning of Article 5:23 of the Dutch Financial Supervision Act. Potential investors should not assume that the information in this Prospectus is accurate as of any date other than the date of this Prospectus. No person is or has been authorised to give any information or to make any representation in connection with the Offering, other than as contained in this Prospectus. If any information or representation not contained in this Prospectus is given or made, the information or representation must not be relied upon as having been authorised by the Company, the members of the Supervisory Board or Management Board or the Underwriters, or any of their respective affiliates. The delivery of this Prospectus at any time after the date hereof will not, under any circumstances, create any implication that there has been no change in our affairs since the date hereof or that the information set forth in this Prospectus is correct as of any time since its date.

The Company accepts responsibility for the information contained in this Prospectus. To the best of our knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import. No representation or warranty, express or implied, is made by any Underwriter as to the accuracy or completeness of information contained in this Prospectus. Potential investors should not assume that the information in this Prospectus is accurate as of any other date than its publication date. In making an investment decision, investors must rely on their own examination of the Company and the terms of the Offering, including the merits and risks involved.

The Underwriters are acting exclusively for the Company and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of this Prospectus) as their respective customers in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective customers or for giving advice in relation to the Offering or any transaction or arrangement referred to herein. We have authorised the Underwriters to use, dispatch and rely on the content of this Prospectus and to use it in a retail cascade, if any.

In connection with the Offering, the Joint Global Co-ordinators, through the Stabilisation Agent or its affiliates or agents, may over-allot or effect transactions that stabilise or maintain the market price of the Ordinary Shares at levels above those which might otherwise prevail in the open market. Such transactions, if commenced, may be effected on Euronext Amsterdam, in the over-the-counter market or otherwise. There is no assurance that such stabilisation will be undertaken and, if it is, it may commence as early as the First Trading Date, may be discontinued at any time without prior notice and will end no later than 30 calendar days after the First Trading Date. To the extent permitted by applicable law, such transactions may be effected on any securities market, over-the-counter market, stock exchange or otherwise. Such stabilising, if commenced, may be discontinued at any time or end after a limited period. Except as required by law or regulation, none of the Stabilisation Agent, any of its affiliates or agents or the Underwriters intends to disclose the extent of any stabilisation or over-allotment transactions in connection with the Offering.

Underwriters' Dealings

In connection with the Offering, each of the Underwriters, and any of their respective affiliates acting as an investor for its or their own account(s), may subscribe for or purchase Offer Shares and/or Additional Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such Offer Shares and/or Additional Shares, any other

securities of the Company or other related investments in connection with the Offering or otherwise. Accordingly, references in this document to Ordinary Shares being issued, offered, subscribed or otherwise dealt with should be read as including any issue or offer to, or subscription or dealing by, the Underwriters and any of their affiliates acting as an investor for its or their own account(s).

Notice to Investors

The distribution of this Prospectus and the offering and sale of Ordinary Shares in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. Other than in the Netherlands, no action has been or will be taken in any jurisdiction by us or the Underwriters that would permit a public offering of the Ordinary Shares or possession or distribution of a Prospectus in any jurisdiction where action for that purpose would be required. This Prospectus may not be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, any of the Ordinary Shares in any jurisdiction in which such offer or invitation would be unlawful. Neither we nor any of the Underwriters accept any responsibility for any violation by any person, whether or not such person is a prospective purchaser of our Ordinary Shares, of any of these restrictions.

No representation or warranty, express or implied, is made by the Joint Global Co-ordinators or the other Underwriters named in "*Plan of Distribution – Underwriting Agreement*" as to the accuracy or completeness of information contained in this Prospectus. Prospective investors are deemed to have acknowledged that: (i) they have not relied on the Underwriters or any person affiliated with the Underwriters in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision; and (ii) they have relied only on the information contained in this Prospectus, and that no person has been authorised to give any information or to make any representation concerning the Company or its subsidiaries, the Offer Shares or the Additional Shares (other than as contained in this Prospectus) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company or the Underwriters. In making an investment decision, each investor must rely on its own examination, analysis and enquiry of the Company and the terms of the Offering, including the merits and risks involved.

The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**SEC**"), any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

In the United States, this Prospectus is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein. The information contained in this Prospectus has been provided by us and other sources identified herein. Distribution of this Prospectus to any person other than the offeree specified by the Underwriters or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorised, and any disclosure of its contents, without our prior written consent, is prohibited. Any reproduction or distribution of this Prospectus in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. This Prospectus is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Ordinary Shares.

Notice to New Hampshire Residents

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ("RSA 421-B") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO

ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Presentation of Financial and Other Information

In this Prospectus, the ''Company'', ''we'', ''our'' or ''us'' refers to Agendia N.V. a public company with limited liability (*naamloze vennootschap*) and, where appropriate, its subsidiaries. ''**Management Board**'', ''**Supervisory Board**'' and ''**General Meeting**'' refer to, respectively, the management board (*Raad van Bestuur*), supervisory board (*Raad van Commissarissen*) and the general meeting of shareholders (*algemene vergadering van aandeelhouders*) of Agendia N.V.

The historical consolidated financial information contained in this Prospectus, including the audited consolidated financial statements as of and for each of the years in the three-year period ended 31 December 2010, 2009 and 2008, the unaudited interim consolidated financial information as of and for the three month period ended 31 March 2011 and and for the three month period ended 31 March 2010, the ''*Summary Consolidated Financial Data*'', the ''*Selected Consolidated Financial Data*'' and the financial data contained in ''*Operating and Financial Review*'', have been prepared in accordance with IFRS. In making an investment decision, potential investors must rely upon their own examination of us, the terms of the Offering and the financial information provided herein. Potential investors should consult their own professional advisers for an understanding of IFRS.

Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments.

Our financial year is the calendar year. All references in this Prospectus to ''euro'' or ''€'' are to the currency introduced at the start of the third stage of the Economic and Monetary Union, pursuant to the Treaty establishing the European Economic Community, as amended by the Treaty on the European Union. All references to ''US dollars'', ''US$'' or ''$'' are to the lawful currency of the United States.

Documents Incorporated by Reference

Our articles of association (*statuten*) shall be amended on or prior to the closing of the Offering. Our articles of association as they shall read as of the Settlement Date (the ''**Articles of Association**'') shall be deemed incorporated in, and form part of, this Prospectus and can be obtained free of charge on our website at www.agendia.com. No other documents or information, including the content of our website (www.agendia.com) or of websites accessible from hyperlinks on our website, form part of, or are incorporated by reference into, this Prospectus.

If a significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Ordinary Shares arises or is noted prior to the end of the Offer Period (being, subject to acceleration or extension of the timetable of the Offering, from 6 June 2011 at 09:00 CET until 20 June 2011 at 14:00 CET), a supplement to this Prospectus will be published to be approved by the AFM in accordance with Article 5:23 of the Dutch Financial Supervision Act.

Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Forward-Looking Statements

Certain statements in this Prospectus other than statements of historical fact are forward-looking statements. This Prospectus contains forward-looking statements in, without limitation, ''*Risk Factors*'', ''*Industry Overview*'', ''*Business Description*'' and ''*Operating and Financial Review*'', which are based on our current beliefs and projections and on information currently available to us. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control and all of which are based on our current beliefs and expectations about future events. Forward-looking statements are typically identified by the use of forward-looking terminology such as ''believes'', ''expects'', ''may'', ''will'', ''could'', ''should'', ''intends'', ''estimates'', ''plans'', ''assumes'', ''anticipates'' or ''aim'' or the negative thereof or other variations thereof or comparable terminology, or by discussions of our strategy and future plans that involve risks and uncertainties.

Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. Except as required by applicable law, we do not undertake and we expressly disclaim any duty to update or revise publicly any forward-looking statement in this Prospectus, whether as a result of new information, future events or otherwise. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as a result of risks and uncertainties facing the Company. Such risks factors include, among others:

- our expectation that, for the foreseeable future, substantially all of our revenue will be derived from our MammaPrint® and TargetPrint® breast cancer tests;
- the factors that may impact our results of operations and financial condition, the extent and duration of our net losses and our ability to achieve or sustain profitability in the future;
- the factors which we believe are demand drivers for our molecular diagnostics and our ability to increase market awareness of our products;
- our ability to recognise revenues and our expectations regarding the receipt of reimbursement payments;
- the validation of the results of our ongoing and future clinical validation studies by actual outcomes in cancer patient populations;
- our sales and marketing strategy and our ability to execute our business strategies;
- our expectations regarding revenue from our services, and the amount of future revenue that we may derive from third-party reimbursement;
- our plans to pursue reimbursement coverage by targeting public and private insurance providers and achieving inclusion of our services as ''recommended for use'' in influential clinical guidelines;
- our expectations as to the amount of time it will take to establish and expand reimbursement for our existing and any additional services from third-party payors;
- our expectations regarding our international expansion and revenues from sales outside the United States, and our intent to enter into additional distribution arrangements;
- the level of investment in our sales and marketing team, particularly in the United States;
- our research and development activities, and the anticipated timeframe for the development or commercialisation of new products now in development;
- the ability of our clinical laboratory facilities to process a sufficient volume of tests and our expectations regarding laboratory capacity;
- our entry into strategic partnerships and collaborations with leading academic and clinical centres;
- our estimates and assumptions with respect to the rates of incidence of various types of cancer;
- the potential of cancer molecular diagnostics to reduce overall healthcare costs;
- the prognostic and predictive efficacy of our services and their ability to influence cancer treatment decision-making;
- our expectation that our research and development, sales and marketing and administrative expenses will increase and our anticipated future costs in expanding these functions;
- our expectations regarding the use of the net proceeds from the Offering;
- our anticipated cash needs and our needs for additional financing, and our expected future sources of cash;
- our compliance with US federal and state and European regulatory requirements, and the potential impact of changes in the regulation of LDTs by the FDA;
- the impact of changes in government healthcare policy on our business and our ability to execute our strategy;
- the impact of changes in financial markets and general economic conditions on our business, physicians and patients, and public and private third-party payors; and

- anticipated trends and challenges in our molecular diagnostics business and the healthcare markets in which we operate,

or other factors referred to in this Prospectus. Should any of the underlying assumptions about the above or other factors prove to be incorrect, our actual financial condition or results of operations could differ materially from those described herein as currently anticipated, believed, estimated or expected. In light of the risks, uncertainties and assumptions, underlying the above factors, the forward-looking events described in this Prospectus may not occur. Additional risks not known to us or that we do not currently consider material could also cause the forward looking events discussed in this Prospectus not to occur. Prospective investors are advised to read the sections of this Prospectus entitled ''*Risk Factors*'', ''*Operating and Financial Review*'', ''*Industry Overview*'' and ''*Business Description*'' for a more complete discussion of the factors that could affect our future performance and the industry in which we operate.

Enforceability of Civil Liabilities

The ability of our shareholders in certain countries other than the Netherlands to bring an action against us may be limited under applicable law. We are a public company with limited liability (*naamloze vennootschap*) incorporated under the laws of the Netherlands. Certain members of our Supervisory Board and Management Board and a substantial number of our employees are citizens or residents of countries other than the United States. All or a substantial portion of the assets of such persons and a substantial portion of our assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or upon us, or to enforce judgements obtained in US courts, including judgements predicated upon civil liabilities under the securities laws of the United States or any state or territory within the United States. In addition, there is substantial doubt as to the enforceability, in the Netherlands, of original actions or actions for enforcement based on the federal securities laws of the United States or judgements of US courts, including judgements predicated upon the civil liability provisions of the securities laws of the United States.

The United States and the Netherlands do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Accordingly, a final judgment for the payment of money rendered by US courts based on civil liability would not be directly enforceable in the Netherlands. However, if the party in whose favour such final judgment is rendered brings a new suit in a competent court in the Netherlands, that party may submit to the Dutch court the final judgment that has been rendered in the United States. A judgment by a federal or state court in the United States against the Company will neither be recognised nor enforced by a Dutch court but such judgment may serve as evidence in a similar action in a Dutch court.

Market and Industry Data

Market data and certain other statistical information used in this Prospectus is based on a number of sources, including independent industry publications, government publications, reports by market research firms or other independent publications (each, an ''**Independent Source**''). The following Independent Sources are used in this Prospectus:

- American Cancer Society 2008, ''Global Cancer Facts and Figures 2008'' 2nd edition (''**ACS Global Facts and Figures 2008**'');
- American Cancer Society 2010, ''Global Economic Cost of Cancer'' (''**ACS Cost of Cancer 2010**'');
- American Cancer Society 2010, ''Cancer Facts and Figures 2010'' (''**ACS Facts and Figures 2010**'');
- American Journal of Managed Care 2010, ''Cost-Effectiveness of 70-Gene MammaPrint Signature in Node-Negative Breast Cancer'' by Chen et al (''**AJMC Chen 2010**'');
- Archives of Pathology and Laboratory Medicine 2010, ''Variable Specimen Handling Affects Hormone Receptor Test Results in Women With Breast Cancer'' by Nkoy et al (''**Archives of Pathology 2010**'');
- Breast Cancer Research and Treatment 2010, ''The predictive value of the 70-gene signature for adjuvant chemotherapy in early breast cancer'' by Knauer et al (''**BCRT 2010**'');

- Cancer Cell Report 2007, ''A Functional and Genetic Approach Identifies the PI3K Pathway as a Major Determinant of Trastuzumab Resistance in Breast Cancer'' by Berns et al (''**Cancer Cell Report 2007**'')
- Clinical Cancer Research 2009, ''An Immune Response Enriched 72-gene Prognostic Profile for Early-Stage Non-Small-Cell Lung Cancer'' by Roepman et al (''**Clinical Cancer 2009 Roepman**'');
- Clinical Colon and Rectal Surgery Journal 2009, ''Colorectal Cancer Epidemiology: Incidence, Mortality, Survival, and Risk Factors'' by Haggar et al (''**Colon 2009**'');
- Decision Resources 2007, Onkos Study Number 5 ''Breast Cancer'' (''**Decision Resources 2007**'');
- European Journal of Cancer 2010, ''Cost-effectiveness of the 70-gene signature versus St. Gallen guidelines and Adjuvant Online for early breast cancer'' by Retel (''**EJC 2010**'');
- Genetic Engineering & Biotechnology News 2011, ''Molecular Diagnostics: Potential and Reality'' by Carlson (''**GEBN 2011**'')
- Journal of Clinical Oncology 2006, ''HER2 Testing by Local, Central, and Reference Laboratories in Specimens from the North Central Cancer Treatment Group N9831 Intergroup Adjuvant Trial'' by Perez et al (''**JCO 2006**'');
- Journal of Clinical Pathology 2000, ''Reliability of immunohistochemical demonstration of oestrogen receptors in routine practice: interlaboratory variance in the sensitivity of detection and evaluation of scoring systems'' by Rhodes et al (''**JCP 2000**'');
- Journal of the National Cancer Institute 2006, ''Validation and Clinical Utility of a 70-Gene Prognostic Signature for Women With Node-Negative Breast Cancer'' by Buyse et al (''**JNCI 2006 Buyse**'');
- Journal of the National Cancer Institute 2009, ''Effect of Rising Chemotherapy Costs on the Cost Savings of Colorectal Cancer Screening'' by Lansdorp-Vogelaar et al (''**JNCI 2009**'');
- Journal of the National Cancer Institute 2011, ''Projections of the Cost of Cancer Care in the United States 2010-2020'' by Mariotto et al (''**JNCI 2011**'');
- Lancet 2005, ''Report of Early Breast Cancer Trialists' Collaborative Group (EBCTCG)'' (''**Lancet 2005**'');
- Lancet 2007, ''Adjuvant chemotherapy versus observation in patients with colorectal cancer: a randomised study'' by QUASAR Collaborative Group (''**Lancet 2007**'');
- Lancet Oncology 2007, ''Use of 70-gene signature to predict prognosis of patients with node-negative breast cancer: a prospective community-based feasibility study (RASTER)'' by Bueno-de-Mesquita et al (''**Lancet Oncology 2007**'');
- McColl Partners 2009, ''Healthcare Group Industry Update: Laboratory Services'' (''**McColl 2009**'');
- National Cancer Institute, SEER Stat Fact Sheets: Breast 2011, http://seer.cancer.gov/statfacts/html/breast.html#survival (''**SEER Fact Sheets 2011: Breast Cancer**'');
- National Cancer Institute, SEER Stat Fact Sheets: Lung and Bronchus 2011, http://seer.cancer.gov/statfacts/html/lungb.html (''**SEER Fact Sheets 2011: Lung Cancer**'');
- TechNavio Insights 2010, ''Global Molecular Diagnostics Market 2009-2013'' (''**TechNavio 2010**'');
- World Health Organisation 2010, ''World Health Report 2010 – Health Systems Financing: The path to universal coverage'' (''**WHO 2010**'');
- World Health Organisation 2008, Globocan Cancer Fact Sheets: Breast Cancer, http://globocan.iarc.fr/factsheets/cancers/breast/asp (''**WHO Fact Sheets: Breast Cancer**''); and
- World Health Organisation 2008, Globocan 2008 Cancer Fact Sheets: Lung Cancer, http://globocan.iarc.fr/factsheets/cancers/lung.asp (''**WHO Fact Sheets: Lung Cancer**'').

The Independent Sources used include publicly available third-party data. Industry publications generally state that their information is obtained from sources they believe reliable but that the accuracy and completeness of such information is not guaranteed and that any projections they contain are based on a number of significant assumptions.

We have included what we believe is the most recent available information from Independent Sources. Although we believe the Independent Sources are reliable, as we do not have access to the information, methodology and other bases for such information, we have not independently verified the information and therefore cannot guarantee its accuracy and completeness. Certain statements in this Prospectus are based on good faith estimates of the Company, which are derived in part from a review of publicly available information, as well as a review of the Independent Sources.

The information in this Prospectus that has been sourced from Independent Sources has been accurately reproduced and, as far as we are aware and able to ascertain from the information published by the relevant Independent Source, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Glossary

Certain capitalised terms used in this Prospectus are defined in the "*Defined Terms*" section in this Prospectus. Certain terms relevant to the molecular diagnostics industry and biopharmaceutical and medical research terms used in the Prospectus are set out in the "*Glossary of Selected Terms*" section of this Prospectus.

Timetable[(1)]

Event	Date
Start of Offer Period	6 June 2011 at 09:00 CET
End of Offer Period	20 June 2011 at 14:00 CET
Publication of the pricing statement	21 June 2011
Allocation	21 June 2011
First Trading Date	21 June 2011
Settlement Date	24 June 2011

(1) Subject to acceleration or extension of the timetable for the Offering.

The results of the Offering will be made public in a pricing statement that will be deposited with the AFM and published in a press release on our website and on the website of Euronext as soon as possible after Allocation.

EXCHANGE RATES

We publish our consolidated financial statements in euros. The euro to US dollar exchange rates below are provided solely for information and convenience. No representation is made that the euro could have been, or could be, converted into US dollars at these rates.

The table below shows the high, low, average and end of period exchange rates expressed in US dollars per €1.00 for the periods given, as computed using the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the "**Noon Buying Rate**") during the periods and on the dates indicated.

Twelve months ended 31 December	High	Low	Average[(1)]	End of period
2006	1.3327	1.1860	1.2563	1.3197
2007	1.4862	1.2904	1.3711	1.4603
2008	1.6010	1.2446	1.4726	1.3919
2009	1.5100	1.2547	1.3935	1.4332
2010	1.4536	1.1959	1.3261	1.3269

(1) The average of the Noon Buying Rates on the last day of each month during the relevant period.

The table below shows the high and low Noon Buying Rates expressed in US dollars per €1.00 for the first five months of 2011.

	High	Low
January 2011	1.3715	1.2944
February 2011	1.3794	1.3474
March 2011	1.4212	1.3813
April 2011	1.4821	1.4211
May 2011[(1)]	1.4875	1.4015

On 27 May 2011, the Noon Buying Rate for the euro was €1.00 = $1.4287.

(1) Up to and including 27 May 2011.

USE OF PROCEEDS

The gross proceeds from the Offering are expected to amount to approximately €75 million, assuming an Offer Price at the mid-point of the Offer Price Range and no exercise of the Over-Allotment Option. The net proceeds from the Offering are estimated to amount to approximately €68.7 million after deducting the estimated underwriting commission and expenses payable by us, assuming an Offer Price at the mid-point of the Offer Price Range and no exercise of the Over-Allotment Option.

Our current intention is to allocate the net proceeds of the Offering, including the net proceeds of the Over-Allotment Option, if any, as follows:

- approximately 50-55% to expand our sales and marketing capabilities and activities particularly in the United States, but also to a lesser extent outside the United States, as well as completing technical and clinical validation and initial commercialisation of ColoPrint®;
- approximately 15-20% to continue our research and development efforts; and
- approximately 5% to fund capital expenditures on expansion of our laboratory facilities and IT systems.

We expect to use the remaining funds from the net proceeds of the Offering for working capital and other general corporate purposes in line with our business and strategy.

As of the date of this Prospectus, we cannot predict with certainty all of the particular uses for the proceeds of the Offering or the amounts that we will actually spend on each of the potential uses of the proceeds set forth above. The amount and timing of actual expenditures may vary significantly depending upon a number of factors, including the success of our sales and marketing strategy in the United States, the level of progress made by our research and development programs, the amount of cash generated by our operations, and other factors. Accordingly, we will retain broad discretion over the use and allocation of the net proceeds of the Offering.

CAPITALISATION AND INDEBTEDNESS

The table below sets forth our unaudited consolidated cash and equivalents and capitalisation as of 31 March 2011, on an actual basis and as adjusted to reflect (a) our receipt of the estimated net proceeds from the issue and sale of the Offer Shares and Additional Shares, if any, in the Offering, after deducting the estimated underwriting commission and expenses based on an Offer Price at the mid-point of the Offer Price Range and no exercise of the Over-Allotment Option and (b) the Restructuring of our share capital as described in "*Description of Share Capital and Corporate Governance – Restructuring of Share Capital (the "Restructuring")*".

You should read this table together with our consolidated financial statements and the related notes thereto, as well as the information under "*Operating and Financial Review*". The table below is prepared for illustrative purposes only and, because of its nature, may not give a true picture of our financial condition following the Offering.

	31 March 2011 (on an actual basis unaudited)	**31 March 2011 (on an adjusted basis unaudited)**
	(in €)	
Share capital	56,482	1,340,385
Share premium	79,399,832	146,797,203
Retained earnings	(48,643,504)	(48,643,504)
Legal reserves	—	—
Other reserves	871,046	871,046
Unappropriated earnings	(21,383,424)	(21,383,424)
Total equity	10,300,432	78,981,706
Current guaranteed liabilities	—	—
Current secured liabilities	—	—
Current unguaranteed/unsecured liabilities	4,632,962	4,632,962
Non-current guaranteed liabilities	—	—
Non-current secured liabilities	—	—
Non-current unguaranteed/unsecured liabilities[(1)]	4,963,411	4,963,411
Total liabilities	9,596,373	9,596,373
Total equity and liabilities	19,896,805	88,578,079

(1) Under IFRS 2, this liability is solely comprised of our obligation to make payments to our employees under our Participation Share Plan. Under the terms of the Reimbursement Agreements, our Current Shareholders have agreed to reimburse us for the full amount of any payments we make to our employees under the Participation Share Plan, and as a result we have recorded an asset on our consolidated balance sheet, which fully offsets this liability, to reflect this obligation on the part of our Current Shareholders. See "*Operating and Financial Review – Critical Accounting Policies and Estimates – Share-based payments.*"

There has been no significant change in our financial or trading position since 31 March 2011 (the date to which the last financial information has been presented) except that as a result of the transfer of the Participation Share Plan to the Foundation as described in "*Operating and Financial Review – Changes in the value of share-based payment liabilities*", we will have no further obligations under the Participation Share Plan after the Offering.

For a summary of our principal contractual obligations and commercial commitments over the next five years, see "*Operating and Financial Review*".

DIVIDENDS AND DIVIDEND POLICY

We currently intend to retain future earnings, if any, to finance the growth and development of our business. As a result, we do not anticipate paying any dividends for the foreseeable future.

Our dividend policy will, however, be reviewed from time to time, and in any case in the first financial year after the Company makes a profit, and payment of any future dividends will be effectively at the discretion of the Management Board, subject to approval of the Supervisory Board. In general, any payment of dividends must be made in accordance with our Articles of Association (see ''*Description of Share Capital and Corporate Governance – Share Capital – Dividends and Other Distributions*'') and the requirements of Dutch law. Under Dutch law, payment of dividends may be made only if our shareholders' equity exceeds the sum of our called up and paid-in share capital plus the reserves required to be maintained by law and by our Articles of Association.

SELECTED CONSOLIDATED FINANCIAL DATA

The selected consolidated financial data set forth below is that of the Company. The summary consolidated financial data should be read in conjunction with "Operating and Financial Review", "Summary Consolidated Financial Data", the consolidated financial statements of the Company and notes thereto and the auditor's report included elsewhere in this Prospectus. The Company has prepared its consolidated financial statements as of and for the years ended 31 December 2010, 2009 and 2008 and as of and for the three-month period ended 31 March 2011 and for the three month period ended 31 March 2010 in accordance with IFRS.

The full year and year-end consolidated financial data is extracted from our consolidated financial statements as of and for the years ended 31 December 2010, 2009 and 2008 that have been audited by PricewaterhouseCoopers Accountants N.V., independent auditors. The three-month and 31 March consolidated financial data is based upon our unaudited interim condensed consolidated financial accounts as of and for the three-month period ended 31 March 2011 and for the three month period ended 31 March 2010. The results for the three-month period ended 31 March 2011 are not necessarily indicative of results for the full year.

The summary consolidated financial data set forth below may not contain all of the information that is important to you.

Selected consolidated statement of comprehensive income

	Three months ended 31 March (unaudited)		Year ended 31 December		
	2011	**2010**	**2010**	**2009**	**2008**
			(in €)		
Revenue	1,121,146	401,232	4,685,931	1,352,657	486,990
Cost of sales	433,249	474,134	2,328,585	2,006,753	1,106,175
Gross profit	**687,897**	**(72,902)**	**2,357,346**	**(654,096)**	**(619,185)**
Other income	640,335	155,084	803,332	852,444	345,253
Research and development costs	(833,677)	(710,857)	(3,534,093)	(2,813,903)	(2,573,949)
Sales and Marketing costs	(1,890,875)	(1,551,922)	(7,060,876)	(5,115,459)	(6,299,978)
General and administrative costs	(2,984,085)	(3,055,656)	(9,073,666)	(4,731,207)	(6,646,745)
Other gains/(losses) – net	—	—	—	—	—
Operating profit	**(4,380,405)**	**(5,236,253)**	**(16,507,957)**	**(12,462,221)**	**(15,612,604)**
Financial income	39,325	536,919	396,246	275,539	851,581
Financial costs	(922,551)	(2,683)	(8,082)	(337,399)	(172,978)
Finance costs – net	**(883,226)**	**(534,236)**	**388,164**	**(61,860)**	**678,603**
Profit before income tax	**(5,263,631)**	**(4,702,017)**	**(16,119,793)**	**(12,524,081)**	**(14,934,001)**
Income tax expense	—	—	—	—	—
Profit/(loss) for the period	**(5,263,631)**	**(4,702,017)**	**(16,119,793)**	**(12,524,081)**	**(14,934,001)**
Other comprehensive income					
Currency translation differences	836,620	(465,651)	(362,979)	252,132	124,862
Total comprehensive income/(loss)	**(4,427,011)**	**(5,167,668)**	**(16,446,772)**	**(12,271,949)**	**(14,809,139)**
Total comprehensive income attributable to:					
Owners of the company	**(4,427,011)**	**(5,167,668)**	**(16,446,772)**	**(12,271,949)**	**(14,809,139)**
Earnings per share attributable to the equity holders of the company during the year (expressed in € per share)					
Basic earnings per share	**(6.27)**	**(8.00)**	**(23.84)**	**(19.00)**	**(25.90)**
Diluted earnings per share	**(6.27)**	**(8.00)**	**(23.84)**	**(19.00)**	**(25.90)**

Selected Consolidated Balance Sheet

	As of 31 March (unaudited)	As of 31 December		
	31 March 2011	2010	2009	2008
		(in €)		
Assets				
Non – current assets				
– Property, plant and equipment	887,466	935,108	1,032,121	1,217,161
– Receivable sharholders	4,963,411	4,587,021	2,200,314	3,578,256
– Non Current trade and other receivables	248,550	219,125	120,150	12,138
Current assets				
– Inventories	639,388	446,413	381,179	343,212
– Trade and other receivables	2,175,523	1,441,159	588,646	2,456,767
– Cash and cash equivalents	10,982,467	11,758,992	17,398,105	13,420,572
Total assets	**19,896,805**	**19,387,818**	**21,720,515**	**21,028,106**
Equity and Liabilities				
Equity attributable to owners of the parent				
– Share capital	56,482	55,179	51,666	45,747
– Share premium	79,399,832	75,748,058	62,998,354	47,756,940
– Retained earnings	(48,643,504)	(48,643,504)	(36,119,423)	(21,185,422)
– Currency translation adjustment	871,046	34,426	361,405	109,273
– Unappropriated earnings	(21,383,424)	(16,119,793)	(12,524,081)	(14,934,001)
Total equity	**10,300,432**	**11,074,366**	**14,767,921**	**11,792,537**
Liabilities				
Non-current liabilities				
– Share-based payment liability	4,963,411	4,587,021	2,200,314	3,578,256
Current liabilities				
– Trade and other payables	4,282,783	3,320,500	2,373,232	2,770,056
– Deferred revenue	290,159	382,357	1,881,800	2,485,490
– Deferred government grants	60,020	23,574	497,248	401,767
Total liabilities	**9,596,373**	**8,313,452**	**6,952,594**	**9,235,569**
Total equity and liabilities	**19,896,805**	**19,387,818**	**21,720,515**	**21,028,106**

Selected Consolidated Statement of Cash Flows

	Three months ended 31 March (unaudited)		Year ended 31 December		
	2011	**2010**	**2010**	**2009**	**2008**
			(in €)		
Cash flows from operating activities					
Operating result	(4,380,405)	(5,236,253)	(16,507,957)	(12,462,221)	(15,612,604)
Adjustments for:					
– Amortisation / depreciation	86,734	88,646	374,964	338,177	379,117
– Share-based payments	376,390	1,316,683	2,386,707	(1,377,942)	518,336
– Changes is non current trade receivables	(29,425)	(21,400)	(98,975)	(108,012)	(12,138)
– Changes in inventories	(192,975)	(205,329)	(65,234)	(37,967)	566,819
– Changes in trade and other receivables	(734,364)	(122,003)	(852,513)	1,868,121	(1,232,243)
– Changes in trade and other payables	962,283	279,269	947,268	(396,824)	948,726
– Changes in deferred revenue	(92,198)	(293,950)	(1,499,443)	(603,690)	1,874,572
– Changes in deferred government grants	36,446	136,823	(473,674)	95,481	(191,326)
Cash generated from operations	**(3,967,514)**	**(4,057,514)**	**(15,788,857)**	**(12,684,877)**	**(12,760,741)**
Financial Income	39,325	537,571	396,246	275,539	851,581
Financial Expense	(922,551)	(2,683)	(8,082)	(337,399)	(172,978)
Net cash generated from operating activities	**(4,850,740)**	**(3,522,626)**	**(15,400,693)**	**(12,746,737)**	**(12,082,138)**
Cash flows from investing activities					
Purchases of property, plant and equipment	(70,348)	(41,591)	(239,993)	(141,193)	(753,535)
Net cash used in investing activities	**(70,348)**	**(41,591)**	**(239,993)**	**(141,193)**	**(753,535)**
Cash flows from financing activities					
Proceeds from issuance of share capital	3,276,687	—	10,366,510	16,625,275	—
Net cash used in financing activities	**3,276,687**	**—**	**10,366,510**	**16,625,275**	**—**
Net cash flow	**(1,644,401)**	**(3,564,217)**	**(5,274,176)**	**3,737,345**	**(12,835,673)**
Exchange rate and translation differences on movements in cash	867,876	(495,722)	(364,937)	240,188	124,721
Net (decrease) / increase in cash, cash equivalents and bank overdrafts	**(776,525)**	**(4,059,939)**	**(5,639,113)**	**3,977,533**	**(12,710,952)**
Cash, cash equivalents and bank overdrafts at beginning of year	11,758,992	17,398,105	17,398,105	13,420,572	26,131,524
Cash, cash equivalents and bank overdrafts at end of year	**10,982,467**	**13,338,166**	**11,758,992**	**17,398,105**	**13,420,572**

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the rest of this Prospectus, including our consolidated financial statements and the related notes, "Summary Consolidated Financial Data", "Important Information and Restrictions – Presentation of Financial and Other Information", "Selected Consolidated Financial Data" and "Business Description" in this Prospectus. Prospective investors should read the entire Prospectus and not rely only on the information set out below.

This discussion and analysis contains forward-looking statements that are subject to known and unknown risks and uncertainties. Our actual results and the timing of events could differ materially from those expressed or implied by such forward-looking statements as a result of various factors, including those discussed below and elsewhere in this Prospectus, particularly under the headings "Important Information and Restrictions – Forward-Looking Statements" and "Risk Factors". We do not undertake any obligation to revise or publicly release the results of any revision to these forward-looking statements.

Overview

We are a commercial-stage molecular diagnostic company, focused on the discovery, development and commercialisation of innovative products to improve the quality of life for cancer patients by providing healthcare professionals with critical information that enables safe and effective personalised treatment. We are currently marketing our Symphony™ suite of four complementary breast cancer tests, of which two currently generate revenue, with a strong focus on the US market. We have discovered, validated and received FDA clearance for our lead test, MammaPrint®, through a combination of our own research and research collaborations and strategic alliances with academia. Our MammaPrint® test, which has accounted for the majority of our revenues to date, has shown a clinically validated ability to predict the risk of breast cancer recurrence in the first five years after diagnosis, which is the period in which chemotherapy produces most of its benefits to a patient. MammaPrint® is marketed as part of our Symphony™ suite of breast cancer tests.

We have grown our revenues from €0.5 million in 2008 to €1.4 million in 2009 and €4.7 million in 2010, and our revenues were €1.1 million in the three months ended 31 March 2011. In 2010, 2009, and 2008, we had losses of €16.1 million, €12.5 million and €14.9 million, respectively, and in the three months ended 31 March 2011, we had losses of €5.3 million. We incurred these losses as a result of our considerable investments in developing and achieving initial commercialisation of our Symphony™ suite of breast cancer tests, ongoing research and development costs, and due to a significant increase in the scale of our US business since launching commercial sale of MammaPrint® in the United States in 2008, increasing our US sales and marketing team from zero full time employee equivalents ("**FTEs**") at 1 January 2008 to 35 FTES at 31 March 2011. Now that we have received five FDA clearances for our MammaPrint® product, and achieved initial coverage and reimbursement from a number of US third-party payors, we believe we have a solid foundation to more widely commercialise our breast cancer tests in the United States. We will therefore use part of the net proceeds of the Offering to expand our sales and marketing capabilities and activities for our breast cancer franchise, particularly in the United States (but also to a lesser extent outside the United States), with the aim of increasing market acceptance, achieving additional reimbursement approvals and attaining higher revenues. We will also work to complete technical and clinical validation and initial commercialisation of our main colon cancer product, ColoPrint, continue our research and development programs, fund capital expenditures for expansion of our laboratory facilities and IT systems and for working capital and other general corporate purposes in line with our business and strategy.

Material Factors Affecting Results of Operations and Financial Condition

We believe that the following factors have had and will continue to have a material effect on our results of operations and financial condition.

Revenue-generating diagnostic tests for commercial patients driving revenue growth

Our revenues increased significantly during the periods under review, reaching €1.1 million in the three months ended 31 March 2011 as compared to €0.4 million in the three months ended 31 March 2010, and to €4.7 million in 2010, compared to €1.4 million in 2009 and €0.5 million in

2008. Although predominantly a reflection of growth in the number of diagnostic tests performed, as set out further below, our significant revenue growth in 2010 also reflects non-recurring revenue of €1.6 million that we recognised in 2010 but which was largely received in previous periods under contractual minimums from certain distributors, predominantly in Europe. Independent of this non-recurring revenue, our revenue growth has resulted from increased demand from oncologists, pathologists, and cancer surgeons, as well as clinics and hospitals which diagnose or treat breast cancer, and the overall rate of market acceptance of molecular diagnostic techniques for use in breast cancer treatment. We believe this trend will continue as cancer molecular diagnostics in general, and our Symphony™ suite of breast cancer tests in particular, gain market acceptance.

The number of revenue-generating diagnostic tests we perform for commercial patients has been and will remain a key performance indicator for our revenue generation. We delivered diagnostic test results using our Symphony™ suite of breast cancer tests on 608 commercial patients in the three months ended 31 March 2011 and 2,164 in the full year 2010, compared to 2,426 in 2009 and 720 in 2008. The overall number of commercial patients we tested declined in 2010, as we terminated our commercial implementation programmes (as explained below), causing certain customers to order fewer tests. Our revenues nevertheless increased in 2010, as we processed a significantly higher proportion of commercial patients using tests which generated revenues. In line with our US sales and marketing strategy, we also tested a significantly higher number of commercial patients in the United States in 2010, rising from 152 commercial patients in 2008 to 952 commercial patients in 2009 and 1,428 commercial patients in 2010. We tested 449 commercial patients in the United States in the three months ended 31 March 2011, compared to 286 in the three months ended 31 March 2010.

These commercial patient totals include diagnostic tests performed under commercial implementation programmes which we established from 2008 to 2010 with leading cancer centres in the United States and Europe, as a means of testing the clinical utility of our products and promoting physician familiarity with our tests. The diagnostic tests we performed under these commercial implementation programmes, although included in our total number of commercial patients tested, were not invoiced to the centres, and generated no revenue. In addition to these commercial implementation programmes, prior to 2010 our sales and marketing team was focused on increasing customer familiarity with our products, and as a result provided a number of diagnostic tests to customers on a trial basis, without expectation of collection, or at a steep discount to our list prices per test. Due to our commercial implementation programmes, and the efforts of our sales and marketing team prior to 2010, we believe we were able to increase familiarity with our products among KOLs, which has aided our efforts to establish coverage and reimbursement with various third-party payors in the United States and Europe. Having established the commercial viability of our Symphony™ suite of breast cancer tests to certain KOLs and participating cancer centres, we terminated these commercial implementation programmes by the end of 2009 in the United States and by early 2010 in Europe, and created a formal billings and collections department in 2010. Subsequently, all of the diagnostic tests we performed for commercial patients in the United States in 2010 were subject to list prices of $4,200 per test for MammaPrint® and $1,200 for TargetPrint® (though often charged at a discount to these list prices), as compared to a significant proportion of diagnostic tests performed in 2009 for which we received no revenue. A resulting material factor affecting our revenue is the proportion of tests we perform for which we are able to charge our list prices per test, and the level of customer discounts we offer customers on our list prices.

The other key contributors to the growth in our revenue in the periods under review was the receipt of initial coverage and reimbursement from major third-party payors in the United States, including Medicare. Going forward, we believe the key contributors to growth will be our ability to formalise reimbursement arrangements with major third-party payors in the United States, our success in further educating KOLs and other physicians about our products, and gaining inclusion as ''recommended for use'' in influential clinical guidelines in the United States.

Reimbursement rates from third-party payors in the United States

Because reimbursement from third-party payors in the United States and Europe is the source of substantially all of our revenues, widespread market acceptance of molecular diagnostic tests and use of our products among KOLs and patients is likely to be achieved only upon receipt of various coverage, pricing and reimbursement approvals from third-party payors. Broadening the rate of acceptance and approval of our tests by third-party payors, particularly in the United States, is

therefore a key element of our business strategy as we endeavour to win market acceptance of our products, generate revenue growth, and achieve profitability.

We have therefore devoted significant resources to obtaining coverage and reimbursement from third-party payors. To date, we have received coverage and reimbursement for our products from Medicare as well as a number of private third-party payors in the United States. Most third-party payors in the United States from whom we have received coverage and reimbursement have not entered into agreements with us to govern approval or payment terms, but instead have provided reimbursement for our products on a case-by-case basis. Our MammaPrint™ test is currently included in a local coverage determination by Medicare's carrier in California, which has the authority to process claims for Medicare. Our MammaPrint™ test is also covered by a written arrangement regarding coverage and reimbursement with Humana and with other third-party payors in the United States. Because managing reimbursement on a case-by-case basis extends our payment collection cycle, increases the rate of discounts we offer to settle outstanding bills, and is more time-consuming for both the physician and us to manage, a key element of our current sales and marketing strategy is to expand our written arrangements regarding reimbursement with third-party payors in the United States. The timing of revenue recognition will also be positively impacted to the extent we are able to raise the likelihood of collectability by entering into written arrangements with third-party payors to govern reimbursement. As the number of written arrangements we have in place with third-party payors increases, we also expect the average number of days it takes us to collect our accounts receivable will decrease as a result of the more efficient payment processing and reduced payment denials associated with written arrangements.

In order to implement this element of our strategy, we will need to continue to educate third-party payors as to the economic and clinical benefits of our products, and as a result we anticipate hiring additional employees for our managed care staff within our sales and marketing team to help us establish these reimbursement relationships in the United States and, eventually, in Europe. These additional employees will increase the personnel expenses component of our sales and marketing costs.

Changes in the value of share-based payment liabilities

Under our Participation Share Plan, until it was amended on 3 June 2011, we had an obligation to make payments to our employees who participate in the plan upon the occurrence of certain events. See ''*Management and Employees – Participation Share Plan*.'' Under IFRS 2, we recorded a liability on our consolidated balance sheet as ''share-based payment liability'' to reflect this obligation, and have recognised any changes in the fair value of this liability in our consolidated income statement as a gain or loss in the ''share-based payments'' component of our general and administrative costs. In the periods under review, the estimated valuation of our shares has undergone significant fluctuations according to the implied valuation of successive financing rounds, as well as from estimates and assumptions on the part of management relating to fair value per common share, discounted cash flows, forfeiture rates, time-to-exit, the risk-free interest rate, volatility and dividends at the date of re-measurement. The impact of changes in the value of share-based payment liabilities on our consolidated income statement was an expense of €0.4 million in the three months ended 31 March 2011, an expense of €2.4 million in the year ended 31 December 2010, a credit of €1.4 million in the year ended 31 December 2009, and an expense of €0.5 million in the year ended 31 December 2008. The magnitude of these fluctuations in comparison to our revenues and our other personnel-related expenses has had a significant impact on our net profit in the periods under review, as well as effecting comparability between periods.

The Participation Share Plan which created this share-based payment liability was amended on 3 June 2011 and, under the terms of this amendment, we expect the Plan to be settled at the Settlement Date. As a result, in the three months ended 30 June 2011 and the full year ended 31 December 2011, we expect to recognise a significant non-cash expense, ranging from €0.4 million to €2.4 million. This expected expense to our consolidated income statement will reflect the requirements of IFRS 2 that we recognise changes in the previously recorded value of our Ordinary Shares on our consolidated income statement, and will have no economic impact on our business or results of operations. Under the terms of our agreements with our Current Shareholders, they have agreed to reimburse us for the full amount of any payments made to our employees under the Participation Share Plan.

Subsequent to the amendment and settlement of the Participation Share Plan, and the resulting non-recurring expense in the three months ended 30 June 2011, we expect the Participation Share

Plan to be transferred to the Foundation. As from the amendment and transfer of the Participation Share Plan to the Foundation, the Foundation will be responsible for the administration and settlement of the Participation Share Plan. As a result of the amendment and transfer of the Participation Share Plan, we will have no further obligations under the Participation Share Plan, and will cease to recognise any changes in the fair value of the associated liability in our consolidated income statement. See "*Management and Employees – Participation Share Plan.*"

Expansion of our business and implementation of commercialisation strategy

Our total expenses have grown to €19.7 million in 2010 compared to €12.7 million in 2009 and €15.3 million in 2008. Total expenses grew to €5.7 million in the three months ended 31 March 2011 compared to €5.3 million in the three months ended 31 March 2010. Disregarding the impact of changes in the value of liabilities under our Participation Share Plan (discussed above), an important driver of the growth in our total expenses has been employee costs. Total costs of wages, salaries, social security and pensions, for both our US and non-US employees combined, were €7.5 million in 2010 compared to €7.0 million in 2009 and €4.9 million in 2008. As we have pursued commercialisation of our Symphony™ suite of breast cancer tests in the United States, we have hired additional employees for our US operations, including an additional 35 in our sales and marketing team and an additional 11 in our research, discovery, development and product support group between 1 January 2008 and 31 March 2011. In the periods under review, our employees based in the United States increased from zero FTEs at 1 January 2008 to 60 FTEs by 31 March 2011. In the period from 31 December 2010 to 31 March 2011, we increased our US sales team from 20 FTEs to 32 FTEs and expanded our overall US sales and marketing team from 22 FTEs to 35 FTEs. Along with the continued growth of the business, we have also expanded our support staff, including adding a managed care department, a regulatory team and quality assurance personnel.

We believe investment in our sales and marketing team will contribute to our ability to gain market acceptance, increase our revenues and achieve profitability. Employees in our sales and marketing team are compensated, in part, based on their individual ability to reach sales targets which are based on volumes of tests which are considered billable (based on the availability of a quality tissue sample and patient insurance information). We periodically change these sales target criteria in line with our strategy. Because a certain element of compensation for our sales and marketing team is variable, and provides for tiered performance-based bonuses as volumes increase, the personnel cost component of our sales and marketing costs will increase in proportion to our revenue growth going forward.

Development and commercialisation of additional breast cancer products, new colon and lung cancer tests, and other cancer products

Our results of operations to date have been driven by the introduction and initial market acceptance of our MammaPrint® and TargetPrint® products. We are currently compiling additional validation data for our BluePrint™ and TheraPrint® products, with the aim of pursuing full commercialisation for these tests as well. As with breast cancer, we believe there is significant market opportunity for development and commercialisation of recurrence tests for colon and lung cancer. Going forward, we expect to expend significant resources on commercialising and achieving market acceptance for our ColoPrint® colon cancer test, which is the product in our pipeline closest to commercialisation. We intend to seek FDA clearance for ColoPrint® in the next 24 months. Prior to receipt of FDA clearance, if technical validation is completed successfully, we may begin marketing ColoPrint® as a LDT. Although we will seek to price ColoPrint® in line with our strategy for our MammaPrint™ test, comparable tests now on the market are priced at a lower rate. We believe the key factors that will drive market acceptance and our ability to generate revenue from ColoPrint® include the successful completion of final technical and clinical validation, submission to the FDA for 510(k) clearance or premarket approval, and market acceptance from KOLs, major hospitals and third-party payors.

Although our lung cancer tests are early in the discovery stage of development, we are also seeking to apply the Symphony™ model to develop a molecular diagnostic test for lung cancer. We believe the key factors that will drive market acceptance and our ability to generate revenue from future lung cancer products include the initiation and completion of successful clinical and technical validation, submission to the FDA for 510(k) clearance or premarket approval, and market acceptance from KOLs, major hospitals and third-party payors.

We also plan to pursue a research and development strategy focused on developing additional gene signatures and biomarkers for the diagnosis and treatment of cancer.

Over the long term, our ability to diversify our product range by commercialising colon and lung cancer tests and, potentially, companion diagnostics will be a key contributor to our revenues.

Effect of currency fluctuations

Fluctuations in the value of the US dollar are likely to have a significant effect on our results of operations and financial condition. Because an increasing portion of our revenue is derived from the United States, the appreciation of the US dollar against the euro during the periods under review has increased our dollar-derived revenues when translated into euros, and we expect this trend to strengthen as an increasing proportion of our revenues are derived in, and costs are incurred in, US dollars. We do not currently enter into forward exchange contracts or other forms of currency hedging to limit our foreign exchange risk. A 10% increase or decrease in the US dollar rate against the euro in 2010 would have increased/decreased our consolidated revenues, operating profit and profit for the period in for 2010 by €0.25 million, €1.0 million and €1.0 million, respectively.

Consolidated Results of Operations

The following discussion and analysis of our annual results of operations and financial condition is based on our historical results. Principally as a result of growth in our operations during the periods under review, our historical results of operations are not directly comparable from period to period and should not be relied upon as indicative of future performance. Other factors, including the rate of market acceptance of our products, our ability to receive reimbursement from third-party payors, and the clinical validation of our current and future products will be significant to our future success and should be carefully considered. In addition, investors should expect that we may face declining rates of revenue growth at some point in the future as our absolute revenues have grown rapidly over the last three years.

The following tables set forth our consolidated results of operations for the periods indicated.

	Three months ended 31 March (unaudited)		Year ended 31 December		
	2011	**2010**	**2010**	**2009**	**2008**
			(€ in thousands)		
Revenue	1,121	401	4,686	1,353	487
Cost of sales	433	474	2,329	2,007	1,106
Gross profit	**688**	**(73)**	**2,357**	**(654)**	**(619)**
Other income	640	155	803	852	345
Research and development costs	(834)	(711)	(3,534)	(2,814)	(2,574)
Sales and marketing costs	(1,891)	(1,552)	(7,061)	(5,115)	(6,300)
General and administrative costs	(2,984)	(3,056)	(9,074)	(4,731)	(6,465)
Operating profit	**(4,380)**	**(5,236)**	**(16,508)**	**(12,462)**	**(15,613)**
Financial income	39	537	396	276	852
Financial costs	(923)	(3)	(8)	(338)	(173)
Finance costs, net	**(884)**	**535**	**388**	**(62)**	**679**
Profit (loss) before income tax	**(5,264)**	**(4,702)**	**(16,120)**	**(12,524)**	**(14,934)**
Income tax expense	—	—	—	—	—
Profit (loss) for the period	**(5,264)**	**(4,702)**	**(16,120)**	**(12,524)**	**(14,934)**

A breakdown of our revenues, net of provisions, by geographic location of customer for the periods indicated is provided below.

	Three months ended 31 March (unaudited)		Year ended 31 December		
	2011	**2010**	**2010**	**2009**	**2008**
			(€ in thousands)		
Net[1] revenue from diagnostic tests by geography					
United States	884	113	2,359	209	—
The Netherlands	71	23	194	216	26
Rest of World	128	146	507	520	433
Total net revenue from diagnostic tests	**1,083**	**282**	**3,061**	**944**	**459**
Release of deferred revenue from distributors[2]	38	119	1,625	408	28
Total revenue	**1,121**	**401**	**4,686**	**1,353**	**487**

(1) Revenue from diagnostic tests is shown net of a provision for collectability risk from payors and patients. See "*Critical Accounting Policies and Estimates – Revenue Recognition*" below.

(2) "Release of deferred revenue from distributors" consists of revenue we recognised in the period that was received in previous periods under contract minimums from certain distributors, predominantly in Europe.

A breakdown of our revenues by type of customer for the periods indicated is provided below.

	Three months ended 31 March (unaudited)		Year ended 31 December		
	2011	**2010**	**2010**	**2009**	**2008**
			(€ in thousands)		
Revenue from diagnostic tests[1] [2]	1,121	401	4,686	1,353	487
Other income[3]	640	155	803	852	345
Total revenue	**1,761**	**556**	**5,489**	**2,205**	**832**

(1) "Revenue from diagnostic tests" is revenue from sales of our Symphony™ suite of breast cancer tests to commercial customers for use on their commercial patients, including amounts reimbursed by third-party payors, as well as revenue we recognised in the period that was received in previous periods under contract minimums from certain distributors, predominantly in Europe.

(2) "Revenue from diagnostic tests" is shown net of provisions for collectability risk from payors and patients. See "*Critical Accounting Policies and Estimates – Revenue Recognition*" below.

(3) "'Other income" is revenue from performance of tests for clinical trials, including MINDACT and I-SPY2 as well as payments received from Dutch and EU government grants under research and development reimbursement agreements in certain EU research consortia.

A breakdown of the number of commercial patients for whom we performed tests for the periods indicated is provided below, by geographic location of the patient.

	Three months ended 31 March		Year ended 31 December		
	2011	**2010**	**2010**	**2009**	**2008**
United States	449	286	1,428	952	152
Outside the United States	159	243	736	1,474	568
Total commercial patients tested	**608**	**529**	**2,164**	**2,426**	**720**

Comparison of the three months ended 31 March 2011 and 2010

Revenue

We currently derive substantially all of our revenues from providing our Symphony™ suite of breast cancer tests to our customers, after VAT and discounts, and net of provisions for collectability risk from payors and patients. See "*Critical Accounting Policies and Estimates – Revenue Recognition*" below.

In the periods presented, we have received revenues in our Symphony™ suite only from our MammaPrint® and TargetPrint® tests, whereas our BluePrint™ and TheraPrint® tests are currently offered as LDTs only, and we do not charge for them. Revenue also reflects release of deferred revenues we recognised in the indicated period from distributors that was received in previous periods under contract minimums, predominantly in Europe.

Revenue increased from €0.4 million in the three months ended 31 March 2010 to €1.1 million in the three months ended 31 March 2011. This increase was primarily attributable to a significant increase in revenue in the United States, from €0.1 million in the three months ended 31 March 2010 to €0.9 million in the three months ended 31 March 2011, largely as a result of a significant increase in the number of commercial patients tested in the United States from 286 to 449. The growth in revenues was partly offset by a slight decline in revenues outside the United States under contract minimum payment arrangements in the indicated period from certain distributors.

Cost of sales

Our cost of sales are primarily variable expenses, representing the actual cost of materials, personnel, equipment, and allocable facility costs, costs of transport, and costs of pathology reports associated with processing tissue samples for diagnostic tests on commercial patients. Cost of sales also includes costs incurred in processing diagnostic tests on patients in commercial implementation programmes, but does not include costs incurred in processing tests for patients in clinical trials such as MINDACT, which are presented in research and development costs. We recognise the cost of sales of all the diagnostic tests on commercial patients processed during the periods under review, regardless of whether revenue was recognised for those tests according to our revenue recognition policy.

The principal factors affecting our cost of sales are (a) variable material costs, based on volumes of tests processed during the period, (b) employee costs allocated to processing of tissue samples, and (c) infrastructure-related costs such as maintenance and rent related to our clinical laboratory facilities and equipment, which we incur regardless of the volume of tests processed.

Cost of sales decreased from €0.5 million in the three months ended 31 March 2010 to €0.4 million in the three months ended 30 March 2011, a decrease of 9%. This decrease was primarily attributable to the implementation of more efficient testing processes, which permitted twice as many tests to be performed for the same cost. Our cost of sales decreased despite an increase in the number of commercial patients tested, from 529 in the three months ended 31 March 2010, to 608 in the three months ended 31 March 2011.

Other income

Our other income consists primarily of revenue from performance of tests for clinical trials, including MINDACT and I-SPY2 as well as payments received from Dutch and EU government grants under research and development reimbursement agreements in certain EU research consortia.

We expect our other income to decline significantly going forward, compared to the periods under review, due to the end of patient enrolment in the MINDACT trial in 2011, which has accounted for a significant majority of our other income.

Other income increased from €0.2 million in the three months ended 31 March 2010 to €0.6 million in the three months ended 30 March 2011. This increase was primarily attributable to an amendment to our arrangements with the MINDACT trial in 2011, under which we began to receive a higher level of income per test performed for the trial compared to the three months ended 31 March 2010.

Research and development costs

Our research and development costs relate primarily to personnel costs for our research, discovery, development and product support group, costs of conducting research and clinical studies, and expenditure on reagents and supplies used in the development of new products. We

account for costs associated with the development of new products and products as research and development costs until such time as we receive FDA 510(k) clearance or other regulatory approval of a given product, after which we capitalise further costs for that product as intangible assets. See "*Critical Accounting Policies and Estimates – Research and development costs*" below. Research and development costs also includes our costs incurred with performing tests on patients in clinical trials, primarily MINDACT, I-SPY 2 and PARSC. These clinical trial costs are partly reimbursed and shown under other income. In addition to reimbursement for these trials, we also receive government grants which reimburse us for certain approved research and development costs as a result of our participation in certain research and development consortia in Europe. We recognise these reimbursements as other income.

We expect our research, discovery, development and product support group, which as of 31 March 2011 consisted of 17 FTEs, to grow as we execute our strategy. As a result, we expect that personnel expenses within our research and development costs will be significantly higher in 2011 in absolute terms.

Research and development costs increased from €0.7 million in the three months ended 31 March 2010 to €0.8 million in the three months ended 31 March 2011, an increase of 17%. This increase was primarily attributable to an increase in tests we conducted for the MINDACT trial in the three months ended 31 March 2011 as compared to the three months ended 31 March 2010, partly offset by lower MammaPrint® support and improvement costs in the three months ended 31 March 2011.

Sales and marketing costs

Our sales and marketing costs consists primarily of fixed and incentive-based personnel costs for our sales and marketing team in the United States, expenses related to customer education and awareness including attendance at industry conferences and the conduct of educational seminars on our products, and publications and advertising costs.

We expect our worldwide sales and marketing team, which as of 31 March 2011 consisted of 39 FTEs, to grow significantly in 2011 and 2012, particularly in the United States. As a result, we expect that personnel expenses within our sales and marketing costs will be significantly higher in 2011 in absolute terms.

Sales and marketing costs increased from €1.6 million in the three months ended 31 March 2010 to €1.9 million in the three months ended 31 March 2011, an increase of 22%. This increase was primarily attributable to increased sales and marketing activities in the United States, particularly for educational events for KOLs.

General and administrative costs

General and administrative expenses relate primarily to personnel costs for those employees not included under research and development costs or sales and marketing costs, expenses for consultants and advisors, information system and infrastructure costs, office and rental expenses, depreciation of tangible assets, and patent registration costs as well as any inventory write-downs in a given period. As part of general and administrative expenses, we also include changes in the fair value of our liability to our employees under the Participation Share Plan. See "*Critical Accounting Policies and Estimates – Share-based payment*" below.

General and administrative costs decreased from €3.1 million in the three months ended 31 March 2010 to €3.0 million in the three months ended 31 March 2011, a decrease of 2%. This decrease was primarily attributable to lower general and administrative costs outside the United States, partly offset by a higher number of FTEs in the United States, and greater facilities costs in the United States in the three months ended 31 March 2011 as a result of relocating to our Irvine, California premises.

Finance costs, net

Our financial expenses and income, net, consist primarily of interest income earned on our cash and cash equivalents, gains or losses from currency exchange rate fluctuations in accounts receivable and payable and intra-group loans, and interest paid on temporary bank overdrafts.

Finance costs, net increased significantly, from income of €0.5 million in the three months ended 31 March 2010 to a cost of €0.9 million in the three months ended 31 March 2011. This increase was primarily attributable to the impact of changes in currency exchange rates between the US

dollar and the euro, as the US dollar weakened against the euro in the three months ended 31 March 2011 as compared to the three months ended 31 March 2010.

Profit (loss) for the period

Loss for the period increased from €4.7 million in the three months ended 31 March 2010 to €5.3 million in the three months ended 31 March 2011, an increase of 12%. This increase was primarily attributable to higher sales and marketing costs (which increased by €0.3 million in comparison to the three months ended 31 March 2010) and higher research and development costs (which increased by €0.1 million in comparison to the three months ended 31 March 2010), partly offset by higher levels of revenue and other income.

Comparison of years ended 31 December 2010 and 2009

Revenue

Revenue increased significantly, from €1.4 million in 2009 to €4.7 million in 2010. We delivered diagnostic test results using our Symphony™ suite of breast cancer tests on 2,426 commercial patients in 2009, compared to 2,164 in 2010. This decline reflected the fact that we terminated our commercial implementation programmes by the end of 2009 in the United States and by early 2010 in Europe, causing certain customers to order fewer tests. Our net revenues nevertheless increased in 2010, as we processed a significantly higher proportion of commercial patients using tests which generated revenues. As a result, all of the diagnostic tests we performed for commercial patients in the United States in 2010 were subject to our standard rates per test (with discounts applied in certain cases), as compared to a large proportion of diagnostic tests performed in 2009 for which we received no revenue. Finally, revenue in 2010 included a full 12 months of reimbursement for diagnostic tests on commercial patients from Medicare, compared to only two months of reimbursement from Medicare in 2009, after the local coverage determination for MammaPrint was made effective by the local Medicare carrier in California in November 2009.

Revenue growth in 2010 also reflected an element of non-recurring revenue of €1.6 million that we recognised in 2010 but which was largely received in previous periods under contractual minimum payments from certain distributors, predominantly in Europe. In 2009 we recognised €0.4 million of this non-recurring revenue under contractual minimum payment arrangements. Growth in our revenues in 2010 was partly offset by a slight decline in revenue from sales of diagnostic tests outside the United States.

Cost of sales

Our cost of sales increased from €2.0 million in 2009 to €2.3 million in 2010, an increase of 16%. This increase occurred despite the fact that the number of commercial patients for whom we performed diagnostic tests declined to 2,164 in 2010, compared to 2,426 in 2009. Our cost of sales increased in 2010 despite the lower number of commercial patients tested due to a higher proportion of tests being processed in the United States, where we incur higher personnel, processing and facility expenses.

Other income

Other income decreased from €0.9 million in 2009 to €0.8 million in 2010, a decrease of 6%. This decrease was primarily attributable to the end of EU government grants from the ''Dismal'' and ''Intact'' research consortia projects in 2010, and was partly offset by a slight increase in payments for tests we performed on patients in the MINDACT trial, which increased from €0.6 million in 2009 to €0.7 million in 2010.

Research and development costs

Research and development costs increased from €2.8 million in 2009 to €3.5 million in 2010, an increase of 26%. This increase was primarily attributable to an increase in tests we conducted for the MINDACT trial in 2010 as compared to 2009, as well as higher product support and improvement costs for our MammaPrint® test.

Sales and marketing costs

Sales and marketing costs increased from €5.1 million in 2009 to €7.1 million in 2010, an increase of 38%. This increase was primarily due to increased personnel costs within sales and marketing, which increased from €3.1 million in 2009 to €3.9 million in 2010, as a result of an increase in compensation due to incentive-based sales compensation and growth in headcount in the sales and marketing team. Travel and entertainment costs also increased significantly, from €0.8 million

in 2009 to €1.3 million in 2010, as a result of an increase in educational events for KOLs in the United States.

General and administrative costs

General and administrative costs increased from €4.7 million in 2009 to €9.1 million in 2010, an increase of 92%. This increase was primarily attributable to a significant increase in share-based payment costs to employees, due to a change in share-based payment expenses upon revaluation, grant or forfeiture of shares in the Participation Share Plan. These share-based payment expenses increased from a credit of €1.4 million in 2009 to an expense of €2.4 million in 2010. General and administrative costs also increased in 2010 due to an increase in other personnel costs, representing increased travel costs for our US sales and marketing team.

Finance costs, net

Finance costs, net decreased significantly, from a cost of €0.1 million in 2009 to income of €0.4 million in 2010. This decrease in costs was primarily attributable to lower financial costs resulting from changes in foreign exchange rates, resulting from the impact of the appreciation of the US dollar against the euro during 2010 on the value of intra-group loans, as well as interest income received from short-term bank deposits.

Profit (loss) for the period

Loss for the period increased from €12.5 million in 2009 to €16.1 million in 2010, an increase of 29%. This increase was primarily attributable to our higher sales and marketing costs (which increased by €2.0 million in comparison to 2009) due to the expansion of our US sales and marketing team, higher research and development costs (which increased by €0.7 million in comparison to 2009) due to an increase in tests we conducted for the MINDACT trial, and significantly higher general and administrative costs (which increased by €4.3 million in comparison to 2009) due to higher share-based payments and expansion of our support services, partly offset by revenue growth of €3.3 million in comparison to 2009. In addition, the proportion of our diagnostic tests for which we received revenues increased significantly in 2010 as compared to 2009, as a result of terminating our commercial implementation programmes by the end of 2009 in the United States and by early 2010 in Europe.

Comparison of years ended 31 December 2009 and 2008

Revenue

Revenue increased significantly, from €0.5 million in 2008 to €1.4 million in 2009. This increase was primarily attributable to an increase in revenue from diagnostic tests, from 720 commercial patients tested in 2008 to 2,426 commercial patients tested in 2009, as a result of higher sales of our tests in Europe and commencement of operations in the United States in 2008. We performed certain diagnostic tests on commercial patients, in both the United States and Europe, as part of our commercial implementation programmes, for which we received no revenue.

Revenue growth in 2009 also reflected an element of non-recurring revenue of €0.4 million that we recognised in 2009 but which was largely received in previous periods under contractual minimum payments from certain distributors, predominantly in Europe. In 2008 we recognised €0.03 million of this non-recurring revenue under contractual minimum payment arrangements.

Cost of sales

Cost of sales increased from €1.1 million in 2008 to €2.0 million in 2009. This increase was primarily attributable to significant growth in the number of commercial patients in Europe for whom we conducted diagnostic tests in 2009. Largely as a result of commercial implementation programmes in Europe in 2009, diagnostic tests on commercial patients outside the United States grew to a total of 1,474 in 2009, compared to 568 in 2008.

Other income

Other income increased significantly, from €0.3 million in 2008 to €0.9 million in 2009. This increase was primarily attributable to increases in EU government grants on the ‘‘Dismal’’ research consortium project, the initiation of EU government grants from the ‘‘Intact’’ research consortium project, and increased payments for tests we performed on patients in the MINDACT trial.

Research and development costs

Research and development costs increased from €2.6 million in 2008 to €2.8 million in 2009, an increase of 9%. This increase was primarily attributable to growth in non-personnel research and development costs, which increased from €1.6 million in 2008 to €1.9 million in 2009 as a result of growth in the number of tests performed for research trials, predominantly MINDACT, in 2009 as compared to 2008. This increase in research and development costs in 2009 was partly offset by a slight decline in personnel costs within research and development due to an expense reduction initiative undertaken as a result of limited funding levels.

Sales and marketing costs

Sales and marketing costs decreased from €6.3 million in 2008 to €5.1 million in 2009, a decrease of 19%. This decrease was primarily attributable to significantly lower expenses on seminars and educational events, which decreased from €1.1 million in 2008 to €0.4 million in 2009 as well as a decrease in expenses on public relations, media and advertising as we reduced our use of an external advertising agency, resulting in a decrease in agency fees from €1.1 million in 2008 to €0.1 million in 2009. The overall decrease in sales and marketing costs was partly offset by growth in sales and marketing-related personnel costs, which increased from €1.6 million in 2008 to €3.1 million in 2009 due to an increase in headcount in the sales and marketing team and related expenses in the United States, including an increase in incentive-based sales compensation.

General and administrative costs

General and administrative costs decreased from €6.5 million in 2008 to €4.7 million in 2009, a decrease of 27%. This decrease was primarily attributable to a decline of €1.9 million in share-based payment expenses upon revaluation, grant or forfeiture of shares in the Participation Share Plan, from an expense of €0.5 million in 2008 to a credit of €1.4 million in 2009, as well as to a decline in other personnel costs and provisions in 2009. The decrease in our general and administrative costs in 2009 was also due to significantly lower inventory write-down in 2009, as compared to 2008, when we recognised an inventory write-down of €0.4 million resulting from obsolescence of laboratory materials. The overall decrease in our general and administrative costs in 2009 was partly offset by an increase in general and administrative-related personnel costs (consisting of wages and salaries, social security costs and pension costs) and office expenses related to hiring new personnel in 2009, from €3.2 million in 2008 to €4.1 million in 2009.

Finance costs, net

Finance costs, net increased, from €0.7 million income in 2008 to a slight cost in 2009. This increase in costs was primarily attributable to a decrease in interest income from short-term bank deposits in 2009, partly offset by lower foreign exchange losses resulting from the depreciation of the US dollar against the euro during 2009.

Profit (loss) for the period

Loss for the period decreased from €14.9 million in 2008 to €12.5 million in 2009, a decrease of 16%. This decrease was primarily attributable to significantly lower share-based payment expenses upon revaluation of shares in the Participation Share Plan (which decreased €1.9 million in comparison to 2008), lower sales and marketing costs (which decreased by €1.2 million in comparison to 2008), and an increase in other income from EU subsidies, partly offset by reduced financial income.

Liquidity and Capital Resources

Overview

We have incurred aggregate losses of approximately €49.0 million during the years ended 31 December 2008, 2009 and 2010, and the three months ended 31 March 2011. We expect to continue to incur substantial operating losses and negative cash flows from operating activities in the future. To date, our principal source of liquidity has been the issuance and sale of equity securities to our Current Shareholders. We have raised €74.9 million since our founding in 2003, including €16.6 million in 2009, €10.4 million in 2010 and €3.8 million in 2011. See ''*Major Shareholders and Related Party Transactions – Related Party Transactions*''. We did not issue any equity securities in 2008. We have also received amounts from sales of our Symphony™ suite of breast cancer tests, as well as certain grants and government subsidies under research and development reimbursement agreements in certain EU research consortia, as explained above.

Our principal uses of cash have been to commercialise our products, fund research and development of our molecular diagnostic products, and finance general and administrative expenses.

Our current cash resources do not provide us with sufficient working capital for the next twelve months following the date of this Prospectus. We believe we that have sufficient working capital to continue our current operations until the third quarter of 2011. Based on our present requirements, we believe our operations will require additional cash resources of approximately €9.5 million to provide us with sufficient working capital for the next twelve months following the date of this Prospectus. If the Offering should be withdrawn or otherwise not be completed, we believe we would require additional funds to cover the deficit in our working capital for the next twelve months following the date of this Prospectus. In that event, we may seek to enter into debt or equity financing arrangements by means of private or public offerings, and we may also decrease our operational and capital expenditure by reducing investments in our research and development pipeline or selling certain of our assets, or any combination of these options. In the event we are not be able to generate sufficient funds from these resources, we may be unable to continue as a going concern and our business, financial condition and/or results of operations could be materially and adversely affected.

If the Offering is completed, the net proceeds of the Offering together with our current cash resources will provide us with sufficient working capital for the next twelve months following the date of this Prospectus.

Cash flows

The following table summarises the principal components of our consolidated cash flows for the periods indicated:

	Three months ended 31 March (unaudited)		Year ended 31 December		
	2011	**2010**	**2010**	**2009**	**2008**
			(€ in thousands)		
Cash flows from operating activities					
Cash generated from operations	**(3,968)**	**(4,058)**	**(15,789)**	**(12,685)**	**(12,761)**
Financial income	39	538	396	276	852
Financial expense	(923)	(3)	(8)	(337)	(173)
Net cash used in operating activities	**(4,851)**	**(3,523)**	**(15,401)**	**(12,746)**	**(12,082)**
Cash flows from investing activities					
Purchases of property, plant and equipment	(70)	(42)	(240)	(141)	(754)
Net cash used in investing activities	**(70)**	**(42)**	**(240)**	**(141)**	**(754)**
Cash flows from financing activities					
Proceeds from issuance of share capital	3,277	—	10,367	16,626	—
Net cash from financing activities	**3,277**	—	**10,367**	**16,626**	—
Net cash flow	**(1,644)**	**(3,564)**	**(5,274)**	**3,737**	**(12,836)**

Net cash used in operating activities

Net cash used in operating activities was €15.4 million in 2010, compared to €12.7 million in 2009. This increase was primarily attributable to higher operating losses and higher working capital in the form of higher trade receivables and deferred revenue in 2010 as compared to 2009.

Net cash used in operating activities was €12.7 million in 2009, compared to €12.1 million in 2008. This increase was primarily attributable to lower levels of financial income as interest rates declined, as well as, higher levels of trade and other payables, partly offset by a decrease in operating losses in 2009 as compared to 2008.

Net cash used in investing activities

Net cash used in investing activities was €0.2 million in 2010, compared to €0.1 million in 2009. This increase was primarily attributable to purchases of lab equipment related to the relocation of our Huntington Beach, California facility to Irvine, California in 2010.

Net cash used in investing activities was €0.1 million in 2009, compared to €0.8 million in 2008. This decrease was primarily attributable to a lower level of lab and other equipment purchases in 2009, while we incurred significant capital expenses in 2008 by purchasing equipment in advance of the 2009 opening of our Huntington Beach, California facility as well as relocating our Amsterdam facility.

Net cash from financing activities

Net cash from financing activities was €10.4 million in 2010, compared to €16.6 million in 2009 as a result of our Current Shareholders contributing a lower level of equity capital in 2010. There were no equity contributions in 2008.

Contractual obligations and commercial commitments

The table below sets forth information relating to our contractual obligations and commercial commitments as of 31 March 2011 that are expected to have an impact on liquidity and cash flow in future periods.

	Payments due by period			
	Less than one year	**One to five years**	**More than five years**	**Total**
		(€ in thousands)		
Operating lease obligations[1]	459	998	0	**1,457**
Value of tests remaining to be performed under MINDACT and I-SPY 2 trials[2]	539	769	0	**1,308**
Total	**998**	**1,767**	**0**	**2,765**

(1) Operating lease obligations includes our contractual commitments to pay office and laboratory rent, and car and equipment leases, as well as an unsecured letter of credit provided in support of Agendia Inc.'s obligations to its landlord.

(2) Value of tests remaining to be performed under clinical trials, primarily MINDACT and I-SPY 2, reflects our remaining net obligations to provide testing services during the remaining lives of these trials. Under IFRS, we are required to disclose as a future obligation the net cost of services we are obliged to perform in the future, when the income earned on those services is likely to be less than our costs to perform.

Under the terms of the agreement governing MINDACT, we are required to pay certain royalties to the TRANSBIG Consortium (a research network whose primary project is MINDACT), on future sales of products deemed to arise from our participation in MINDACT. As consideration for receiving exclusive diagnostic licensing rights to any new gene signatures or biomarkers resulting from MINDACT, we have agreed to pay as an annual royalty, for up to 10 years following completion of MINDACT, 5% of any increase in net sales of MammaPrint® between the year the results of the MINDACT are publicly announced and the following fiscal year. With regard to any new products we commercialise as a result of our involvement in the MINDACT trial, we have also agreed to pay an additional annual royalty to TRANSBIG for up to 10 years following completion of MINDACT of (a) 5% of our net sales from products which we commercialise that analyze RNA, are conducted on the Agilent® platform, and are covered by patent rights, until the expiration of intellectual property rights for such product; and (b) 1% of our net sales from any other products which we commercialise as a result of MINDACT. Because the amounts of any such royalty payments are uncertain at this time, no contractual obligation or commercial commitment has been recorded against any of these future royalty obligations.

Under an agreement with Leiden University, we will be required to pay a royalty of 3% of any future revenues received on sales of our ColoPrint® colon cancer test, if and when it becomes commercially available.

In addition to the above, we are also party to certain other research collaboration agreements which commit us to pay royalties on revenues we may earn in the future from commercialising discoveries which result from those projects. Because it is uncertain whether, or when, any royalty payments will be paid pursuant to these agreements, no contractual obligation or commercial commitment has been recorded against any of these future royalty obligations at this time.

In addition, in connection with the reimbursement we receive for the MINDACT trial, NKI and TRANSBIG are currently in discussion with regard to €371,000 we already received from the NKI

for our work for MINDACT. The NKI has requested that we refund this €371,000 to them, and invoice TRANSBIG directly for this amount.

Off-balance sheet arrangements

We do not currently have any off balance sheet arrangements, other than the operating leases and other commitments identified above under ''Contractual obligations and commercial commitments.''

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with IFRS. The preparation of these consolidated financial statements requires that we make assumptions, estimates and judgements that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates and judgements based on historical experience and other factors and make various assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making estimates and judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Our accounting policies are contained in Note 2 to our consolidated financial statements, beginning on page F-8 of this Prospectus. We consider a number of accounting policies to be critical to the understanding of our financial condition and results of our operations. These accounting policies relate to revenue recognition, share-based payments, research and development costs, inventory valuation, tax-loss carry-forwards and our ability to continue as a going concern. In the preparation of our consolidated financial statements under IFRS, the following critical accounting policies and estimates may involve a high degree of judgement and complexity.

Revenue recognition

We currently derive substantially all of our revenue from providing our Symphony™ suite of breast cancer tests to public or private insurance company payors, distributors or other customers, net of a provision for collectability risk where applicable. Historically, we have earned a portion of our total revenue from distributors' contractual obligations to pay for minimum purchase volume commitments.

We recognise revenues using the accrual method for sales to customers at the point in time when test results are sent to the customer, when the following criteria are met:

- There is a contractual agreement with the payor or (in respect of insurance companies) a stated reimbursement policy covering our products;
- There is evidence of consistent payment of bills by that customer or third-party payor;
- Delivery of the test has occurred or services have been rendered by us;
- The fee is fixed or determinable; and
- We believe collectability is reasonably assured.

This policy requires us to apply estimates and judgements, including estimating the timing at which the receivable from the customer or third-party payor can be measured reliably, the amount that is expected to be received from the customer or reimbursed by the third-party payor, and when collectability is reasonably assured. We base these estimates and judgements on various factors, including historical performance of the customer or third-party payor and whether that customer or third-party payor has established evidence of consistent payment of bills based upon at least several months of collection history. In general, we consider consistent payment or reimbursement over the past 6 months to be evidence of consistent payment of bills. We monitor our trade and other receivables on an ongoing basis, to evaluate them for impairment and also by conducting collectability studies to evaluate their eligibility for recognition.

For revenues that do not meet the above criteria for revenue recognition using the accrual method, we record a collectability risk provision for the full amount at the point in time when test results are sent to the customer. We recognise such revenue only upon receipt of cash payment from the customer or third-party payor.

We recognise revenues net of value-added tax and discounts.

Our ''other income'' consists primarily of revenue from performance of tests for clinical trials, including MINDACT and I-SPY2 as well as payments received from Dutch and EU government grants under research and development reimbursement agreements in certain EU research consortia. For performing tests for clinical trials, we receive payments in advance of conducting our tests. Such payments are recorded as a deferred revenue asset on our consolidated balance sheet in the period received, and released as ''other income'' in the period when we perform the test.

Share-based payments

Under our Participation Share Plan, until it was amended on 3 June 2011, we had an obligation to make payments to our employees who participate in the plan upon the occurrence of certain events. See ''*Management and Employees – Participation Share Plan*.''

Because we had an obligation to make payments to our employees under our Participation Share Plan, the Participation Share Plan qualified as a cash-settled plan under IFRS 2, and we have recorded a liability on our 31 March 2011 consolidated balance sheet as ''share-based payment liability'' to reflect this obligation. Until a given employee is paid under the Participation Share Plan, we re-measure the fair value of this liability at each balance sheet date and also at the date the Participation Share Plan is settled. We recognise any changes in the fair value of this liability in our consolidated income statement as a gain or loss in the ''share-based payments'' component of general and administrative costs. Changes in the fair value of our share-based payment liability are based on significant estimates and assumptions on the part of management relating to fair value per common share, discounted cash flows, forfeiture rates, time-to-exit, the risk-free interest rate, volatility and dividends at the date of re-measurement.

Our Current Shareholders have agreed to reimburse us for the full amount of any payments we are required to make to our employees under the Participation Share Plan. We have recorded a ''receivable shareholders'' asset on our 31 March 2011 consolidated balance sheet to reflect this obligation on the part of our Current Shareholders and to fully offset our ''share-based payment'' liability. Changes in the fair value of this asset, which are subject to the same estimates and assumptions on the part of management as apply to the corresponding liability, are recognised as a component of equity in our consolidated balance sheet, and are not reflected in our consolidated income statement.

Research and development costs

We have incurred significant research and development costs in developing our molecular diagnostics products. We account for research and development costs as expenses in our consolidated income statement, and do not capitalise research and development costs until we believe it can be established that it is probable that future economic benefits that are attributable to the product under development will flow to us, considering the product's commercial and technological feasibility. We consider the date we obtain clearance or approval of a new product from a regulatory body to be the first point in time where research and development costs can be capitalised. As a result, we are currently permitted to capitalise research and development costs on our MammaPrint® product, for which we have received five 510(k) clearances from the FDA. In the periods under review, the total value of research and development costs related to MammaPrint® that were incurred since the date we received FDA clearance were not material, and as a result we carried no intangible assets from capitalisation of research and development costs on our consolidated balance sheet as of 31 March 2011.

In the event we incur research and development costs that meet our criteria for capitalisation, we will be required to use estimates, assumptions and judgements to determine the useful expected lives and future economic benefits of capitalised development costs, which will be reflected as intangible assets on our consolidated balance sheet.

In the event we capitalise certain of our research and development costs as intangible assets, amortisation of these intangible assets will be recorded as research and development costs on our consolidated income statement.

Valuation of inventory

We record inventory at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase and assembly and conversion to finished products. Net realisable value is the estimated selling price of the product in the ordinary course of business, less estimated cost of sales and estimated costs of completion.

We make certain estimates in determining net realisable value. Our industry is subject to a rapid and unpredictable pace of product and component obsolescence and change in demand. If future demand or market conditions for our products are less favourable than we have estimated or if unforeseen technological changes negatively impact the utility of our products or inventory, we may be required to record write-downs which would negatively affect gross margins and our results of operations.

We recognised no inventory write-downs in the three months ended 31 March 2011, or in the twelve months ended 31 December 2010. We recognised inventory write-downs of €72,570 in 2009 and €404,702 in 2008.

Tax loss carry-forwards

As a result of our historical operating losses in the Netherlands, the United States and the rest of the world, we have carried forward tax losses totalling €52.0 million at 31 December 2010. Our ability to use these deferred tax assets, and the carrying value of these assets, are dependent upon having future taxable income during the periods in which we are permitted, under the tax laws of the relevant jurisdictions, to use the loss carry-forwards underlying these assets. These tax loss carry-forwards are subject to expiration dates ranging from 2012 to 2030, as set out in Note 23 to our consolidated financial statements included in this Prospectus, after which these tax losses will not be available to offset future tax liabilities.

In evaluating our tax loss carry-forwards, management has determined that there was, at 31 December 2010, insufficient evidence that these tax loss carry-forwards would be of use in offsetting taxable profits, and as a result we have not recognised a deferred tax asset for our carried-forward losses on our consolidated balance sheet as at 31 December 2010. In addition, we have not recognised any tax charges on income in the years 2010, 2009 or 2008, or the three months ended 31 March 2011, as we have been loss-making during this entire period. We may fail to benefit from these tax loss carry-forwards. See "*We may not generate sufficient future taxable income to allow us to realise our deferred tax assets*" in the Risk Factors section of this Prospectus.

Qualitative Disclosure About Market Risk

The principal categories of market risk we are exposed to are credit risk, foreign exchange risk and liquidity risk.

Credit risk

Credit risk represents the risk of financial loss caused by default of a counterparty. Our primary source of credit risk arises from the possibility that a public or private insurance company payor, a distributor or other customer from whom we have already recognised revenue, but not received cash payment, defaults on its obligation to pay. We are also exposed to credit risk on accounts receivable from third-party payors and patients from whom we may be required to collect the amount of any copayments, coinsurance or deductions.

The total payment obligations of customers are presented on our consolidated balance sheet as trade and other receivables, and totalled €2.2 million as of 31 March 2011. We monitor our trade and other receivables on an ongoing basis, to evaluate them for impairment.

We are also subject to credit risk as a result of our cash and cash equivalents, in the event of default by the financial institution with which the cash and cash equivalents are deposited or invested as short-term bank deposits. We manage our credit risk in this regard by depositing or investing our cash and cash equivalents only in short-term, investment-grade and highly liquid investments with secure counterparties.

In 2010 we received more than 10% of our revenues from each of two parties, Medicare and United Health.

Foreign exchange risk

We conduct our business in multiple currencies, including the euro and the US dollar. We currently sell our products primarily in the United States and Europe. Historically, the majority of our revenues were in euro. We expect this will change over time as we continue to expand our operations in the United States and increase the proportion of our revenues derived from the United States.

We face currency transaction risk arising from an increasing proportion of our revenues and costs in US dollars. We attempt to manage these currency transaction risks by converting sufficient cash flows between US dollars and Euros to satisfy our relevant expenses. In the periods under review, we have funded the difference between our US dollar losses and our US dollar revenues with conversion to US dollars of our cash and cash equivalents held in euro.

We face currency translation risk arising from the fact that the statutory accounts of our subsidiary in the United States are maintained in US dollars whereas our reporting currency is the euro. Upon preparing consolidated financial statements, our euro-denominated consolidated reported financial results can be affected by changes in the relative value of the US dollar against the euro. We have extended a euro-denominated loan to our subsidiary in the United States. The dollar amount owed by the subsidiary to us fluctuates based on the dollar/euro exchange rate. Moreover, other fluctuations in currency values distort period-to-period comparisons of financial performance.

Changes in exchange rates on the variable component of our revenues and costs may lead to higher or lower financial income and expenses. A 10% increase or decrease in the US dollar rate against the euro in 2010 would have had the following effect on our 2010 consolidated income statement:

- increased/decreased our consolidated revenue by €0.25 million
- increased/decreased our consolidated operating profit by €1.0 million
- increased/decreased our consolidated profit (loss) for the year by €1.0 million

See ''*Exchange Rates*''.

We do not currently enter into forward exchange contracts or other forms of currency hedging to limit our foreign exchange risk.

Liquidity risk

Liquidity risk represents the risk that we will encounter difficulty in meeting our financial obligations when they become due. We manage liquidity risk by ensuring sufficient cash and cash equivalents are available for funding of our operations, and by forecasting our future cash needs and expected cash flow. We have experienced and expect to continue to experience negative cash flows from operations, and are therefore dependent on external financing arrangements to conduct our operations and pursue our strategy.

Current Trading and Prospects

Our results for the period since 31 March 2011 were in line with our expectations, and we believe the Company is well placed to continue to develop its business in line with its current strategy. We expect the number of commercial patients receiving a test result under the Symphony suite in the three months ended 30 June 2011 to be approximately in line with the number of diagnostic tests we performed for commercial patients in the three months ended 31 March 2011 (which amounted to 608 tests), as the recently-added members of our sales and marketing team typically reach full effectiveness only after three months of training and a further nine months in the field. Based on our intended use of the net proceeds of the Offering, we expect the number of FTEs in our US sales and marketing team to grow significantly during the remainder of 2011 as we increase the pace of commercialisation of our Symphony™ suite of breast cancer tests. See ''*Risk Factors – Our products may fail to gain market acceptance, and as a result we may be unable to increase our revenues*''.

In May 2010, we announced a strategic alliance with AstraZeneca and the NKI to pursue the identification and validation of new gene signatures and biomarkers as companion diagnostics for investigational cancer drugs being developed by AstraZeneca.

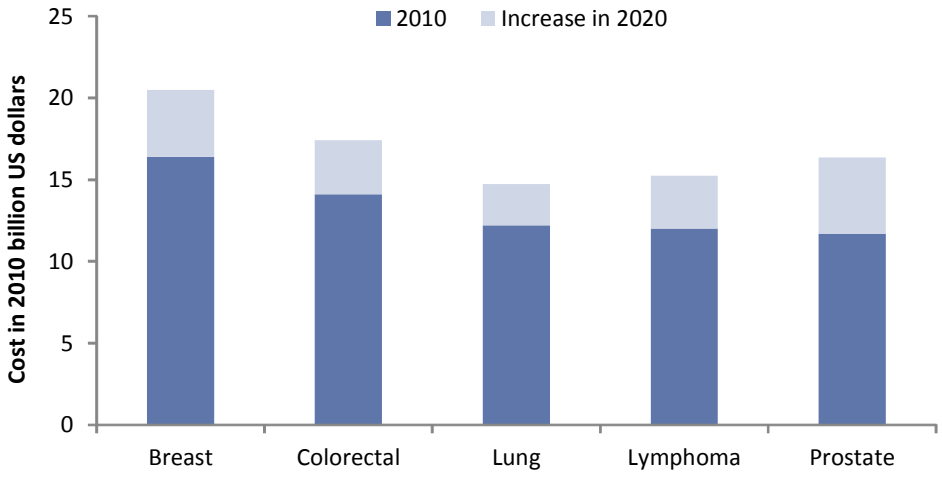
In the three months ended 30 June 2011 and the full year ended 31 December 2011, our consolidated financial results will reflect a significant non-cash expense, ranging from €0.4 million to €2.4 million, as a result of the settlement of our Participation Share Plan. See ''*Management and Employees – Participation Share Plan*.'' This expected expense on our consolidated income statement will reflect the requirements of IFRS 2 that we recognise changes in the previously recorded value of our ordinary shares on our consolidated income statement, and will have no economic impact on our business or results of operations. Under the terms of our agreements with our Current Shareholders, they have agreed to reimburse us for the full amount of any payments made to our employees under the Participation Share Plan.

The Current Healthcare Landscape

According to the World Health Organisation ("**WHO**"), aggregate healthcare spending worldwide totalled $5.3 trillion in 2007, with healthcare spending per capita highest in the member countries of the Organisation of Economic Cooperation and Development (WHO 2010). One of the primary factors behind the increase in healthcare costs in the developed world is the ageing of the population. In most developed countries, the proportion of people over 60 years of age has been growing faster than any other age group, due to a combination of longer life expectancy and declining fertility rates. Increasing healthcare costs and rapidly ageing populations are requiring countries to reform their healthcare systems, creating compelling opportunities for targeted healthcare technologies which increase treatment efficacy and efficiency.

Cancer is a leading cause of death worldwide. The American Cancer Society has estimated certain of the worldwide economic costs of cancer at $895 billion in 2008, representing 1.5% of world GDP (ACS Cost of Cancer 2010). In the United States, estimated medical costs associated with cancer were $124.6 billion in 2010 and were projected to rise 27% to $158 billion by 2020 (JNCI 2011). The table below presents the projected increase in US expenditure on cancer treatment for the most significant forms of cancer.

Annual cost of cancer in US billion dollars



Source: Mariotto et. al Journal of the National Cancer Institute January 2011

Genomics and the Creation of a Personalised Approach to Cancer Treatment

Genomics

The molecular diagnostics market emerged from the Human Genome Project, which first published the complete sequence of the human genome in 2001. The sequencing of the human genome was a defining moment in biomedical science, although the immediate impact of this discovery was significantly more muted than anticipated at the time. In hindsight, the publication of the complete human genome was merely the first step to unlocking the mysteries of the human genetic code. The enormous task that followed was to decipher from among approximately 25,000 functional genes thus far discovered the specific genes that drive particular outcomes in human health and disease.

Genomics is one of the key disciplines that grew out of the mapping of the human genome. The field of genomics is defined as the science of genetic interaction, and examines gene expression and function in a given tissue or organism. Genes are made up of sequences of DNA that provide specific instructions to build, through the processes of transcription and translation, large molecules called proteins. Proteins, in turn, regulate every biological function in the human body, including the synthesis of new proteins. Genes themselves are regulated by biological factors, including other proteins, and may be either turned on ("expressed") or turned off ("down regulated") by a cell.

Genomics can be applied to examine gene mutations at the functional level, to study the effect that a gene mutation has on functioning within the cell. Genomics can also be used to understand correlations between diseases and specific genes. When gene mutations or uncontrolled expression levels of important genes inappropriately activate or block important molecular pathways, diseases, including cancer, can result. Disease can result from inheriting mutated genes or from developing mutations in otherwise normal cells. The ability to detect a mutation and to understand the process by which the mutation contributes to disease is crucial to understanding the molecular mechanisms of a disease.

Advances in genomic and proteomic, or protein-related, science over the past decade have led to the development of ''targeted'' diagnostics and therapeutics that apply knowledge of an individual's genetic makeup to create a more personalised approach to medical care. Genomic testing makes it possible to identify an individual's susceptibility to disease, predict how a given patient will respond to a particular drug and match patients with therapies targeted to their specific genomic makeup. This new approach to ''personalised'' medicine has the potential to eliminate unnecessary and costly treatments, reduce the rates of recurrence, minimise adverse drug reactions, increase treatment efficacy and ultimately, improve health outcomes.

A changing paradigm in cancer treatment

Cancer is a genetic disease, and determining the best course of treatment for a patient requires an understanding of that patient's unique tumour biology. As a result of the Human Genome Project and related research, identification of the genetic events that lead to cancer over the last two to three decades has significantly changed the paradigm of cancer treatment, teaching researchers that cancer results from a number of genetic defects and that such defects are often dissimilar between individuals suffering from the same type of cancer. Consequently, although the transition is still in its early stages, cancer treatment is applying a growing body of genomic research to rapidly shift from a ''one size fits all'' paradigm to a more personalised approach, in which each patient is treated according to the specific defects present in individual tumour cells. Cancer genomics provides insight into the molecular processes that drive cancer cell growth and survival, measuring gene expression and genetic alterations. By analysing these cancer cell characteristics, researchers can retrieve valuable information about the future behaviour of a given patient's tumour.

Cancer results from sequential genomic alterations. These unique changes are often distinct in tumours that would appear very similar when examined through conventional diagnostics. This molecular heterogeneity between different patients' tumours, even for the same type of cancer, represents a major obstacle to the effective treatment of cancer and requires research to discover new classes of biomarkers. Biomarkers are biological indicators that can be used to identify a specific disease state. One form of biomarkers comprises gene expression patterns resulting from particular levels of gene expression and which are correlated with high statistical significance to particular disease and clinical outcomes. In general, there are three types of clinically relevant biomarkers:

- prognostic biomarkers – indicate the likelihood of cancer recurrence if no further treatment is given
- predictive biomarkers – indicate the likelihood of response to a specific therapy
- pharmaco-dynamic biomarkers – help determine the optimal drug dosage for an individual patient

A biomarker can be both prognostic and predictive at the same time. If a given biomarker identifies one group of patients having negligible risk of cancer recurrence and a second group having a ''high'' risk of cancer progression, then the latter group will also derive a benefit from additional adjuvant therapy, and this biomarker would be considered a combined prognostic/predictive biomarker. An individualised approach to cancer treatment requires the discovery of appropriate molecular diagnostic biomarkers that help physicians to determine which patients to treat and which therapy is most likely to be effective for a given patient. Researchers can then use identified biomarkers to help develop ''targeted'' therapeutics and companion diagnostics that rely on knowledge of an individual's genomic makeup to create a more personalised approach to cancer treatment.

By studying gene patterns and discovering useful biomarkers, genomic testing thereby enables researchers to identify an individual's susceptibility to cancer recurrence, predict how a given

patient will respond to a particular treatment, and match patients with the right course of therapy. This new science of personalised medicine thus has the potential to minimise unnecessary treatment, reduce the level of adverse reactions to drugs and ultimately improve health outcomes.

We believe our products offer an opportunity to capitalise on this changing paradigm in cancer treatment towards a personalised medicine approach, which permits cancer treatment to be determined according to each patient's unique tumour biology, rather than according to the organ or tissue of origin. This paradigm shift is driven by the related needs to keep healthcare costs under control by reducing unnecessary treatment, and to bolster treatment effectiveness. Unravelling the human genome has permitted the first steps to be taken towards understanding genetic diseases like cancer and developing molecular diagnostic tests to predict its recurrence. These tests are increasingly becoming the standard of care for cancer diagnosis and treatment planning.

Market Opportunity

Molecular diagnostics market

Molecular diagnostics is broadly defined as the clinical application of molecular technologies to diagnose and monitor human diseases, and combines tools from genomics and proteomics in order to study patterns of gene and protein expression. Many molecular technologies use nucleic acid tests, based on DNA, RNA and entire genes, as the basis for diagnostic tests. The first generation of molecular diagnostic tests were relatively simple technologies such as blood screening and analysis of infectious disease, and these still represent the majority of molecular diagnostic tests. These first generation molecular diagnostic tests are generally mass-produced and command low prices of from $5-15 per test. A second generation of increasingly complex tests in the fields of oncology, genetic diseases and pharmacogenomics are now becoming the main drivers of growth in the molecular diagnostics market, driven primarily by advancements in research on biomarkers and an expanding number of new applications for biomarker-based diagnostic tests. These second generation tests, given their complexity, typically sell for significantly higher prices, ranging from $500 to up to $5,000 per test. The customers for molecular diagnostic tests generally are independent research institutions and clinical end-users, including, among others, academic and hospital laboratories, clinical testing laboratories and physicians' on-site office laboratories. We believe there is also growing interest in the use of complex molecular diagnostic tests by large international pharmaceutical producers, diagnostic companies and laboratory service firms. Many international pharmaceutical companies, in particular, value the potential for molecular diagnostics to help screen patients for drug screening studies, which have grown increasingly expensive and difficult to successfully complete.

The United States is the world's most advanced market in terms of the extent of its adoption of molecular diagnostic testing, followed by the European Union. Together, the two regions made up approximately 80% of the existing molecular diagnostics market in 2010 (GEBN 2011).

Cancer molecular diagnostics market

Oncology-related testing is one of the primary growth drivers within the overall molecular diagnostics market, as a result of rising demand for products to assess susceptibility to cancer, diagnose cancer, stratify the risk of recurrence and predict treatment responsiveness. Growth in molecular diagnostics for treatment of cancer has also been fuelled by shortcomings in the traditional approach to cancer treatment, and by the potential economic and clinical benefits from widespread use of molecular diagnostics.

Current cancer treatment paradigm – limitations of existing approaches to cancer treatment

Despite the recent advances in cancer research, the current state of cancer diagnostic practice poses challenges to medical oncologists. A decision about whether to apply chemotherapy as an adjuvant, or additional, course of treatment following surgery is based on an assessment regarding the likelihood of recurrence of the patient's cancer. The current standard of assessment for post-surgical treatment is to use online risk assessment tools such as Adjuvant! Online or apply clinical factors described in local or national treatment guidelines to determine the likelihood of cancer recurrence and response to treatment. These tools generally require the physician to provide data on the specific characteristics of a patient's tumour, including the size of the tumour, the pathological grade of the tumour, whether cancer cells have spread to the lymph node, and (for breast cancer) hormone receptor status. However, many of these tumour characteristics are measured subjectively by oncologists or pathologists, resulting in non-standardised analysis and

treatment recommendations. In addition, most medical oncologists use immunohistochemistry (''**IHC**'') or fluorescent in situ hybridization (''**FISH**'') tests to determine if there are estrogen or progesterone receptors, or HER2-receptors, expressed in the patient's tumour cells. For treatment of breast cancer, the presence of these receptors is important because patients with estrogen or progesterone receptors are candidates for hormonal therapy, and patients with HER2-receptor expression are candidates for treatment with the cancer drug Herceptin™. IHC and FISH testing are not standardised in all hospitals and results can vary widely according to laboratory conditions, the reagents used in the process and even according to the day of the week and freshness of the tissue (Archives of Pathology 2010). As a result of the subjectivity of the factors considered, and the limitations of IHC and FISH testing, the guidance provided to physicians by online risk assessment tools and clinical guidelines is generally based on an auto-generated ''survival rate'' derived from a database of population statistics, rather than an analysis of the individual's patient's tumour biology.

Physicians are thus often given little specific guidance as to how to choose between chemotherapy, hormonal treatment, new targeted therapies or active surveillance in ambiguous cases, resulting in both over and under treatment of cancer patients. Due to the inability of the current standard of assessment for post-surgical treatment to accurately predict breast cancer recurrence, many breast cancer patients are classified as high-risk and are treated with chemotherapy, despite the fact that a significant proportion of patients receive no benefit from the treatment (Lancet 2005). Because chemotherapy involves the use of toxic drugs to kill cancer cells, it can have drastic side effects and dramatically lower the patient's health and quality of life. Patients typically undergo several months of chemotherapy, and experience a range of short-term side effects including fatigue, severe nausea, weight loss, skin reactions, hair loss and infections. Over the long term, chemotherapy can seriously impair a patient's health and cause heart damage, cognitive problems, infertility and other negative reactions. Adjuvant therapy is also highly costly, with a number of cancer scientists noting in recent publications that escalation in the costs of cancer chemotherapy has been greater than general medical care inflation (JNCI 2009, JNCI 2011).

There is therefore a clinical and economic need for a more accurate, less subjective way to determine whether a patient is likely to benefit from chemotherapy or other cancer treatments. Consequently, molecular diagnostic tools that can clearly stratify the risk of cancer recurrence or more objectively measure the presence of activated signalling pathways would allow a medical oncologist to achieve greater precision in treatment strategies and avoid unnecessary toxic side effects of chemotherapy.

Cancer molecular diagnostics – market size and growth potential

The potential for better patient outcomes, coupled with a reduction in overall healthcare costs, provides significant market opportunity for cancer molecular diagnostics. Although cancer molecular diagnostics currently constitutes a relatively small portion of the overall molecular diagnostics market, and there are a relatively small number of companies with advanced second generation products on the market, it is also one of the fastest growing segments of the overall market (McColl 2009). The key drivers of this growth are the health benefits to cancer patients, who can be spared unnecessary chemotherapy treatments, and the economic benefits to already overburdened healthcare systems, which can be spared unnecessary costs.

We believe we are in a strong position to benefit from this accelerating penetration of cancer molecular diagnostics, and particularly in the treatment of breast and colon cancer, as described below.

Cancer molecular diagnostics – breast cancer market

Breast cancer is the most common cancer in women and the second most common cause of cancer-related death in women worldwide (WHO Fact Sheets: Breast Cancer). Approximately 12% of women living in the United States today will be diagnosed with breast cancer at some point during their lifetime (SEER Fact Sheets 2011: Breast Cancer). There were approximately 262,000 new cases of breast cancer diagnosed in the United States in 2010, constituting approximately 207,000 cases of invasive breast cancer and approximately 54,010 cases of in situ, or non-invasive, breast cancer, of which approximately 46,000 were DCIS cases of (ACS 2010). In 2008, there were also approximately 375,000 women diagnosed with breast cancer in the key non-US markets in which we have exclusive distribution agreements (WHO Fact Sheets: Breast Cancer). From 2011 to 2016, the incidence of breast cancer is expected to grow in the world's largest

pharmaceutical markets (US, France, Germany, Italy, Spain, UK and Japan) at a rate of 0.9% annually (Decision Resources 2007). As more countries initiate and expand mass mammography and other preventive screening programs, the number of incidence cases diagnosed at an earlier stage is expected to increase.

The majority of patients with early stage breast cancer have a reasonably good prognosis for survival and will not develop metastases. However, a certain portion of these women will have their cancer recur and eventually die from their disease. This potential for distant recurrence has provided the impetus to treat all women who may be at risk of a future relapse with chemotherapy. Unfortunately, this practice has led to widespread overuse of chemotherapy for many patients who would benefit from hormonal therapy or who do not need further treatment at all, yet who will suffer the severe, toxic and frequently long-term side effects of chemotherapy. Thus, being able to identify patients at risk of recurrence is crucial. Influential clinical guidelines, such as those promulgated by NCCN, ASCO and the St. Gallen international guidelines, are designed to identify patients at high-risk of developing metastases who, therefore, would benefit from chemotherapy treatment.

However, these guidelines provide little guidance or risk assessment capability with regard to intermediate-risk breast cancer patients. As a result, the use of chemotherapy has been common practice even for early stage breast cancer patients, even though the benefits of chemotherapy in an unselected patient population that has not been stratified for risk have been shown to be relatively low (Lancet 2005). According to one study, approximately 60%-80% of early stage breast cancer patients would remain disease-free after surgery even without subsequent chemotherapy or with hormonal therapy alone (Lancet 2005).

We believe we have a strong opportunity for growth in the United States breast cancer molecular diagnostics market, which is expected to grow between 10-20% per year through 2013 (TechNavio 2010). As the second company to widely market molecular diagnostics for breast cancer, we face a relatively well established market for molecular diagnostics in cancer treatment in the United States, where the use of molecular diagnostics in plotting the course of breast cancer treatment is more established than in many other markets. In 2010, according to our analysis of market sources, approximately 40% of Stage I and II breast cancer patients in the United States received information from molecular diagnostics assays regarding their tumours.

We believe our Symphony™ suite of breast cancer tests is well positioned in this market, as our decision support system of genomic tests provides a physician with a more complete set of answers regarding the choice of breast cancer therapy. Although we currently intend to focus our efforts on growing our business in the United States, we also see a similar opportunity in certain markets in Europe and in some other non-European countries, where high cancer incidence rates and growing healthcare costs create a similar need for cancer molecular diagnostics.

See ''*Business Description – Our Unique Strengths and Advantages – A new set of genomic-based diagnostic tools for oncologists*'' below.

Cancer molecular diagnostics – colon cancer market

Despite new treatment options introduced during the past decade, colon cancer remains a leading of cancer-related death worldwide. In 2010, approximately 100,000 people in the United States were expected to be diagnosed with colon cancer (ACS Facts and Figures 2010), and estimates of the worldwide total of colon cancer incidence for 2008 run as high as 1.2 million (ACS Global Facts and Figures 2008).

Cancer researchers believe the incidence of colon cancer is declining gradually in the United States, and there are indications that incidence rates in Northern and Western Europe may be stabilising (Colon 2009). Elsewhere, however, the incidence is increasing rapidly, particularly in countries in East Asia and Eastern Europe that have experienced rapid economic growth. Colon cancer incidence rates have at least doubled in many of these countries since the mid-1970s (Colon 2009).

As with most cancers, the stage at which colon cancer is diagnosed is a key factor in determining long-term survival outcomes. Colon cancer treatment for Stage I and Stage IV patients is relatively uniform in developed countries. Because of a favourable prognosis, patients with Stage I colon cancer are generally treated with surgery alone. The objective of treatment for Stage IV colon cancer is to prolong and improve quality of life, since few patients with Stage IV disease will remain cancer-free for more than five years. In between these two extremes, for example for Stage

II colon cancer, the number of patients receiving adjuvant chemotherapy varies significantly in developed countries, and clinical guidelines provide no clear recommendation regarding post-surgical treatment. Although treatment strategies for Stage III colon cancer are more uniform across countries than are treatment strategies for Stage II colon cancer, there are nonetheless variations in treatment approaches among developed countries. Consequently, the ability to stratify these patients according to their risk of recurrence would make a valuable contribution to physicians' ability to make more targeted, personalised cancer treatment decisions for their patients.

As with breast cancer, chemotherapy for intermediate stage colon cancer patients is widely used but rarely beneficial. Based on clinical studies such as QUASAR, a randomised study of adjuvant chemotherapy on a population of 3,239 colorectal cancer patients, colon cancer researchers have learned that the benefit of treating Stage II colon cancer using chemotherapy are relatively small, increasing the possibility of survival by as little as 3.6% (Lancet 2007). Further, although the benefits of chemotherapy for Stage III colon cancer patient are higher, a significant portion of these patients will have no benefit from chemotherapy treatment (Lancet 2007). Given the toxicity and cost of chemotherapy, there is a currently unmet medical need to more accurately identify colon cancer patients at high-risk of cancer recurrence before the decision is made to treat with chemotherapy. As they currently stand, clinical guidelines for the stratification of risk and identification of colon cancer patients in need of chemotherapy are unclear and treatment strategies are applied inconsistently and with little information regarding patient suitability.

As new cases of colon cancer continue to increase, physicians have acknowledged the growing need to be able to identify patients at a low risk of recurrence who do not require adjuvant treatment. There is significant market opportunity for development and commercialisation of molecular diagnostic tests that identify colon cancer patients at low risk of recurrence who do not require adjuvant treatment. Such tests would help avoid unnecessarily inflicting the toxic side effects of chemotherapy on patients, and contribute to reduced overall healthcare costs by reducing the number of colon cancer patients treated with expensive chemotherapy. We believe our ColoPrint® product, currently undergoing technical and clinical validation, will be a strong candidate to take advantage of this opportunity.

See "*Business Description – New Cancer Tests in Development – ColoPrint®*" below.

Cancer molecular diagnostics – lung cancer market

Lung cancer is a leading form of cancer in the United States and Europe. It is estimated there were approximately 222,520 new cases of lung cancer and 157,300 deaths caused by lung cancer in the United States in 2010 (SEER Fact Sheets 2011: Lung Cancer). In 2008, the aggregate number of new cases of lung cancer in the European Union (288,000) and the United States (214,000) together was approximately 500,000 (WHO Fact Sheets: Lung Cancer).

Improved screening and other early detection methods have led to a growing proportion of early stage cases in the lung cancer patient population. For those lung cancer patients with Stage I or Stage II cancer, the primary treatment approach is pulmonary resection surgery. The use of adjuvant chemotherapy has become standard practice for Stage II and Stage III lung cancer. By contrast, treatment of Stage I lung cancer patients with adjuvant chemotherapy is relatively uncommon, because the benefit of adjuvant chemotherapy in these patients is unclear and often these patients tend to suffer from other serious diseases at the same time, increasing the risk of side effects from chemotherapy. However, within any given pool of Stage I lung cancer patients, there will be a subgroup of patients who has a higher risk of distant recurrence and who therefore could benefit from chemotherapy. Physicians have noted that current risk assessment methods are insufficient to correctly identify Stage I and Stage II lung cancer patients with high risk of recurrence. Because adjuvant chemotherapy in this group of early stage lung cancer patients would be useful, we see an unmet clinical need for a diagnostic tool to accurately stratify recurrence risk in these patients, representing a significant market opportunity in the lung cancer molecular diagnostics market.

Recent advances in genomic and proteomic science have led to the development of targeted drugs for lung cancer, which are now being incorporated into treatment protocols. For example, it has been shown that the EGFR-pathway plays an important role in cancer drug responsiveness in non-small cell lung cancer patients and, therefore, the use of EGFR-pathway inhibitors has become an important element of non-small cell lung cancer treatment. As more of these targeted lung cancer

drugs are developed, there is a growing clinical need for reliable biomarkers to identify patient groups that will be responsive to targeted drugs.

As lung cancer remains a leading cause of death from cancer in both men and women, we see significant market opportunity for development and commercialisation of molecular diagnostic tests which help identify early stage lung cancer patients at higher risk of recurrence who could benefit from chemotherapy.

We are developing a lung cancer recurrence test, currently in clinical validation, to take advantage of this opportunity.

See "*Business Description – New Cancer Tests in Development – Lung cancer products*" below.

BUSINESS DESCRIPTION

Overview and History

We are a commercial-stage molecular diagnostic company, focused on the discovery, development and commercialisation of innovative products to improve the quality of life for cancer patients by providing healthcare professionals with critical information to enable safe and effective personalised treatment. We are currently marketing our Symphony™ suite of four complementary breast cancer tests, of which two currently generate revenue, with a strong focus on the US market. We have discovered, validated and received FDA clearance for the use of clinically useful gene expression profiles for our lead test, MammaPrint®, through a combination of our own research and research collaborations and strategic alliances with academia. The current breast cancer treatment paradigm is expensive and has significant shortcomings as a result of relatively poor assessment of recurrence risk and over-use of chemotherapy. Our MammaPrint® test has shown a clinically validated ability to predict the risk of breast cancer recurrence in the first five years after diagnosis, which is the period in which chemotherapy produces most of its benefits to a patient. MammaPrint® thereby gives physicians a more accurate tool to separate ''high'' risk from ''low'' risk early stage breast cancer patients and better gauge ''high'' risk patients' need for chemotherapy than is currently available.

We were founded in 2003 as a spin-off from the Netherlands Cancer Institute / Antoni van Leeuwenhoek Hospital in Amsterdam, for the purposes of pursuing commercialisation of molecular diagnostics using DNA microarray technology for cancer diagnosis and drug development. In 2004 we launched the initial version of our MammaPrint® breast cancer recurrence test in Europe. In 2006, we subjected MammaPrint® to an international independent retrospective validation which led to the selection of MammaPrint® as the exclusive molecular diagnostic stratification tool for the MINDACT trial, featuring 6,000 patients at 109 institutions in nine European countries. In 2007, MammaPrint® became the first IVDMIA to obtain 510(k) clearance from the FDA, and after receipt of this regulatory clearance we made MammaPrint® commercially available in the United States in 2008. As market awareness of our products in the United States and Europe grew, we also began to market other elements of our Symphony™ suite of breast cancer tests, adding TargetPrint® in 2009 and BluePrint™ and TheraPrint® in 2010 as LDTs. A significant landmark in our commercial development was our inclusion in 2009 in a local coverage determination by the Medicare carrier in California which processes all of our Medicare reimbursement claims. Coverage by Medicare has since contributed to our receiving reimbursement coverage from a number of third-party payors in the United States.

We believe that one of our primary competitors has spent more than $250 million during the past six years raise to awareness in the United States of cancer molecular diagnostics. As a result, the use of molecular diagnostics in plotting the course of cancer treatment within the United States is more established than in most other markets. By being second to market in the United States, with a broader product offering that has demonstrated clinical and validation advantages compared to those of our competitors, we believe we have certain key strengths and advantages which give us an opportunity to increase the pace of commercialisation of our existing product offering in a market that is receptive to the use of molecular diagnostics in cancer treatment.

Our Key Strengths and Advantages

We believe that we have certain key strengths and advantages that position us as a leading provider of cancer molecular diagnostics, currently driven by our offering of four complementary molecular diagnostic tests for breast cancer.

A new set of genomic-based diagnostic tools for oncologists

Many patients who have undergone surgery for breast cancer will survive without adjuvant treatment. However, it is essential that a physician be able to clearly and unambiguously identify those patients who are at high-risk of recurrence, to give them access to necessary treatment. With recent advances in cancer genomics, our molecular diagnostics products now allow physicians to make treatment plans according to the genomic pattern of the cancer from each individual patient.

The four products which make up our Symphony™ suite of complex molecular diagnostic breast cancer tests – TargetPrint®, MammaPrint®, BluePrint™ and TheraPrint® – provide a comprehensive decision support system that enables physicians to determine whether a given

breast cancer patient is likely to benefit from hormonal therapy, chemotherapy and targeted therapies. Existing diagnostic methods often produce a substantial proportion of ''intermediate'' risk results, leaving physicians with no clear means of assessing recurrence risk for those patients. A key differentiator of our products is that Symphony™ offers a physician more than a single answer: TargetPrint® accurately identifies the presence of certain receptors and helps identify candidates for hormonal treatment and targeted therapies; MammaPrint® assists the chemotherapy decision by giving a clear and unambiguous ''high'' or ''low'' risk result of the risk of metastasis during the period when chemotherapy is most effective, which is the first five years after diagnosis; BluePrint™ identifies three different biological subgroups which react differently to specific therapies; and TheraPrint® indicates potential treatment options for non-responsive metastatic breast cancer patients.

Another key differentiator is that we developed and validated a highly standardised sampling and shipping methodology, rather than using FFPE tissue preservation, which has been known to generate inconsistent or tainted results within the same lab even on the same day, as well as between different labs. Our methodology, which is FDA-cleared and uses a specific RNA preservative (RNA*Retain*™ from Asuragen) and allows our customers to send us a sample of the patient's tumour by standard courier, without the need for cooling. This simple methodology helps maintain consistency in test results. An additional significant advantage resulting from our technology enables elements of Symphony™ to be available ''on demand'' for patients for whom the physician ordered any other element of the suite. Because each microarray chip contains all our tests, we can generate the answers for all our Symphony™ tests when the first test is ordered for a given patient. This means the results for any subsequent test ordered for that patient is available ''on demand'', and at no additional cost to us.

Benefits over existing treatment decision approach – for patients, physicians and payors

We believe Symphony™ significantly improves breast cancer patient outcomes, not only clinically but also by reducing healthcare costs. With healthcare systems under mounting cost pressure as populations age across the developed world (See ''*Industry Overview – The Current Healthcare Landscape*''), the demand for breast cancer molecular diagnostics going forward will be driven in part by the need to avoid unnecessary chemotherapy using an unambiguous determination of a given patient's recurrence risk and likelihood of treatment responsiveness. By identifying those patients most likely to benefit from chemotherapy or hormonal treatment, MammaPrint® may save 10-30% of patients the burden of chemotherapy treatment and its side effects when compared to clinical risk assessment tools (Lancet Oncology 2007). We recently conducted a published, peer-reviewed study which concluded that our 70-gene signature, used in MammaPrint®, is likely to be a cost-effective strategy to guide adjuvant chemotherapy treatment in patients with early-stage breast cancer (AJMC Chen 2010). The study concluded that the use of MammaPrint® resulted in a reclassification of 29% of patients into a different risk group and spared 10% of patients from chemotherapy. On the basis of these and other studies, we believe MammaPrint® is a cost-effective means of guiding adjuvant chemotherapy use in patients with early stage breast cancer, and offers significant benefits over existing treatment approaches.

The ability to access our gene analysis ''on demand'' enables an oncologist who has already ordered one of our tests for a given patient to make clear treatment decisions early in the cancer treatment decision process, saving the physician significant time and effort in running subsequent tests, while providing the patient with a rapid treatment recommendation and minimizing uncertainty. Through more efficient patient management, Symphony™ thereby creates indirect savings for physicians and payors by saving busy medical practices from the administrative burdens and prolonged decision cycle of ordering multiple new tests for a given patient.

Solid foundation for commercialisation

We have brought our breast cancer products to market over the last three years in an incremental and systematic fashion, an approach we believe is backed by science, quality and clinical validation. Starting in 2006, we chose to apply for relevant regulatory clearances whenever possible, even if not mandated by regulation. This systematic approach is illustrated by the fact that we have been granted five FDA 510(k) clearances for various elements of our MammaPrint® product, and have undertaken extensive independent international validation of our products. MammaPrint®, the lead product in our Symphony suite of breast cancer tests, was the first and currently still is the only molecular diagnostic breast cancer recurrence test to have received FDA 510(k) clearance. The FDA is expected to require all high-risk LDTs to be submitted for FDA

clearance or PMA approval, based on their complexity and intended use. Because our leading MammaPrint® product has already received FDA 510(k) clearance, we believe new FDA regulation, if enacted, will create substantial barriers to entry for all new entrants as well as ensuring that current competitors will have to comply by adjusting their claims to more stringent FDA standards and requirements. See "*Regulation – US Food and Drug Administration*" below.

Once our MammaPrint® product received regulatory clearances in the United States, we sought to demonstrate customer demand and also pursue initial insurance reimbursement. We made progress towards both of these goals in 2010, having received reimbursement from a number of private insurers and agreeing a written reimbursement arrangement with Humana. Our MammaPrint® product has now been used by 14 of the top 50 cancer centres in the United States, as defined by *U.S. News and World Report*. On the basis of this progress, now that we have received FDA clearance of our MammaPrint® product and initial reimbursement coverage from a number of US third-party payors, we believe we have a solid foundation to more widely commercialise our breast cancer tests in the United States. We will therefore use part of the net proceeds of the Offering to expand our sales and marketing team in the United States, with the goal of increasing market acceptance, achieving additional reimbursement approvals and attaining higher revenues from our breast cancer products.

Strong scientific background and pipeline of innovative products

Two of our founders, professors Rene Bernards and Laura van't Veer, are recognised world leaders in the field of cancer molecular diagnostics. We are actively working with research institutes and cancer centres worldwide to develop new molecular markers, run clinical studies, obtain access to tumour samples and align their research efforts with our most important research and discovery needs. Our development pipeline includes a further extension of our breast cancer tests as well as similar molecular diagnostic products for colon and lung cancer in various stages of validation. We also have companion diagnostic products, biomarkers for pathway-targeted therapies and new clinically-relevant molecular subtype products under development or under active investigation. We believe our strategic alliances with leading academic consortia as well as our collaborations with large international pharmaceutical companies, including Roche, Novartis, Sanofi, Pfizer, Abbott, Amgen and AstraZeneca will contribute to our ability to develop new molecular diagnostic tests in breast cancer and other cancer areas, and to develop commercial synergies with those companies which may further advance our market position.

Our Business Strategy

Our business strategy is to increase the pace of commercialisation of our existing Symphony™ suite of breast cancer tests, apply our Symphony™ model to other cancers, and eventually expand our product offering into other cancer molecular diagnostic platforms and technologies, with a view to achieving a sustainable molecular diagnostics franchise in oncology. We plan to execute our strategy by:

Increasing pace of commercialization of our Symphony™ suite of breast cancer tests

We plan to further grow our business by increasing our sales and marketing activities and capabilities in the United States, while at the same time actively pursuing distributor relationships for key countries in Europe. We plan to build upon our initial efforts to commercialise our products by building market awareness of our products among KOLs, developing our reimbursement relationships with third-party payors, and seeking inclusion in clinical guidelines.

Key opinion leaders

In the United States we have adopted a direct sales model, employing our own in-house sales and marketing team, rather than an indirect distribution-based approach, to expand market awareness of our products by direct contact with KOLs and other oncologists, oncological surgeons, pathologists and other clinical cancer physicians. We focus particularly on forging relationships with KOLs because we believe that, as KOLs become familiar with and begin to recommend the use of our products in cancer diagnosis and treatment, fellow oncologists, other physicians and patients in the medical community will follow their lead. Our sales and marketing strategy therefore focuses on conducting educational outreach to the medical community at special events, cancer conferences and industry gatherings in the United States, and pursuing collaborations with leading cancer centres and large pharmaceutical companies on clinical trials. Over the near term we will focus our efforts on building market awareness in the United States while continuing the expansion of our in-

house sales and marketing team established in late 2010. In Europe and other markets worldwide we are actively pursuing opportunities for growth via a distributor model on a country-by-country basis. For example, we recently signed an agreement with Sanofi for exclusive distribution of our MammaPrint® and TargetPrint® products in the Netherlands.

Reimbursement

Because of the importance of third-party payors in providing reimbursement in the United States and Europe, widespread market acceptance of molecular diagnostic tests among physicians and patients is likely to be achieved only upon receipt of various coverage, pricing and reimbursement approvals from third-party payors. Broadening approval of our products from third-party payors, particularly in the United States, is therefore a key element of our sales and marketing strategy as we endeavour to win market acceptance of our products, generate revenue growth, and achieve profitability. Because demand for reimbursement from KOLs and inclusion in influential clinical guidelines generally serves to increase reimbursement coverage, we believe that if demand for our products grows among KOLs, reimbursement coverage by public and private third-party payors is also likely to increase. In turn, as third-party coverage expands, physician demand for products tends to increase, establishing a positive cycle that we believe will allow us to generate significant revenue growth. A significant landmark in our commercial development was the achievement in 2009 of a local coverage determination for MammaPrint® by the Medicare carrier in California which processes all of our Medicare claims. This has since contributed to our receiving reimbursement coverage from a number of third-party payors in the United States. We are currently working to add written reimbursement arrangements for our molecular diagnostic products with additional public and private insurers.

Guideline inclusion

Inclusion as ''recommended for use'' in influential clinical guidelines such as those promulgated by the NCCN and ASCO in the United States generally serve to increase market acceptance and reimbursement for companies whose products are endorsed by these guidelines. We believe that increasing use of our products as a result of their high clinical utility, and the resulting recommendations and other support by KOLs for their utility in cancer diagnosis and treatment, increases the likelihood that our products will be included in clinical treatment guidelines published by these leading cancer organisations. Our MammaPrint® product is currently included in the 2009 St. Gallen international guidelines as a ''prognostic'' test, and we are working to use positive clinical results obtained from ongoing clinical trials to secure inclusion as ''predictive'' in the St. Gallen international guidelines and as ''recommended for use'' in the NCCN and ASCO guidelines in the United States.

See *''Sales and Marketing''* below.

Expand our breast cancer franchise and broaden into colon and lung cancer

An important part of our ongoing research and development strategy is to continue to strengthen and add new clinical capabilities to our existing Symphony™ suite of breast cancer tests, and expand the number of potential eligible patients. We believe that we can build upon these development efforts by seeking to smoothly integrate new clinical capabilities and newly developed products into our Symphony™ suite offering, and that we will be in a position to sell such enhancements to our existing breast cancer customer base through our sales and marketing infrastructure. For example, we are exploring ways to expand the utility of our MammaPrint® test in patients diagnosed with DCIS. Although currently untested with regard to DCIS patients, we believe MammaPrint® may be able to provide additional information to assist physicians in making a decision about how best to treat DCIS patients. We are also updating and expanding our TheraPrint® product, to include new biomarkers as they are discovered and validated in the research and clinical community.

We also believe the interim results of the MINDACT trial (as described below), which are expected in 2014 or 2015, may allow us to demonstrate MammaPrint's® ability to predict patient responsiveness to currently marketed cancer drugs, thereby validating MammaPrint's® predictive abilities and further improving MammaPrint's® standing in clinical guidelines. If MammaPrint® is established as a general biomarker for the drugs being used in the MINDACT trial, we may be able to take advantage of the commercial efforts of the pharmaceutical companies producing Xeloda® (from Roche), Taxotere® (from Sanofi), Femara (from Novartis), Tamoxifen and Herceptin™ (from Genentech and Roche). In addition, we believe the selection of our

MammaPrint® test over several other stratification tools for the I-SPY2 trial in the United States, which is being conducted under the auspices of the US Foundation of National Institutes of Health (the "**FNIH**"), is evidence of the recognition our products have received among clinicians.

As new technologies and microarray platforms become available, we continually assess our capacity to expand our breast cancer product offering. An important technological focus we now have underway is development of a method to extract RNA of sufficient quality from FFPE tissue, which would allow us to accept FFPE tissue samples for testing in addition to the RNARetain™ sampling methodology now in use for our Symphony™ breast cancer tests. FFPE capability is of interest as certain potential customers may not have operating procedures in place to collect and process fresh tissue, and instead rely on FFPE as a preservative. Further, some patients request additional testing of their tumour tissue weeks after surgery has been conducted, when only FFPE tissue is available. Offering our breast cancer products in the standard FFPE sample format has the potential to give us access to this market.

See "*Our Breast Cancer Franchise – Adding Value to Symphony™ Products*"

Given the high incidence rates of colon and lung cancer, physicians have acknowledged the growing need to be able to identify patients at a "low" risk of recurrence who do not require adjuvant treatment. As with breast cancer, we believe there is significant market opportunity for development and commercialisation of molecular diagnostic tests which help avoid unnecessarily inflicting the toxic side effects of chemotherapy on colon and lung cancer patients, thereby also managing healthcare costs by reducing the number of patients who receive this expensive treatment.

In recent years, we have developed, begun clinical validation of, and applied for patents on, a new gene expression classifier for colon cancer prognosis and treatment decision-making. We intend to seek FDA clearance for this product, our ColoPrint® colon cancer recurrence test, in the next 24 months, upon completion of technical and clinical validation. Prior to receipt of FDA clearance, if technical and clinical validation is completed successfully, we may begin marketing ColoPrint® as a LDT. Although we will seek to price ColoPrint® in line with our strategy for our MammaPrint™ test, comparable tests now on the market are priced at a lower rate. ColoPrint® is the first product in our planned Symphony™ suite of colon cancer tests, and is being developed using a similar clinical approach and microarray platform technology as we have successfully used in the development and achievement of FDA 510(k) clearance of our MammaPrint® breast cancer test. See "*New Cancer Tests in Development – ColoPrint® suite*".

We are also seeking to apply the Symphony™ model to develop a molecular diagnostic test for lung cancer. In response to the need for better predictive tools, we are developing PulmoPrint® as our first lung cancer test, to help physicians identify Stage I lung cancer patients at high risk of recurrence, who may benefit from adjuvant chemotherapy, and Stage II lung cancer patients at "low" risk of recurrence, who may not require adjuvant chemotherapy. See "*New Cancer Tests in Development – Lung cancer products*".

Sustain our franchise in cancer molecular diagnostics

In addition to the improvements to our breast cancer franchise, and the potential for similar products for colon and lung cancer discussed above, we plan to pursue a research and development strategy focused on using our relationships with leading academic and clinical centres in the Netherlands, elsewhere in Europe and in the United States, to develop innovative, clinically useful gene signatures and biomarkers for the diagnosis and treatment of cancer. We enter into clinical and scientific partnerships and collaborations with major cancer centres and research institutions as well as large pharmaceutical companies for access to tissue samples, information on new technologies and new research findings, cooperation in large-scale clinical studies of the prognostic and predictive efficacy of our molecular diagnostic products, and licensing rights to any resulting processes. See "*Research and Development – Strategic partners and collaboration arrangements*." Two of our founders, Professors Rene Bernards and Laura van't Veer, are recognized world leaders in the field of molecular diagnostics, and are actively working with research institutes and cancer centres worldwide to develop new molecular markers and align their research efforts with our most important research and discovery needs. We also participate in a number of European research networks funded by the European Union.

Our participation in the MINDACT trial in Europe and the I-SPY2 trial in the United States is also important for future development of companion diagnostics. MINDACT, a traditional 6,000-patient

prospective clinical trial running in over 100 European hospitals, is nearing the end of patient enrolment.

The I-SPY2 trial is a drug development trial running in 20 top US cancer centres. This trial is testing early stage cancer drugs from Abbott, Amgen, Roche/Genentech, Merck, Pfizer, Wyeth, Sentinelle Medical, and Millennium in MammaPrint® high-risk patients.

In both trials, we create a full genome-wide dataset to measure the expression of a patient's entire genomic profile for all enrolled patients. From this data we may have the opportunity to develop companion diagnostic tests for the drugs used in the trial. These companion diagnostics could be used in conjunction with these drugs, potentially providing opportunities for commercial synergies with the pharmaceutical companies involved. We have exclusive rights from the MINDACT trial, and shared rights from I-SPY2, to any developments arising from these full genome datasets.

See "*Research and Development*."

Our Breast Cancer Franchise

Introduction

Personalised medicine is the focus of all our products, with the ultimate goal of supplying physicians with a complete set of tools using complex molecular diagnostics. Our current product offering, now being marketed and sold in the United States and Europe, is branded as our Symphony™ suite of breast cancer tests. Symphony™ provides personalised information on a specific patient who has been diagnosed with breast cancer and helps the physician determine the appropriate treatment tailored to that patient. Our customers are oncologists, pathologists, surgeons and gynaecologists (in Europe), as well as clinics and hospitals which diagnose or treat breast cancer. We do not sell directly to patients.

We believe there is a significant market opportunity in the breast cancer molecular diagnostics market. See "*Market Opportunity – Cancer molecular diagnostics – breast cancer market*."

Although the four elements of Symphony™ are available to customers separately, as independent tests, they are promoted as a comprehensive decision support system to provide more than one answer to a physician about a patient's cancer, and meet the practical needs of oncology decision-makers at each stage of a treatment decision process. The aim of Symphony™ is to provide physicians with a suite of comprehensive and customized tumour analyses for their breast cancer patients.

According to current diagnostic practice, after surgery the oncologist or tumour board decides on the course of treatment. In many cases classical pathology findings are insufficient for making a treatment decision, therefore the physician will order a genomic test to help provide additional information. This entails sending a post-surgical tissue sample to a central laboratory, waiting two or more weeks before a result is available and then re-examining the patient's case once the additional results of the genomic test are available. The delay adds to patient anxiety and contributes to a worse outcome for the patient, as it could be more than a month post-surgery before the patient begins additional treatment.

Our commercial microarray chip analyses over 3,000 genes from a given patient tissue sample, regardless of which of our Symphony™ tests have been ordered. Because each microarray chip contains all our tests, we can generate the answers for all our Symphony™ tests when the first test is ordered for a given patient. This means the results for any subsequent test ordered for that patient is available "on demand", and at no additional cost to us. This "on demand" feature can make the treatment process more efficient, enabling physicians to make clear treatment decisions for a patient relatively early, saving the physician and the hospital significant time and effort, while providing the patient with a clear answer regarding the next step in treatment.

Symphony™ breast cancer decision system

Symphony™, our suite of four breast cancer molecular diagnostic tests, provide a comprehensive decision support system for physicians to more accurately determine who is likely to benefit from hormonal therapy, general chemotherapy and targeted therapies. When used together, the various Symphony™ products can provide our customers with more than a single answer: TargetPrint® accurately identifies the presence of certain receptors, MammaPrint® gives clear and unambiguous results for the chemotherapy decision, BluePrint™ identifies three different biological subgroups with different benefits for specific therapies and TheraPrint® indicates potential treatment options in case of non-responsive breast cancer.

TargetPrint®

TargetPrint® provides an objective, quantitative gene expression readout with higher quality and reproducibility of results compared to traditional IHC testing, enabling physicians to accurately consider gene expression levels of estrogen, progesterone and HER-2 receptors when planning a course of breast cancer treatment. The expression levels of these receptors provide the oncologist with information about the aggressiveness of the cancer as well as indicating whether a cancer could potentially react to hormonal therapy or the drug Herceptin™. Traditional methodologies of determining expression levels of estrogen, progesterone and HER2 receptors involve IHC staining, and an interpretation of the result by a pathologist. Because this method involves the pathologist's subjective judgement to some degree, the process is not standardized, and research has shown a significant variation in result from one reading to another, which has been recognised as a significant medical diagnostic problem. Various other factors related to IHC testing, including different standard operating procedures among laboratories and the kind and length of tissue fixation can have severe effects on the results. Our TargetPrint® product, launched in 2009, utilises messenger RNA obtained from fresh tissue which has not been placed in formalin, and uses DNA microarray technology to determine the expression levels of estrogen, progesterone and HER-2 receptors, thus removing the sources of inaccurate readings and subjectivity. TargetPrint® provides a quantitative measure of gene expression, whereas traditional tests such as IHC or FISH only provide a visual representation of gene expression, which is less precise and inherently subjective. We believe TargetPrint® can serve a clinical need as a second opinion test to IHC, by allowing physicians to make important treatment decisions with more accurate information.

We are currently marketing TargetPrint® in the United States as a LDT with a list price of $1,200 per test, and receiving customer revenues as well as third-party reimbursement. In Europe, we are currently marketing TargetPrint® with a list price of €800, but have not yet established reimbursement from third-party payors for TargetPrint® in Europe. In both the United States and Europe, we generally charge our TargetPrint® test at a discount to its list price.

MammaPrint®

Our MammaPrint® breast cancer recurrence test is a powerful prognostic and predictive tool that provides a clear answer as it unambiguously stratifies patients into two groups: those with low-risk and those with high-risk of cancer recurrence in the five years after diagnosis.

MammaPrint® identifies the risk of developing metastasis during the period when chemotherapy is effective, which is the first five years after diagnosis. Our validation studies have shown that approximately 50% of MammaPrint® patients are at ''high'' risk of recurrence (Lancet Oncology 2007). On an untreated group of breast cancer patients, 90% of the patients who developed metastases in the first five years after diagnosis were identified by MammaPrint as ''high'' risk, and among the patients identified by MammaPrint® as ''low'' risk, approximately 5% developed metastases in the first five years after diagnosis (JNCI 2006 Buyse). In addition, for the same group of untreated patients, Adjuvant! Online clinical guidelines produced different indications of the risk of cancer recurrence as compared with MammaPrint® for approximately 30% of the patients. Approximately 27% of the patients that Adjuvant! Online identified as ''high'' risk were identified as ''low'' risk by MammaPrint® and could therefore have been over-treated if the Adjuvant! Online indications were followed; while approximately 35% of the patients that Adjuvant! Online identified as ''low'' risk were identified by MammaPrint® as ''high'' risk and could therefore have been under-treated if the Adjuvant! Online indications were followed (JNCI 2006 Buyse). By separating ''high'' from ''low'' risk patients, MammaPrint® therefore reduces the number of patients who are treated with chemotherapy, while increasing the number of patients who are likely to benefit from it. Without this ability to stratify according to ''high'' and ''low'' risk of recurrence, most treatment decisions opt for chemotherapy. Patients classified as ''low'' risk generally experience no significant benefit from chemotherapy (BRCT 2010). By providing a clear and unambiguous low – high-risk indication, MammaPrint® provides direction for the physician to confidently prescribe a course of treatment. Third-party payors also prefer unambiguous results when evaluating reimbursement coverage requests.

MammaPrint® has received five 510(k) from clearances the FDA. We are currently marketing MammaPrint® in both the United States and Europe, and in certain countries elsewhere in the world, with a list price of $4,200 per test in the United States and €2,675 in Europe. In both the United States and Europe we are receiving customer revenues as well as third-party

reimbursement for MammaPrint®. We generally charge our MammaPrint® test at a discount to its list price.

BluePrint™

BluePrint™ is the first available gene signature to identify molecular subtypes and classifies breast cancers into Basal-type, Luminal-type and ERBB2-type (HER2-type) molecular subtypes. Research suggests that breast cancer patients with different molecular subtypes are each likely to respond in treatment to different forms of hormone or chemotherapy. While TargetPrint® accurately reflects the presence of estrogen, progesterone and HER-2 receptors, it does not determine if those receptor genes are functioning. To address this issue, we developed and launched BluePrint™ in 2010 to identify genes downstream of these receptors, providing indications of whether the estrogen receptor identified by TargetPrint® are functioning. We believe this test could help oncologists understand why some patients who should respond to hormonal therapy (based upon traditional IHC testing) do not, although to date we have not compiled the clinical data to prove this assertion. Hormonal therapy is a powerful breast cancer treatment, potentially reducing the annual breast cancer death rate for patients that are estrogen receptor positive by 31%, largely irrespective of the use of chemotherapy (Lancet 2005). With the use of TargetPrint® and BluePrint™, physicians can therefore more accurately identify those patients most likely to respond to hormonal therapy.

We are currently offering BluePrint™ in both the United States and Europe, as a LDT only, and not for commercial use. We are therefore not receiving customer revenues or third-party reimbursement for BluePrint™ at this time. We intend to compile additional validation data and, depending on the clinical claims we want to make for BluePrint™, submit it for FDA clearance and, in turn, pursue full commercialisation.

TheraPrint®

Our TheraPrint® test currently offers gene expression analysis of potential markers for prognosis and therapeutic response to a variety of therapies and may give an indication of new therapy options for those patients diagnosed with Stage III or IV breast cancer who have failed to respond to traditional chemotherapy or hormone treatment. TheraPrint® measures the mRNA expression of 56 genes linked to response to hormonal, chemotherapeutic or biological agents. The over or under-expression of one or more of these 56 genes indicates which forms of additional therapy could benefit the patient.

We are currently offering TheraPrint® in both the United States and Europe, as a LDT only, and not for commercial use. We are therefore not receiving customer revenues or third-party reimbursement for TheraPrint® at this time. After further development, we intend to compile validation data and, depending on the clinical claims we want to make for TheraPrint®, submit it for FDA clearance and, in turn, pursue full commercialisation.

Breast cancer suite – acceptance and benefits

Acceptance

We believe that the extensive scientific and clinical foundation of our work over the last seven years is one of our key strengths and contributes to our competitive advantage over competing products. MammaPrint® has been subject to extensive clinical validation, including being featured in over 30 peer-reviewed publications and tested on over 4,700 patients in 17 distinctive studies worldwide since 2002. Several independent studies have also demonstrated that MammaPrint® is prognostic and predictive in treated patients. A recently published study performed at the NKI showed, for example, that MammaPrint is predictive for chemotherapy benefit (BCRT 2010). This study observed a significant and clinically meaningful benefit by adding chemotherapy to endocrine treatment in MammaPrint® ''high'' risk patients. MammaPrint® ''low'' risk patients were at such low risk for recurrence and cancer-related death, that no significant benefit was observed from adding chemotherapy to this group.

MammaPrint® was the first and remains the only molecular diagnostic breast cancer recurrence test to have received FDA clearance. See ''*Regulation – US Food and Drug Administration*.'' On this basis, we believe we are well positioned and prepared for the future from a regulatory compliance perspective regarding the development and the marketing of our current and future products. We have also received affirmation of our Symphony™ products by being selected to participate in the MINDACT trial in Europe and the I-SPY2 trial in the United States, as further described in ''*Research and Development*'' below.

Going forward, we are continuing to investigate expansion of our test signatures to demonstrate the usefulness of our Symphony™ products in new patient groups, validate their predictive ability, win inclusion as ''recommended for use'' in clinical guidelines, and develop third-party payor reimbursement coverage for MammaPrint® products with a wider range of third-party payors.

Our most recent validation effort is a new neoadjuvant trial, the Multi-Institutional Neo-adjuvant Therapy (''**MINT**'') trial, which will demonstrate the chemosensitivity of MammaPrint® and BluePrint™ in the clinical diagnostic setting. MINT is expected to start in 2011 in several key cancer centres in the United States.

Benefits

We believe our Symphony™ products improve patient outcomes and reduce healthcare costs by identifying those patients who are likely to benefit from chemo or hormonal therapy. See ''*Our Key Strengths and Advantages – Benefits over existing treatment decision approach – for patients, physicians and payors*'' Recent clinical research has concluded that our MammaPrint® 70-gene signature is likely to be a cost-effective strategy to guide adjuvant chemotherapy treatment in patients with early-stage breast cancer, by allowing the reclassification of recurrence risk and reducing the proportion of patients treated with chemotherapy (AJMC Chen 2010, EJC 2010). In addition, we believe the ''on demand'' aspect of our breast cancer products will significantly increase the efficacy of managing post-surgical cancer patients, creating indirect savings through more efficient patient management.

Adding value to Symphony™ products

Part of our ongoing research and development strategy is to continue to add value to our existing products. As an example of the success of this strategy, our ongoing validation efforts have progressively expanded the MammaPrint®-eligible patient population since its launch in 2004, so that MammaPrint® has now been shown clinically effective independent of estrogen and progesterone receptor status, for patients with 1-3 positive lymph nodes, and for patients of all ages. These progressive expansions of MammaPrint's® clinical validations, for the last of which we received FDA 510(k) clearance in 2009, have increased the eligible market size of MammaPrint® by over 30% compared to its original indication.

We are planning to investigate the utility of MammaPrint in patients diagnosed with DCIS. Unlike invasive breast cancer, the tumour cells in DCIS patients are not found outside of the ducts within the breast. Despite a generally ''low''-risk for recurrence or progression to more invasive forms of breast cancer, as a precaution many DCIS patients undergo adjuvant treatment, including in some cases hormonal treatment or radiation therapy. Although currently untested with regard to DCIS patients, we believe MammaPrint® may be able to provide additional information to assist physicians in making a decision about how best to treat DCIS patients.

We are working to develop the capability to apply our molecular diagnostic products to FFPE-preserved tissues without loss of accuracy or quality of results. FFPE capability is of interest as certain potential customers may not have operating procedures in place to collect and process fresh tissue, and instead rely on FFPE as a preservative. Further, some patients request additional testing of their tumour tissue weeks after surgery has been conducted, when only FFPE tissue is available. Offering our breast cancer products in the standard FFPE sample format has the potential to give us access to this market.

We are also updating our TheraPrint® product, as new biomarkers are discovered and validated, to improve the product and provide clearer treatment decisions. Our TheraPrint® biomarker panel already has 56 cancer biomarkers that have shown relevance in predicting therapy response and outcome in cancer.

Personalised medicine – treatment with targeted therapies

Little is known about why some patients do not respond to chemotherapy, even while their cancer is still growing, and how we could identify those patients who might require a very different therapy approach. Researchers have therefore put significant study into the use of targeted therapies, with Herceptin™ being the most prominent example. But even though the over-expression of HER-2 receptors is understood to be a marker for response to the drug, up to 50% of patients with over-expressed HER-2 receptor genes initially do not respond to Herceptin™ even when combined with chemotherapy or eventually become resistant to Herceptin™ during treatment, and it is unclear why (Cancer Cell Report 2007). Moreover, many targeted therapies have shown disappointing results in

clinical studies or when used in other cancer indications – in part because no companion diagnostic test had been co-developed to help identify those patients likely to benefit from a new target cancer drug. In the absence of effective companion diagnostics to identify appropriate patients, it will be increasingly costly and difficult to obtain marketing approval for new drugs.

A better understanding of the resistance mechanism and the identification of responsive subgroups is therefore an important clinical need. Our products attempt to address this clinical need by providing patients and physicians with tools for a better pre-selection of patients who are likely to respond. Clinical data show that breast cancer patients with these molecular subtypes have different prognoses and may respond better to specific therapies. Luminal patients might be especially responsive to hormonal treatment while basal subtype patients seem to profit especially from some chemotherapies and potentially also from a new class of drugs, called PARP inhibitors. Moreover, since we know that patients with different molecular subtypes have different activated signalling pathways, we might soon be able to treat these patients with therapies targeted specifically to these pathways. Additional supportive information can come from specific response markers measured by TheraPrint® giving indication of turned-on or turned-off pathways and key regulators.

Sales and Marketing

Sales and marketing strategy

Our current sales and marketing strategy, both in the United States and in European and non-European international markets, has three main elements: (a) expanding reimbursement coverage for our products by both government and private third-party payors; (b) expanding market awareness of and demand for our products among KOLs; and (c) achieving inclusion of our products as ''recommended for use'' in influential clinical guidelines. Over the near term we will focus our efforts to build market awareness on the United States, while in Europe and other markets worldwide we will evaluate the opportunities for growth on a country-by-country basis.

United States market

We anticipate that a substantial portion of the net proceeds from the Offering will be used to expand our sales and marketing capabilities and activities in the United States by, among other things, hiring new employees for our sales and marketing team, growing our outreach efforts to KOLs and expanding our presence at cancer conferences and industry gatherings, and promoting the publication of clinical studies that have yielded data validating our products.

Our sales and marketing strategy in the United States focuses on expanding market awareness of our products by educational outreach to the medical community at special events, cancer conferences and industry gatherings, by direct contact with KOLs and other members of the medical community through our in-house marketing and sales representatives, and by collaborations with leading cancer centres and large pharmaceutical companies on clinical trials which aim to validate and raise the profile of our products. We focus particularly on forging relationships with KOLs, such as leading surgeons, oncologists, radiologists and pathologists, because we believe that, as KOLs learn about and begin to recommend the use of our products in cancer diagnosis and treatment, fellow oncologists, other physicians and patients in the medical community will follow their lead. We believe acceptance and use by KOLs with a significant base of patients in a given health plan is key to increasing sales to the other physicians within the same plan. Moreover, we believe that recommendations and other support by KOLs for the utility of our products in cancer diagnosis and treatment increases the likelihood that our products will be included in clinical treatment guidelines published by leading cancer organisations, in particular the NCCN and ASCO. In addition, demand for reimbursement from KOLs and inclusion in influential clinical guidelines generally serves to boost reimbursement coverage by both government and private third-party payors. Consequently, we believe that if support for our products grows among KOLs, reimbursement coverage by public and private third-party payors is also likely to increase. In turn, as reimbursement coverage expands, physician demand for products tends to grow, establishing a positive cycle that we believe would allow us to generate significant revenue growth.

Raising market awareness via a direct sales model

In the United States we have adopted a direct sales model, employing our own in-house sales and marketing team, rather than an indirect distribution-based approach. Our sales model targets sales of our products to oncologists, oncological surgeons, pathologists and other clinical cancer physicians. We believe this sales model is well suited to the US market because indirect sales

channels for high added value molecular diagnostics have not yet developed in the United States. In particular, large, centralised laboratory products in the United States have not yet successfully commercialised clinically innovative, high added value molecular diagnostics tests, mainly because these tests require relatively extensive direct marketing efforts to educate the medical community about their clinical and technical bases and the advantages of their use in cancer treatment. We believe that a dedicated, in-house sales and marketing team, well-educated about our products and supported by our medical affairs staff, enables us to undertake marketing efforts directed at a relatively large and diverse number of cancer treatment specialists, including oncologists, pathologists and radiologists, many of whom are placed at critical decision points for recommending use of one or more of our molecular diagnostic products in the cancer diagnosis and treatment process. We therefore plan to undertake steady but gradual growth in our US sales and marketing team, seeking to significantly grow the team while maintaining quality and cohesion. We estimate that we will need to hire approximately 20 sales people per year over the next one to two years in order to pursue our US sales and marketing strategy. We believe the average new member of our sales and marketing team reaches full effectiveness after three months of training and a further nine months in the field.

KOL adoption

In order to execute our sales and marketing strategy, we have adopted a consultative approach to educate KOLs and other physicians about our tests. We employee a staff of sales representatives, a technical support products team who oversee the technical content of our outreach to the medical community, and a specialised staff of pathology nurses who aid in implementation once a physician has decided to begin using our products. Within the competitive cancer molecular diagnostics market, our sales representatives allocate their time between the maintenance of our existing customer relationships, the expansion of market share for our current products, and the generation of new accounts.

We undertake a number of activities in order to increase awareness of and expand support for our products among KOLs. Under the management of our Director of Key Accounts, we have a program of commercial and educational outreach to eight leading cancer centres in the United States. This program is aimed at expanding the use of our Symphony™ suite of breast cancer tests by KOLs at these centres in the diagnosis and treatment of their breast cancer patients. In addition, our Regional Sales Directors oversee the targeting of specific KOLs in each region of the United States, again with the aim of expanding physicians' familiarity with our Symphony™ suite of breast cancer tests. Our sales representatives undertake, in their respective territories, commercial and educational outreach to three designated leading KOLs in each territory to educate them about the clinical utility of our Symphony™ suite of breast cancer tests. Throughout our commercial outreach activities, we identify and stratify KOLs based on their role as national, regional and local opinion leaders.

Implementation trials

We have several regional implementation trials currently underway or in the planning stages in the US market. These implementation trials allow physicians, hospitals and major international drug companies to get hands-on experience with our molecular diagnostic products and provide us with additional clinical validation data. These trials also enable us to develop clinical relationships with leading cancer centres, other cancer institutions in the United States and major international drug companies, as a means of raising awareness of our products. For example, in the I-SPY2 trial, our MammaPrint® product is being used to separate "high-risk" from "low-risk" breast cancer patients and, according to the MammaPrint® risk stratification results, these patients will be treated with one of several candidate drugs which are part of the trial.

Reimbursement

Establishing regular reimbursement coverage for our entire Symphony™ suite of breast cancer tests, as well as for additional products we may successfully commercialise in the future, is a critical element of our sales and marketing strategy in the United States.

Because of the importance of third-party payors in providing reimbursement in the United States, we believe widespread market acceptance of molecular diagnostic tests among physicians and patients is likely to be achieved only upon receipt of various coverage, pricing and reimbursement approvals from third-party payors. Broadening approval of our products from third-party payors in the United States is therefore a key element of our sales and marketing strategy, and expansion of

our reimbursement coverage is one of the primary factors behind our plan to hire new staff for our sales and marketing team.

Public and private third-party payors typically base their determinations of which products warrant reimbursement on a combination of clinical efficacy, patient treatment benefits and overall cost savings. These criteria enable a third-party payor to determine whether and at what level they are willing to provide reimbursement coverage for a particular product. To the extent that a product is approved for reimbursement by a significant number of third-party payors, physician demand for the product generally increases, because patients become less concerned with the out-of-pocket expense of the product. Our sales and marketing team is therefore focused on educating third-party payors on the clinical efficacy, patient treatment benefits and overall cost savings of our products. During the course of 2010, we implemented an outreach program to large private insurers in the United States. We believe both public and private third-party payors prefer tests which generate unambiguous results when evaluating reimbursement requests, and as a result in our discussions with payors we emphasise the ability of our MammaPrint® product to provide a clear and unambiguous "low-risk" / "high-risk" indication for breast cancer recurrence. Based on the initial positive response from US insurers to these efforts, at the beginning of 2011 we increased the number of employees dedicated to this effort.

In the case of government health programs, we seek to have our products included in the relevant plan's list of approved products, which makes reimbursement more likely to be approved and paid in a timely manner. MammaPrint® is currently covered by a local coverage determination from the California carrier which is the contractor with jurisdiction to process our claims for Medicare. To date, CMS has not issued a national coverage determination on MammaPrint®. As a result, whether or not Medicare will cover this test is the decision of the current local Medicare carrier for California, where our US operations are based. We also target private insurance providers with the aim of having molecular diagnostics generally, or our products by name, included in the coverage list that each insurer agrees with its policyholders. There are currently over 400 private insurers and preferred provider organisations in the United States. To date, we have received reimbursement for our MammaPrint® and TargetPrint® products from a number of private insurers in the US market, including Humana and United Health. Although we currently receive reimbursement for TargetPrint® from the majority of payors who reimburse for MammaPrint® in the United States, we are working to establish widespread acceptance of TargetPrint® by third-party payors to the same degree enjoyed by our MammaPrint® test. We are also compiling the clinical validation data which we believe will be necessary to win reimbursement approval for our BluePrint™ and TheraPrint® products.

Most private third-party payors from whom we have received reimbursement such recognition to date have not entered into agreements with us governing approval or payment terms, but instead have provided reimbursement for our products on a case-by-case basis. Because it is time-consuming for both the physician and the payor to manage reimbursement on a case-by-case basis, a key element of our sales and marketing strategy is to enter into written reimbursement arrangements with additional third-party payors in the United States. We believe written arrangements contribute to a decrease in the number of days it takes us to collect accounts receivable, reduce our credit risk of non-payment and improve the affordability of our products for patients, by allowing these patients to avoid or reduce out-of-pocket expenses incurred in connection with our tests. We currently have a written arrangement regarding reimbursement with Humana. We have also signed agreements with certain other third-party payors for reimbursement of our products sold to their covered patients. Under the terms of our arrangements with Humana and other private third-party payors, as well as the local Medicare contractor in California responsible for processing Medicare claims, we receive reimbursement for our products according to contractually agreed rates. We are required to collect any copayments, coinsurance or deductions from patients directly and therefore have no claim on the third-party payor for this portion of our revenues.

In addition, following the completion of the Offering, we intend to launch the Agendia Reimbursement Assistance Program ("**ARAP**"), which will assist customers in obtaining pre-approval for reimbursement for the tests in our product portfolio which are appropriate for each individual cancer patient. Physicians are sometimes hesitant to order the use of our products for the first time due to the high potential costs to the patient if reimbursement coverage is unavailable or reimbursement is inadequate to cover the cost of our products, and ARAP is intended to address this hesitation by enabling pre-authorisation for third-party payment.

Healthcare guideline inclusion

A key element of our sales and marketing strategy in the United States is promotion of our products for inclusion as ''recommended for use'' in influential clinical guidelines promulgated by the NCCN and ASCO. In addition to educational outreach to eight leading US cancer centres, as discussed above, our Director of Key Accounts undertakes outreach to leading organisations of US clinical cancer specialists – particularly, the NCCN and ASCO. We have performed tests for some of the centres which are members of the NCCN and ASCO, and these organisations are a significant part of our sales and marketing strategy because they influence whether new cancer diagnosis and treatment products should be applied in clinical cancer care for diagnosis and treatment of patients. Accordingly, a key element of our US sales and marketing strategy is to facilitate inclusion of our Symphony™ suite of breast cancer tests and additional products, as they are commercialised, in the NCCN and ASCO clinical guidelines. We believe inclusion as ''recommended for use'' in the NCCN and ASCO guidelines will facilitate more widespread adoption of our products as standard procedure in cancer diagnosis and treatment in the United States.

European and international markets

We believe Europe and other markets outside the United States provide significant long term growth potential for our business, and that there is already substantial market awareness of MammaPrint® and our other Symphony™ products in the European healthcare market. Under the auspices of the MINDACT trial over the past three years, more than 100 leading hospitals in Europe have been working with key elements of our Symphony™ suite of breast cancer tests. With the completion of patient enrolment in the MINDACT trial in the near future, over 100 hospitals in Europe which have familiarity with MammaPrint® as a result of the trial will become newly available for our commercial activities. These hospitals have extensive experience with our MammaPrint® test, and we believe demand from these hospitals will assist us in establishing increased reimbursement coverage in Europe.

We have commercially launched the Symphony™ suite, and generated revenues from our MammaPrint® and TargetPrint® products, in the Benelux, Spain, Italy, Germany, Austria, the United Kingdom, South Africa, Israel, Japan, Venezuela and Peru. Most recently, we signed an agreement with Sanofi for exclusive distribution of our MammaPrint® and TargetPrint® products in the Netherlands. In addition, we recently signed an agreement for the distribution of our Symphony™ suite in Indonesia, Singapore and the Philippines. To date, we have received orders for MammaPrint® and TargetPrint® from customers in more than 25 countries. Outside the United States, our general strategy is to pursue relationships with regional or national distributors, or major pharmaceutical companies, to sell our MammaPrint® and TargetPrint® products.

Given the current and projected rate of breast cancer incidence in Europe, we believe the commercial opportunities presented by the European market for our Symphony™ products are similar to the opportunities presented by the US market. See ''Industry Overview – Market Opportunity.'' Our strategy for growing the business outside the United States is therefore comparable to our US sales and marketing strategy, by focusing on increasing market awareness of MammaPrint®, educating physicians as to the clinical utility of the test, and obtaining and expanding reimbursement coverage. We plan to increase market awareness of our products through direct contact and outreach with KOLs and other members of the medical community in Europe. We will continue to submit research abstracts to important conferences and will seek opportunities to present our data either in the form of poster publications or oral presentations. We plan to selectively continue to collaborate in clinical trials that we believe will further validate the clinical utility of our products and will familiarise physicians with our innovative product offering. We believe that KOL adoption of our products will ultimately prove instrumental in obtaining and expanding reimbursement coverage.

Distributor model

In Europe, and in certain key markets outside of Europe, although we have a small number of in-house sales representatives, our general strategy is to pursue relationships with regional or national distributors, or major pharmaceutical companies, to sell our MammaPrint® and TargetPrint® products. Most recently, in April 2011 we signed an agreement with Sanofi providing for exclusive distribution in the Netherlands of our MammaPrint® and TargetPrint® tests until 2016. We also have agreements in place with Grupo Ferrer Internacional (''**Ferrer**'') for exclusive distribution of our MammaPrint® test in Germany, France, Monaco, Italy and Portugal, until April

2013 and in Spain until June 2012. The European markets currently most significant for our business are the Netherlands, Belgium, Luxembourg, Germany, France, Spain and Italy.

Outside of Europe, we also seek to market our products in certain other countries where we see a market opportunity. In certain international markets we sell our products to customers directly, and in others we opt to work with distributors, depending on the characteristics of the relevant market. We currently have exclusive distribution agreements in ten countries outside of Europe: Argentina, Chile, Brazil, Venezuela, Peru, Indonesia, Philippines, Singapore, Israel and Japan. In Argentina, Chile, Brazil, Venezuela and Peru, our products are distributed under an exclusive distribution agreement with Ferrer effective until April 2013. We also recently entered into a distribution agreement for Indonesia, Singapore and the Philippines with Innogene Kalbiotech, a subsidiary of Kalbe Indonesia. In Japan, we are partnered with DNA-Chip to promote market awareness of our products, which will not qualify for reimbursement until regulatory approval is received. We believe that in the future markets such as India and China will also present opportunities for our molecular diagnostics, following the success of other companies in establishing a foothold in these markets for their relatively expensive cancer treatments.

Reimbursement

Our sales and marketing strategy in Europe and other markets outside the United States also involves establishing and expanding reimbursement coverage by public and private third-party payors for our products. Because the European healthcare systems are mainly funded, directly or indirectly, from public sources on a country-by-country basis, a separate regulatory framework has been established in each European country to regulate reimbursement coverage for new medical products and technologies. Reimbursement procedures in most European countries are highly complex and third-party payor health plans are fragmented, which makes systematic reimbursement arrangements difficult to establish.

In the Netherlands, MammaPrint® has not qualified for national coverage or achieved inclusion in the *basispakket* of product coverage. Nevertheless, we believe we have made substantial progress in obtaining reimbursement for our products in the Netherlands from private health insurance companies, several of whom have publicly announced that they will reimburse for MammaPrint® tests. We have also obtained reimbursement in certain regions of Italy from private third-party payors. In the United Kingdom, Spain, Germany and Austria, MammaPrint® is reimbursed on a case-by-case basis, sometimes after pre-approval from the insurance company or hospital. While many European public and private third-party payors have expressed initial interest in MammaPrint's® capacity to reduce healthcare costs and improve patient treatment outcomes, it may take several years before substantial reimbursement coverage for our products in Europe will be established. We have not yet established reimbursement for TargetPrint® in Europe.

In Europe, although we continue to hold direct discussions with third-party payors on a country-by-country basis, we typically rely on distributors to collect reimbursement for our tests. We are concentrating our efforts in Europe on reimbursement from private insurers, in the belief that achieving approvals from private payors would also facilitate reimbursement coverage by government health programs.

Outside of Europe, we approach reimbursement on a country-by-country basis, with the aim of establishing a global reimbursement profile for MammaPrint® and, ultimately, the full Symphony™ suite of breast cancer products. In international markets outside of Europe and Japan, it is more common for patients to pay directly for medical care; therefore, we do not consider reimbursement coverage to be as crucial to our sales and marketing strategy in these markets as it is in the United States and Europe.

Healthcare guideline inclusion

Our MammaPrint® product is included in the 2009 St. Gallen international guidelines as a "prognostic" test, which we believe has had a positive impact on market awareness as well as reimbursement decisions in certain European markets. MammaPrint® has also been included in local guidelines for breast cancer treatment such as the CBO guidelines in the Netherlands. On a country-by-country basis, it will be important for reimbursement purposes to receive recommendation in additional local guidelines in Europe, such as the AGO guidelines in Germany and the AIOM guidelines in Italy.

Outside of Europe, we believe our focus on raising awareness of our products among KOLs will contribute to the adoption of molecular diagnostic testing generally, and our products specifically, in influential local clinical guidelines.

Medical and Scientific Advisory Board

Our Medical and Scientific Advisory Board is comprised of certain KOLs who assist us in expanding market awareness of our products by educational outreach to the medical community. Our Medical and Scientific Advisory Board is chaired by Dr. Stefan Gluck.

New Cancer Tests in Development

As with breast cancer, we believe there is significant market opportunity for development and commercialisation of molecular diagnostic tests which help avoid unnecessarily inflicting the toxic side effects of chemotherapy on colon and lung cancer patients, thereby also managing healthcare costs by reducing the number of patients treated with expensive chemotherapy. We therefore have additional cancer tests in clinical and pre-clinical validation, which we intend to develop as multiple products and in a decision support system format, along the same lines as our Symphony™ suite of breast cancer tests. ColoPrint® is our colon cancer prognostic test now undergoing technical and clinical validation, and is the product in our pipeline which is closest to full commercialisation. In addition to ColoPrint®, we have molecular diagnostic gene classifiers in development for additional application in colon and breast cancer and for a suite of lung cancer tests.

See ''*Our Business Strategy – Extending our strategy into colon and lung cancer*.''

ColoPrint®

In recent years, we have developed, begun clinical validation of, and applied for patents on, a new gene expression classifier for colon cancer prognosis and treatment decision-making. We intend to seek FDA clearance for ColoPrint® in the next 24 months, upon completion of technical and clinical validation. Prior to receipt of FDA clearance, if technical and clinical validation is completed successfully, we may begin marketing ColoPrint® as a LDT. We believe there is a significant market opportunity in the colon cancer molecular diagnostics market. See ''*Market Opportunity – Cancer molecular diagnostics – colon cancer market*.''

ColoPrint® is the first product in our planned suite of colon cancer tests. In developing ColoPrint®, we have used a comprehensive clinical approach and designed a standardised molecular diagnostic similar to the clinical approach and microarray platform technology used in the development of our MammaPrint® breast cancer product. To date, ColoPrint® has been clinically validated for use in the prognosis and treatment of patients with Stage II colon cancer, and clinical studies for its application to Stage III colon cancer and rectal cancer, respectively, are currently underway. We expect to incur significant expenses related to completing technical and clinical validation of ColoPrint®, and submitting FDA 510(k) notification and clearance for ColoPrint®.

We believe ColoPrint® has the potential to help physicians personalise the treatment of colon cancer to the individual cancer patient. Physicians have acknowledged the potential utility of being able to identify colon cancer patients who have a ''low'' risk of recurrence and, therefore, who require less aggressive treatment than chemotherapy. The ability to identify colon cancers at ''low'' risk of recurrence would allow patients in this risk category to avoid unnecessary side effects associated with exposure to the toxicity of chemotherapy and, by reducing the proportion of colon cancer patients treated with chemotherapy, has the potential to reduce clinical cancer care and overall healthcare costs. We believe ColoPrint® also has the potential to identify Stage II patients who have a high risk of recurrence and, therefore, who should receive chemotherapy but who would not be identified as requiring chemotherapy under clinical guidelines.

In addition, we have developed and applied for patents on gene expression signatures that help to identify molecular subtypes of colon cancer and KRAS, BRAF and PI3K-mutation carriers, and we are currently in the process of evaluating their clinical utility for predicting drug response. We aim to combine these additional gene signatures with our ColoPrint® test to comprise a Symphony™ suite of colon cancer tests in parallel to our Symphony™ suite of breast cancer tests.

Colon cancer suite – clinical need and our solution

Based on influential clinical studies such as QUASAR, a randomised study of adjuvant chemotherapy on a population of 3,239 colorectal cancer patients, colon cancer specialists have learned that the benefit of treating Stage II colon cancer using chemotherapy is relatively small.

See "*Market Opportunity – Cancer molecular diagnostics – colon cancer market*" above. Given the toxicity and cost of chemotherapy, as with breast cancer there is a currently unmet medical need to more accurately identify colon cancer patients at high-risk of cancer recurrence before the decision is made to treat with chemotherapy. Clinical guidelines for the stratification of risk and identification of Stage II colon cancer patients in need of chemotherapy currently do not exist and the recommendation by cancer societies regarding treatment of colon cancer is vague, leading to inconsistency and the application of treatment strategies which are too aggressive in certain cases and too weak in others. In response to the perceived clinical need, we have designed ColoPrint® to help physicians separate low-risk colon cancer patients who may not require aggressive treatment from high-risk colon cancer patients who are likely to benefit most from aggressive treatments such as chemotherapy.

As with breast cancer, we expect that as more targeted therapies for the treatment of colon cancer are developed and commercialised, there will be a greater need for companion diagnostics to identify the right patient candidates for those new colon cancer drugs. For example, a number of targeted cancer drugs being commercialised specifically to target a pathway in cancer cells known as the "EGFR-pathway." Because the EGFR-pathway is frequently over-active in colon, breast, lung and other cancer cells, it has been shown to lead to cell proliferation and thereby to accelerate the progression of cancer. The EGFR-pathway can be disrupted by applying "inhibitor" drugs at various molecular points, thereby slowing the progression of cancer. Accordingly, a more precise understanding of which patients have the genotype or phenotype that will respond to particular inhibitors could significantly improve treatment results for colon cancer (as well as for other forms of cancer). We believe that the gene signatures that we have developed and patented to measure if the EGFR-pathway is switched on in colon cancer tissue are a starting point to enabling physicians to identify colon cancer patients with active EGFR-pathways. Our research and discovery efforts into gene signatures for EGFR-pathways are currently in the discovery stage, and we cannot predict when, or if, this work will have commercial application.

There are numerous different molecular subtypes involved in colon cancer, each producing different phenotypes with varying outcomes, molecular characteristics and, probably, unique patterns of treatment responsiveness. To date, relatively little is understood with regard to molecular subtypes in colon cancer. Therefore, further research on the characterisation of these molecular subtypes offers the potential to help predict treatment responsiveness in colon cancer patients. With this in mind, we recently signed collaboration agreements with a major pharmaceutical company, AstraZeneca to develop gene classifiers, biomarkers and targeted drug therapies for these particular molecular subtypes, and with a leading US cancer centre, to undertake a research project aimed at identifying the various molecular subtypes of colon cancer. In addition to these collaborations with AstraZeneca and the leading US cancer centre, we are part of a consortium of European clinicians and scientists – COLTHERES – which has been assembled to investigate patient responsiveness and resistance to targeted drug therapies for colon cancer. As with our early work on EGFR-pathway signatures, this research is currently at the discovery stage.

Colon cancer suite – validation

To date, our ColoPrint® colon cancer product has been clinically validated in two independent clinical validation studies, one with 206 Stage II and III colon cancer patients which was completed and published in November 2010, and the other with 232 Stage II and III colon cancer patients which was completed and presented in January 2011. In these studies, the performance of the ColoPrint® gene signature in predicting colon cancer recurrence was compared to certain risk factors provided in the ASCO clinical recommendations which are currently used by physicians to identify high-risk Stage II patients. The studies showed that the ColoPrint® classifier is better at stratifying patients according to their recurrence risk for colon cancer than the currently used clinical methods. The publication of our findings and the recognition we received from the cancer research community are an illustration of the scientific acceptance already granted to our ColoPrint® colon cancer product.

We are currently running a prospective clinical trial on ColoPrint® for Stage II colon cancer under the auspices of the Prospective Analysis of Risk Stratification by ColoPrint® ("**PARSC**") trial. The PARSC trial, which commenced in 2008 and is expected to be completed by 2013, is a joint effort between us and over 25 clinical cancer centres around the world. The intent of the PARSC trial is to involve physicians and KOLs early on in the clinical development and validation of ColoPrint®, prior to commercialisation, in order to familiarise them with our product. We believe this trial will help to validate ColoPrint® prospectively and provide us a valuable opportunity to evaluate whether

traditional means of clinical assessment may complement the efficacy of ColoPrint®. In addition, as part of the PARSC trial we will collect fresh frozen tissue samples and compile detailed patient follow-up information for application in future clinical research if requested to do so by the investigators.

We are now in the process of transferring ColoPrint® from a research and development microarray to a commercial production microarray, and awaiting technical and clinical validation including documentation of its reliability and reducibility prior to filing for 510(k) clearance with the FDA.

Lung cancer products

We are also seeking to apply the Symphony™ model to develop molecular diagnostic tests for lung cancer. In response to the need for better predictive tools, we are developing PulmoPrint® to help physicians identify Stage I lung cancer patients at ''high'' risk of recurrence, who may benefit from adjuvant chemotherapy, and Stage II lung cancer patients at low-risk of recurrence, who may not require adjuvant chemotherapy. We believe there will in the future be a significant market opportunity in the lung cancer molecular diagnostics market. See ''*Market Opportunity – Cancer molecular diagnostics – lung cancer market*.''

In 2009 we completed an initial exploratory study to identify a gene signature associated with a higher risk of recurrence in lung cancer, in collaboration with the European Lung Cancer Microarray Consortium of five prominent cancer centres in Europe. The study examined a set of untreated Stage I and Stage II lung cancer tissue samples, with the aim of identifying patient groups that had higher or lower risk of recurrence. The findings of our lung cancer study were published in 2009 showing that our 72-gene signature out-performed the traditional ''staging'' method of measuring the extent to which a lung cancer has spread in the body beyond its original source, and other risk assessment methods of lung cancer treatment and prognosis (Clinical Cancer 2009 Roepman). The 72-gene signature accurately identified patients with Stage I and Stage II lung cancer at low-risk of recurrence, and accurately stratified patients in low-risk and high-risk groups for both squamous cell carcinomas and adenocarcinomas. This 72-gene classifier is the basis for our PulmoPrint® product, a molecular diagnostic for testing general survival prognosis in early stage non-small cell lung cancer. Based upon the approach taken in this 2009 study, we believe our PulmoPrint® product may eventually be useful in the treatment and prognosis of early stage, operable non-small cell lung cancer.

In addition, we are in the process of developing genetic pathway signatures, including an EGFR-pathway lung signature, in connection with our planned suite of lung cancer tests. As with colon cancer, it has been shown that the EGFR-pathway plays an important role in the progression of non-small cell lung cancer and, therefore, the use of EGFR-pathway inhibitors is an important element of non-small cell lung cancer treatment. We aim to develop predictive EGFR-pathway signatures in studies on a series of lung cancer patient populations who are being treated with EGFR-pathway inhibitor drugs. If our EGFR-pathway signature is shown to out-perform other clinical methods of predicting lung cancer patient responsiveness, we believe our signature could become a highly useful tool to physicians, allowing them to achieve greater precision in making the determination whether or not to use expensive pathway-targeted lung cancer drugs. We aim to combine any clinically useful signatures we discover in the course of our lung cancer research to develop a Symphony™ suite of lung cancer tests, along the same lines as for breast and colon cancer.

Lung cancer – clinical need

For Stage I lung cancer, the benefits of treatment with adjuvant chemotherapy are unclear. Within any given pool of Stage I lung cancer patients, there will be a subgroup of patients who will turn out to have a higher risk of cancer recurrence and who therefore could benefit from adjuvant chemotherapy in order to reduce the risk of such recurrence. Because adjuvant chemotherapy to this subgroup of Stage I lung cancer patients would be useful, we believe this is one area where our lung cancer genetic signature now in development has the potential to satisfy an unmet clinical need in lung cancer treatment, if it can be used to identify this subgroup.

Physicians have noted that current risk assessment tools are insufficient for correctly identifying lung cancer patients with a high-risk of recurrence. Physicians are more hesitant to treat lung cancer patients with aggressive adjuvant chemotherapy when these lung cancer patients suffer from other serious diseases at the same time, increasing the risk of side effects from chemotherapy. In response to the need for better predictive tools, we are developing PulmoPrint® to help physicians identify Stage I lung cancer patients at high-risk of recurrence, who may benefit

from adjuvant chemotherapy, and Stage II lung cancer patients at low-risk of recurrence, who may not require adjuvant chemotherapy.

With the emergence of pathway-targeted cancer drugs, such as EGFR-pathway inhibitors, cancer treatment costs have the potential to increase dramatically in coming years. Therefore, we believe the development of gene signatures which help identify patient groups that will be responsive to new pathway-targeted drugs would make an important contribution to healthcare cost efficiency. In addition, a deeper understanding of the genetic causes of drug resistance in some cancers to pathway-targeted inhibitors would allow physicians to treat their patients with the inhibitors most likely to improve survival outcomes.

Lung cancer – validation

Our 2009 collaboration with the European Lung Cancer Microarray Consortium provided initial clinical validation of the 72-gene classifier for our PulmoPrint® product, but we will need to perform additional independent clinical validation to show prognostic efficacy before we can move forward with regulatory approval and, ultimately, commercialisation. We intend to pursue further validation in collaboration with our partners in the Centre for Translational Molecular Medicine consortium. Going forward, we also aim to conduct clinical studies of the predictive power of lung cancer pathway signatures, and to conduct exploratory research to identify new gene signatures for responsiveness to particular drugs in non-small cell lung cancer.

Research and Development

Research and development strategy and process

Our research and development strategy is to leverage our relationship with leading academic and clinical centres in the Netherlands, elsewhere in Europe and in the United States, in order to develop innovative, clinically useful gene signatures and biomarkers that enable improved decision-making in the treatment of cancer. We join in clinical and scientific partnerships and collaborations with major cancer centres and research institutions as well as large pharmaceutical companies for access to tissue samples, information on new technologies and new research findings, cooperation in large-scale clinical studies of the prognostic and predictive efficacy of our molecular diagnostic products, and licensing rights to any resulting processes. Through our research and development efforts we thereby aim to facilitate innovation and progress in the personalisation of cancer treatment and to improve the lives of individual cancer patients.

We select new discovery projects for research based on the unmet needs of medical oncologists in cancer treatment decision-making. Our collaborations allow us the best use of our resources with a focus on new product development. Our approach applies review and approval processes at various points in the research and development pipeline, in order to keep our research and discovery efforts focused and in alignment with our business strategy. Our New Project Committee (NPC) oversees these activities, receiving and synthesising input both from our scientific personnel and our sales and marketing team.

Our research and development uses the following multi-step approach:

- Discovery – with the benefit of previous research undertaken by the NKI and by other collaborators in leading cancer research institutions, we select promising projects for the identification and/or development of new gene signatures or biomarkers. We also develop a brief marketing plan to understand clinical need and potential value of these new products and perform, if required, first feasibility studies.

- Development – using cancerous tissue samples from various sources, we analyse the expression levels and mutation status and link the result to clinical data to detect gene signatures or biomarkers that we believe are linked to the progression or response of the cancer. At this stage we may conduct pre-clinical studies to determine the diagnostic, predictive and/or prognostic feature of the gene signature or biomarker. New assays and algorithms are developed to create a reproducible platform for the validation phase.

- Clinical and technical validation – in the clinical validation phase we conduct multiple studies with independent third parties to test the diagnostic, predictive and/or prognostic feature of the gene signature or biomarker. We perform additional technical validation studies to establish quality control systems and to show reliability, reproducibility and standardisation of results.

We also create software programs for the automatic generation of results, and put in place necessary controls and procedures for quality control and verification. Results of the clinical and technical validity of the test can then be submitted to the FDA for review.

- Commercialisation – after sufficient clinical and technical validation is received, and upon grant of relevant clearance or approval from the FDA, if voluntarily sought or required, we will begin active marketing and sales of the new product. At this point we may also perform additional clinical studies on additional features or uses of the new product.

We seek to conduct the above research and development process in compliance with FDA requirements. We believe our internal Quality Management System complies with the FDA's current good manufacturing practice ("**GMP**") standards, as amended by its quality systems regulation with regard to medical devices, including the design controls authorised by the Safe Medical Devices Act of 1990. Accordingly, we hold regular design review meetings at set points in the research and discovery process to assess the progress of our projects and consider next steps. For further information regarding our quality controls see "*Regulation*" below.

Once our new product candidates have completed the research and discovery stage, they are transitioned into laboratory operations by our Product Support group.

Adding new tests to the breast cancer and colon cancer suite

Biomarkers for pathway-targeted therapies

The identification of crucial signalling pathways has led to the development of targeted drugs designed to inhibit these pathways. The most prominent example among these targeted cancer drugs is Herceptin™, an anti-HER2 antibody developed by Roche/Genentech that has been shown to inhibit cancer progression in a subset of breast cancer patients. Pathway-targeted inhibitors have also been developed and have dramatically changed the treatment of other cancers, particularly gastrointestinal stromal tumours and lymphomas. However, it has become evident that some patients will not respond to pathway-targeted inhibitors, even though they seem to express the right target. In a number of cases, mutations in the pathway target or in one of the downstream molecules appear to be the cause for a cancer's resistance to pathway-targeted inhibitors. Consequently, the identification of these mutations has become a focus of recent cancer research and has already resulted in significant advances in clinical care for both colon cancer and lung cancer patients.

We have gathered gene expression and gene mutation data on thousands of colon cancer and breast cancer tissue samples and we can use this data in our discovery projects on particular genetic pathway signatures, seeking to identify multiple key drivers of cancer cell behaviour in various forms of cancer. We have begun collaborations with certain major international pharmaceutical companies and academic partners to identify new biomarkers and develop new tests for predicting response to these targeted therapies in the treatment of breast, colon and lung cancer. In the course of these efforts, we have begun to develop more sophisticated molecular diagnostics, integrating multiple diagnostic strategies, which we believe will lead to a new generation of multi-index tests in cancer molecular diagnostics.

See "*New Cancer Tests in Development – ColoPrint®*" and "*– Lung cancer products*" and "*Our Breast Cancer Franchise – Adding value to Symphony™ products*" above.

New clinically-relevant molecular subtypes

Over the past decade, cancer research has revealed that most forms of cancer consist of distinct molecular subtypes that have different genetic origins and therefore cause cancer cells to behave in different ways. In breast cancer, for example, basal subtypes and luminal subtypes, respectively, are each characterised by unique molecular structures and active signalling pathways, causing them to behave in distinct ways both in terms of prognosis and in terms of responsiveness to particular cancer treatments.

We are already marketing a molecular diagnostic, our BluePrint™ product, which identifies specific molecular subtypes and measures gene functionality in breast cancer. We aim to develop additional molecular subtype signatures in the future. One of our new molecular diagnostic products under development aims to identify a molecular phenotype that may be relevant for selecting patients for a new class of PARP inhibitors and other chemotherapy drugs.

We recently published research showing that colon cancer includes at least three molecular subtypes, each of which is distinct in terms of its clinical outcomes and mutations in its genotype.

We are currently actively working in a collaboration project with AstraZeneca and the NKI to pursue the identification and validation of new genomic signatures and molecular markers (companion diagnostics) that indicate the response (or resistance) to new pathway-targeted drugs. See ''*Research and Development – Strategic partners and collaboration arrangements*'' below.

Companion diagnostics products

We have also begun developing, in partnership with certain major international pharmaceutical companies, several ''companion diagnostic'' biomarkers to identify which patients are most likely to benefit from particular targeted cancer treatment drugs.

One of the main challenges in cancer drug development is the need to understand patient variations in responsiveness to particular drugs. A new cancer drug may commonly elicit a favourable response in some patients, while other patients show no response. In clinical trial populations, the percentage of individual patients that respond to a particular drug is often too small to satisfy the trial's criteria for progression to the next stage of clinical research. As a result, the drug is often deemed a failure, potentially depriving the wider cancer patient population of the benefits the treatment may have and resulting in the loss of the relevant company's research investment in the failed candidate drug. Companion diagnostics are developed to provide insight into which patients are likely to benefit from a given new cancer drug. Therefore they have the potential to contribute both to success at the clinical development stage and to effective treatment decision-making, once a new cancer drug that is paired with a companion diagnostic test has been approved for clinical use.

In addition to companion diagnostics for pathway-targeted therapies described above, we believe that our participation in the MINDACT and I-SPY2 trials allows us a unique opportunity to derive gene signatures or other biomarkers which can identify those patients who are most likely to benefit from currently marketed or new cancer drugs used in these trials. This may reduce clinical trial duration, increase efficacy and reduce overall research and development costs for the drug originator. As we have exclusive rights (for MINDACT) or shared rights (for I-SPY2) to the companion diagnostics developed from these trials, we believe there are opportunities for commercial synergies with the pharmaceutical companies involved in these trials.

Colon cancer patients in the PARSC trial are being treated with 5-FU based colon cancer drugs, the most commonly applied treatment currently given to colon cancer patients. We believe the clinical outcome data from the PARSC trial may be useful to demonstrating the efficacy of our ColoPrint® product at predicting treatment responsiveness and, like MINDACT and I-SPY2, may provide the opportunity for us to develop new biomarkers for treatment responsiveness to specific colon cancer drugs.

Finally, our TheraPrint® product also provides gene readouts for a number of responsiveness biomarkers that assist physicians in making effective treatment decisions. In addition to publically available research from other groups, we are actively investigating these biomarkers for their predictive potential in ongoing clinical studies.

Our strategy is to file for patent protection on any ''companion diagnostic'' predictive biomarkers we develop, to actively license any promising biomarkers developed in collaboration with our research partners, and to work jointly with major international pharmaceutical companies in an attempt to discover new jointly patented biomarkers.

Adding new technology platforms

As new technologies and diagnostic platforms become available, we continually assess our capacity to expand our product offering and seek opportunities to improve our existing molecular diagnostics products. An important technological focus is our development of molecular diagnostics that use FFPE tissue, in addition to our fresh tissue offerings, and the integration of genotyping (DNA mutation analysis) into our products. To complement our Symphony™ suite of breast cancer tests, we also intend to offer pathology services, such as IHC testing, with the aim of becoming a ''one stop shop'' provider of both traditional and modern molecular diagnostics to cancer patients and physicians.

Formalin-fixed paraffin embedded (FFPE) tissue

We believe molecular diagnostic testing of FFPE tissue samples provides an additional market opportunity for our molecular diagnostic products. FFPE preserved tissue is the current standard tissue sample format used by hospitals and pathologists to conduct tissue-based molecular

diagnostic tests. Our use of fresh tissue in our current tests produces reliable results, but we believe there is substantial commercial benefit in offering testing in a FFPE tissue format as well. We are developing protocols for FFPE tissue samples for the readout of the MammaPrint® 70-gene signature. Our initial feasibility studies have shown encouraging results, but in order to use FFPE tissue samples in our molecular diagnostic products, we will need to complete extensive, successful technical validation, demonstrating that test results are reliable, reducible and standardised across a large number of samples. If we are successful in adopting the protocol for FFPE sample processing in our laboratories, we plan to apply it to all our gene signatures so that the entire breast cancer Symphony™ and ColoPrint® will be available for FFPE as well as well as fresh tissue analysis. If we are able to demonstrate substantial equivalence between our FFPE and fresh tissue tests, we expect molecular diagnostic testing of FFPE samples to become a commercially viable source of new customers for our Symphony™ suite of breast cancer tests. If we are able to validate our Symphony™ suite of breast cancer tests for use with FFPE tissue samples, we intend to seek FDA 510(k) clearance for the use of MammaPrint® for FFPE, and may begin marketing this test as a LDT prior to receipt of FDA clearance. Offering our products in the standard FFPE sample format opens up access to a majority of the available market.

DNA mutation testing for the selection of patients for targeted therapies

We (as well as US and European regulators) believe that the increasing use of targeted drugs for the treatment of cancer requires a parallel effort to develop biomarkers that identify which patients are most likely to benefit from these new cancer drugs.

A number of recent publications in cancer research have linked the presence of specific genetic mutations to patient responsiveness to particular genomic pathway-targeted drugs. For example, patients with BCR-ABL positive leukaemia appear to be responsive to a drug called Gleevec, while colon cancer patients with KRAS mutant tumours have been shown to be resistant to EGFR-targeted therapies. Lung cancer patients with specific mutations in the EGFR molecule appear to be more responsive to treatment with small molecule EGFR inhibitory drugs. Both the FDA and EMEA now encourage physicians to test for these mutations prior to prescribing EFGR inhibitors, indicating how crucial companion diagnostic mutation analysis of this kind has become.

We believe it is likely that numerous other such correlations between specific genotypes and drug responsiveness may be found and could be used in the future to pre-select patients for treatment with specific drugs. Therefore we expect that the analysis of the presence or absence of specific mutations in cancer tissue will increasingly become routine clinical practice before a cancer treatment is prescribed. We aim to establish the technical and procedural capabilities, and train or hire qualified staff, to perform such mutation analysis, as part of our strategy to become a ''one stop shop'' for physicians' molecular diagnostic needs.

IHC – Immunohistochemistry

To complement our Symphony™ suite of breast cancer tests, we intend to offer technical IHC products to pathologists, with the aim of becoming a ''one stop shop'' provider of both traditional and modern molecular diagnostics to cancer patients and physicians.

Diagnosis by means of IHC testing is generally the standard practice in clinical cancer care for all forms of cancer today. IHC tests are often processed by local pathology labs in community hospitals. Variability in IHC test results between laboratories is relatively high in clinical practice. For example, in a study on IHC testing for estrogen and progesterone receptors, 80% of the laboratories studied demonstrated estrogen positivity in medium and high-expressing tumours, yet only 37% of laboratories demonstrated estrogen positivity in low-expressing tumours (JCP 2000). By offering IHC testing to local pathology laboratories from a centralised, automated laboratory facility, we believe we will be able to offer more standardised, reliable and quality-controlled IHC diagnostics to physicians. A high volume of tests would allow us to automate our processes, while standardisation via our automated systems would ensure the quality of results, require relatively moderate amounts of employee attention, facilitate rapid processing of tests and minimise costs.

The technical variability and discrepancies in reproducibility of results among laboratories is not limited to ER IHC. Substantial discordance among HER-2 results generated in different laboratories from the same specimen has also been reported. For example, the level of concordance for HER-2 IHC results was 80%, and for HER-2 fluorescence in situ hybridization it was 85% when the same specimens were tested in local and central laboratories (JCO 2006).

Strategic partners and collaboration arrangements

Our research and discovery strategy is to build and maintain relationships with leading academic and clinical centres in the Netherlands, elsewhere in Europe and in the United States, in order to develop innovative, clinically useful gene signatures and biomarkers for the treatment of cancer. We therefore join in clinical and scientific partnerships and collaborations with major universities and research institutions as well as large pharmaceutical companies for access to tissue samples, information on new technologies and new research findings, cooperation in large-scale clinical studies of the prognostic and predictive efficacy of our molecular diagnostic products, and sole or shared licensing rights to any resulting processes. We are actively working with over 50 research institutes and cancer centres worldwide to develop new molecular markers and align our research efforts with our most important research and discovery needs. Two of our founders, Professors Bernards and van't Veer, are recognized world leaders in the field of molecular diagnostics and hold academic positions at leading comprehensive cancer centres (the NKI and the University of California at San Francisco, respectively). We believe these appointments place us in an excellent position to partner with the academic world to develop molecular diagnostics discovery programs. We also participate in a number of European research networks funded by the European Union, RATHER and COLTHERES. We believe our participation in these networks, our strategic alliances with leading academic consortia as well as with large international pharmaceutical companies will contribute to our ability to develop new molecular diagnostic tests in breast cancer and other cancer areas, and further advance our research and development pipeline.

Clinical trials

We believe prospective clinical trials provide the optimal study design for development of our new products. A prospective trial follows a group of patients with a particular form of cancer over time, who differ with respect to certain factors under investigation, to determine how these factors affect outcomes. We are currently participating in three major prospective clinical trials, MINDACT (a breast cancer trial), I-SPY2 (a breast cancer trial) and PARSC (a colon cancer trial), all of which are utilising our MammaPrint® or ColoPrint® product to pre-select patient groups for particular cancer treatments. In 2011 we also plan to commence participation in the MINT trial in the United States. For each of these trials we measure the expression of a patient's entire genomic profile. We believe MINDACT, I-SPY2, PARSC and MINT therefore offer promising opportunities to create new products based on potential new predictive genomic profiles for responsiveness to the cancer drugs used in these trials.

MINDACT

The MINDACT trial is a traditional large prospective trial designed to test effectiveness of current breast cancer drugs in MammaPrint®-selected patient subgroups and to potentially discover new tests to indicate which subgroup of patients is likely to benefit from those drugs. Our partners in MINDACT are Roche, Novartis, and Sanofi, as well as over 100 European hospitals in nine countries. MINDACT is a prospective Phase III randomised trial involving multiple cancer centres in Europe, with a budget of over US$50 million. MINDACT is being coordinated by the EORTC Breast Group, a member of the translational research consortium of the Breast International Group or "TRANSBIG". The trial began in 2007 and is expected to include 6,000 patients who are either lymph node negative or have 1-3 positive lymph nodes. Out of this pool of patients tested, MINDACT will focus on those patients with discordant results – i.e., those for whom MammaPrint® and Adjuvant! Online produce different indications of the risk of cancer recurrence. For these discordant patients, MINDACT will use either Adjuvant! Online or MammaPrint® to predict recurrence, and subsequently assess how effective each tool was in predicting a patient's cancer. We believe MINDACT will help to establish whether chemotherapy is rightfully withheld in patients identified as MammaPrint® "low risk" who otherwise would have been advised to pursue chemotherapy treatment based on clinical guidelines such as Adjuvant! Online. As of 31 March 2011, 112 cancer centres in nine countries had enrolled 5,420 patients in the trial, with full patient enrolment expected later in 2011. Interim analysis of the MINDACT trial data is currently expected to be made public in 2014 or 2015.

For MINDACT we map each patient's entire genomic profile. We intend to use the data from these profiles as a basis for discovery efforts aimed at developing companion diagnostics by identifying specific genomic profiles for responsiveness to each of the drugs included in MINDACT, particularly Xeloda® (from Roche), Taxotere® (from Sanofi), Femara (from Novartis), Tamoxifen and Herceptin™ (from Roche/Genentech), in patients in each of the MammaPrint® risk groups. We

have exclusive diagnostic licensing rights to any new gene signatures or biomarkers resulting from MINDACT. We believe that MINDACT has the potential to facilitate new companion diagnostic applications for our Symphony™ suite of breast cancer tests which, if realised, could create advantageous marketing synergies with the pharmaceutical companies currently selling these drugs.

I-SPY2

The I-SPY2 trial is being conducted under the auspices of the FNIH, as the primary sponsor of the trial, as well as the FDA, companies including Abbott, Amgen, Roche/Genentech, Merck, Pfizer, Wyeth, Hologic/Sentinelle Medical, and Millennium, and a number of leading US cancer centres. I-SPY2 is a Phase II neoadjuvant clinical trial for women with newly diagnosed, locally advanced breast cancer to test whether adding investigational drugs to standard chemotherapy achieves better treatment outcomes than standard chemotherapy alone before having surgery. The treatment phase of the trial will involve testing multiple investigational breast cancer drugs that are thought to target particular genomic signalling pathways in breast cancer patients. The trial is sponsored by the FNIH and being conducted under FDA guidance, with the aim of increasing the availability of new classes of targeted breast cancer drugs. The ''biomarkers consortium'' running the trial examined the pool of breast cancer molecular diagnostics available in the US market and chose MammaPrint® to pre-select patients for inclusion in the trial. The MammaPrint® high-risk breast cancer patients will then be treated with particular investigational drugs to test the efficacy of these targeted therapies. The trial's aim is to identify targeted drugs that shrink tumours, and to provide the pharmaceutical company that is developing the drug with a route to market that is faster, less costly and requires fewer trial patients. We believe the selection of MammaPrint® to pre-screen patients for inclusion in I-SPY2 reflects the consortium's recognition of the clinical utility and superior quality of our MammaPrint® molecular diagnostic product.

Currently, the investigational drugs being tested in I-SPY2 include PARP-pathway, EGFR-pathway and Angiogenesis-pathway inhibitors from Abbott and Pfizer, and an APO/TRAIL agonist from Amgen. The trial is open and five additional drugs are under consideration. Because only MammaPrint® ''high'' risk patients are enrolled in the trial, we believe the trial will establish MammaPrint's® predictive value for any investigational drug which the trial proves to be effective. We are collecting a full genome-wide dataset for each patient, and we expect the trial will allow us to identify potentially specific genomic companion diagnostic tests for drug responsiveness to the drugs used in the trial in MammaPrint® high-risk patients. We have non-exclusive licensing rights to any new gene signatures or biomarkers resulting from the trial.

PARSC

As discussed in ''*Colon cancer suite – validation*'' above, the PARSC trial is a prospective clinical trial for the assessment of recurrence risk in Stage II and Stage III colon cancer patients being conducted across a number of countries and multiple cancer centres. The PARSC trial began in 2008 and currently involves more than 25 operating trial centres across Europe, the United States and Japan. The trial aims to recruit more than 600 Stage II colon cancer patients and to document comprehensive patient profiles and follow-up information.

PARSC is not intended as validation of ColoPrint's® prognostic claims, but is instead designed to validate ColoPrint® in a prospective manner by evaluating the predictive power of the ColoPrint® gene classifier. As part of the PARSC trial, the results of ColoPrint® risk stratification in estimating three-year risk of recurrence will be compared to risk stratification under various clinical parameters based on ASCO and independent investigator criteria. The trial aims to establish what proportion of Stage II cancer patients ColoPrint® identifies as ''high risk'' and ''low risk'', respectively. This is the first clinical trial in colon cancer that will collect fresh tissue and we believe the genomic data collected will provide a valuable resource for future research and discovery efforts well beyond the immediate research goals of PARSC itself. In addition, the trial has the benefit of giving key cancer centres early access to the ColoPrint® product and aims to familiarise participating physicians with the capabilities of this new product.

MINT

As discussed under ''*Breast cancer suite – validation and benefits*'' above, we are continuing to seek further validation of our Symphony™ products in order to demonstrate their usefulness in new patient groups, validate their predictive ability, win inclusion as ''recommended for use'' in clinical guidelines, and develop reimbursement coverage for MammaPrint® products with a wider range of

third-party payors. MINT, a new neoadjuvant trial, is our most recent validation effort for our Symphony™ products. MINT is designed to assess the chemosensitivity of MammaPrint® and BluePrint™ in the clinical diagnostic setting. The trial will start in 2011 at several key cancer centres in the United States.

Alliances with pharmaceutical companies

In addition to our collaborations with certain major international pharmaceutical companies under the auspices of the MINDACT and I-SPY2 trials, we have also begun collaborating directly with certain pharmaceutical companies to explore new companion diagnostics for new investigational cancer drugs. In December 2010, we entered into a strategic alliance with AstraZeneca and the NKI to pursue the identification and validation of new gene signatures and biomarkers as companion diagnostics for investigational pathway-targeted cancer drugs being developed by AstraZeneca. The alliance may also facilitate the repositioning of existing AstraZeneca colon cancer drugs for use in the treatment of particular colorectal cancer patient populations. We have exclusive rights to develop and commercialise any companion diagnostics that emerge out of this collaborative effort.

Academic partnerships with research institutes and hospitals

We currently have collaborations with several research institutes that have well-annotated clinical tissue banks, providing us additional opportunities to discover and validate new gene signatures or biomarkers based on studies of tissue bank samples.

Overall, we currently have collaborations or alliances with over 50 cancer research institutes and hospitals worldwide, in various projects to develop new gene signatures and biomarkers, run clinical studies and access tumour samples. In Europe, our relationships with research institutes include Vall d'Hebron Barcelona (Spain), Erasmus MC, Rotterdam (the Netherlands), Oxford University (United Kingdom), Cambridge University (United Kingdom), the European Institute of Oncology, Milan (Italy) and the University of Leuven (Belgium); and, in the United States, the University of California San Francisco. We collaborate with KOLs and board members of cancer institutions which publish influential clinical guidelines, as well as board members of leading cancer centres such as MD Anderson (US), Vall d'Hebron (Spain), Georgetown University (United States), Osaka Medical Center (Japan), Oxford University (United Kingdom), City of Hope (United States) and Massachusetts General Hospital (United States).

In some of our research collaboration agreements, we will be required to pay royalties on revenues we may generate in the future from commercialising tests which result from those discovery projects. See "*Operating and Financial Review – Contractual obligations and commercial commitments*."

NKI

Because of our strategic partnership with the NKI, in agreed-upon projects we have access to the NKI's extensive, longstanding tumour tissue bank for our exploratory studies of gene expression and biomarker discovery. The NKI's collection of tissues is relatively unique in that it dates back to 1983 and most of the earlier samples came from patients who did not receive treatment for their cancers. Development of our MammaPrint® product was possible in part because of our access to the NKI's collection of over 35,000 frozen tumour samples. Since the NKI is one of the most active clinical trial centres for cancer in Europe, it recruits substantial new patient populations into clinical trials. Consequently, the NKI tissue bank's library of samples is continuously expanding and patient populations are studied for responsiveness to various innovative treatment regimens. This allows the development of biomarkers specific to these treatments in collaboration with the NKI.

We have a licensing agreement with the NKI, which allows us an option to negotiate an exclusive license to any commercial rights to new gene signatures discovered solely by the NKI in the course of its genomic profiling research.

A leading US cancer centre

As mentioned above, we have undertaken a research project with a leading US cancer centre to identify molecular subtypes of colon cancer and develop gene classifiers, biomarkers and targeted drug therapies for these particular molecular subtypes, with the ultimate goal of developing companion diagnostics to new pathway-targeted cancer therapies. We believe this project may also validate our ColoPrint® gene signature as a prognostic test in a population of US patients with Stage II and Stage III colon cancer.

European research consortia (EU Framework 7)

We have in the past participated in various EU-funded research consortia. We are currently participating in two major EU collaborative research projects:

- As a part of the RATHER consortium, we are working to develop new prognostic gene signatures for specific subtypes of breast cancer, together with new diagnostic tests to predict responsiveness to targeted cancer drugs.
- As a part of the COLTHERES consortium, we are collaborating with leading European research groups to understand responsiveness and resistance to targeted cancer cancers and develop clinically-relevant biomarkers for colon cancer.

Certain of our research and development and overhead costs, which are incurred in connection with these collaborative projects' are covered by project funding.

We have non-exclusive licensing rights to new gene signatures and biomarkers that may emerge from the RATHER and COLTHERES consortia In addition, we also have the first right of refusal to negotiate exclusive licensing rights for innovations arising from the projects that are patented by our project partners.

Alliances with technology partners

Agilent is our supplier and manufacturer of the customised microarrays and scanners, amplification kits and feature extraction software, which provide the readout of the gene signatures in our molecular diagnostic tests, and allow analysis of RNA expression in each diagnostic test tissue sample. We have had preferred supplier status with Agilent since 2003 and, in 2008, we signed an agreement with Agilent which renewed our partnership and guarantees our unrestricted access to Agilent's microarrays until the agreement terminates in December 2011. We expect that this agreement will be renewed on substantially similar terms when it expires. Agilent seeks to improve their technologies and expand their capabilities in the manufacture of microarrays, and we believe on the basis of our relationship with Agilent that we are well placed to benefit from any further advances in technology and other capabilities which Agilent may make.

Our other important suppliers include Asuragen, which owns the diagnostic license for RNA*Retain*™ and licenses to us the use of this method of RNA preservation; GE Healthcare for Cy-dyes (a fluorescent labelling agent), one of only two suppliers in the world for fluorescent labelling agents; and Qiagen, which supplies us with reagents QIAzol and RNeasy.

Sampling tissue bank

We believe KOLs and other physicians value our scientific expertise, and we often receive enquiries about collaborative research efforts in molecular diagnostics. On the basis of our FDA clearance for MammaPrint® and our established clinical laboratory infrastructure, we have experience running cryogenic bio-repository storage facilities to preserve, archive and annotate clinical samples. As a result of this experience, we are currently intending to provide preservation, archiving, research and diagnostic testing services for the establishment of a tissue bank. We believe such cooperation on the formation of a high quality tissue bank could be a potentially valuable future source of genomic information for joint research, discovery and validation efforts, publications with KOLs and potentially also new commercial tests.

Product support

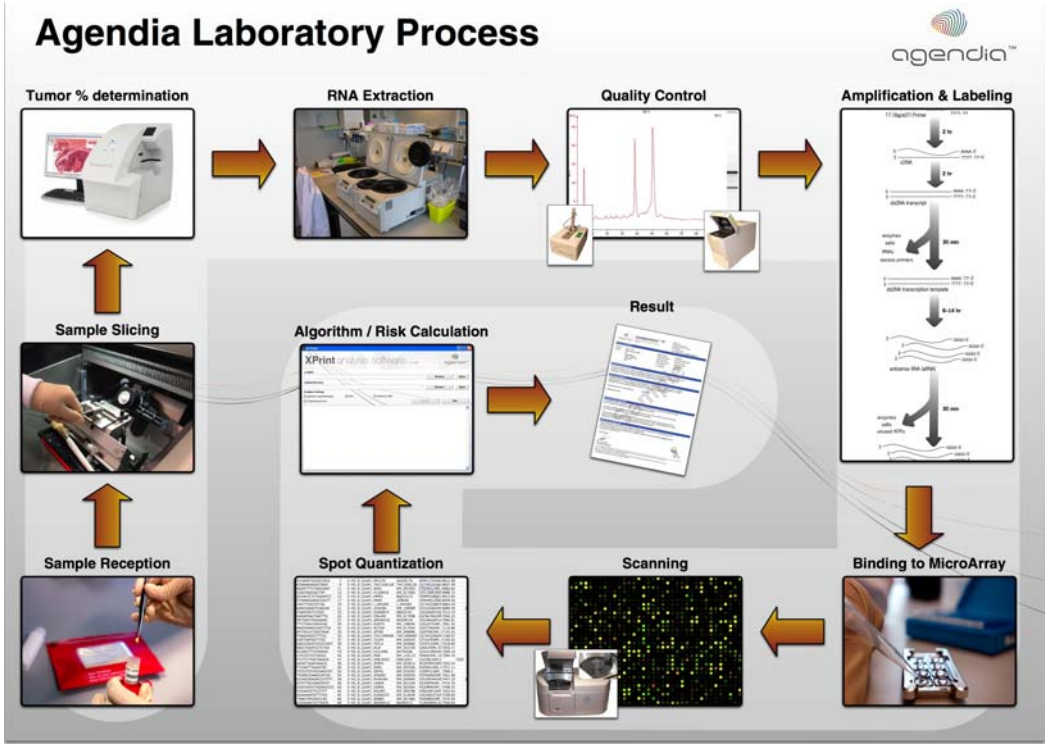
Our product support function is key to the improvement of our products. Product support is a technical support team which functions between our Research and Development and our Laboratory Operations groups. The activities of the product support team are primarily related to validation of new products, equipment, material and process improvements for our Laboratory Operations group.

Testing Process

We have built a clinical infrastructure that is intended to move projects smoothly from research and development into our clinical laboratory. We use microarray technologies to measure quantitative gene expression on fresh tissue with large amounts of genes using minimal amounts of tissue. We believe that our gene expression signatures provide a more powerful approach than single-gene diagnostics and other less precise multi-gene tests for the stratification of recurrence risk and prediction of treatment responsiveness in cancer patients. Thus, we believe the information which

our products provide facilitates the personalisation of clinical cancer care, allowing the physician and individual patient substantially greater precision in cancer treatment decision-making.

We conduct all molecular diagnostic testing at our CLIA, CAP and ISO1075 certified laboratory facilities in Amsterdam, the Netherlands and Irvine, California, United States. We follow strict standard operating procedures and maintain robust quality controls throughout all of the steps of the testing process. The laboratory process for each sample is shown in the figure below.



In order to process a patient's tumour specimen, we provide our customers with sample collection kits which contain all of the necessary materials for taking a sample and shipping it to us, including a pre-paid express delivery envelope. Directly after the biopsy or surgery, a small amount of tumour is placed into a RNA-stabilising liquid by the physician and the sample is shipped at room temperature to one of our laboratory facilities for analysis.

In our laboratories, the tissue sample is cut into small sections and a trained pathologist checks the quality of the sample to assure that it contains sufficient tumour material. RNA is then isolated and the quality of the RNA is verified. Next, the RNA is amplified and labelled with fluorescent markers and then hybridised to a customised eight-pack microarray. In the next step, the microarray is scanned, or "read" by the scanner, and genomic expression data is thereby acquired. Finally, the results for the requested tests are calculated and an individual result report is created – this process is fully automated to minimise human error in the preparation of test results.

Intellectual Property

Our intellectual property is in the form of proprietary know-how, proprietary methodologies, extensive clinical validation data, and in the knowledge base embedded in our employees. Although we rely on legal protection of our intellectual property where available, with regard to a substantial portion of our know-how, such as proprietary methodologies and clinical cancer patient data, patent protection or comparable forms of intellectual property protection either is not available or is not suitable. To protect this type of information against appropriation by competitors, we rely on trade secret law and, when relevant, enter into confidentiality agreements with our employees, collaboration partners and suppliers.

Legal protection

To provide legal protection of our intellectual property, we rely on a combination of patents, trade secrets, trademarks, confidentiality and non-disclosure clauses and agreements, and other forms of

intellectual property protection to define and protect our rights to the intellectual property in our products.

The table below summarises our current patent portfolio. These patents and patent applications are either owned by us or exclusively licensed to us from one or more third-party owners, and relate to diagnostic gene expression profiles for: breast cancer, including correction of microarray data for statistical error and determination of the percentage of breast cancer cells, colon cancer, lung cancer, other cancer (head and neck cancer), and pathway analyses.

Category	Product	Description	Owners and Assignees	Pending/Granted
Breast cancer.....	MammaPrint®	License for diagnosis and prognosis of breast cancer patients	Merck/NKI co-owned Licensed to Agendia by NKI	2 US patents granted 1 European Notice of Allowance 3 applications pending
	MammaPrint®	License for diagnosis and prognosis of breast cancer patients (treatment)	Merck/NKI co-owned Licensed to Agendia by NKI	1 US patent granted 1 Japanese patent granted 2 applications pending
	N/A	License for classification of breast cancer patients using a combination of clinical criteria and informative gene sets	Merck/NKI co-owned Licensed to Agendia by NKI	3 applications pending
	N/A	License for prognosis of breast cancer patients (55+)	Merck/NKI co-owned Licensed to Agendia by NKI	4 applications pending
	New technology	National phase patent applications for High throughput diagnostic testing using arrays	Agendia	2 applications pending
	New technology	National phase patent applications for Tumour cell percentage	Agendia	2 applications pending
Colon cancer.....	ColoPrint®	International phase patent applications for Method for typing colon cancer	Agendia	International application pending
	N/A	License for methods for diagnosis and/or prognosis of colon cancer	Merck/NKI co-owned Licensed to Agendia by NKI	1 application pending
	N/A	Pending priority document for Molecular Subtypes Colon	Agendia	1 priority application pending
Lung cancer.....	PulmoPrint®	National phase patent applications for prognostic gene expression signature for non small cell lung cancer patients	Agendia	4 applications pending
Other cancers.....	N/A	License for diagnosis of metastases in HNSCC tumours	University Medical Centre Utrecht Licensed to Agendia	2 applications pending
Pathways.....	N/A	Pending priority document for EGFR activating mutations	Agendia	1 priority application pending

We currently have one patent in the international phase, applications in the national phase for three patent families, pending PCT patent applications for one patent family, and pending priority documents for two patent families. We have also obtained licenses from certain third parties permitting us to use their patents in our product offering. These licenses currently cover six patent families, all of which are in the national phase. Within these licensed patent families, three patents have US approval.

Our MammaPrint® product, part of our Symphony™ decision support system, is based to a large extent upon a license we have in place with the NKI for a patent on a 231-gene signature, of which MammaPrint® features a preferred subset of 70 genes. The underlying patent on the 231-gene signature is co-owned by the NKI and Merck. Although our license with the NKI grants us an exclusive, royalty-free license to develop products based on the 231-gene signature, or to license use of the 231-gene signature to another party, we have no rights to protect our exclusivity against Merck, which is free to itself commercialise products using the patent, or to license the rights to any third party without restriction. See "*Risk Factors – Our business will suffer if we are unable to obtain or defend intellectual property protection for our products.*" We have one international patent application pending with regard to our ColoPrint® product. We also currently have a license from the University Medical Centre Utrecht for a gene expression profile for head and neck cancer.

We have in the past conducted analyses to monitor the intellectual property in the fields of our products, and ascertain whether we are infringing any patents held by third parties. To our knowledge our products are not currently infringing on any third-party patents nor, to date, have we been made aware of any such infringements.

We also seek to protect our trademarks, which include the names of our key products, by filing for trademark protection in most of the countries where we or our distributors market these products, and by monitoring, where possible, for potential infringing use of our marks.

Licensing of technology

Under our FDA clearance for MammaPrint®, Agilent is our supplier and manufacturer of the customised microarrays and scanners, which provide the readout of the gene signatures in our molecular diagnostic tests and allow analysis of RNA expression in each diagnostic test tissue sample. We have had preferred supplier status with Agilent since 2003 and, in 2008, we signed an agreement with Agilent, which renewed our partnership and guarantees our unrestricted access to licensing Agilent's microarrays. This agreement expires in December 2011, but we have no reason to believe that it will not be renewed on substantially similar terms. Agilent seeks to improve their technologies and expand their capabilities in the manufacture of microarrays and, given our unrestricted access to licensing its microarrays, we believe we are well placed to benefit from any further advances in technology and other capabilities which Agilent may make. See above "*Research and Development – Strategic partners and collaboration arrangements – Alliances with technology partners*" above.

Competition

We believe that we compete primarily on the basis of:

- the clinical validation of the prognostic and predictive capabilities of our products;
- our clinical research collaborations with leading cancer centres, research groups and major international pharmaceutical companies;
- the value of the quantitative information our molecular diagnostic products provide;
- our ability to conduct clinical studies based on access to banks of annotated, archival human cancer tissue samples from untreated or treated patients (depending on the clinical issue being studied), with detailed patient follow-up information;
- our ability to analyse large and complex gene sequences;
- our ability to gain relevant regulatory clearances in advance of competitors and maintain these clearances once obtained, and;
- the quality of the products we provide, both to cancer physicians and patients, and our ability to maintain high levels of customer satisfaction.

We believe that we compete effectively with respect to these factors, although there can be no assurance that we will be able to continue to do so going forward, or that new products and products that are more effective or more affordable than ours, or that render our existing or new products uncompetitive or obsolete, will not be introduced by our competitors. We believe that our continued success depends on our ability to:

- continue to innovate and maintain scientifically advanced technology;

- expand market share for our Symphony™ suite of breast cancer tests as well as commercialise and gain market share for our ColoPrint® colon cancer test and additional molecular diagnostics now in development;
- add applications to our Symphony™ suite of breast cancer tests by, for example, adding new biomarkers;
- continue to validate our products with respect to their ability to stratify recurrence risk and treatment responsiveness in cancer patients;
- discover, develop and validate new and innovative products on a cost-effective basis and market them successfully and in advance of our competitors;
- identify and commercialise new gene signatures and biomarkers for responsiveness to investigational pathway-targeted drugs, as well as develop companion diagnostics for the new generation of targeted cancer treatments;
- establish and expand reimbursement coverage with third-party payors, including written reimbursement arrangements governing approval and payment terms;
- expand marketing of our products in countries outside the United States and Europe;
- clinically validate and commercialise our 72-gene signature for lung cancer and generally expand our molecular diagnostics products for use in other cancers;
- achieve inclusion of our Symphony™ suite of breast cancer tests and ColoPrint® colon cancer test as "recommended for use" in clinical guidelines promulgated by the NCCN and ASCO in the United States and as "predictive" in the St. Gallen international guidelines;
- attract and retain highly skilled personnel;
- obtain patents or other intellectual property protection for our products and innovations; and
- obtain and maintain relevant regulatory accreditations and licenses for our clinical laboratory facilities.

Our principal competition comes from existing diagnostic methods used by pathologists and oncologists to make treatment decisions for cancer patients, including IHC and FISH testing. These methods have been used for many years and are substantially less costly than our products, and it may therefore be difficult to change or supplement physicians' reliance on these traditional methods, despite their limitations. Companies offering laboratory equipment and kits or reagents to local pathology laboratories represent another source of potential competition. These kits are used directly by the pathologist, which facilitates adoption more readily than diagnostic products like ours which are performed outside the pathology laboratory. Moreover, our molecular diagnostic tests are substantially more costly than other diagnostic methods and, in situations where reimbursement is unavailable or uncertain, physicians are sometimes reluctant to order the use of our products due to the high potential costs to the patient if adequate reimbursement coverage is not provided.

We also face competition from a number of public and private companies as well as academic and research institutions which offer molecular diagnostics or have conducted research in gene expression in breast or colon cancer, or both. Our primary competitor in molecular diagnostics for both breast cancer and colon cancer is Genomic Health, with its Oncotype DX tests for each of these types of cancer. Other competitors include GE/Clarient Incorporated (with its MammoStrat test), Novartis/Genoptix Incorporated, bioMérieux/bioTheranostics, Exagen Diagnostics, Qiagen, Hologic, Caris Life Sciences (with its Target Now test), and University Genomics. Commercial laboratories with strong distribution networks for diagnostic tests, such as Quest Diagnostics Incorporated and Laboratory Corporation of America Holdings in the United States, may also become competitors of ours outside the United States. Other potential competitors include companies that develop diagnostic tests such as Siemens AG, Roche Diagnostics, a division of F. Hoffmann-La Roche Ltd, and Veridex LLC, a Johnson & Johnson company, as well as other companies and academic and research institutions.

In addition, there are other companies which have breast or colon cancer molecular diagnostics in various stages of development. To our knowledge, there are currently no gene expression signatures clinically in use in the treatment of lung cancer, although there have been a number of scientific publications with regard to gene signatures for stratifying risk and predicting responsiveness in lung cancer patients.

See "*Risk Factors – Our competitors may develop and market products that are more effective or more affordable than ours, or obtain regulatory clearance on new products or products before we do*."

Regulation

US Food and Drug Administration

Diagnostic tests are currently regulated by the FDA's Office of In Vitro Diagnostic Device Evaluation and Safety ("**OIVD**"), which falls under the umbrella of the Center for Devices and Radiological Health. The FDA has regulatory authority over instruments, test kits, reagents and other devices used to perform diagnostic testing by laboratories such as ours. Specifically, the FDA regulates the sale or distribution in interstate commerce of products classified as medical devices under the Federal Food, Drug and Cosmetic Act, including in vitro diagnostic devices. The FDA classifies medical devices, including the in vitro diagnostic devices it regulates, using three categories based on the risk to patients, with class III being the highest risk, and regulation intended to ensure safety and effectiveness.

Medical devices must undergo premarket review by the FDA, either through the 510(k) clearance or PMA process prior to commercialisation, unless the device is of a type exempted from such review by statute or pursuant to the FDA's exercise of enforcement discretion. For instance, diagnostic tests that are developed and validated by a single laboratory for use in examinations the laboratory performs itself are LDTs. The FDA maintains that it has authority to regulate the development and use of LDTs as medical devices, but has not exercised its authority with respect to most LDTs as a matter of enforcement discretion. To date, most molecular diagnostic tests have been brought to market via compliance with CLIA, which was enacted in 1988. The CLIA program establishes quality standards for laboratory testing in order to ensure the accuracy, reliability and timeliness of patient test results. Laboratories seeking CLIA status must be certified, thus ensuring that the standards are enforced. By limiting the tests' use to CLIA-certified laboratories, molecular diagnostics companies have been able to market their LDTs under FDA's enforcement discretion (without first seeking or obtaining the FDA's premarket review).

In order to take advantage of this exemption from direct FDA oversight, a number of molecular diagnostic companies opted to go to market with a LDT, even though these devices applied relatively complex techniques such as the use of reagents or innovative software licensed from third parties. For these reasons, LDTs have seen significant growth in recent years, particularly as new and complex molecular/genetic tests have been developed. For example, our primary competitor, Genomic Health, has opted to commercialise its Oncotype DX® molecular diagnostic test as a LDT in compliance with CLIA rather than seeking 510(k) clearance or PMA approval. Obtaining an FDA 510(k) clearance is significantly more rigorous than obtaining CLIA accreditation, and has been getting progressively more difficult to obtain in recent years. For CLIA accreditation, the applicant must prove only that the test that is being run can be duplicated consistently, whereas an FDA 510(k) clearance requires that the applicant demonstrate that the diagnostic test is "substantially equivalent" to a legally marketed predicate device according to FDA standards, or in the case of MammaPrint®, demonstrating that the test is "safe and effective". Specifically, if the FDA denies 510(k) clearance of a device because it is novel and an adequate predicate device does not exist, the "de novo classification" procedure can be invoked to request that the FDA place the device in class I or II despite the absence of a predicate device, based upon reasonable assurance that the device is safe and effective for its intended use. The de novo process requires that the 510(k) be filed with FDA and that a letter denying clearance be sent to the manufacturer. Upon formal denial, a request for de novo classification can be submitted to FDA. This pathway to market approximates the level of scrutiny in the 510(k) process but generally adds several months to the clearance process, because denial of 510(k) clearance is the first step. If the FDA grants the de novo request, the device is permitted to enter commercial distribution in the same manner as if 510(k) clearance had been granted, and the device becomes a potential predicate device for any future device of that type for which 510(k) clearance is sought. Our MammaPrint device was cleared through the de novo classification procedure.

Although the FDA has generally exercised a reasonable amount of enforcement discretion over LDTs, the growing level of complexity of new LDTs has contributed to a gradual increase in scrutiny from the FDA. In September 2006, FDA issued a non-binding draft guidance document indicating its views that LDTs known as IVDMIAs should be subject to the FDA's premarket review. IVDMIAs are devices that combine the values of multiple variables using an interpretation function

to yield a single, patient-specific result that is intended for use in the diagnosis of disease or other condition, or in the cure, mitigation, treatment or prevention of disease, and provides a result whose derivation is non-transparent and cannot be independently derived or verified by the end user. The FDA classifies our cancer molecular diagnostic products as medical devices which are considered IVDMIAs, because they rely on complex algorithms to generate a result that is used to diagnose, cure, mitigate, treat or prevent disease. Since 2006, the FDA has recommended that IVDMIAs, due to their complexity, should be required to obtain FDA clearance before being marketed because the treatment decisions the IVDMIA contributes to can have a significant impact on the health of the patient.

At the time the FDA issued its draft guidance, we took the opportunity to work with the FDA to have our IVDMIA, MammaPrint®, cleared by the FDA under Section 510(k). We have since obtained a total of five FDA clearances for enhancements to our device, as discussed further below.

In May 2007, the FDA issued a guidance document titled ''Class II Special Controls Guidance Document: Gene Expression Profiling Test System for Breast Cancer Prognosis.'' This guidance document was issued to clarify FDA requirements for technical and clinical validation of gene expression signatures used for stratifying recurrence risk in breast cancer patients. At the FDA's request, we worked with the regulator to draft this guidance document, based on the fact that we were the first molecular diagnostics company to successfully undertake a 510(k) submission and obtain FDA clearance for an IVDMIA.

In July 2007, the FDA posted revised draft guidance on IVDMIAs to address some of the comments submitted in response to the September 2006 draft guidance. The revised draft guidance includes a transition period of FDA enforcement discretion of up to 18 months following release of final guidance for currently marketed tests if the laboratory submits a 510(k) submission within 12 months of the publication of final guidance. As of the date of this Prospectus, this final guidance has not been published by the FDA, and is not expected to be published in the near future in light of subsequent FDA announcements regarding a new approach to LDTs.

Specifically, in 2010 the FDA stated that it would instead publish a new set of guidance, using a different regulatory framework, to govern the marketing and distribution of LDTs, including IVDMIAs, for use in cancer diagnosis and treatment decision-making in the United States. The new guidance will categorise any LDT as ''low'', ''intermediate'' or ''high'' risk, based on the patient health impact of the outcome which the test is intended to predict. LDTs which are categorised as ''high'' risk will be subject to the most stringent clinical validation standards, and may be required to submit for 510(k) clearance or PMA approval prior to being marketed. Depending on the intended use of our products, some or all of our Symphony™ products may be categorised as ''high'' risk under the final FDA oversight framework for LDTs.

Certain of our competitors, including Genomic Health, have relied upon the fact that FDA clearance is not currently required prior to marketing a molecular diagnostic test. We expect the new FDA requirements will require that all high-risk LDTs obtain FDA clearance or PMA approval, based on their complexity and intended use, and that this will create substantial barriers to entry for all new entrants as well as ensuring that current competitors comply with new FDA requirements.

MammaPrint® is the only IVDMIA for breast cancer with FDA clearance, having first been declared safe and effective in 2007. Agendia has obtained five FDA 510(k) clearances to date:

- February 2007 – FDA cleared MammaPrint® as breast cancer recurrence test for use in Stage I and Stage II breast cancer patients aged 61 years old and younger, which are lymph-node negative
- June 2007 – FDA cleared use of RNARetain™ from Asuragen molecular fixative enabling ambient temperature shipping
- June 2008 – FDA cleared MammaPrint® for use with high density microarray technology
- December 2009 – FDA cleared MammaPrint® for patients over 61 years old, thus removing the previous age restriction the FDA had previously required
- February 2011 – FDA cleared two Agilent microarray scanners and two Agilent bioanalysers, providing both locations with FDA cleared equipment to mitigate business interruption risk and to handle growing demand for our products

To date, although we have applied for and received the FDA clearances indicated above, we do not believe the receipt of clearance was legally required prior to sales and marketing of these

products. As discussed above, the FDA is expected to publish new guidelines governing the marketing and distribution of LDTs in the United States, which we expect will make clearance or approval of certain of our products required. We anticipate that some of our Symphony™ products, which are marketed as LDTs and categorised as IVDMIAs, will be subject to pre-market approval or pre-market clearance under these new FDA regulations, based on the respective clinical claims and technological complexity of these particular products. In particular, we expect that our MammaPrint® product, for which we have already applied for and received several FDA clearances on a voluntary basis, will be subject to FDA clearance requirements under the new rules. See "*Risk Factors – We may be required to conduct additional clinical studies on some of our Symphony™ suite of breast cancer products or on other products now in clinical development.*"

Pursuant to the Federal Food, Drug, and Cosmetic Act, the FDA regulates the following activities relating to medical devices over which it has exercised its enforcement authority: preclinical and clinical testing, design, manufacture, safety, efficacy, labelling, storage, record keeping, sales and distribution, postmarket adverse event reporting, import/export, and advertising and promotion. After a device subject to FDA review is placed on the market, significant regulatory requirements apply. These include:

- establishing registration and device listings with the FDA;
- QSR requirements, which obligate manufacturers, including third-party or contract manufacturers, to follow stringent design, testing, control, documentation and other quality assurance procedures during all aspects of design and manufacturing;
- labelling regulations and FDA prohibitions against the promotion of products for uncleared, unapproved or off-label uses, and other requirements related to promotional activities;
- medical device reporting regulations, which require that manufacturers report to the FDA if their device may have caused or contributed to a death or serious injury or malfunctioned in a way that would likely cause or contribute to a death or serious injury if the malfunction were to recur; and
- corrections and removal reporting regulations, which require that manufacturers report to the FDA field corrections and product recalls or removals if undertaken to reduce a risk to health posed by the device or to remedy a violation of the Federal Food, Drug, and Cosmetic Act that may present a risk to health.

We are subject to inspection and marketing surveillance by the FDA to determine our compliance with these regulatory requirements. Furthermore, later discovery of previously unknown problems with our MammaPrint® or any of our future cleared or approved products could result in restrictions on the device, including withdrawal of the product from the market or voluntary or mandatory recalls. The FDA enforces these requirements by inspection and market surveillance. If the FDA finds a violation, it can institute a wide variety of enforcement actions, ranging from a published warning letter to more severe sanctions such as:

- fines, injunctions, and civil penalties;
- recall, detention or seizure of products;
- operating restrictions, partial suspension or total shutdown of production;
- refusing requests for 510(k) clearance or PMA approval of new products;
- withdrawing 510(k) clearance or PMA approvals already granted; and
- criminal prosecution.

The FDA also has the authority to request repair, replacement or refund of the cost of any device manufactured or distributed by us. In the event that one of our suppliers fails to maintain compliance with our quality requirements, we may have to qualify a new supplier and could experience manufacturing delays as a result.

Additional US Federal regulation

Hatch Bill

In June 2010, Senator Orrin Hatch circulated a draft bill titled "Better Evaluation and Treatment Through Essential Regulatory Reform for Patient Care Act" or BETTER Act (the "**Hatch Bill**"). The Hatch Bill, as it has since become known, would create a new division within the FDA, specifically tasked with regulatory oversight over all diagnostic tests and allowing diagnostic tests as a category to be evaluated on equal footing as conventional pharmaceuticals, biologic drugs and medical devices.

Supporters of the Hatch Bill are motivated by the lack of direct regulatory oversight of diagnostic tests. In response to the increasingly sophisticated technologies and greater impact on dictating therapies of the next generation diagnostic products, a provision outlined in the Bill would formally define ''advanced personalised diagnostics'' (''**APDx**''). This would clearly distinguish diagnostics that analyse any of a number of biomarkers and are used for diagnosing or treating disease from medical devices, and subject APDx products to the following additional regulations:

- Registration – An APDx registry would require sponsors to register tests as low/moderate/high impact, similar to Class 1/2/3 for medical devices.
- Approval / clearance – PMAs would be required for some APDx products prior to being marketed and sold, and a new ''premarket claim statement'' would be employed as a substitute for 510(k) submissions.
- Involvement with CLIA – CMS and the FDA would share responsibility for post market surveillance of APDx products, and moderate/high impact APDx tests would have to be carried out in CLIA labs.

Observers believe there is growing support for the Hatch Bill and, although no formal date has been set for introduction of the draft bill, discussions with key constituents (labs, molecular diagnostics companies and investors) could result in a formal draft of the bill being made available to the public in the near future.

Although we do not currently expect the proposals included in the Hatch Bill to have an impact on our products or our business, it is currently unclear how these proposals, should they eventually become law, would be drafted and how they would apply to our product offering, if at all.

Other Federal regulation

In addition, other initiatives to advance the field of molecular diagnostic tests are ongoing in Washington. Most notably, a bill (HR 5440) known as the Genomics and Personalised Medicine Act (''**GPMA**'') aims to clarify regulation, change reimbursement policies, and regulate genomic research in the area of personalised medicine.

Finally, observers believe senior leadership at the FDA and NIH are already taking steps to address the topic of diagnostic test reform, as evidenced by discussion of a genetic testing registry within the NIH, LDT draft guidance, and public discussions. The Director of OIVD, Alberto Gutierrez, has noted that increased LDT regulation is approaching, although it would place a strain on the FDA's current budget.

In addition, the Secretary of the Department of Health and Human Services (''**HHS**'') requested that its Advisory Committee on Genetics, Health and Society make recommendations about the oversight of genetic testing. A final report was published in April 2008. If the report's recommendations for increased oversight of genetic testing were to result in further regulatory burdens, it could have a negative impact on our business and could delay the commercialization of tests in development. In April 2009, we joined a diverse coalition of organisations that submitted a letter to the new Secretary of HHS calling on the Secretary to create and implement a reasonable and responsible regulatory framework for genetic tests and other advanced medical diagnostic tests.

As of the date of this Prospectus, it is unclear what impact, if any, the GPMA would have on our business, and whether the FDA, NIH or HHS will in fact pursue any concrete further steps to reform the regulation of diagnostic tests in the United States.

In addition, manufacturers of medical devices must comply with various regulatory requirements under the Federal Food, Drug and Cosmetic Act and its implementing regulations, including quality system review regulations, unless exempted from those requirements for particular types of devices. Entities that fail to comply with FDA requirements can be liable for criminal or civil penalties, such as recalls, detentions, orders to cease manufacturing and restrictions on labelling and promotion.

CLIA '88 and state licensure

As a business which operates a clinical reference laboratory in the United States, we are required to hold certain federal, state and local licenses, certifications and permits to conduct our business. Under CLIA, we are required to hold a certificate applicable to the type of work we perform and to comply with standards covering personnel, facilities administration, quality systems and proficiency testing. Because we receive specimens from various states, we are required under state license

laws to maintain laboratory licenses in seven states, and as a result of state reciprocity rules we are permitted to operate in 49 states in total as a result of these seven state licenses. The availability of our tests in these states is dependent upon our maintenance of these licenses. Certain state laws also mandate proficiency testing for laboratories with licenses in that state, regardless of whether or not such laboratories are located there.

We have a current certificate of accreditation under CLIA to perform testing and are accredited by the College of American Pathologists ("**CAP**"). To renew our CLIA certificate, we are subject to survey and inspection every two years to assess compliance with program standards. The standards applicable to the testing which we perform may change over time. We cannot assure you that we will be able to operate profitably should regulatory compliance requirements become substantially more costly in the future.

If our clinical reference laboratory is out of compliance with CLIA requirements, we may be subject to sanctions such as suspension, limitation or revocation of our CLIA certificate, as well as becoming subject to a directed plan of correction, state on-site monitoring, civil money penalties, civil injunctive suits or criminal penalties. We must maintain CLIA compliance and certification to be eligible for reimbursement from Medicare. If we were to be found out of compliance with CLIA program requirements and subjected to sanction, our business could be harmed.

Health Insurance Portability and Accountability Act

Pursuant to the US Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (collectively, "**HIPAA**"), HHS issued regulations to safeguard the privacy and security of sensitive individual patient information that is collected by healthcare providers, including diagnostic companies like ours. HIPAA also regulates the standardisation of data, codes and formats used in healthcare transactions and the standardisation of identifying information for third-party payors and healthcare providers. The penalties for violation of HIPAA regulations include civil and criminal sanctions. Although we have implemented internal procedures and controls to ensure our compliance with HIPAA regulations, requirements under these regulations may change, which could materially adversely affect our costs of compliance with HIPAA.

In addition to federal privacy regulations, our operations are subject to a number of state laws governing the confidentiality of patient healthcare information. New laws governing privacy may be adopted in the future as well. We have implemented measures to ensure compliance with applicable state law patient information privacy requirements. However, new laws governing patient privacy may be enacted and existing laws may be modified, and there can be no assurance that we are or will be in compliance with the various privacy requirements applicable to our operations in the multiple jurisdictions in which we do business. Failure to comply with patient privacy laws could result in the imposition of civil or criminal sanctions, which could materially adversely affect our reputation as well as our results of operations.

Other Federal and state fraud and abuse laws

We are also subject to healthcare fraud and abuse regulation and enforcement by both the federal government and the states in which we conduct our business. The laws that may affect our ability to operate include:

- the federal healthcare programs' Anti-Kickback Law, which prohibits, among other things, persons from knowingly and wilfully soliciting, receiving, offering or paying remuneration, directly or indirectly, in exchange for or to induce either the referral of an individual for, or the purchase, order or recommendation of, any good or service for which payment may be made under federal healthcare programs such as the Medicare and Medicaid programs;
- federal false claims laws which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment from Medicare, Medicaid, or other third-party payors that are false or fraudulent;
- the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), which created federal criminal laws that prohibit executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters; and
- state law equivalents of each of the above federal laws, such as anti-kickback and false claims laws which may apply to items or services reimbursed by any third-party payor, including commercial insurers.

If our operations are found to be in violation of any of the laws described above or any other governmental regulations that apply to us, we may be subject to penalties, including civil and criminal penalties, damages, fines and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our financial results. The risk of our being found in violation of these laws is increased by the fact that many of them have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations. Further, the recently enacted PPACA, among other things, amends the intent requirement of the federal anti-kickback and criminal health care fraud statutes. A person or entity no longer needs to have actual knowledge of this statute or specific intent to violate it. In addition, the PPACA provides that the government may assert that a claim including items or services resulting from a violation of the federal anti-kickback statute constitutes a false or fraudulent claim for purposes of the false claims statutes. Any action against us for violation of these laws, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business.

In addition, there has been a recent trend of increased federal and state regulation of payments made to physicians for marketing. Some states, such as California, Massachusetts and Vermont, mandate implementation of commercial compliance programs, along with the tracking and reporting of gifts, compensation, and other remuneration to physicians. We are currently in the process of developing and implementing a compliance plan to address compliance with applicable fraud and abuse laws and regulations. The shifting commercial compliance environment and the need to build and maintain robust and expandable systems to comply with multiple jurisdictions with different compliance and/or reporting requirements increases the possibility that a healthcare company may run afoul of one or more of the requirements.

California laboratory licensing

In addition to federal certification requirements of laboratories under CLIA, licensure is required and maintained for our clinical reference laboratory under California law. Such laws establish standards for the day-to-day operation of a clinical reference laboratory, including the training and skills required of personnel and quality control. In addition, California laws mandate proficiency testing, which involves testing of specimens that have been specifically prepared for the laboratory.

If our clinical reference laboratory is out of compliance with California standards, the California Department of Health Services ("**DHS**") may suspend, restrict or revoke our license to operate our clinical reference laboratory, assess substantial civil money penalties, or impose specific corrective action plans. Any such actions could materially affect our business. We maintain a current license in good standing with DHS. However, we cannot provide assurance that DHS will at all times in the future find us to be in compliance with all such laws.

New York laboratory licensing

Because we receive specimens from New York State, our clinical reference laboratory is required to be licensed by New York, under New York laws and regulations, which establish standards for:

- day-to-day operation of a clinical laboratory, including training and skill levels required of laboratory personnel;
- physical requirements of a facility;
- equipment; and
- quality control.

We maintain such licensure for our clinical reference laboratory for our MammaPrint® breast cancer test. New York law also mandates proficiency testing for laboratories licensed under New York state law, regardless of whether or not such laboratories are located in New York. If a laboratory is out of compliance with New York statutory or regulatory standards, the New York State Department of Health ("**DOH**") may suspend, limit, revoke or annul the laboratory's New York license, censure us as the holder of the license or assess civil money penalties. Statutory or regulatory noncompliance may result in a laboratory's operator being found guilty of a misdemeanour under New York law. Should we be found out of compliance with New York laboratory requirements, we could be subject to such sanctions, which could harm our business. We maintain a current license in good standing with DOH. However, we cannot provide assurance that DOH will at all times find us to be in compliance with all such laws.

Other states' laboratory testing

New York, Florida, California, Maryland, Pennsylvania and Rhode Island require out-of-state laboratories which accept specimens from those states to be licensed. We have obtained licenses in five out of six states and believe we are in compliance with applicable licensing laws.

From time to time, we may become aware of other states that require out-of-state laboratories to obtain licensure in order to accept specimens from the state, and it is possible that other states do have such requirements or will have such requirements in the future. If we identify any other state with such requirements or if we are contacted by any other state advising us of such requirements, we intend to follow instructions from the state regulators as to how we should comply with such requirements.

Environmental laws

We are subject to regulation under federal, state and local laws and regulations governing environmental protection and the use, storage, handling and disposal of hazardous substances. The cost of complying with these laws and regulations may be significant. Our activities currently require the controlled use of potentially harmful biological materials, hazardous materials and chemicals. We cannot eliminate the risk of accidental contamination or injury to employees or third parties from the use, storage, handling or disposal of these materials. In the event of contamination or injury, we could be held liable for any resulting damages, and any liability could exceed our resources or any applicable insurance coverage we may have.

Regulation outside of the United States

When marketing our products outside of the United States, we are subject to various regulatory requirements governing clinical testing and marketing approval for our products. These requirements vary by jurisdiction and may require us to perform additional pre-clinical or clinical testing on any of our products. In many countries outside of the United States, coverage, pricing and reimbursement approvals are also required. We are also required to maintain accurate information and control over sales and distributors' activities that may fall within the purview of the Foreign Corrupt Practices Act, its books and records provisions and its anti-bribery provisions.

In the EEA, before commercialisation of an in vitro medical device, the device must comply with the requirements of the EU In Vitro Diagnostic Medical Devices Directive (Directive No 98/79/EC, as amended) (the "**IVMD Directive**"). Compliance with these requirements allows the manufacturer to affix a CE conformity mark to the product, as required in order to commercialise a medical device in the European Union. In order to demonstrate compliance with the requirements of the IVMD Directive and thereby gain permission to affix a CE conformity mark to the product, manufacturers must conduct a conformity assessment, the features of which vary depending upon the category and characteristics of a given medical device. For products such as MammaPrint®, this assessment can be performed internally by the manufacturer without the involvement of an EC "notified body"; if the assessment is successful, the manufacturer will draw up of an EC Declaration of Conformity, entitling the manufacturer to affix the CE conformity mark to the product and to sell it throughout the EEA. We have a CE conformity mark for MammaPrint® and, in 2005, we notified the appropriate "competent authority" in the Netherlands of our intent to commercialise MammaPrint®, in accordance with the IVMD Directive .

We also market TargetPrint®, BluePrint™ and TheraPrint® in the EEA. However, we believe TargetPrint®, BluePrint™ and TheraPrint® do not require CE marking because, based on our current claims with regard to these products, we believe they do not fall within the definition of "medical device" set out in the Medical Devices Directives (Directive No 98/79/EC and Directive 93/42, both as amended). This belief is based on our interpretation of the relevant provisions of the Medical Device Directives and the European Commission Guidelines on Medical Devices – particularly, the "IVD Guidances: Borderline Issues" (MEDDEV. 2.14/1 rev. 1). These regulations, however, are open to varying interpretations as to whether products such as TargetPrint®, BluePrint™ or TheraPrint® fall within the definition of medical device. Consequently, an EEA competent authority or a court in the EEA could interpret the definition of medical device in a different manner from our interpretation, and could conclude that TargetPrint®, BluePrint™ or TheraPrint® qualify as medical devices and therefore require CE conformity marking before they can be sold in the EEA. We maintain technical files for all of our products in order to support CE conformity marking in the event that we opt to expand the clinical claims made with regard to any of products or an EEA competent authority or a court in the EEA requires CE conformity marking

based on its interpretation of applicable law. In addition, our products are subject to EEA labelling requirements and inspections, and potential EEA fines.

Legal Proceedings

In the ordinary course of our business, we may become involved in litigation arising from claims against us or brought by us against others to enforce our rights. In 2009, SLZ filed a lawsuit against us in the District Court of Amsterdam claiming damages of over €500,000 in relation to a lease agreement for office space entered into between us as lessor and SLZ as lessee. After we terminated the lease agreement and vacated the premises, SLZ claimed outstanding rent and recovery costs to restore the leased premises to its original state. We have successfully contested SLZ's claim, which was dismissed by the Dutch court, and SLZ has filed an appeal. We believe that our defence has merit and that we have sound legal grounds to defeat the claim of SLZ. There can be no assurance, however, that our defence will ultimately prevail.

We are not currently involved, nor have we been involved during the twelve month period immediately prior to the date of this Prospectus, in any other governmental, legal or arbitration proceedings which may have or have had a material effect on our business, financial position or profitability, and we are not aware of any such proceedings which are currently pending or threatened.

Facilities

We have two accredited operational clinical laboratory facilities, one in Amsterdam containing 382 square metres of laboratory space and the other in Irvine, California containing 363 square metres of laboratory space. The annual aggregate processing capacity of our clinical laboratories is over 50,000 tests per year. Both our clinical laboratory facilities are leased. The lease for the Amsterdam facility expires on 1 December 2014 and the lease for the Irvine facility expires on 15 June 2013.

We are subject to CLIA, a federal law regulating clinical laboratories that perform testing on specimens derived from humans for the purpose of contributing to the diagnosis, prevention or treatment of disease. Both our clinical laboratories are capable of processing US-based patient tissue samples, as both have CLIA accreditation as well as accreditation from CAP. Our Amsterdam laboratory does not have state licenses, but in the event that our Amsterdam facility needs to send out diagnostic reports to patients based in these states, our Irvine laboratory acts as an intermediary in sending out these reports. Our CLIA certificate of accreditation to perform testing is current, and is subject to survey and inspection every two years. CLIA inspectors may also make random inspections of our laboratory facilities. In addition, we are required to maintain a license to conduct testing in California, the site of our Irvine laboratory facilities. Further, in order to be able to use our clinical laboratory facilities in the Netherlands to conduct tests for US-based patients, we also maintain CLIA certification and an accreditation from the CAP for our Amsterdam facilities. Because MammaPrint® is an FDA cleared test, our facilities are required to be QSR-compliant, as set out in Title 21 Part 820 of the Code of Federal Regulations. In addition, our facilities may be subject to unannounced inspections by the FDA. California law establishes standards for day-to-day operation of regulated laboratories, including personnel training and skills requirements and quality control. Because we receive specimens from various states, we are required under state license laws to maintain licenses in five states in addition to California: Pennsylvania, Rhode Island, Maryland, Florida and New York. However, we have decided not to pursue a Maryland license, because we have minimal sales from Maryland-based patients and have determined that the relevant state licensing costs outweigh the commercial benefits of maintaining such a license.

In the European Union, we perform our molecular diagnostic products in accordance with the European Directive on in vitro diagnostic medical devices. In addition to CLIA accreditation, our Amsterdam laboratory operations comply with ISO 17025 on a voluntary basis. ISO 17025 is an international standard used by testing and calibration laboratories to implement quality control systems for ensuring consistency and validity of laboratory test results.

Finally, we seek to conduct our research and discovery process in compliance the FDA's current GMP standards, as amended by its quality systems regulation with regard to medical devices, including the design controls authorised by the Safe Medical Devices Act of 1990. Accordingly, we hold regular meetings at set points in the research and discovery process to assess the progress of our projects and consider next steps.

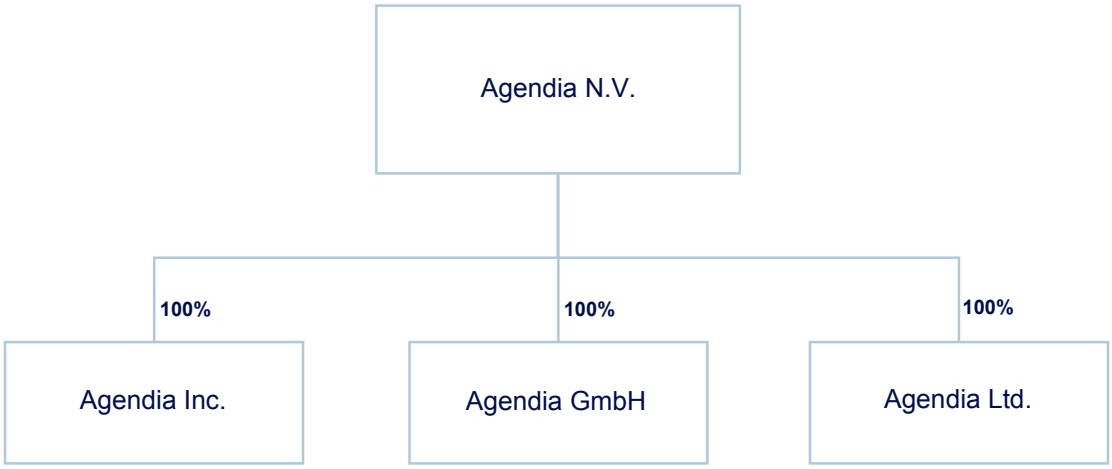
We maintain a system of internal quality controls through our Quality Management System framework. Our internal quality controls apply to all aspects of our operations which directly or indirectly impact clinical patient care including, for example, the performance of molecular diagnostic products and the conduct of clinical trials. Our Quality Management System consists of three elements: (1) product quality, which includes laboratory techniques, (2) process quality, which includes handling of tissue samples, and (3) organisational quality, which includes maintenance of standards of professional competence.

Insurance

We maintain customary insurance policies, including fire, liability insurance and employer's liability insurance. We believe that we maintain insurance in a manner and for amounts that are in accordance with customary industry and commercial practices in the Netherlands.

Group Structure

Our group structure comprises four corporate entities: Agendia N.V. (the Netherlands); Agendia Inc. (United States); Agendia GmbH (Germany); and Agendia Limited (United Kingdom).



Agendia N.V. is our main administrative office and holding company for the corporate entities in our group structure, as well as our main genomic assay development facility and laboratory facility for processing diagnostic tests for patients based outside the United States. Agendia Inc. is a sales office for our activities in the United States as well as our laboratory facility for processing diagnostic tests for US-based patients. Agendia GmbH and Agendia Limited are primarily holding companies for our activities in Germany and the United Kingdom, respectively.

MANAGEMENT AND EMPLOYEES

General

Set out below is a summary of relevant information concerning our Management Board, Supervisory Board and employees and a brief summary of certain significant provisions of Dutch corporate law and our Articles of Association in respect of our Management Board and Supervisory Board.

Management Structure

We have a two-tier board structure consisting of a Management Board (*Raad van Bestuur*) and a Supervisory Board (*Raad van Commissarissen*).

Management Board

Powers, Composition and Function

Our Management Board is responsible for the day-to-day management of our operations under the supervision of our Supervisory Board. The Management Board is required to keep the Supervisory Board informed, consult with the Supervisory Board on important matters and submit certain important decisions to our Supervisory Board for its approval, as more fully described below.

The Management Board may perform all acts necessary or useful for achieving our corporate purpose, save for those acts that are prohibited by law or by our Articles of Association. The Management Board as a whole is authorised to represent us, as are any two members of the Management Board acting jointly.

Our Articles of Association provide that the General Meeting appoints members of the Management Board upon a binding nomination by the Supervisory Board.

Our Articles of Association provide that the number of members of the Management Board will be determined by the Supervisory Board, and will consist of a minimum of one member. In view of the Dutch Corporate Governance Code (the "**Corporate Governance Code**"), our Articles of Association provide that members of the Management Board will be appointed for a maximum term of four years, provided, however, that unless such member of the Management Board has resigned at an earlier date, his term of office shall lapse on the day of the annual General Meeting to be held in the fourth year after the year of his appointment. An appointment can be renewed for a term of not more than four years at a time. The current members of our Management Board were appointed for an indefinite period of time as permitted under our articles of association in force at the time of their appointment.

Our Articles of Association provide that the General Meeting may suspend and dismiss Management Board members at any time. The Supervisory Board may suspend Management Board members at any time. Under our Articles of Association, a resolution of the General Meeting to suspend or dismiss members of the Management Board pursuant to a proposal by the Supervisory Board requires an absolute majority of the votes cast. A resolution of the General Meeting to suspend or dismiss a member of the Management Board other than pursuant to a proposal of the Supervisory Board requires a two-thirds majority of the votes cast, representing at least half of our issued share capital.

Under our Articles of Association, the resolutions of the Management Board that must be approved by the Supervisory Board include:

- issue and acquisition of shares of the Company and debt instruments issued by the Company or of debt instruments issued by a limited partnership or general partnership of which the Company is a fully liable partner;
- application for admission of the securities referred to under a. to the trade on a regulated market or a multilateral trade facility as described in section 1:1 of the Dutch Financial Supervision Act or a similar system compared to a regulated market or multilateral trade facility from a state which is not a member state or the withdrawal of such admission;
- entering into or terminating a permanent cooperation of the Company or a dependent company with another legal entity or company or as fully liable partner in a limited partnership or general partnership, if such cooperation or termination is of major significance to the Company;

- participation for a value of at least one/fourth of the amount of the issued capital with the reserves according to the most recently adopted balance sheet with explanatory notes of the Company by the Company or by a dependent company in the capital of another company, as well as to a significant increase or reduction of such a participation;
- investments involving an amount equal to at least the sum of one-quarter of the Company's issued capital plus the reserves of the Company as shown in its balance sheet and explanatory notes;
- a proposal to amend the articles of association;
- a proposal to dissolve (*ontbinden*) the Company;
- a proposal to conclude a legal merger (*juridische fusie*) or a legal demerger (*juridische splitsing*);
- application for bankruptcy and for suspension of payments (*surseance van betaling*);
- termination of the employment of a considerable number of employees of the company or of a dependent company at the same time or within a short period of time;
- far-reaching changes in the employment conditions of a significant number of employees of the Company or of a dependent company;
- a proposal to reduce the issued share capital;
- the operational and financial objectives of the Company;
- the strategy designed to achieve the objectives and the parameters to be applied in relation to the strategy; and
- corporate social responsibility issues that are relevant to the enterprise of the Company.

Our Articles of Association and Dutch law provide that decisions of the Management Board involving a significant change in our identity or character are subject to the approval of the General Meeting. Such changes include:

- the transfer of all or substantially all of our business to a third party;
- the entry into or termination of a longstanding joint venture by us or by any of our subsidiaries with another legal entity or company, or of our position as a fully liable partner in a limited partnership or a general partnership if the joint venture is of a major significance to us; or
- the acquisition or disposal, by us or any of our subsidiaries, of a participating interest in the capital of a company valued at one-third or more of our assets according to our most recently adopted consolidated annual balance sheet with explanatory notes thereto.

Members of the Management Board

Until 31 May 2011 the members of the Management Board were: R. Bernards Holding B.V. (the holding company of Prof. Dr. René Bernards), L van 't Veer Holding B.V. (the holding company of Prof. Dr. Laura van 't Veer) and Dr. Sixt Holding B.V. (the holding company of Dr. Bernhard Sixt). Since 31 May 2011, the Management Board has been composed of the following members:

Name	Age	Position	Member Since	Term
Bernhard Sixt	51	President and Chief Executive Officer	31 May 2011	Indefinite
Kurt Schmidt	50	Vice President and Chief Financial Officer	31 May 2011	Indefinite
David Macdonald	52	Chief Operating Officer	31 May 2011	Indefinite

Our registered address serves as the business address for the members of the Management Board (see ''*Summary – Corporate Information*'').

Bernhard Sixt, President and Chief Executive Officer

Dr. Bernhard Sixt, President and Chief Executive Officer has 20 years leadership experience in the international pharmaceutical and diagnostics industry. Prior to co-founding the Company he was the Director of Global Strategic Marketing, Oncology at Amersham Health (now part of GE Healthcare). Dr. Sixt has been with the Company in the role of CEO since incorporation of the Company and was appointed as a member of the Management Board on 31 May 2011.

Kurt Schmidt, Vice President and Chief Financial Officer

Mr. Kurt Schmidt, Vice President and Chief Financial Officer, CPA, MBA, joined the Company in 2008 with 25 years of financial, operational and entrepreneurial management experience in the US and European high tech and healthcare industries. Mr. Schmidt has been with the Company in the role of CFO since 1 July 2008 and was appointed as a member of the Management Board on 31 May 2011.

David Macdonald, Chief Operating Officer

Mr. David Macdonald, Chief Operating Officer has more than 25 years of international experience developing and commercialising clinical diagnostics and laboratory services. Formerly a Vice President at Quest Diagnostics, Mr. Macdonald has been in CEO and COO roles for the past 18 years. Mr. Macdonald has been with the Company since 27 April 2010 and was appointed as a member of the Management Board on 31 May 2011.

Supervisory Board

Powers, Composition and Functioning

Our Supervisory Board is responsible for supervising the conduct and policy of, and providing advice to, the Management Board and supervising our business generally. In performing its duties, the Supervisory Board is required to act in the interests of all stakeholders in our business as a whole. The members of the Supervisory Board are not authorised, however, to represent us in dealings with third parties.

Our Articles of Association provide that the General Meeting appoints members of the Supervisory Board, subject to the right of the Supervisory Board to make a binding nomination to appoint a Supervisory Board member. In such event the General Meeting may resolve, by a resolution passed with an absolute majority of the votes cast, to appoint the candidate nominated by the Supervisory Board. A resolution of the General Meeting to appoint members of the Supervisory Board, other than pursuant to the binding nomination of the Supervisory Board, requires a two-thirds majority of the votes cast, representing at least half of our issued share capital.

Our Articles of Association provide that the number of members of the Supervisory Board will be determined by the Supervisory Board and will consist of a minimum of three members. Members of the Supervisory Board are appointed for a maximum term of four years, provided, however, that unless such member of the Supervisory Board has resigned at an earlier date, his term of office shall lapse on the day of the annual General Meeting to be held in the fourth year after the year of his appointment. An appointment can be renewed for two additional periods of not more than four years at a time. The members of the Supervisory Board retire periodically in accordance with a rotation plan prepared by the Supervisory Board. The Supervisory Board appoints a chairman and a deputy chairman from amongst its members.

Our Articles of Association provide that the General Meeting may suspend and dismiss Supervisory Board members at any time. Under our Articles of Association, a resolution of the General Meeting to suspend or dismiss members of the Supervisory Board pursuant to a proposal by the Supervisory Board requires an absolute majority of the votes cast. A resolution of the General Meeting to suspend or dismiss a member of the Supervisory Board other than pursuant to a proposal of the Supervisory Board requires a two-thirds majority of the votes cast, representing at least half of our issued share capital.

Members of the Supervisory Board

The Supervisory Board is currently composed of the following members:

Name	Age	Position	Member Since	Remaining term
Hessel Lindenbergh	67	Chairman	2007	2 years
Wim van Harten	56	Vice Chairman	2004	4 years
Al Luderer	63	Member	2009	3 years
Gertjan van der Baan	43	Member	2006	4 years
Pieter van der Meer	40	Member	2004	2 years

Our registered address serves as the business address for the members of the Supervisory Board (see ''*Summary – Corporate Information*'').

Hessel Lindenbergh, Chairman of the Supervisory Board

Mr. Hessel Lindenbergh, Chairman of the Supervisory Board, was appointed on 29 August 2007. He began his career with Philips, where he worked from 1971 to 1972. He then transferred to ABN Bank in 1972 and held various positions over a period of 10 years. In 1983, he moved to ING Group, where he held various positions, including member of the executive board of ING Bank and member of the executive board of ING Group. He currently holds several executive and non-executive management positions including as chairman of the supervisory board of ABN AMRO Group N.V. and ABN AMRO Bank N.V., chairman of the board of Centraal Fonds Volkshuisvesting, member of the supervisory board of Gamma Holding N.V., member of the supervisory board of Zeeman Groep B.V., member of the supervisory board of DHV Holding N.V. and member of the board of trustees of the University of Amsterdam.

Wim van Harten, Vice Chairman of the Supervisory Board

Prof. Dr. Wim van Harten, Vice Chairman of the Supervisory Board, was appointed on 19 March 2004. He held various management and committee positions over the last 20 years (among others member of the board of the Dutch Cancer Society (KWF)) and member of the steering group on future hospital policy of the Netherlands Association of Hospitals (NVZ). Besides his seat in the Supervisory Board, he currently also holds a position as member of the board of the Netherlands Association of Hospitals and is a member of the executive board of the Netherlands Cancer Institute – Antoni van Leeuwenhoek Hospital. Prof. Dr. Wim van Harten will be elected as president of the European Organisation of Cancer Institutes (OECI) in June 2011.

Al Luderer, Ph.D, Member Supervisory Board

Dr. Luderer was appointed as member of the Supervisory Board on 1 March 2009. He has over 30 years of experience in medical diagnostics, laboratory medicine and therapeutic development. Dr. Luderer was president, COO and a member of the global executive committee of bioMerieux, Inc., a world leader in *in vitro* diagnostics and president, CEO and director of BioTrove Inc., a venture-backed molecular biological tools company. He currently is CEO and director of Integrated Diagnostics, a molecular diagnostics company.

Gertjan van der Baan, Member Supervisory Board

Mr. Gertjan van der Baan was appointed as member of the Supervisory Board on 9 November 2006. He was a senior manager corporate finance at Kempen & Co and currently is a director of the Van Herk group, the investment manager of one of our major shareholders. He is president of the management board of Nationaal Grondbezit, a real estate investment company in the Netherlands, and a member of the investor committee of Gilde Healthcare II one of the funds of Gilde Healthcare Partners. (Gilde Healthcare II does not hold an interest in the Company's share capital.)

Pieter van der Meer, Member Supervisory Board

Mr. Pieter van der Meer was appointed as member of the Supervisory Board on 19 March 2004. He joined Gilde in 1998 and led various investments in healthcare technology companies both in Europe and the US. Currently he holds a position as managing partner of Gilde Healthcare Partners and is non-executive director at both BG Medicine and Acacia Pharma.

Senior Management

Our Senior Management supports the Management Board in the day-to-day management of our operations.

Name	Age	Position and practice area
René Bernards[(1)]	58	Chief Scientific Officer & co-founder
Laura van 't Veer[(1)]	54	Chief Research Officer & co-founder
Douglas Bradley	56	Vice President Global Marketing
Mark Willig	52	Executive Vice President of Sales, North America
Bas van der Baan	39	Vice President Sales & Marketing EU/ROW
Guido Brink	42	Vice President Regulatory Affairs and Quality Assurance

(1) René Bernards and Laura van 't Veer are each employed by the Company to devote one working day per week to our business.

Our registered address serves as the business address for our Senior Management (see "*Summary – Corporate Information*"), with the exception of Douglas Bradley and Mark Willig whose business address is Agendia Inc. USA, 22 Morgan, Irvine, CA 92618, USA.

René Bernards, Chief Scientific Officer and co-founder

Prof. Dr. René Bernards, Chief Scientific Officer, is a co-founder of the Company and has a 30-year track record in oncology research, with more than 150 published papers in peer-reviewed journals. He is the Head of Division of Molecular Carcinogenesis of the NKI, professor of Molecular Carcinogenesis at Utrecht University and member of the Royal Netherlands Academy of Arts and Sciences. In addition, Prof. Dr. Bernards is a member of the Scientific Advisory Board of Gilde Healthcare fund.

Laura van 't Veer, Chief Research Officer and co-founder

Prof. Dr. Laura van 't Veer, Chief Research Officer, is a co-founder of the Company and has a 20-year track record in molecular oncology research, with more than 100 published papers. In 2010, Prof. Dr. van 't Veer was appointed to the position of professor of Laboratory Medicine and Director of Applied Genomics at the University of California San Francisco.

Douglas Bradley, Vice President Global Marketing

Mr. Douglas Bradley, Vice President of Global Marketing, has over 30 years of experience in leadership roles with medical device companies ranging from Fortune 500 to emerging technology with operations in more than 60 markets worldwide. Most recently he held the position of Vice President of Marketing with Vertos Medical, a privately held medical device company, and prior to that he was the head of marketing at SenoRx.

Mark Willig, Executive Vice President of Sales, North America

Mr. Mark Willig, Executive Vice President of Sales, North America has over 25 years of experience in key executive leadership roles in healthcare, with a specific focus on the biotech and diagnostic industries. Mr. Willig most recently held the position of General Manager and Chief Commercial Officer at Exiqon A/S. Previously he was the first commercial leader at Myriad Genetics.

Bas van der Baan, Vice President Sales & Marketing EU/ROW

Mr. Bas van der Baan, Vice President Sales & Marketing EU/ROW, joined the Company shortly after its founding in 2003 and holds a degree in molecular sciences. He has 15 years experience in commercial positions, including with Unilever and with various development-stage biotech companies.

Guido Brink, Vice President Regulatory Affairs and Quality Assurance

Mr. Guido Brink, Vice President Regulatory Affairs and Quality Assurance, joined the Company in 2003. He has 20 years experience in the oncology field and an extensive background in quality assurance systems in the field of molecular diagnostics. Prior to joining the Company, Mr. Brink spent 12 years at the NKI where he worked on the team of Prof. Dr. van 't Veer to supervise as member of the team of co-founder of the Company, Prof. Dr. van 't Veer, supervised the development of biotechnology quality control systems.

Consultants

Dr. Stefan Gluck provides consulting services to the Company and assists the Company as the Chairman of the Company's Medical and Scientific Advisory Board.

Supervisory Board Committees

The Supervisory Board currently has an Audit Committee and a Remuneration, Appointment and Selection Committee.

The function of the committees is to assist the decision-making of the Supervisory Board.

Audit Committee

The Audit Committee assists the Supervisory Board in monitoring our systems of internal controls, the integrity of our financial reporting process and the content of our financial statements and reports and in assessing and mitigating our business and financial risks. The Audit Committee focuses on supervising the activities of the Management Board with respect to:

- operation of the internal risk management and control systems, including supervision of the enforcement of the relevant legislation and regulations, and supervising the operation of codes of conduct;
- the provision of financial information by the Company (including our choice of accounting policies, application and assessment of the effects of new accounting rules, information about the handling of estimated items in the annual accounts, forecasts, work of external auditors and other topics);
- compliance with recommendations and observations of external auditors;
- the role and functioning of the internal audit function;
- tax planning policy;
- relations with the external auditor, including, in particular, its independence, remuneration and any non-audit services for the Company;
- the financing of the Company; and
- our information technology (systems infrastructure).

The members of the Audit Committee are: Wim van Harten (Chairman), Hessel Lindenbergh and Gertjan van der Baan.

The Audit Committee shall meet as often as one or more members of the Audit Committee request, but, in any event, will meet at least once a year without the presence of the Management Board and at least once a year with our external accountant.

The role and responsibility of the Audit Committee as well as the composition and the manner in which it discharges its duties are set out in rules for the Audit Committee.

Remuneration, Appointment and Selection Committee

Remuneration

Within the scope of the remuneration policy adopted by the General Meeting, our Remuneration, Appointment and Selection Committee advises the Supervisory Board on the remuneration of the members of the Management Board and monitors our remuneration policy. Our Remuneration, Appointment and Selection Committee will review and recommend policies relating to compensation for benefits for our members of the Management Board.

The duties of the Remuneration, Appointment and Selection Committee with respect to remuneration include:

- drafting a proposal to the Supervisory Board for the remuneration policy to be adopted;
- drafting a proposal for the remuneration of the individual members of the Management Board, for adoption by the Supervisory Board, which proposal shall deal with (i) remuneration structure and (ii) the amount of the fixed remuneration, the shares and/or options to be granted and/or other variable remuneration components, pension rights, redundancy pay and other forms of compensation to be awarded, as well as the performance criteria and their application;
- preparing the remuneration report as referred to in best practice provision II.2.12 of the Corporate Governance Code;

Appointment and Selection

Furthermore, the Remuneration, Appointment and Selection Committee advises the Supervisory Board on the selection criteria and appointment procedures for members of the Management Board and members of the Supervisory Board as well as the proposals for appointments and reappointments, the selection criteria and appointment procedures for Senior Management and the assessment of the functioning of individual members of the Supervisory Board and the Management Board. Furthermore, it renders advice to the Supervisory Board on our corporate governance structure.

The Remuneration, Appointment and Selection Committee focuses on the following aspects of appointment and selection procedures:

- drawing up selection criteria and appointment procedures for Supervisory Board members and Management Board members;

- periodically assessing the size and composition of the Supervisory Board and the Management Board, and making a proposal for a composition profile of the Supervisory Board;
- periodically assessing the functioning of individual Supervisory Board members and Management Board members, and reporting on this to the Supervisory Board;
- making proposals for appointments and reappointments;
- supervising the policy of the Management Board on the selection criteria and appointment procedures for senior management; and
- monitoring corporate governance developments.

General

The members of the Remuneration, Appointment and Selection Committee are: Pieter van der Meer and Hessel Lindenbergh.

The Remuneration, Appointment and Selection Committee shall meet as often as one or more members of the Remuneration, Appointment and Selection Committee request, but, in any event, at least once a year.

The role and responsibility of the Remuneration, Appointment and Selection Committee, respectively, as well as the composition of and the manner in which they discharge their respective duties are set out in the rules for the Remuneration, Appointment and Selection Committee.

Remuneration Information

According to our Articles of Association, our General Meeting adopts the remuneration policy in respect of the remuneration of our Management Board. Our Supervisory Board establishes the remuneration of the individual members of our Management Board, taking into account the policy adopted by our General Meeting. Our current remuneration policy is aimed to attract and retain key talent required to successfully implement the Company's growth strategy, set an appropriate balance between fixed and variable pay and, between short- and long-term incentives, motivate the members of the Management Board to reach and exceed the Company's annual financial, operational, research, clinical and regulatory objectives, align management and shareholder interests and focus on long-term value creation.

Pursuant to the current remuneration policy, the remuneration of the members of the Management Board comprises both fixed and variable components.

The variable remuneration components are designed to reflect the achievement of pre-determined operational and strategic objectives.

The compensation of the Management Board consists of the following four components:

- a fixed (base) salary component;
- a variable component (annual cash bonus or short-term incentive);
- a variable long-term component (long-term incentive) in the form of stock options; and
- pension provisions.

The current remuneration policy was adopted by the General Meeting on 3 June 2011.

The total remuneration costs for the members of the Management Board, Supervisory Board and our Senior Management in relation the year ended 31 December 2010 amounted to approximately €2,195,000.

The following table sets forth the approximate remuneration paid to the members of the Management Board during the year ended 31 December 2010.

Name	Remuneration	Employer's Pension Contributions	Total Remuneration
Dr. Sixt Holding B.V.	€247,500	€37,500[(1)]	€285,000
R. Bernards Holding B.V.[(2)]	€40,000	€4,800	€44,800
L. van 't Veer Holding B.V.[(2)]	€40,000	€6,000	€46,000

(1) This amount was paid to Dr. Sixt Holding B.V. as a cash bonus to be applied towards Dr. Bernhard Sixt's pension arrangements.

(2) René Bernards and Laura van 't Veer are each employed by the Company to devote one working day per week to our business.

As of the date of this Prospectus, the Management Board consists of the following members: Dr. Bernhard Sixt, Kurt Schmidt and David Macdonald. As of the date of this Prospectus, the remuneration for the members of the Management Board is as follows:

Name	Base salary	Cash bonus	Stock options[1]	Employer's Pension Contributions
Bernhard Sixt	€320,000	up to 50% of base salary	up to 100% of the base salary	15% of the gross annual salary
Kurt Schmidt	€220,000	up to 40% of base salary	up to 75% of the base salary	Pursuant to the Company's pension scheme, the Company pays 50% of Mr. Schmidt's pension premium contribution
David Macdonald	USD284,000	up to 40% of base salary	up to 75% of the base salary	No obligation to contribute

(1) To be granted under the new Stock Option Plan.

Upon completion of the Offering, Kurt Schmidt will receive a bonus of €75,000 and David Macdonald will receive a bonus of USD28,400. This bonus is in addition to any annual bonus that they may be entitled to in accordance with the cash bonus referred to in the table above. The completion of the Offering is one of the targets that has been set to determine whether Bernhard Sixt is entitled to receive his cash bonus referred to in the table above.

The following table sets forth the approximate remuneration paid to the members of the Supervisory Board during the year ended 31 December 2010:

Name	Remuneration	Other Benefits	Total Remuneration
Hessel Lindenbergh	€25,000[1]	—	€25,000
Wim van Harten	—	—	—
Al Luderer	€11,500	€3,000	€14,500
Gertjan van der Baan	—	—	—
Pieter van der Meer	—	—	—

(1) The remuneration of Mr. Lindenbergh was paid by ING Corporate Investments Participaties B.V., see "*Management Board, Supervisory Board and Senior Management Conflicts of Interest*", below. As from the financial year of 2011, the Company will pay the remuneration of Mr. Lindenbergh. In addition, as from the financial year of 2011, the Company will pay Mr. van Harten a remuneration that will be substantially the same as the remuneration paid to Mr. Luderer.

Management Board and Senior Management Shareholding Information

At the date of this Prospectus, Dr. Bernhard Sixt is the only member of the Management Board who holds shares in the Company through his personal holding company. After (a) the Restructuring and the transfer of Ordinary Shares by the Current Shareholders to the Foundation in connection with the amendment of the Participation Share Plan, as set out in "*Participation Share Plan*" and (b) the settlement of the Offering, assuming an Offer Price at the mid-point of the Offer Price Range and no exercise of the Over-Allotment Option, Dr Bernhard Sixt will hold approximately 435,785 Ordinary Shares through his personal holding company.

At the date of this Prospectus, Prof. Dr. René Bernards and Prof. Dr. Laura van 't Veer are the only members of Senior Management who hold shares in the Company through their personal holding companies. After (a) the Restructuring and the transfer of Ordinary Shares by the Current Shareholders to the Foundation in connection with the amendment of the Participation Share Plan, as set out in "*Participation Share Plan*" and (b) the settlement of the Offering, assuming an Offer Price at the mid-point of the Offer Price Range and no exercise of the Over-Allotment Option, Prof. Dr. René Bernards will hold approximately 435,785 Ordinary Shares and Prof. Dr. Laura van 't Veer will hold approximately 435,785 Ordinary Shares, in each case through their personal holding companies.

Supervisory Board Shareholding Information

At the date of this Prospectus, none of the members of the Supervisory Board holds any shares in the Company. Mr. Hessel Lindenbergh currently holds an indirect participation in the Company through his participation of approximately 1% in Gendi B.V. In connection with the Offering, Gendi B.V. will transfer this indirect shareholding in the Company to Mr. Lindenbergh. As a result, after (a) the Restructuring and (b) the transfer of Ordinary Shares by the Current Shareholders to the

Foundation in connection with the amendment of the Participation Share Plan, as set out in "*Participation Share Plan*" and (b) the settlement of the Offering, assuming an Offer Price at the mid-point of the Offer Price Range and no exercise of the Over-Allotment Option, Mr. Lindenbergh will hold approximately 0.1% of the Ordinary Shares. Mr. Gertjan van der Baan currently indirectly holds approximately 5% of the share capital of Van Herk Biotech B.V., one of our Current Shareholders.

Employment Agreements and Severance Agreements

Each member of the Management Board has an employment agreement with the Company for an indefinite term. The employment agreement between the Company and Dr. Bernhard Sixt can be terminated upon four months' notice by the Company or upon two months' notice by Dr. Bernhard Sixt. The employment agreement between the Company and Kurt Schmidt can be terminated upon six months' notice by either party. The employment agreement between David Macdonald and Agendia, Inc. can be terminated by either party at any time without notice.

Except as described below, the agreements with the members of the Management Board, the Supervisory Board and Senior Management do not provide for severance payments in the event of termination.

If Agendia, Inc. terminates the employment agreement of David Macdonald without cause, he is entitled to a severance payment consisting of continuation of his base salary in effect at the time of termination for a period of six months and continued payment for certain health insurance premiums for a period of up to six months.

If the Company terminates the employment agreement of Dr. Bernhard Sixt without any valid reason for termination, the Company shall pay Dr. Bernhard Sixt an amount equal to twelve gross monthly salaries including holiday allowance.

Other Information Relating to Members of the Supervisory Board and the Management Board

With respect to each of the members of the Supervisory Board, the Management Board and the Senior Management we are not aware of (i) any convictions in relation to fraudulent offences in the last five years, (ii) any bankruptcies, receiverships or liquidations of any entities in which such members held any office, directorships or senior management positions in the last five years, or (iii) any official public incrimination and/or sanctions of such person by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

Management Board, Supervisory Board and Senior Management Conflicts of Interest

Wim van Harten is employed by the NKI which is partly financed by the Stichting Fondsen Nederlands Kankerinstituut, one of our Current Shareholders. However, Wim van Harten is independent from the Stichting Fondsen Nederlands Kankerinstituut and is considered to be an independent member of the Supervisory Board. Wim van Harten, in our view, does not have a conflict of interest (actual or potential) between his private interests and his duties to the Company.

Hessel Lindenbergh currently holds an indirect participation in the Company through his participation of approximately 1% in Gendi B.V. In connection with the Offering, Gendi B.V. will transfer this indirect shareholding in the Company to Hessel Lindenbergh. Hessel Lindenbergh was nominated for appointment as chairman of our Supervisory Board by Gendi B.V., one of our Current Shareholders, and was compensated by ING Corporate Investments Participaties B.V. for his services as a member of the Supervisory Board in the financial year 2010. Gendi B.V. is a group company of ING Corporate Investments Participaties B.V. However, Hessel Lindenbergh is considered to be an independent member of the Supervisory Board. Hessel Lindenbergh, in our view, does not have a conflict of interest (actual or potential) between his private interests and his duties to the Company.

Gertjan van der Baan is a director of the Van Herk group, the investment manager of one of our Current Shareholders. In addition, through his personal holding company, Gertjan van der Baan indirectly holds approximately 5% of the share capital of Van Herk Biotech B.V., one of our Current Shareholders. There may be a potential conflict of interest between Gertjan van der Baan's private interests and his duties to the Company as a member of the Supervisory Board.

Pieter van der Meer is managing partner of Gilde Healthcare Partners, the investment manager of one of our Current Shareholders. There may be a potential conflict of interest between Pieter van der Meer's private interests and his duties to the Company as a member of the Supervisory Board.

René Bernards holds the position of Head of Division of Molecular Carcinogenesis at the NKI which is partly financed by the Stichting Fondsen Nederlands Kankerinstituut, one of our Current Shareholders. Laura van 't Veer holds the position of Group Leader Molecular Pathology at the NKI which is partly financed by the Stichting Fondsen Nederlands Kankerinstituut, one of our Current Shareholders. Neither René Bernards nor Laura van 't Veer, in our view, have a conflict of interest (actual or potential) between their private interests and their duties to the Company as members of Senior Management.

Gertjan van der Baan, one of the members of our Supervisory Board, is a full sibling of Bas van der Baan, our Vice President Sales & marketing EU/ROW. Other than this, no family ties exist among the members of our Management Board, Supervisory Board and Senior Management. The family ties between Gertjan van der Baan and Bas van der Baan, in our view, do not constitute a conflict of interest (actual or potential) between their private interests and their duties to the Company as members of the Supervisory Board and Senior Management, respectively.

Except as disclosed above, as far as we are aware no member of the Management Board, Supervisory Board or Senior Management has a conflict of interest (actual or potential) between his private interests and his duties to the Company.

Directors Indemnification and Insurance

Under Dutch law, members of the Management Board and the Supervisory Board may be liable to us for damages in the event of improper or negligent performance of their duties. They may be jointly and severally liable for damages to us and to third parties for infringement of the Articles of Association or of certain provisions of the Dutch Civil Code. In certain circumstances, they may also incur additional specific civil and criminal liabilities. Members of the Management Board, the Supervisory Board and certain other officers of the Company and certain subsidiaries are insured under an insurance policy against damages resulting from their conduct when acting in the capacities as such members or officers.

Our Articles of Association provide for an indemnity for any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (whether civil, criminal, administrative or investigative) in his current or former capacity as member of the Supervisory Board or the Management Board, provided that such person acted in good faith and in a manner which he reasonably believed to be in or not opposed to our best interests. However, this indemnification shall not apply in the case of (i) the Supervisory Board's or the Management Board's members' gross negligence or wilful misconduct as determined by a non-appealable judgment, unless a court determines that, in view of all circumstances, an indemnification against such liabilities and expenses is fair and reasonable or (ii) reimbursement of the costs and losses by our insurance company under any insurance.

Employees and Pensions Obligations

As of 31 March 2011, we had approximately 100 full time employees worldwide, including approximately 38 in the Netherlands and 60 in the United States.

We had an average of 81 full time employees in 2010, 70 in 2009 and 49 in 2008.

As of 31 March 2011, substantially all of our employees in the Netherlands were covered by a pension program. We cooperate with a third party insurance organisation. Under our pension program, we have no obligation for pension plan deficits other than higher future pension insurance premiums.

The Company annually pays 15% of the gross annual salary of Dr. Sixt towards Dr. Sixt's pension arrangements.

Agendia, Inc. operates a 401(k) profit sharing plan, which is a form of a retirement benefits program. The 401(k) profit sharing plan is a defined contribution plan. Under the 401(k) profit sharing plan Agendia Inc. may at its discretion contribute to the 401(k) accounts of eligible employees.

We believe that our employee relations are good and have not experienced any labour related work stoppages during the three months ended 31 March 2011 or the three years ended 31 December 2010.

We do not have a works council.

Participation Share Plan

The Company currently operates a participation share plan (the "**Participation Share Plan**"). Under the Participation Share Plan, participation shares have been granted to certain employees and consultants of the Company. No further participation shares will be granted under the Participation Share Plan after the date of this Prospectus. As at the date of this Prospectus, 79,421 participation shares are outstanding. In connection with the Offering, we have amended the Participation Share Plan. Pursuant to the amendment, an independent foundation, Stichting PSP Agendia (the "**Foundation**"), will be responsible for the administration and settlement of the Participation Share Plan.

Pursuant to the amended Participation Share Plan, the participation shares outstanding under the Participation Share Plan will, on the Settlement Date, be converted into cash-settled options. The ratio pursuant to which the participation shares will be converted into options is dependent on the valuation of the Company as determined based on the Offer Price. Each option will give a participant the right to receive the cash value of one underlying Ordinary Share on the date the award is exercised. The Company and the Current Shareholders have entered into a number of reimbursement agreements (the "**Reimbursement Agreements**"). Under the terms of the Reimbursement Agreements, the Current Shareholders have agreed to reimburse the Company for the full amount of any payments the Company makes to participants under the Participation Share Plan. As from the amendment of the Share Participation Plan, the Current Shareholders will be obliged to reimburse the Foundation for any payments made to participants under the Participation Share Plan. On the Settlement Date and pursuant to the Reimbursement Agreements, the Current Shareholders will transfer a sufficient number of their Ordinary Shares to the Foundation to enable the Foundation to satisfy its obligations under the Participation Share Plan. The Foundation will exercise its voting rights on the Ordinary Shares it holds in accordance with the recommendations of the Management Board with respect to the proposals on the agenda for a General Meeting, or if no such instructions have been given, in accordance with the best interests of the Company.

The terms of the options will provide that they can be exercised during a two-year period after the lock-up arrangements of the Company, being 360 days after the settlement of the Offering, have terminated. See "*Plan of Distribution – Lock Up Arrangements*". When a participant exercises an option, the Foundation will sell the underlying Ordinary Share, pay the proceeds of the sale minus costs, wage tax and premiums to the participant and pay the relevant amount for wage tax and premiums to the Company. After exercise and settlement of all options as described above, there will be no further rights outstanding under the Participation Share Plan and the Participation Share Plan will be terminated.

Following the Settlement Date 356,925 options will be outstanding among participants under the Participation Share Plan, assuming an Offer Price at the mid-point of the Offer Price Range.

The following table sets forth the number of options under the Participation Share Plan held by the members of the Management Board after conversion of the participation shares into options, assuming an Offer Price at the mid-point of the Offer Price Range:

Name	Options
Bernhard Sixt	—
Kurt Schmidt	27,738
David Macdonald	3,814

Mr. Hessel Lindenbergh and Mr. Al Luderer are the only members of the Supervisory Board who participate in the Participation Share Plan. After conversion of the participation shares into options, Mr. Hessel Lindenbergh will hold approximately 3,121 options and Mr. Al Luderer will hold approximately 2,621 options under the Participation Share Plan, assuming an Offer Price at the mid-point of the Offer Price Range.

The Company is currently discussing the Dutch wage tax treatment of the amendments of the Participation Share Plan in order to try and get advance clearance that levy of Dutch wage tax is

postponed until effective cash payments to (former) employees and consultants of the Company under the Participation Share Plan and that any wage tax obligations in respect of the Participation Share Plan are to be performed by the Foundation. Based on preliminary views expressed by the Dutch tax authorities, the Company is confident that final tax clearance will be obtained prior to the Settlement Date.

Stock Option Plan

We have adopted a new stock option plan (the "**Stock Option Plan**"). No options have yet been granted under the Stock Option Plan. The purpose of the Stock Option Plan is to encourage the members of the Management Board and Supervisory Board and other selected employees and consultants to focus on our long-term success by allowing them to acquire an indirect interest in our Ordinary Shares.

Over a period of four years as from June 2011, stock options representing up to 10% of our issued and outstanding Ordinary Shares may be granted under the Stock Option Plan. Stock options may be granted by the Remuneration, Appointment and Selection Committee to employees and members of the Management Board and Supervisory Board as well as other selected employees and non-employees in exchange for consulting services.

One third of the total stock options awarded to a participant in a single grant shall vest on the first anniversary of the grant date and the remaining awarded stock options shall vest in two years with eight equal quarterly installments, subject to the participant being employed or under contract with the Company. Vested stock options that are exercisable in accordance with the applicable award agreement between the Company and the participant, may be exercised at any time until the sixth anniversary of the grant date. Stock options may only be exercised by the participant if the participant is employed by us or otherwise under contract with us at the time of exercise. Exceptions to this employment requirement include: (i) redundancy, (ii) death, (iii) disability and (iv) retirement. Exercise of the stock options is subject to regulation under Dutch law, and customary rules on the prevention of insider trading are applicable. Under Dutch insider trading rules, the stock options may not be exercised in certain periods.

If a person or persons acting in concert (i) acquire more than 50% of (a) our issued share capital or (b) the voting rights in our General Meeting or (ii) obtain the right to control the composition of the Management Board or the Supervisory Board, all unvested awarded options automatically become fully vested and exercisable.

DESCRIPTION OF SHARE CAPITAL AND CORPORATE GOVERNANCE

General

We are a public company with limited liability (*naamloze vennootschap*) incorporated on 10 July 2003 under the laws of the Netherlands. On 31 May 2011, we amended our articles of association to effect a conversion from a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) into a public company with limited liability (*naamloze vennootschap*).

We are registered with the Trade Register of the Chamber of Commerce of Amsterdam, the Netherlands, under number 34185452. Our business address is Science Park 406, 1098 XH Amsterdam, the Netherlands. Our corporate seat is in Amsterdam, the Netherlands. Our telephone number is +31 (0)20 462 1500.

Set out below is a summary of certain relevant information concerning our share capital and certain significant provisions of Dutch corporate law and a brief summary of certain provisions of the ''Articles of Association'', being our articles of association as they will read as of execution of the Deed of Amendment which will take place on the Settlement Date. In addition, prior to settlement of the Offering, we will effect a conversion of our Preferred Shares into Ordinary Shares and an increase of the nominal value of our Ordinary Shares to a value of €1.30 per share followed by a 1-for-13 stock split of our Ordinary Shares. See ''*Description of Share Capital and Corporate Governance – Restructuring of Share Capital (the* ''*Restructuring*'')''.

This summary does not purport to give a complete overview and should be read in conjunction with our Articles of Association and with relevant provisions of Dutch law, and does not constitute legal advice regarding these matters and should not be considered as such. The full text of our Articles of Association is available, in Dutch and English, at our registered offices at Science Park 406, 1098 XH Amsterdam, the Netherlands during regular business hours. Our Articles of Association shall be made available free of charge in Dutch and English, at our website: www.agendia.com. See ''*General Information*''.

Corporate Purpose

Pursuant to Article 3 of our Articles of Association, our corporate purposes include:

- to diagnose human diseases, and in particular cancer;
- to facilitate the developing of new medicines;
- to obtain, to exploit, to assign and to dispose of patents and other intellectual property rights, to acquire and to grant licenses and sublicenses and similar rights of whatever name and description and if necessary, to protect rights derived from patents and other intellectual property rights, licenses, sublicenses and similar rights against infringement by third parties;
- to participate in, to finance, to collaborate with, to conduct the management of companies and other enterprises and provide advice and other services;
- to acquire, use and/or assign industrial and intellectual property rights and real property;
- to invest funds;
- to provide guarantees and security for the debts of legal persons or of other companies with which the company is affiliated in a group or for the debts of third parties; and
- to undertake all that is connected to the foregoing or in the furtherance thereof.

Share Capital

Historic Overview of the Share Capital

Set out below is an overview of the amount of our authorised share capital for the years 2008, 2009 and 2010 and the number of Ordinary Shares and preferred shares in the capital of the Company outstanding in these years. Following the amendment of our articles of association on 29 August 2007 before a legal substitute for P.J. Dortmond, civil notary in Amsterdam, the Company's authorised capital amounted to EUR 120,000 and was divided into 500,000 Ordinary Shares, 500,000 preferred shares A (the ''**Preferred Shares A**'') and 500,000 preferred shares B (the ''**Preferred Shares B**''), each share with a nominal value of EUR 0.08. By amendment of the articles of association on 28 August 2009 before R.M. Rieter, civil notary in The Hague, preferred shares C (the ''**Preferred Shares C**'') were created and as from that moment the Company's authorised capital amounted to EUR 132,000, divided into 500,000 Ordinary Shares, 500,000

preferred shares A, 500,000 preferred shares B and 150,000 preferred shares C, each share with a par value of EUR 0.08. The Preferred Shares A, Preferred Shares B and Preferred Shares C are together also referred as the ''**Preferred Shares**''.

	31 December 2008		31 December 2009		31 December 2010	
	Nominal value of the Authorised share capital (EUR)	Nominal value of the Outstanding shares (EUR)	Nominal value of the Authorised share capital (EUR)	Nominal value of the Outstanding shares (EUR)	Nominal value of the Authorised share capital (EUR)	Nominal value of the Outstanding shares (EUR)
Ordinary Shares	40,000	24,081.20	40,000	24,366.96	40,000	24,366.96
Preferred Shares A	40,000	13,194.16	40,000	13,194.16	40,000	13,194.16
Preferred Shares B	40,000	8,471.84	40,000	8,471.84	40,000	8,471.84
Preferred Shares C	—	—	12,000	5,633.68	12,000	9,146.56
Total	**120,000**	**45.747.20**	**132,000**	**51,666.64**	**132,000**	**55,179.52**

On 1 March 2011, 16,294 Preferred Shares C were issued by deed executed before R.M. Rieter, civil notary in The Hague. The below overview reflects the changes in the share capital following the issue of the additional Preferred Shares C.

	1 March 2011	
	Nominal value of the Authorised share capital (EUR)	Nominal value of the Outstanding shares
Ordinary Shares	40,000	24,366.96
Preferred Shares A	40,000	13,194.16
Preferred Shares B	40,000	8,471.84
Preferred Shares C	12,000	10,450.08
Total	**132,000**	**56,483.04**

Current Shareholdings

At the date of the Prospectus the Company has 15 shareholders. Stichting Fondsen Nederlands Kankerinstituut, R. Bernards Holding B.V., Dr. Sixt Holding B.V. and L. van 't Veer Holding B.V. together hold all our currently outstanding Ordinary Shares, constituting approximately 43% of the issued share capital of the Company. The Preferred Shareholders together hold all outstanding Preferred Shares, constituting approximately 57% of the issued share capital of the Company.

Please see ''*Major Shareholders and Related Party Transactions – Major Shareholders – Holding Prior to and After the Offering*'' for an overview of the ownership of our Ordinary Shares and Preferred Shares, at the date of this Prospectus.

Restructuring of Share Capital (the ''Restructuring'')

On the Settlement Date the nominal value of each of our Ordinary Shares and each of our Preferred Shares will be increased from €0.08 to €1.30. Subsequently, all outstanding Preferred Shares will be converted into Ordinary Shares on a one-to-one ratio. However, the Current Shareholders have agreed, amongst themselves that in consideration for the equity investments in the Company by the Preferred Shareholders in the financing rounds since incorporation of the Company (see ''*Major Shareholders and Related Party Transactions – Related Party Transactions – Financing Rounds*''), the Preferred Shareholders may be entitled to receive more Ordinary Shares than the number of Preferred Shares held by them (the ''**Conversion Preference**''). The ratio of the Conversion Preference is dependent on the valuation of the Company as determined based on the Offer Price.

Any additional Ordinary Shares that Preferred Shareholders are entitled to receive in accordance with the Conversion Preference, will be transferred on the Settlement Date to the Preferred Shareholders by the current holders of our Ordinary Shares; R. Bernards Holding B.V., L. van 't Veer Holding B.V., Dr. Sixt Holding B.V. and Stichting Fondsen Nederlands Kankerinstituut. The

conversion of the Preferred Shares into Ordinary Shares and the Conversion Preference will therefore effectively constitute a redistribution of the share capital of the Company among the Current Shareholders.

Each Ordinary Shares shall subsequently be split into 13 Ordinary Shares with a nominal value of €0.10 each.

Please see "*Major Shareholders and Related Party Transactions – Major Shareholders – Holdings Prior to and After the Offering*" for an overview of the ownership of our Ordinary Shares and Preferred Shares, following the Restructuring and prior to and immediately after the closing of the Offering assuming an Offer Price at the mid-point of the Offer Price Range and no exercise of the Over-Allotment Option.

Authorised and Issued Share Capital following the Restructuring

On the Settlement Date and following the Restructuring, our authorised share capital pursuant to our Articles of Association amounts to €6,000,000 and is divided into 60,000,000 Ordinary Shares, each with a par value of €0.10.

Immediately after the settlement of the Offering, we expect to have 13,403,846 Ordinary Shares issued and outstanding, assuming we raise €75 million in gross proceeds from the issue of Offer Shares at an Offer Price at the mid-point of the Offer Price Range and without exercise of the Over-Allotment Option.

	Following the Restructuring and immediately prior to the settlement of the Offering	Immediately after the settlement of the Offering[(1)]
Ordinary Shares	9,178,494	13,403,846

(1) Assuming we raise gross proceeds of €75 million from the issue of Offer Shares at an Offer Price at the mid-point of the Offer Price Range and without exercise of the Over-Allotment Option.

Currently, none of the issued shares in our own capital are held by us or any of our subsidiaries. All shares that are outstanding at the date of this Prospectus are fully paid up.

We will not issue preferred shares in the Offering. All our Ordinary Shares are registered shares and will be entered into a collection deposit (*verzameldepot*) and/or giro deposit (*girodepot*) on the basis of the Dutch Securities Giro Transactions Act (*Wet giraal effecten verkeer*) (the "**Securities Giro Transactions Act**"). The affiliated institutions (*aangesloten instellingen*), as defined in the Securities Giro Transactions Act, are responsible for the management of the collection deposit and Euroclear Nederland, being the central institute (*Centraal Instituut*) for the purposes of the Securities Giro Transactions Act, will be responsible for the management of the giro deposit.

Issue of Ordinary Shares

Under our Articles of Association we may only issue shares, or grant rights to subscribe for shares, pursuant to a resolution of the General Meeting upon proposal of the Management Board, subject to the prior approval of the Supervisory Board.

Under our Articles of Association we may only issue shares, or grant rights to subscribe for shares, pursuant to a resolution of the General Meeting, unless such authority is delegated to another corporate body.

Our Articles of Association provide that the General Meeting may delegate the authority to issue shares, or grant rights to subscribe for shares, to the Management Board, subject to approval by the Supervisory Board. Pursuant to the Corporate Governance Code and Dutch law, the period of delegation may not exceed five years. Such authority may be renewed by a resolution of the General Meeting for a subsequent period of up to five years each time. If not otherwise determined in the resolution, such authority is irrevocable. In the resolution authorising the Management Board, the amount and the class of shares which may be issued must be determined. On 3 June 2011, the General Meeting authorised the Management Board for a period of 18 months to issue Ordinary Shares representing up to 30% of the outstanding share capital of the Company including Ordinary Shares to be issued under the Stock Option Plan.

No resolution of the General Meeting or the Management Board is required for an issue of shares pursuant to the exercise of a previously granted right to subscribe for shares.

Pre-Emption Rights

Dutch company law and our Articles of Association give shareholders in most cases pre-emption rights to subscribe on a *pro rata* basis for any issue of new shares or upon a grant of rights to subscribe for shares. Exceptions to these pre-emption rights include the issue of shares and the grant of rights to subscribe for shares (i) to our employees, (ii) in return for non-cash consideration, or (iii) the issue of shares to persons exercising a previously granted right to subscribe for shares.

A shareholder may exercise pre-emption rights during a period of two weeks from the date of the announcement of the issue or grant. The General Meeting or the Management Board, if so designated by the General Meeting and subject to approval of the Supervisory Board, may restrict the right or exclude shareholder pre-emption rights. A resolution by the General Meeting to delegate the authority to exclude or limit pre-emption rights to the Management Board requires a majority of at least two-thirds of the votes cast, if less than 50% of our issued share capital is present or represented. If the General Meeting has not delegated this authority to the Management Board, the General Meeting may itself vote to limit or exclude pre-emption rights and will also require a majority of at least two-thirds of the votes cast, if less than 50% of our issued share capital is present or represented at the General Meeting.

Reduction of Share Capital

Under our Articles of Association, upon a proposal from the Management Board, subject to the approval by the Supervisory Board, the General Meeting may resolve to reduce our issued and outstanding share capital by cancelling our shares, or by amending our Articles of Association to reduce the nominal value of our shares. The decision to reduce our share capital requires a majority of at least two-thirds of the votes cast, if less than 50% of our issued share capital is present or represented at the General Meeting. A resolution of the General Meeting to reduce our issued and outstanding share capital furthermore requires the approval of each class of shareholders whose rights are affected by the reduction. Such approval requires a majority of at least two-thirds of the votes cast, if less than 50% of the issued share capital of such class of shares is present or represented.

Dividends and Other Distributions

We may only make distributions to the extent our shareholders' equity exceeds the sum of the paid-in and called-up share capital plus the reserves as required to be maintained by Dutch law or by our Articles of Association. Under our Articles of Association, the Management Board determines, subject to the prior approval of the Supervisory Board, which part of any profit will be reserved. See "*Dividends and Dividend Policy*".

We may only make a distribution of dividends to our shareholders after the adoption of our statutory annual accounts demonstrating that such distribution is legally permitted. The Management Board is permitted however, subject to certain requirements and subject to approval of our Supervisory Board, to declare interim dividends without the approval of the General Meeting.

Claims to dividends and other distributions not made within five years from the date that such dividends or distributions became payable will lapse and any such amounts will be considered to have been forfeited to us (*verjaring*).

Acquisition of Shares in Our Capital

We may acquire our own fully paid up shares at any time for no consideration (*om niet*), or, subject to certain provisions of Dutch law and our Articles of Association, if (i) our shareholders' equity less the payment required to make the acquisition, does not fall below the sum of called-up and paid-in share capital and any statutory reserves, (ii) we and our subsidiaries would thereafter not hold shares or hold a pledge over our shares with an aggregate nominal value exceeding 50% of our issued share capital, and (iii) the Management Board has been authorised thereto by the General Meeting.

Authorisation from the General Meeting to acquire our shares must specify the number and class of shares that may be acquired, the manner in which shares may be acquired and the price range within which shares may be acquired. Such authorisation will be valid for no more than 18 months.

On 3 June 2011, the General Meeting authorised the Management Board for a period of 18 months to implement transactions pursuant to which we acquire Ordinary Shares, by any means of acquisition of title, up to the maximum permitted by the Dutch Civil Code and our Articles of Association for a consideration of at least the par value per Ordinary Share and which may not exceed the average closing price of Ordinary Shares on Euronext Amsterdam during five consecutive trading days preceding the day of repurchase increased with 10%.

The Company does not have a right to any distribution from our shares acquired by the Company. Furthermore, no voting rights may be exercised for any of our shares held by the Company or a subsidiary, unless such shares are subject to the right of usufruct or to a pledge in favour of a company other than the Company or a subsidiary, in which case, the other company may be entitled to the voting rights on the shares. The Company may not exercise voting rights for our shares in respect of which the Company or a subsidiary has a right of usufruct or a pledge.

Corporate Governance

General Meetings of Shareholders and Voting Rights

The Annual General Meeting must be held within six months after the end of each financial year. An Extraordinary General Meeting may be convened, whenever our interests so require, by the Management Board or the Supervisory Board. Shareholders representing alone or in aggregate at least one-tenth of our issued and outstanding share capital may, pursuant to the Dutch Civil Code and our Articles of Association, request that a General Meeting be convened.

At least 42 calendar days prior to a General Meeting, we are required to publish the following information on our website, and leave such information available on our website for a period of at least one year: (i) the notice convening the General Meeting, including the place and time of the meeting, the agenda for the meeting and the right to attend the meeting, (ii) any documents to be submitted to the General Meeting, (iii) any proposals with respect to resolutions to be adopted by the General Meeting or, if no proposal will be submitted to the General Meeting, an explanation by the Management Board with respect to the items on the agenda, (iv) to the extent applicable, any draft resolutions with respect to items on the agenda proposed by a shareholder, (v) to the extent applicable, a format proxy statement and a form to exercise voting rights in writing and (vi) the total number of outstanding shares and voting rights in our capital on the date of the notice convening the General Meeting. Shareholders holding at least 1% of our issued and outstanding share capital or shares representing a value of at least €50.0 million according to the Daily Official List may submit proposals for the agenda. Provided we receive such proposals no later than the 60th calendar day before the General Meeting, and provided that such proposal does not conflict with our general interest, we will have the proposals included in the notice we publish in a national newspaper distributed daily in the Netherlands.

The Management Board may determine a record date (*registratiedatum*) of 28 calendar days prior to a General Meeting days to establish which shareholders are entitled to attend and vote in the General Meeting. If and to the extent that the total number of outstanding shares and voting rights in our capital are required changed on the record date, we have to publish on our website on the first business day following the record date such total number of outstanding shares and voting rights on the record date.

Each holder of an Ordinary Share is entitled to one vote. Shareholders may vote by proxy. The voting rights attached to any of our shares held by us are suspended as long as they are held in treasury. Currently, none of the issued shares in our capital are held by us or any of our subsidiaries.

Resolutions of the General Meeting are taken by an absolute majority, except where Dutch law or our Articles of Association provide for a qualified majority or unanimity. Matters requiring a majority of at least two-thirds of the votes cast in a meeting where at least half of our issued share capital is represented include, among others:

- a resolution to cancel a binding nomination for the appointment of members of the Management Board;
- a resolution to appoint members of the Management Board if the Supervisory Board fails to use its right to submit a binding nomination, or the binding nomination is set aside;
- a resolution to dismiss or suspend members of the Management Board other than pursuant to a proposal by the Supervisory Board.

At least within 15 calendar days after the General Meeting we are required to publish the established voting results for each resolution on our website.

Amendment of our Articles of Association

The General Meeting may resolve to amend our Articles of Association, subject to a proposal by the Management Board which requires the approval of the Supervisory Board.

Dutch Corporate Governance Code

On 9 December 2003, a committee commissioned by the Dutch State published the Corporate Governance Code. Since 1 January 2004, Dutch companies whose shares are listed on a government-recognised stock exchange (such as Euronext Amsterdam) are obliged to report on compliance with the Corporate Governance Code in their annual report. In December 2008, the Corporate Governance Code was amended on the recommendations of the Dutch Corporate Governance Code Monitoring Committee, following three years of monitoring compliance and application. The amendments came into force on 1 January 2009.

If a company deviates from a best practice provision in the Corporate Governance Code, the reason why must be properly explained in its annual report. The Corporate Governance Code provides that if a company's general meeting of shareholders explicitly approves the corporate governance structure and policy and endorses the explanation for any deviation from the best practice provisions, such company will be deemed to have applied the Corporate Governance Code.

We acknowledge the importance of good corporate governance. The Management Board and the Supervisory Board agree with the general approach and with the majority of the provisions of the Corporate Governance Code. However, it has been considered in our interests and the interest of our stakeholders, at this stage, not to apply a limited number of best practice provisions.

The best practice provisions we do not apply are:

- A management board member is appointed for a maximum period of four years (section II.1.1 of the Corporate Governance Code)

  The current members of the Management Board have been appointed for an indefinite period in line with their employment agreements and our articles of association in force at the time of their appointment. It is our intention to comply with this provision for any future member of the Management Board.

- All supervisory board members, with the exception of not more than one person, shall be independent (section III.2.1 of the Corporate Governance Code)

  Two of our Supervisory Board members are not independent within the meaning of best practice provision III.2.2 of the Corporate Governance Code. These Supervisory Board members are employed by and have been appointed upon nomination of two of the major shareholders of the Company, or affiliates of such shareholders. See also "*Management and Employees – Management Board, Supervisory Board and Senior Management Conflicts of Interest*".

- Options may not be exercised in the first three years after the date of grant (section II.2.4 of the Corporate Governance Code)

  Pursuant to the Stock Option Plan, options may be exercised within three years after the grant date.

- Appointment of a company secretary (section III.4.3 of the Corporate Governance Code)

  The Company currently does not have a company secretary, but it intends to appoint a company secretary in the near future.

- If the supervisory board consists of more than four members, it shall appoint an audit committee, a remuneration committee and a selection and appointment committee (section III.5 of the Corporate Governance Code)

  The functions and responsibilities of the remuneration committee and the selection and appointment committee shall be combined in one committee, the Selection, Appointment and Remuneration Committee.

- Granting of shares or rights to shares to supervisory board members (section III.7.1 of the Corporate Governance Code)

The Company believes that, in today's market, remuneration that includes share incentives may be necessary to attract excellent Supervisory Board members in the molecular diagnostics industry also considering, taking into account the remuneration policies of our competitors in the United States in this respect.

- The general meeting of shareholders may pass a resolution to cancel the binding nature of a nomination for the appointment of a member of the management board or of the supervisory board and/or a resolution to dismiss a member of the management board or of the supervisory board by an absolute majority of the votes cast (section IV.1.1 of the Corporate Governance Code)

  Considering the remaining shareholdings and involvement of our Current Shareholders (see "*Major Shareholders and Related Party Transactions*"), we deem it appropriate that any resolutions of the General Meeting to cancel the binding nature of a nomination for the appointment of a member of the Management Board or of the Supervisory Board and/or a resolution to dismiss a member of the Management Board or of the Supervisory Board without a prior proposal of the Supervisory Board requires a majority of at least two-thirds of the votes cast in a meeting where at least half of our issued share capital is represented.

- Follow in real time all meetings with analysts, investors and press conferences (section IV.3.1 of the Corporate Governance Code)

  The Company believes that enabling shareholders to follow in real time all the meetings with analysts, presentations to analysts, presentations to investors as referred to in best practice provision IV.3.1 of the Corporate Governance Code would create an excessive burden on the Company's resources. The Company will ensure that analyst presentations made after the Offering are posted on the website after meetings with analysts.

Dissolution and Liquidation

Under our Articles of Association, we may be dissolved by a resolution of the General Meeting, subject to a proposal by the Management Board which requires the approval of the Supervisory Board.

In the event of dissolution, our business will be liquidated in accordance with Dutch law and our Articles of Association and the liquidation shall be arranged by the Management Board under supervision of the Supervisory Board, unless the General Meeting appoints other liquidators. During liquidation, the provisions of our Articles of Association will remain in force as far as possible.

Liability of Directors

Under Dutch law, members of the Management Board and the Supervisory Board may be liable to us for damages in the event of improper or negligent performance of their duties. They may be jointly and severally liable for damages to us and to third parties for infringement of our Articles of Association or of certain provisions of the Dutch Civil Code. In certain circumstances, they may also incur additional specific civil and criminal liabilities. Members of the Management Board and the Supervisory Board and certain other officers of the Company and certain subsidiaries are insured under an insurance policy against damages resulting from their conduct when acting in the capacities as such members or officers. See also "*Management and Employees – Directors Indemnification and Insurance*".

Financial Information

The Company shall publish its annual accounts within four months after the end of each financial year and its half-yearly figures within two months after the end of the first six months of each financial year. Furthermore, the Company shall publish interim management statements (containing, among other things, an overview of important transactions and their financial consequences) in the period starting ten weeks after and six weeks before the first and second half of each financial year, or, alternatively, publish quarterly financial statements. Within five calendar days after adoption of its annual accounts, the Company shall submit its adopted annual accounts to the AFM.

Obligations of Shareholders to Make a Public Offer

The European Directive on Takeover Bids (2004/25/EC) has been implemented in Dutch legislation in the Dutch Financial Supervision Act. Pursuant to the Dutch Financial Supervision Act a

shareholder who has acquired 30% of the shares in the company or the voting rights attached to the shares has the obligation to launch a public offering for all shares in the company. The legislation also applies to persons acting in concert who jointly acquire 30% of the shares in the company or the voting rights attached to the shares.

Squeeze Out Procedures

Pursuant to section 2:92a of the Dutch Civil Code, a shareholder who for his own account owns at least 95.0% of our issued capital may institute proceedings against our other shareholders jointly for the transfer of their shares to the claimant. The proceedings are held before the Enterprise Chamber and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him. Unless the addresses of all of them are known to him, he shall also publish the same in a newspaper with a national circulation.

An offeror under a public offer is also entitled to start a squeeze out procedure, within three months after the public offer, if following the public offer the offeror contributes at least 95.0% of the class of shares subject to the public offer and represents at least 95.0% of the total voting rights attached to these shares. Where the offer is made on a mandatory basis, the mandatory offer price is in principal deemed to be a reasonable price, which has to be accepted by minority shareholders. Where the offer is made on a voluntary basis, the point of departure is that the offered price is considered reasonable as long as 90.0% of the shares subject to the public offer have been acquired. Should the offeror's offer of a squeeze out not be forthcoming, those minority shareholders that have not previously tendered their shares are entitled to the right of a squeeze out, if the offeror has acquired at least 95.0% of the class of shares subject to the public offer and represents at least 95.0% of the total voting rights attached to these shares.

Obligations of Shareholders and Members of the Management Board and Supervisory Board to Disclose Holdings and other Notification Requirements

Shareholders may be subject to notification obligations under the Dutch Financial Supervision Act. The Dutch Financial Supervision Act came into force on 1 January 2007 and implements several provisions of Directive 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market. The following description summarises those obligations.

Pursuant to chapter 5.3 of the Dutch Financial Supervision Act any person who, directly or indirectly, acquires or disposes of an actual or potential capital interest and/or voting rights in the Company must immediately give written notice to the AFM of such acquisition or disposal by means of a standard form if, as a result of such acquisition or disposal, the percentage of capital interest and/or voting rights held by such person reaches, exceeds or falls below the following thresholds: 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%. Legislation is being considered that would add a 3% threshold as well.

For the purpose of calculating the percentage of capital interest or voting rights, the following interests must, *inter alia*, be taken into account: (i) shares and/or voting rights directly held (or acquired or disposed of) by any person, (ii) shares and/or voting rights held (or acquired or disposed of) by such person's controlled entities or by a third party for such person's account (iii) voting rights held (or acquired or disposed of) by a third party with whom such person has concluded an oral or written voting agreement, (iv) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights in consideration for a payment, and (v) shares and/or voting rights which such person, or any controlled entity or third party referred to above, may acquire pursuant to any option or other right to acquire shares and/or the attached voting rights.

Controlled entities (within the meaning of the Dutch Financial Supervision Act) do not themselves have notification obligations under the Dutch Financial Supervision Act as their direct and indirect interests are attributed to their (ultimate) parent. If a person who has a 5% or larger interest in the

Company's share capital or voting rights ceases to be a controlled entity it must immediately notify the AFM and all notification obligations under the Dutch Financial Supervision Act will become applicable to such former controlled entity.

Special rules apply to the attribution of shares and/or voting rights which are part of the property of a partnership or other form of joint ownership. A holder of a pledge or right of usufruct in respect of shares can also be subject to notification obligations, if such person has, or can acquire, the right to vote on the shares. The acquisition of (conditional) voting rights by a pledgee or beneficial owner may also trigger notification obligations as if the pledgee or beneficial owner were the legal holder of the shares and/or voting rights.

Under the Dutch Financial Supervision Act, we are required to file a report with the AFM promptly after the Settlement Date setting out our issued and outstanding share capital and voting rights. Thereafter we are required to notify the AFM promptly of any change of 1% or more in our issued and outstanding share capital or voting rights since the previous notification. Other changes in the our issued and outstanding share capital or voting rights must be notified to the AFM within eight days after the end of the quarter in which the change occurred. The AFM will publish all our notifications of its issued and outstanding share capital and voting rights in a public register. If a person's capital interest and/or voting rights reach, exceed or fall below the above-mentioned thresholds as a result of a change in our issued and outstanding share capital or voting rights, such person is required to make a notification not later than on the fourth trading day after the AFM has published our notification as described above.

Each person whose holding of capital interest or voting rights amounts to 5% or more of the Company's issued and outstanding share capital at the Settlement Date must notify the AFM of such holding without delay.

Furthermore, each member of the Management Board or Supervisory Board must notify the AFM (a) immediately after the Settlement Date of the number of shares he/she holds and the number of votes he/she is entitled to cast in respect of the Company's issued and outstanding share capital, and (b) subsequently of each change in the number of shares he/she holds and of each change in the number of votes he/she is entitled to cast in respect of the Company's issued and outstanding share capital, immediately after the relevant change.

The AFM keeps a public register of all notifications made pursuant to these disclosure obligations and publishes any notification received.

Non-compliance with these disclosure obligations is an economic offence and may lead to criminal prosecution. The AFM may impose administrative penalties for non-compliance, and the publication thereof. In addition, a civil court can impose measures against any person who fails to notify or incorrectly notifies the AFM of matters required to be notified. A claim requiring that such measures be imposed may be instituted by the Company, and/or by one or more shareholders who alone or together with others represent at least 5% of the issued and outstanding share capital of the Company or are able to exercise at least 5% of the voting rights. The measures that the civil court may impose include:

- an order requiring the person with a duty to disclose to make the appropriate disclosure;
- suspension of the right to exercise the voting rights by the person with a duty to disclose for a period of up to three years as determined by the court;
- voiding a resolution adopted by the general meeting of shareholders, if the court determines that the resolution would not have been adopted but for the exercise of the voting rights of the person with a duty to disclose, or suspension of a resolution adopted by the general meeting of shareholders until the court makes a decision about such voiding; and
- an order to the person with a duty to disclose to refrain, during a period of up to five years as determined by the court, from acquiring shares and/or voting rights in the Company.

Shareholders are advised to consult with their own legal advisers to determine whether the disclosure obligations apply to them.

Market Abuse Rules

The Dutch Financial Supervision Act provides for specific rules intended to prevent market abuse, such as prohibitions on insider trading, divulging inside information and tipping, and market manipulation. The Company, the members of the Management Board and the Supervisory Board and other insiders and persons performing or conducting transactions in the Company's securities,

as applicable, will be subject to the Dutch insider trading prohibition, the Dutch prohibition on divulging insider information and tipping and the Dutch prohibition on market manipulation. In certain circumstances, the Company's investors may also be subject to the Dutch market abuse rules.

Any dealings in or from the Netherlands in the Ordinary Shares and other financial instruments the value of which is (co)determined by the value of the Ordinary Shares (including dealings by the Company itself) are subject to the provisions of the Dutch Financial Supervision Act with respect to insider trading, market manipulation and other market abuse rules. It is prohibited for any person to make use of inside information within or from the Netherlands by conducting or effecting a transaction in the Company's securities. In addition, it is prohibited for any person to pass on inside information to a third party or to recommend or induce, on the basis of inside information, any person to conduct a transaction. Furthermore, it is prohibited for any person to manipulate the market, for instance by conducting transactions which could lead to an incorrect or misleading signal of the supply of, the demand for, or the price of the securities.

Inside information is any information of a precise nature relating (directly or indirectly) to the Company, or to trading in the Ordinary Shares, which information has not been made public and which, if it were made public, would be likely to have a significant effect on the price of the Ordinary Shares or on the financial instruments the value of which is (co)determined by the value of the Ordinary Shares.

Pursuant to the rules on market abuse, the Company will have adopted in connection with its listing on Euronext Amsterdam an internal insider trading regulation policy, which will be available on the Company's website. This regulation provides for, among other things, rules on the possession of and transactions by the members of the Management Board, the members of the Supervisory Board, the members of the Senior Management and other employees in the Ordinary Shares or in financial instruments the value of which is (co)determined by the value of the Ordinary Shares. In addition, the Company will prepare a list of those persons working for it who may have access to inside information on a regular or incidental basis and will inform the persons concerned of the rules on insider trading and market manipulation including the sanctions which can be imposed in the event of a violation of those rules.

Non-compliance with the market abuse regulations under the Dutch Financial Supervision Act could lead to criminal penalties, administrative fines and cease-and-desist orders (and the publication thereof), imprisonment or other sanctions, as applicable.

Reporting obligations of members of the Management Board and the Supervisory Board

Pursuant to the Dutch Financial Supervision Act, members of the Management Board or Supervisory Board must notify the AFM of all transactions: (i) conducted or carried out for his/her own account, relating to the Ordinary Shares or financial instruments, the value of which is (in part) determined by the value of the Ordinary Shares, and (ii) relating to changes in the voting rights in the Company.

Other reporting obligations

In addition, persons designated by the Market Abuse Decree (*Besluit Marktmisbruik Wft*) who are closely associated with members of the Management Board or Supervisory Board or any other person who has managerial responsibilities within the Company and in that capacity is authorised to make decisions affecting the future developments and business prospects of the Company and who has regular access to inside information relating, directly or indirectly, to the Company (each, an "**Insider**") must notify the AFM of any transactions conducted for their own account relating to the Ordinary Shares or financial instruments, the value of which is (in part) determined by the value of the Ordinary Shares. The Market Abuse Decree designates the following categories of persons: (i) the spouse or any partner considered by national law as equivalent to the spouse, (ii) dependent children, (iii) other relatives who have shared the same household for at least one year at the relevant transaction date, and (iv) any legal person, trust or partnership, among other things, whose managerial responsibilities are discharged by a member of the Management Board or Supervisory Board or any other Insider or by a person referred to under (i), (ii) or (iii) above.

The AFM must be notified of transactions effected in either the Ordinary Shares or financial instruments, the value of which is (in part) determined by the value of the Ordinary Shares, no later than the fifth business day following the transaction date by means of a standard form. Notification may be postponed until the date that the value of the transactions carried out on a

person's own account, together with the transactions carried out by the persons associated with that person, reach or exceed the amount of €5,000 in the calendar year in question. The AFM keeps a public register of all notifications made pursuant to the Dutch Financial Supervision Act.

Non-compliance with these reporting obligations under the Dutch Financial Supervision Act could lead to criminal penalties, administrative fines and cease-and-desist orders (and the publication thereof), imprisonment or other sanctions.

Transparency Directive

On the First Trading Date, the Company will be a public limited liability company (*naamloze vennootschap*) incorporated and existing under the laws of the Netherlands. The Netherlands is the home member state of the Company for the purposes of Directive 2004/109/EC (the "**Transparency Directive**") as a consequence of which the Company will be subject to the Dutch Financial Supervision Act in respect of certain ongoing transparency and disclosure obligations upon admission to listing and trading of the Ordinary Shares on Euronext Amsterdam.

Dutch Financial Reporting Supervision Act

The Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*) (the "**FRSA**") applies to financial years starting from 1 January 2006. On the basis of the FRSA, the AFM supervises the application of financial reporting standards by, amongst others, companies whose corporate seat is in the Netherlands and whose securities are listed on a regulated Dutch or foreign stock exchange.

Pursuant to the FRSA, the AFM has an independent right to (i) request an explanation from the Company regarding its application of the applicable financial reporting standards if, based on publicly known facts or circumstances, it has reason to doubt the Company's financial reporting meets such standards and (ii) recommend to the Company the making available of further explanations. If the Company does not comply with such a request or recommendation, the AFM may request that the Enterprise Chamber orders the Company to (i) provide an explanation of the way it has applied the applicable financial reporting standards to its financial reports or (ii) prepare its financial reports in accordance with the Enterprise Chamber's instructions.

MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Major Shareholders

Holdings Prior to and After the Offering

The following table presents information about the ownership of our shares, including with respect to those of our Current Shareholders which beneficially own 5% or more of our shares, as at the date of this Prospectus.

Shareholder	Total Number of Ordinary Shares	Total Number of Preferred Shares A	Total Number of Preferred Shares B	Total Number of Preferred Shares C	Percentage of Total Outstanding Share Capital
R. Bernards Holding B.V.	80,000	—	—	—	11.33%
Dr. Sixt Holding B.V.	80,000	—	—	—	11.33%
L. van 't Veer Holding B.V.	80,000	—	—	—	11.33%
Stichting Fondsen Nederlands Kankerinstituut	64,587	—	—	—	9.15%
Gilde Europe Food & Agribusiness Fund B.V.	—	51,413	12,011	12,101	10.7%
Van Herk Biotech B.V.	—	81,014	18,926	27,219	18.01%
Gendi B.V.[(1)]	—	—	70,785	34,193	14.87%
Vlugtinvest B.V.[(2)]	—	—	—	38,652	5.47%

(1) ING Bank N.V. indirectly holds the majority of the share capital of Gendi B.V. ING Bank N.V. acts as Joint Global Co-Ordinator and Joint Bookrunner in the Offering.

(2) Vlugtinvest B.V. intends to transfer the Ordinary Shares it holds to Breedinvest B.V., a group company of Vlugtinvest B.V., after the settlement of the Offering.

The following table presents information about the approximate ownership of our Ordinary Shares, including with respect to those of our Current Shareholders which will beneficially own 5% or more of our Ordinary Shares, (a) after the Restructuring and the transfer of Ordinary Shares by the Current Shareholders to the Foundation in connection with the amendment to the Participation Share Plan and (b) immediately after the settlement of the Offering, assuming an Offer Price at the mid-point of the Offer Price Range and no exercise of the Over-Allotment Option:

	Ordinary Shares owned immediately prior to the Offering[(1)]		Ordinary Shares owned immediately after the Offering	
Shareholder	Total Number of Ordinary Shares	Percentage of Total Outstanding Ordinary Shares	Total Number of Ordinary Shares	Percentage of Total Outstanding Ordinary Shares
R. Bernards Holding B.V.	435,785	4.7%	435,785	3.3%
Dr. Sixt Holding B.V.	435,785	4.7%	435,785	3.3%
L. van 't Veer Holding	435,785	4.7%	435,785	3.3%
Stichting Fondsen Nederlands Kankerinstituut	447,878	4.9%	447,878	3.3%
Gilde Europe Food & Agribusiness Fund B.V.	1,319,518	14.4%	1,319,518	9.8%
Van Herk Biotech B.V.	2,630,338	28.7%	2,630,338	19.6%
Gendi B.V.	1,437,911	15.7%	1,437,911	10.7%
Vlugtinvest B.V.[(2)]	782,115	8.5%	782,115	5.8%
Stichting PSP Agendia	356,925	3.9%	356,925	2.7%

(1) These columns show the Ordinary Shares owned immediately prior to the Offering, reflecting the effects of the Restructuring (as described in "*Description of Share Capital and Corporate Governance – Restructuring of Share Capital (the "Restructuring")*") as well as the transfer of Ordinary Shares by the Current Shareholders to the Foundation in connection with the amendment to the Participation Share Plan (as described in "*Management and Employees – Participation Share Plan*").

(2) Vlugtinvest B.V. intends to transfer the Ordinary Shares it holds to Breedinvest B.V., a group company of Vlugtinvest B.V., after the settlement of the Offering.

Shareholders Agreement and Relationship Agreement

The Company and the Current Shareholders are party to a shareholders agreement (the "**Shareholders Agreement**"). The Shareholders Agreement has been terminated by the parties

thereto subject to the condition precedent of the settlement of the Offering occurring on or before 30 June 2011.

The Company, the Current Shareholders and Breedinvest B.V. have entered into a relationship agreement (the "**Relationship Agreement**"), which will take effect once the Shareholders Agreement is terminated. The Relationship Agreement contains the agreement between the Company and the Current Shareholders orderly market arrangements with respect to a sale of Ordinary Shares by the Current Shareholders or Breedinvest B.V. following the Offering. Pursuant to the Relationship Agreement, Mr. Pieter van der Meer will resign as member of the Supervisory Board when Gilde Europe Food & Agribusiness Fund B.V. no longer holds any Ordinary Shares. The Relationship Agreement terminates 540 days after the Settlement Date.

Related Party Transactions

Financing rounds

Since the incorporation of the Company, the Current Shareholders have invested an amount of approximately €74.9 million in the Company in a number of financing rounds.

There have been three financing rounds from 1 January 2008 until the date of this Prospectus.

On 28 August 2009, a total number of 70,421 Preferred Shares C were issued to Gilde Europe Food & Agribusiness Fund B.V., The Global Life Science Ventures Fonds II GmbH & Co KG, The Global Life Science Ventures Fund II Limited Partnership, Van Herk Biotech B.V., Gendi B.V., Vlugtinvest B.V., and other investors. The total subscription amount for these Preferred Shares C was €5,634 in nominal value and €16,619,356 in share premium. In connection with this financing round Stichting Fondsen Nederlands Kankerinstituut subscribed for 3,572 ordinary shares for a total subscription amount of €286. A total amount of €16,625,275.44 was raised in the 2009 financing round.

On 13 December 2010, a total number of 43,911 Preferred Shares C were issued to Gilde Europe Food & Agribusiness Fund B.V., The Global Life Science Ventures Fonds II GmbH & Co KG, The Global Life Science Ventures Fund II Limited Partnership, Van Herk Biotech B.V., Gendi B.V. Vlugtinvest B.V. and other investors. The total subscription amount for these Preferred Shares C was €3,513 in nominal value and €10,362,996 in share premium. In connection with this financing round Stichting Fondsen Nederlands Kankerinstituut has paid an amount of €750,026.16 without having been issued any shares in the capital of the Company. A total amount of €10,366,508.88 was raised in the 2010 financing round.

On 1 March 2011, a total number of 16,294 Preferred Shares C were issued to Van Herk Biotech B.V., Gendi B.V. and other investors. The total subscription amount for these Preferred Shares C was €1,304 in nominal value and €3,845,384 in share premium. A total amount of €3,846,687.52 was raised in the 2011 financing round.

The table below sets out the amounts paid in connection with the financing rounds on 28 August 2009, 13 December 2010 and 1 March 2011. A division is made between the nominal value and the amount of share premium contributed to the Preferred Shares C issued in these financing rounds.

	Financing Round 2009 Preferred Shares C		Financing Round 2010 Preferred Shares C		Financing Round 2011 Preferred Shares C	
Shareholder	**Nominal share capital contribution (EUR)**	**Share premium (EUR)**	**Nominal share capital contribution (EUR)**	**Share premium (EUR)**	**Nominal share capital contribution (EUR)**	**Share premium (EUR)**
Stichting Fondsen Nederlands Kankerinstituut	285.76[1]	—	—	—	—	—
Gilde Europe Food & Agribusiness Fund B.V.	629.20	1,856,140	338.88	999,696	—	—
The Global Life Science Ventures Fonds II GmbH & Co KG	123.04	362,968	19.04	56,168	—	—
The Global Life Science Ventures Fund II Limited Partnership	95.68	282,256	14.88	43,896	—	—
Van Herk Biotech B.V.	991.44	2,924,748	1,016.64	2,999,088	169.44	499,848
Gendi B.V.	702.16	2,071,372	1,016.64	2,999,088	1,016.64	2,999,088
Vlugtinvest B.V.	2583.84	7,622,328	508.32	1,499,544	—	—
Other investors	508.32	1,499,544	598.48	1,765,516	117.44	346,448
Total	**5,919.44**	**16,619,356**	**3,512.88**	**10,362,996**	**1,303.52**	**3,845,384**

(1) Ordinary shares issued in connection with a contractual anti-dilution arrangement.

Other Related Party Transactions

Service Agreement

On 20 March 2009, the Company entered into a service agreement with Stichting Antoni van Leeuwenhoek Ziekenhuis ("**AVL**") and Stichting Fondsen Nederlands Kankerinstituut ("**SFN**"), one of our Current Shareholders. Pursuant to the service agreement, the Company shall provide MammaPrint® tests to AVL and AVL shall use reasonable efforts to achieve full reimbursement at its list price for MammaPrint® tests from health care insurers. The Company shall invoice AVL for the MammaPrint® tests ordered by AVL and approves the transfer to SFN of any receivables owed by AVL to the Company under any invoice relating to MammaPrint® tests. Upon such transfer, SFN shall be solely liable to the Company for the payment of the transferred receivables owed to the Company under any invoice issued by the Company to AVL and relating to MammaPrint® tests delivered by the Company to AVL (the "**Debt**"). Under the terms of the service agreement, SFN may defer payment of the Debt. The right of SFN to defer payment of the Debt and the right of AVL to transfer any receivables owed by it to the Company under invoices in connection with MammaPrint®, shall terminate on the earlier of: (i) the termination of the service agreement, (ii) the sale or disposal of any Ordinary Shares held by SFN, and (iii) the Debt exceeding an amount of €1,000,000. The Debt is immediately due and payable by SFN thirty days after SFN is permitted to sell or dispose any Ordinary Shares held by it. SFN's obligation to pay any amount to the Company under the Debt is limited to an amount equal to the value of the Ordinary Shares held by SFN on the day that the right of SFN to defer payment of the Debt terminates. After SFN is permitted, under the terms of this agreement to sell or dispose of the Ordinary Shares held by it, SFN shall sell or otherwise dispose of the Ordinary Shares held by it:

(i) as soon as possible; and

(ii) on commercial terms; and

(iii) on terms which ensure that the proceeds of the sale or disposal are paid to SFN in full no later than on completion of the sale or disposal of the Ordinary Shares and without set-off, counterclaim or any deduction of any kind, except those agreed in any subscription agreement dated before of the service agreement,

unless SFN shall have paid the outstanding amount under the Debt to the Company before the end of the thirty day period referred to above.

The service agreement terminates on 31 December 2012. Each of the Company and AVL may terminate the service agreement upon three months' prior written notice.

Reimbursement letter

On 24 February 2011, the Company and Gendi B.V. entered into a reimbursement letter in connection with certain fees to be paid by Gendi B.V. in consideration for a State guarantee that offers investors compensation for loss on their investments in certain industries. Gendi B.V. sought benefit from the State guarantee in connection with its subscription for Preferred Shares C in the last financing round of 1 March 2011. Pursuant to the reimbursement letter, the Company undertakes to reimburse Gendi B.V. for the fees that Gendi B.V. incurs in connection with the State guarantee. These fees consist of: (i) an arrangement fee of EUR 30,000 and (ii) a fee of EUR 90,000 per year for a minimum period of six years. The fees are payable in the event of, among other things, a listing of the shares of the Company. Over the course of six years, following the closing of the IPO, the Company will therefore have to reimburse Gendi B.V. for an amount of EUR 570,000.

Consulting arrangements

Prior to joining the Company as an employee, Kurt Schmidt – through his consulting company Veresis Consulting B.V. – provided consulting services to the Company. Prior to joining the Company as an employee, David Macdonald provided consulting services to the Company.

Reimbursement agreements under the Participation Share Plan

The Company and the Current Shareholders have entered into a number of reimbursement agreements. Under the terms of the reimbursement agreements, the Current Shareholders have agreed to reimburse the Company for the full amount of any payments the Company makes to participants under the Participation Share Plan. As from the amendment of the Share Participation Plan, the Current Shareholders are obliged to reimburse the Foundation for any payments made to

participants under the Participation Share Plan. See "*Management and Employees – Participation Share Plan*".

Letter of Support

The Company has a letter of support from four of its existing shareholders (Gendi B.V., Van Herk Biotech B.V., Gilde Europe Food and Agribusiness Fund B.V. and Vlugtinvest B.V.) to finance the Company's further liquidity needs as needed until 30 June 2012.

Anti dilution right

The Company has granted an anti-dilution right to Stichting Fondsen Nederlands Kankerinstituut, one of the Current Shareholders. Pursuant to the Relationship Agreement, this anti-dilution right of Stichting Fondsen Nederlands Kankerinstituut has been terminated subject to the condition precedent of the settlement of the Offering occurring on or before 30 June 2011.

Over-Allotment

Gendi B.V. has agreed with the Stabilisation Agent, acting on behalf of the Joint Global Co-ordinators and on the account of the Underwriters, to lend and transfer, on request, to the Stabilisation Agent or its affiliate or agent such number of Ordinary Shares in a number not to exceed 688,073 Ordinary Shares (the "**Over-Allotment Lent Shares**") for the purposes of facilitating over-allotments, if any, by the Joint Global Co-ordinators acting on behalf of the Underwriters made in connection with the Offering and/or to cover short positions resulting from stabilisation transactions during the period commencing on the First Trading Date and ending on the 30th calendar day after the First Trading Date. The Stabilisation Agent, acting on behalf of the Joint Global Co-ordinators and on the account of the Underwriters, has agreed with Gendi B.V. to redeliver to Gendi B.V. such number of Additional Shares equalling the total number of Over-Allotment Lent Shares lent by Gendi B.V. to the Stabilisation Agent not later than 40 calendar days following the Settlement Date, or such later date as agreed upon.

MARKET INFORMATION

Euronext Amsterdam

Prior to the Offering, there has been no public market for our Ordinary Shares. We have applied for the listing and admission of our Ordinary Shares to trading on Euronext Amsterdam, which is expected to commence on the First Trading Date on an 'if-and-when-issued' basis. Upon listing and trading of our Ordinary Shares on Euronext Amsterdam and to a certain extent already upon applying for admission to listing and trading of our Ordinary Shares on Euronext Amsterdam, we will be subject to Dutch securities regulations and supervision by the relevant Dutch authorities.

Market Regulation

The market regulator in the Netherlands is the AFM, insofar as the supervision of market conduct is concerned. The AFM has supervisory powers with respect to the application of takeover regulations and compliance with financial reporting requirements. It also supervises financial intermediaries (such as credit institutions and investment firms) and investment advisers. Pursuant to the implementation of the European Union (EU) Directive 2003/71/EC in the Netherlands on 1 July 2005, the AFM is the competent authority for approving all prospectuses published for admission of securities to trading on Euronext Amsterdam (except for prospectuses approved in other Member States that are used in the Netherlands in accordance with applicable passporting rules). In addition, pursuant to the implementation of the Market Abuse Directive 2003/6/EC and related Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC on 1 October 2005, the AFM has taken over from Euronext its supervisory powers with respect to the publication of inside information by listed companies.

The surveillance unit of Euronext will continue to monitor and supervise all trading operations.

TAXATION

Material Dutch Tax Consequences

The information set out below is a general summary of certain material Dutch tax consequences in connection with the acquisition, ownership and transfer of Ordinary Shares. The summary does not purport to be a comprehensive description of all the Dutch tax considerations that may be relevant for a particular holder of Ordinary Shares. Holders of Ordinary Shares may be subject to special tax treatment under any applicable law and this summary is not intended to be applicable in respect of all categories of holders of such shares. The summary is based upon the tax laws of the Netherlands as in effect on the date of this prospectus, including official regulations, rulings and decisions of the Netherlands and its taxing and other authorities available in printed form on or before such date and now in effect, and as applied and interpreted by Dutch tax courts, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect. These tax laws are subject to change, which could apply retroactively and could affect the continuing validity of this summary. As this is a general summary, we recommend investors and shareholders to consult their own tax advisors as to the Dutch or other tax consequences of the acquisition, ownership and transfer of Ordinary Shares, including, in particular, the application of their particular situations of the tax considerations discussed below.

The following summary does not address the tax consequences arising in any jurisdiction other than the Netherlands in connection with the acquisition, ownership and transfer of Ordinary Shares.

Dividend Withholding Tax

Dividends paid on Ordinary Shares to a holder of such Ordinary Shares are generally subject to withholding tax of 15% imposed by the Netherlands. Generally, the dividend withholding tax will not be borne by us, but will be withheld by us from the gross dividends paid on the Ordinary Shares. The term ''dividends'' for this purpose includes, but is not limited to:

- distributions in cash or in kind, deemed and constructive distributions and repayments of paid-in capital not recognized for Dutch dividend withholding tax purposes;
- liquidation proceeds, proceeds of redemption of shares or, generally, consideration for the repurchase of shares in excess of the average paid-in capital recognized for Dutch dividend withholding tax purposes;
- the nominal value of shares issued to a shareholder or an increase of the nominal value of shares, as the case may be, to the extent that it does not appear that a contribution to the capital recognized for Dutch dividend withholding tax purposes was made or will be made; and
- partial repayment of paid-in capital, recognized for Dutch dividend withholding tax purposes, if and to the extent that there are net profits (*zuivere winst*), within the meaning of the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*), unless the General Meeting of Shareholders has resolved in advance to make such a repayment and provided that the nominal value of the shares concerned has been reduced by a corresponding amount by way of an amendment of our Articles of Association.

A holder of Ordinary Shares who is, or who is deemed to be, a resident of the Netherlands can generally credit the withholding tax against his Dutch income tax or Dutch corporate income tax liability and is generally entitled to a refund of dividend withholding taxes exceeding his aggregate Dutch income tax or Dutch corporate income tax liability, provided certain conditions are met, unless such holder of Ordinary Shares is not considered to be the beneficial owner of the dividends.

A holder of Ordinary Shares who is the recipient of dividends, or the Recipient, will not be considered the beneficial owner of the dividends for this purpose if:

- as a consequence of a combination of transactions, a person other than the Recipient wholly or partly benefits from the dividends;
- whereby such other person retains, directly or indirectly, an interest similar to that in the Ordinary Shares on which the dividends were paid; and
- that other person is entitled to a credit, reduction or refund of dividend withholding tax that is less than that of the Recipient (''Dividend Stripping'').

With respect to a holder of Ordinary Shares, who is not and is not deemed to be a resident of the Netherlands for purposes of Dutch taxation and who is considered to be a resident of Aruba, Curaçao or St. Maarten under the provisions of the Tax Arrangement for the Kingdom of the Netherlands (*Belastingregeling voor het Koninkrijk*), or who is considered to be a resident of a country other than the Netherlands under the provisions of a double taxation convention the Netherlands has concluded with such country, the following may apply. Such holder of Ordinary Shares may, depending on the terms of and subject to compliance with the procedures for claiming benefits under the Tax Arrangement for the Kingdom of the Netherlands or such double taxation convention, be eligible for a full or partial exemption from or a reduction or refund of Dutch dividend withholding tax.

In addition, an exemption from Dutch dividend withholding tax will generally apply to dividends distributed to certain qualifying entities, provided that the following tests are satisfied:

(i) the entity is a resident of another EU member state or of a designated state that is a party to the Agreement on the European Economic Area (currently Iceland and Norway), according to the tax laws of such state;

(ii) the entity at the time of the distribution has an interest in us to which the participation exemption as meant in Article 13 of the Dutch Corporate Income Tax Act 1969 or to which the participation credit as meant in Article 13aa of the Dutch Corporate Income Tax Act 1969 would have been applicable, had such entity been a tax resident of the Netherlands;

(iii) the entity does not perform a similar function as an exempt investment institution (*vrijgestelde beleggingsinstelling*) or fiscal investment institution (*fiscale beleggingsinstelling*), as defined in the Dutch Corporate Income Tax Act 1969; and

(iv) the entity is, in its state of residence, not considered to be resident outside the Member States of the European Union or the designated states that are party to the Agreement on the European Economic Area under the terms of a double taxation convention concluded with a third State.

The exemption from Dutch dividend withholding tax is not available if pursuant to a provision for the prevention of fraud or abuse included in a double taxation treaty between the Netherlands and the country of residence of the non-resident holder of Ordinary Shares, such holder would not be entitled to the reduction of tax on dividends provided for by such treaty. Furthermore, the exemption from Dutch dividend withholding tax will only be available to the beneficial owner of the dividend.

Furthermore, certain entities that are resident in another EU member state or in a designated state that is a party to the Agreement on the European Economic Area (currently Iceland and Norway) and that are not subject to taxation levied by reference to profits in their state of residence, may be entitled to a refund of Dutch dividend withholding tax, provided:

(i) such entity, had it been a resident in the Netherlands, would not be subject to corporate income tax in the Netherlands;

(ii) such entity can be considered to be the beneficial owner of the dividends;

(iii) such entity does not perform a similar function to that of a fiscal investment institution (*fiscale beleggingsinstelling*) or an exempt investment Institution (*vrijgestelde beleggingsinstelling*) as defined in the Dutch Corporate Income Tax Act 1969; and

(iv) certain administrative conditions are met.

Dividend distributions to a US holder of Ordinary Shares (with an interest of less than 10% of the voting rights in us) are subject to 15% dividend withholding tax, which is equal to the rate such US holder may be entitled to under the Convention Between the Kingdom of the Netherlands and the United States for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, executed in Washington on December 18, 1992, as amended from time to time (the "**US-Dutch Treaty**"), or the Netherlands-US Convention. As such, there is no need to claim a refund of the excess of the amount withheld over the tax treaty rate.

On the basis of article 35 of the Netherlands-US Convention, qualifying US pension trusts are under certain conditions entitled to a full exemption from Dutch dividend withholding tax. Such qualifying exempt US pension trusts must provide us form IB 96 USA, along with a valid certificate, for the application of relief at source from dividend withholding tax. If we receive the required documentation prior to the relevant dividend payment date, then we may apply such relief at

source. If a qualifying exempt US pension trust fails to satisfy these requirements prior to the payment of a dividend, then such qualifying exempt pension trust may claim a refund of Dutch withholding tax by filing form IB 96 USA with the Dutch tax authorities. On the basis of article 36 of the Netherlands-US Convention, qualifying exempt US organizations are under certain conditions entitled to a full exemption from Dutch dividend withholding tax. Such qualifying exempt US organizations are not entitled to claim relief at source, and instead must claim a refund of Dutch withholding tax by filing form IB 95 USA with the Dutch tax authorities.

The concept of Dividend Stripping, described above, may also be applied to determine whether a holder of Ordinary Shares may be eligible for a full or partial exemption from, reduction or refund of Dutch dividend withholding tax, as described in the preceding paragraphs.

In general, we will be required to remit all amounts withheld as Dutch dividend withholding tax to the Dutch tax authorities. However, in connection with distributions received by us from our foreign subsidiaries (including a subsidiary resident on Aruba, Curaçao, St. Maarten, Bonaire, St. Eustatius or Saba), we are allowed, subject to certain conditions, to reduce the amount to be remitted to Dutch tax authorities by the lesser of:

(i) 3% of the portion of the distribution paid by us that is subject to Dutch dividend withholding tax; and

(ii) 3% of the dividends and profit distributions, before deduction of foreign withholding taxes, received by us from qualifying foreign subsidiaries in the current calendar year (up to the date of the distribution by us) and the two preceding calendar years, insofar as such dividends and profit distributions have not yet been taken into account for purposes of establishing the above- mentioned deductions.

For purposes of determining the 3% threshold under (i) above, a distribution by us is not taken into account in case the Dutch dividend withholding tax withheld in respect thereof may be fully refunded, unless the recipient of such distribution is a qualifying entity that is not subject to corporate income tax.

Although this reduction reduces the amount of Dutch dividend withholding tax that we are required to pay to Dutch tax authorities, it does not reduce the amount of tax that we are required to withhold from dividends.

Taxes on Income and Capital Gains

The description of taxation set out in this section of this prospectus is not intended for any holder of Ordinary Shares, who:

- is an individual and for whom the income or capital gains derived from Ordinary Shares are attributable to employment activities, the income from which is taxable in the Netherlands;
- holds a Substantial Interest or a deemed Substantial Interest in us (as defined below);
- is an entity that is a resident or deemed to be a resident of the Netherlands and that is not subject to or is exempt, in whole or in part, from Dutch corporate income tax;
- is an entity for which the income and/or capital gains derived in respect of Ordinary Shares are exempt under the participation exemption (*deelnemingsvrijstelling*) as set out in the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*); or
- who is a fiscal investment institution (*fiscale beleggingsinstelling*) or an exempt investment institution (*vrijgestelde beleggingsinstelling*) as defined in the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

Generally a holder of Ordinary Shares will have a substantial interest in us (''Substantial Interest''), if he holds, alone or together with his partner (statutorily defined term), whether directly or indirectly, the ownership of, or certain other rights over, shares representing 5% or more of our total issued and outstanding capital (or the issued and outstanding capital of any class of shares), or rights to acquire shares, whether or not already issued, that represent at any time 5% or more of our total issued and outstanding capital (or the issued and outstanding capital of any class of shares), or the ownership of certain profit participating certificates that relate to 5% or more of the annual profit or to 5% or more of our liquidation proceeds. A holder of Ordinary Shares will also have a Substantial Interest in us, if one of certain relatives of that holder or of his partner has a Substantial Interest in us.

If a holder of Ordinary Shares does not have a Substantial Interest, a deemed Substantial Interest will be present if (part of) a Substantial Interest has been disposed of, or is deemed to have been disposed of, without recognizing taxable gain.

Dutch Resident Individuals

An individual who is resident or deemed to be resident in the Netherlands, or who opts to be taxed as a resident of the Netherlands for purposes of Dutch taxation (''Dutch Resident Individual'') and who holds Ordinary Shares is subject to Dutch income tax on income or capital gains derived from the Ordinary Shares at the progressive rate (up to 52%-rate for 2011) if:

(i) the holder derives profits from an enterprise or deemed enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder), to which enterprise the Ordinary Shares are attributable; or

(ii) the holder derives income or capital gains from the Ordinary Shares, as the case may be, that are taxable as benefits from ''miscellaneous activities'' (*resultaat uit overige werkzaamheden*, as defined in the Dutch Income Tax Act 2001; *Wet inkomstenbelasting 2001*), which include the performance of activities with respect to the Ordinary Shares, that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If conditions (i) and (ii) mentioned above do not apply, any holder of Ordinary Shares who is a Dutch Resident Individual will be subject to Dutch income tax on a deemed return regardless of the actual income or capital gains benefits derived from the Ordinary Shares. This deemed return has been fixed at a rate of 4% of the individual's yield basis (*rendementsgrondslag*) insofar as this exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets (including the Ordinary Shares) held by the Dutch Resident Individual less the fair market value of certain qualifying liabilities, both determined on 1 January of the relevant year. The deemed return of 4% will be taxed at a rate of 30% (rate for 2011).

Dutch Resident Entities

An entity that is resident or deemed to be resident in the Netherlands (''Dutch Resident Entity''), will generally be subject to Dutch corporate income tax with respect to income and capital gains derived from the Ordinary Shares. The Dutch corporate income tax rate is 20% for the first EUR 200,000 of taxable income and 25% for taxable income exceeding EUR 200,000 (rates applicable for 2011).

Non-Dutch Residents

A person who is not a Dutch Resident Individual or Dutch Resident Entity (''Non-Dutch Resident''), who holds Ordinary Shares is generally not subject to Dutch income or corporate income tax (other than dividend withholding tax described above) on the income and capital gains derived from the Ordinary Shares, provided that:

- such Non-Dutch Resident does not derive profits from an enterprise or deemed enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder) which enterprise is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Ordinary Shares, are attributable or deemed attributable;
- in the case of a Non-Dutch Resident who is an individual, such individual does not derive income or capital gains from the Ordinary Shares, as the case may be, that are taxable as benefits from ''miscellaneous activities'' in the Netherlands (*resultaat uit overige werkzaamheden*, as defined the Dutch Income Tax Act 2001), which include the performance of activities with respect to the Ordinary Shares, that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*); and
- such Non-Dutch Resident is neither entitled to a share in the profits of an enterprise nor co-entitled to the net worth of such enterprise effectively managed in the Netherlands, other than by way of the holding of securities or, in the case of an individual, through an employment contract, to which enterprise the Ordinary Shares, or payments in respect of the Ordinary Shares, as the case may be, are attributable.

Gift or Inheritance Taxes

Dutch Residents

Gift, estate and inheritance taxes may arise in the Netherlands with respect to a transfer of the Ordinary Shares by way of a gift by, or, on the death of, a holder of Ordinary Shares who is resident or deemed to be resident in the Netherlands at the time of the gift or his/her death.

Non-Dutch Residents

No Dutch gift or inheritance taxes will be levied on the transfer of Ordinary Shares by way of gift by or on the death of a holder, who is neither a resident nor deemed to be a resident of the Netherlands for the purpose of the relevant provisions, unless:

(i) the transfer is construed as an inheritance or bequest or as a gift made by or on behalf of a person who, at the time of the gift or death, is or is deemed to be a resident of the Netherlands for the purpose of the relevant provisions; or

(ii) such holder dies while being a resident or deemed resident of the Netherlands within 180 days after the date of a gift of the Ordinary Shares.

For purposes of Dutch gift and inheritance tax, an individual who is of Dutch nationality will be deemed to be a resident of the Netherlands if he has been a resident in the Netherlands at any time during the ten years preceding the date of the gift or his death. For purposes of Dutch gift tax, an individual will, irrespective of his nationality, be deemed to be a resident of the Netherlands if he has been a resident in the Netherlands at any time during the 12 months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Value Added Tax

There is no Dutch value added tax payable by a holder of Ordinary Shares in respect of the issue of the Ordinary Shares pursuant to the Offering (other than value added tax payable in respect of services not exempt from Dutch value added tax).

Other Taxes and Duties

No Dutch registration tax, capital tax, customs duty, stamp duty or any other similar tax or duty other than court fees is payable in the Netherlands by a holder of Ordinary Shares in connection with the acquisition, ownership and transfer of Ordinary Shares.

Residence

A holder of Ordinary Shares will not become or be deemed to become a resident of the Netherlands solely by reason of holding these Ordinary Shares.

Taxation in the United States

General

The following summary describes the principal US federal income tax consequences of the purchase, ownership and disposition of the Offer Shares to US Holders (as defined below) that acquire the Offer Shares at original issuance. This summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a particular investor's decision to purchase the Offer Shares, and does not address the rules applicable to certain types of investors that are subject to special US federal income tax rules, including but not limited to holders of 10% or more of our voting shares, dealers in securities or currencies, traders in securities, financial institutions, US expatriates, tax-exempt entities, charitable remainder trusts and their beneficiaries, insurance companies, persons or their qualified business units whose functional currency is not the US dollar, persons that own (directly or indirectly) equity interests in holders of Offer Shares and subsequent purchasers of the Offer Shares. In addition, this summary does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than the US federal income tax laws. In general, the summary assumes that a holder holds an Offer Share as a capital asset and not as part of a hedge, straddle or conversion transaction.

This summary is based on the US federal income tax laws, Treasury regulations (final, temporary and proposed), the US-Dutch Treaty, administrative rulings and practice and judicial decisions, in each case as in effect or available on the date of this Prospectus. All of the foregoing are subject

to change or differing interpretation at any time, which change or interpretation may apply retroactively and could affect the continued validity of this summary.

This summary is included herein for general information only. We do not intend to seek a ruling from the US Internal Revenue Service (the "**IRS**") or an opinion of counsel as to the matters described in this summary and there can be no assurance that the IRS will take a similar view of those matters or that a different view would not be sustained. Prospective investors also will be subject to the tax laws of the jurisdictions of which they are citizens, residents or domiciliaries or in which they conduct business. ACCORDINGLY, PROSPECTIVE PURCHASERS OF THE OFFER SHARES SHOULD CONSULT THEIR OWN TAX ADVISERS AS TO THE US FEDERAL INCOME TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE OFFER SHARES, AND THE POSSIBLE APPLICATION OF STATE, LOCAL, NON-US OR OTHER TAX LAWS.

US Holder

As used in this section, the term "**US Holder**" means a beneficial owner of an Offer Share that is, for US federal income tax purposes, (i) a citizen or individual resident of the United States, (ii) a corporation (or other entity treated as a corporation for US federal income tax purposes) created or organised in or under the laws of the United States or any state thereof or the District of Columbia, (iii) an estate the income of which is includable in gross income for US federal income tax purposes regardless of its source, or (iv) a trust if, in general, a court within the United States is able to exercise primary supervision over its administration and one or more United States persons (as defined in the US Tax Code) have the authority to control all substantial decisions of such trust, and certain eligible trusts that have elected to be treated as United States persons.

If an entity or an arrangement is classified and treated for US federal income tax purposes as a partnership is a beneficial owner of the Offer Shares, the US federal income tax treatment of the partners in the partnership generally will depend on the classification and treatment of the partners and the activities of the partnership.

Distributions on the Offer Shares

Subject to the discussion below under "*Passive Foreign Investment Company Considerations*", US Holders will include in gross income the gross amount of any distribution paid by the Company out of its current or accumulated earnings and profits (as determined for US federal income tax purposes) as dividend income when the distribution is actually or constructively received by the US Holder. The gross amount of the distribution includes any Dutch tax withheld from the distribution. See "*Dividend Withholding Tax*" above. Because we do not intend to determine our earnings and profits on the basis of United States federal income tax principles, any distribution paid will generally be treated as a dividend for US federal income tax purposes.

Dividends paid to non-corporate US Holders in taxable years beginning before January 1, 2013 that constitute qualified dividend income will be subject to a maximum tax rate of 15% provided certain holding period requirements are met. Dividends the Company pays with respect to Offer Shares generally will be qualified dividend income. Dividends paid to corporate US Holders will not be eligible for the dividends-received deduction generally allowed to US corporations in respect of dividends received from other US corporations.

For foreign tax credit limitation purposes, distributions that are dividends for US federal income tax purposes will generally be income from sources outside the United States and will, depending on the US Holder's circumstances, be "passive category income" or "general category income."

The amount of the dividend distribution includible in income of a US Holder will be the US dollar value of the euro payment made, determined at the spot rate on the date the dividend distribution is includible in the income of the US Holder, regardless of whether the payment is in fact converted to US dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date the dividend payment is includible in income to the date the payment is converted into US dollars will be treated as ordinary income or loss and will not be eligible for the special tax rate applicable to qualified dividend income. The gain or loss will generally be income or loss from sources within the United States for foreign tax credit limitation purposes.

Dutch taxes withheld from dividends on Offer Shares, at a rate not exceeding the rate applicable to such US Holder under the US-Dutch Treaty, will be creditable against a US Holder's US federal income tax liability, subject to applicable limitations that may vary depending on a US Holder's

particular circumstances. Instead of claiming a credit a US Holder may, at its election, deduct such otherwise creditable Dutch taxes in computing its US taxable income, subject to generally applicable limitations. US Holders should consult their own tax advisors to determine whether they are subject to any special rules that limit their ability to make effective use of foreign tax credits.

Medicare Tax

Recently enacted legislation may require certain US Holders who are individuals, estates or trusts to pay up to an additional 3.8% tax on, among other things, dividends and capital gains for taxable years beginning after December 31, 2012.

Sale, Retirement or Other Taxable Disposition of the Offer Shares

Subject to the discussion below under ''Passive Foreign Investment Company Considerations'', a US Holder generally will recognise capital gain or loss for US federal income tax purposes upon the sale or other taxable disposition of the Offer Shares in an amount equal to the difference between the amount realised (i.e., amount of cash and the fair market value of the property received in exchange for the Offer Shares) and the US Holder's adjusted tax basis in the Offer Shares. This capital gain or loss will be long-term capital gain or loss if the US Holder held the Offer Shares for more than one year at the time of the sale, retirement or other taxable disposition. Under current law, for tax years beginning on or before 31 December 2012, the maximum long-term capital gains rate for a non-corporate US Holder generally is 15%. That capital gain or loss generally will be treated as income from US sources for foreign tax credit purposes. The deductibility of capital loss may be subject to limitations.

A US Holder that receives non-US currency upon the sale or exchange of Offer Shares generally will realise an amount equal to the US dollar value of the non-US currency on the date of the sale (or, if our Offer Shares are then traded on an established securities market, in the case of cash basis taxpayers and electing accrual basis taxpayers, the settlement date). A US Holder will have a tax basis in the non-US currency received equal to the US dollar amount realised. Any gain or loss realised by a US Holder on a subsequent conversion or other disposition of non-US currency will be ordinary income or loss, and generally will be US-source income or loss for foreign tax credit purposes.

Passive Foreign Investment Company Considerations

We believe that we are not a passive foreign investment company (''**PFIC**'') for US federal income tax purposes for the current taxable year. However, since PFIC status is determined annually based on the categories and amounts of income that we earn and the categories and valuation of our assets (including goodwill), from time to time, all of which are subject to change, there can be no assurance that we will not be a PFIC for any taxable year. Moreover, the value of our assets will be based, in part, on the then market value of the Offer Shares, which is subject to change. If our total market value is less than anticipated or subsequently declines, we may be or become classified as a PFIC. In addition, the composition of our assets will be affected by how, and how quickly, we spend our existing cash and the net proceeds of the Offering. Thus, it is possible that we may be or become classified as a PFIC in our current or any future taxable year. If we are treated as a PFIC for any taxable year during which a US Holder holds the Offer Shares, certain adverse US federal income tax consequences could apply to that US Holder (whether or not we continued to be a PFIC).

In general, we will be a PFIC in any taxable year in which, after applying certain look-through rules, either (i) 75% or more of our gross income constitutes ''passive income'', or (ii) 50% or more (by value) of our assets produce, or are held for the production of, ''passive income''. For these purposes, ''passive income'' generally includes interest, dividends, annuities and other investment income. For the purposes of the asset test, any cash (including any of our cash proceeds from the net proceeds of the Offering not invested in active assets shortly after the Offering, cash equivalents and cash invested in short-term interest-bearing debt instruments or bank deposits that are readily convertible into cash) generally will be treated as a passive asset. For the purpose of these tests, if we own directly or indirectly at least 25% (by value) of the stock of another corporation, we will be treated as if we held directly our proportionate share of the assets of the other corporation and directly earned our proportionate share of the other corporation's income.

If we are a PFIC in any year during which a US Holder owns the Offer Shares and the US Holder does not make a mark-to-market election, as described below, then the US Holder will be subject to additional taxes on a portion of any ''excess distributions'' received from us and any gain

realised on the sale or other disposition (including a pledge) of the Offer Shares regardless of whether we continue to be a PFIC. A US Holder would have an excess distribution to the extent that distributions on the Offer Shares during a taxable year exceed 125% of the average amount received during the three preceding taxable years (or, if shorter, the US Holder's holding period). To compute the tax on excess distributions or any gain (i) the excess distribution or the gain is allocated ratably to each day in the US Holder's holding period; (ii) the amount allocated to the current taxable year and any year before we became a PFIC is taxed as ordinary income in the current year; and (iii) the amount allocated to other taxable years is taxed at the highest applicable marginal rate in effect for each year and an interest charge is imposed to recover the deemed benefit from the deferred payment of the tax attributable to each year. Distributions from a PFIC that are not excess distributions will be subject to tax in the same manner as dividends described above except that no dividend paid on Offer Shares will qualify for the reduced tax rate on qualified dividends if the Company is classified as a PFIC for the year of the dividend payment or the preceding year.

If we are a PFIC, in lieu of being subject to the ''excess distribution'' rules discussed above, a US Holder may be able to elect to mark the Offer Shares to market annually (a ''mark-to-market election''). Any gain from marking the Offer Shares to market or from disposing of those Offer Shares would be ordinary income. A US Holder will recognise loss from marking the Offer Shares to market, but only to the extent of its unreversed gains (equal to the excess of mark-to-market gain included in income with respect to the Offer Shares for prior taxable years over the mark-to-market deduction with respect to the Offer Shares for prior taxable years). Loss from marking the Offer Shares to market would be ordinary, but loss on disposing of the Offer Shares would be capital loss except to the extent of unreversed gains. A US Holder can elect to mark the Offer Shares to market only if the Offer Shares are ''marketable stock'' as defined in US Treasury regulations. The Offer Shares will be marketable stock for any year in which Euronext Amsterdam is a ''qualified exchange'' and the Offer Shares are traded other than in de minimis quantities on Euronext Amsterdam for a minimum number of days each quarter. We believe that Euronext Amsterdam is a qualified exchange and that trading in the Offer Shares will be sufficient for the Offer Shares to be considered marketable stock in any year, but there can be no assurance that Euronext Amsterdam is or will continue to be a qualified exchange or that trading in the Offer Shares will be sufficiently active to qualify the Offer Shares as marketable stock. A US Holder's adjusted tax basis in the Offer Shares will be increased by the amount of any income inclusion and decreased by the amount of any deductions under the mark-to-market rules. If a US Holder makes a mark-to-market election, it will be effective for the taxable year for which the election is made and all subsequent taxable years unless the Offer Shares are no longer regularly traded on a qualified exchange or the IRS consents to the revocation of the election.

A US Holder in a PFIC can sometimes avoid the ''excess distribution'' rules by making a qualified electing fund (''**QEF**'') election to be taxed currently on its share of the PFIC's undistributed earnings. That election must be based on information concerning the PFIC's earnings provided by the PFIC to investors on an annual basis. We do not expect that we will make that information available to US Holders and, consequently, it is expected that US Holders will not be able to make a QEF election with respect to us.

If we are a PFIC, a US Holder would be subject to the PFIC rules described above with respect to any of our subsidiaries that are PFICs. However, the mark-to-market election will likely not be available with respect to the shares of such PFIC subsidiaries. Additionally, if we are a PFIC, US Holders would be subject to certain annual reporting requirements.

Reporting Requirements

Recently enacted legislation generally may require certain US Holders to report to the IRS information with respect to an investment in Offer Shares not held through an account with a US financial institution. If a US Holder fails to report information required under this legislation, the US Holder could become subject to substantial penalties. US Holders are encouraged to consult with their own tax advisors regarding the possible implications of this legislation on an investment in Offer Shares.

Information Reporting and Backup Withholding

Distributions made with respect to the Offer Shares, and proceeds received in connection with the sale or exchange of the Offer Shares, may be subject to information reporting to the IRS. Additionally, backup withholding may apply to these payments and proceeds if the US Holder fails

to provide an accurate taxpayer identification number or certification of exempt status, fails to report all interest and dividends required to be shown on its US federal income tax returns or otherwise fails to comply with the backup withholding rules. Certain US Holders are not subject to backup withholding. Backup withholding is not an additional tax and may be credited against the US Holder's US federal income tax liability or refunded to the US Holder, provided that the US Holder timely files a tax return with the IRS.

US Treasury Circular 230 Notice

TO ENSURE COMPLIANCE WITH US TREASURY DEPARTMENT CIRCULAR 230, PROSPECTIVE INVESTORS ARE HEREBY NOTIFIED THAT (I) ANY US FEDERAL TAX DISCUSSION IN THIS PROSPECTUS WAS NOT WRITTEN OR INTENDED TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR PURPOSES OF AVOIDING US FEDERAL TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER, (II) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE OFFER SHARES TO BE ISSUED OR SOLD PURSUANT TO THIS PROSPECTUS, AND (III) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

THE OFFERING

Introduction

Agendia N.V. will offer up to 4,587,156 new ordinary shares with a nominal value of €0.10 per share in the Offering. The Offer Price Range will be €16.35 to €19.15 per Offer Share. The Offering consists of a public offering to institutional and retail investors in the Netherlands and an international offering to certain institutional investors. In addition, we have granted the Joint Global Co-ordinators, on behalf of the Underwriters, the Over-Allotment Option.

Neither the Offer Shares nor the Additional Shares, if any, have been or will be registered under the US Securities Act. The Offer Shares are being offered: (i) in the United States, to QIBs pursuant to Rule 144A or another exemption from the registration requirements of the US Securities Act; and (ii) outside the United States, in accordance with Regulation S.

Over-Allotment Option

We have granted the Joint Global Co-ordinators, on behalf of the Underwriters, the Over-Allotment Option, exercisable within 30 calendar days after the First Trading Date, pursuant to which the Joint Global Coordinators, on behalf of the Underwriters, may require us to issue at the Offer Price Additional Shares comprising up to 15% of the total number of Offer Shares sold in the Offering to cover short positions resulting from any over-allotments made in connection with the Offering and short positions resulting from stabilisation transactions.

The table below sets out the maximum number of Ordinary Shares that may be issued as part of the Offering, assuming no exercise and full exercise of the Over-Allotment Option.

	Maximum number of Ordinary Shares issued	**Maximum number of Ordinary Shares issued**
	(assuming no exercise of the Over-Allotment Option)	(assuming full exercise of the Over-Allotment Option)
Ordinary Shares	4,587,156	5,275,229

In connection with the Offering, the Joint Global Co-ordinators, through the Stabilisation Agent or its affiliates or agents, may over-allot or effect transactions that stabilise or maintain the market price of the Ordinary Shares at levels above those which might otherwise prevail in the open market. Such transactions, if commenced, may be effected on Euronext Amsterdam, in the over-the-counter market or otherwise. There is no assurance that such stabilisation will be undertaken, and if such stabilisation is undertaken, it may commence as early as the First Trading Date, may be discontinued at any time without prior notice and will end no later than 30 calendar days after the First Trading Date.

Offer Price and Number of Offer Shares

The Offer Price will be determined on the basis of a bookbuilding process. The Offer Price may be set within, above or below the Offer Price Range. The Offer Price Range is between €16.35 and €19.15 per Offer Share.

The Offer Price and the exact number of Offer Shares offered will be determined by the Company in consultation with the Joint Global Co-ordinators, taking into account market conditions and factors, including:

- the Offer Price Range;
- a qualitative and quantitative assessment of demand for the Offer Shares;
- our financial information;
- the history of, and prospects for, us and the industry in which we compete;
- an assessment of our management, its past and present operations and the prospects for, and timing of, our future revenues;
- the present state of our development;
- economic conditions, including those in debt and equity markets;
- the above factors in relation to other companies engaged in activities similar to ours; and
- any other factors deemed appropriate.

The Offer Price and the exact number of Offer Shares offered will be determined after the end of the Offer Period. The Offer Price and the exact number of Offer Shares offered in the Offering will be set out in a pricing statement that will be deposited with the AFM and published in a press release on our website and on the website of Euronext. Printed copies of the pricing statement will be available at our registered office.

Application to Purchase Offer Shares

Offer Period

Subject to acceleration or extension of the timetable for the Offering, prospective investors may apply for Offer Shares during the period commencing on 6 June 2011 at 09:00 CET and ending on 20 June 2011 at 14:00 CET. The Joint Global Co-ordinators may open and close the Offer Period at different dates for retail and institutional investors. In the event of an acceleration or extension of the Offer Period, pricing, Allocation, listing and first trading and payment for and delivery of the Offer Shares may be advanced or extended accordingly. If a significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Offer Shares or Additional Shares arises or is noted prior to the end of the Offer Period, a supplement to this Prospectus will be published and investors who have already agreed to purchase Offer Shares may withdraw their applications within two business days following the date of publication of the supplement.

Acceleration or Extension

Any extension of the timetable of the Offering will be published in a press release on our website at least three hours before the end of the original Offer Period and any such extension will be for a minimum of one full business day. Any acceleration of the timetable of the Offering will be published in a press release on our website at least three hours before the proposed end of the accelerated Offer Period. In any event, the Offer Period will be at least six business days.

Change of Offer Price Range or Number of Offer Shares

The maximum number of Offer Shares may be increased or decreased and the Offer Price Range can be changed prior to the date on which Allocation takes place. Any such change will be published in a press release on our website.

Subscription by Retail Investors

Retail investors who wish to purchase Offer Shares should instruct their financial intermediary. The financial intermediary will be responsible for collecting applications from eligible retail investors and for informing the Retail Banks Coordinator of their application. All questions concerning the timelines, validity and form of instructions to a financial intermediary in relation to the exercise, sale or purchase of Offer Shares and, if applicable, Additional Shares, will be determined by the financial intermediaries in accordance with their usual procedures or as otherwise notified to the retail investors. We are not liable for any action or failure to act by a financial intermediary in connection with any purchase, or purported purchase, of Offer Shares and, if applicable, Additional Shares.

Applications by eligible retail investors for the Offer Shares will only be made on a market order (*bestens*) basis. Accordingly, eligible retail investors will be bound to purchase and pay for the Offer Shares set out in their application and allocated to them at the Offer Price, even if the Offer Price is above the upper end of the original Offer Price Range. Retail investors are entitled to cancel or amend their application to the financial intermediary to whom their original application was submitted at any time prior to the end of the Offer Period.

Allocation

Allocation is expected to take place on the first business day after the end of the Offer Period. Allocations to investors who applied to purchase Offer Shares will be made on a systematic basis, and full discretion will be exercised as to whether or not and how to allocate the Offer Shares applied for. Investors may not be allocated all of the Offer Shares for which they applied. Ultimately, the Joint Global Co-ordinators, on behalf of the Underwriters, in consultation with the Company will determine the number of Offer Shares to be allocated.

Investors participating in the Offering will be deemed to have checked and confirmed that they meet the selling and transfer restrictions described in ''*Selling and Transfer Restrictions*''. Each

investor should consult his or her own advisers as to the legal, tax, business, financial and related aspects of a purchase of the Offer Shares.

On the date that Allocation occurs, ABN AMRO Bank N.V. as Retail Banks Coordinator, on behalf of the Underwriters, will communicate to the admitted institutions the aggregate number of Offer Shares allocated to their respective retail investors. It is up to the admitted institutions to notify retail investors of their individual allocations. The Joint Global Co-ordinators will communicate to institutional investors the number of Offer Shares allocated to them on the date that Allocation occurs.

Other

Payment

Payment for the Offer Shares, and payment for Additional Shares pursuant to the Over-Allotment Option, if this has been exercised prior to the Settlement Date, is expected to take place on the Settlement Date. The Offer Price of the allocated Offer Shares and, if any, Additional Shares must be paid in full in euro. The Offer Price is exclusive of any taxes and expenses, if any, which must be borne by the investor. The Offer Price of the Offer Shares and, if any, Additional Shares must be paid by retail investors in cash upon remittance of their share application or, alternatively, by authorising their financial intermediary to debit their bank account with such amount for value on or about the Settlement Date (or earlier in the case of an acceleration of the Offer Period and consequent acceleration of pricing, allocation, first trading and payment and delivery).

Delivery, Clearing and Settlement

The Offer Shares will be registered shares which are entered into the collection deposit (*verzameldepot*) and giro deposit (*girodepot*) on the basis of the Securities Giro Transfer Act. Application has been made for the Offer Shares to be accepted for delivery through the book-entry facilities of Euroclear Nederland. Euroclear Nederland is located at Herengracht 459-469, 1017 BS Amsterdam, the Netherlands. Delivery of the Offer Shares, and of the Additional Shares pursuant to the Over-Allotment Option, if this has been exercised prior to the Settlement Date, is expected to take place on the Settlement Date through the book-entry facilities of Euroclear Nederland, in accordance with its normal settlement procedures applicable to equity securities and against payment for the Offer Shares in immediately available funds.

Subject to acceleration or extension of the timetable for the Offering, the Settlement Date is expected to be on or about 24 June 2011, the third business day following the First Trading Date (T+3). The closing of the Offering may not take place on the Settlement Date or at all if certain conditions or events referred to in the Underwriting Agreement (see ''*Plan of Distribution – Underwriting Agreement*'') are not satisfied or waived or occur on or prior to such date. Such conditions include the receipt of customary officers' certificates and legal opinions and such events include the suspension of trading on Euronext Amsterdam or certain other markets or a material adverse change in the Company's financial condition or business affairs or in the financial markets.

There are certain restrictions on the transfer of Ordinary Shares, as detailed in ''*Selling and Transfer Restrictions*''.

Listing and Trading

Prior to the Offering, there has been no public market for the Ordinary Shares. Application has been made to list all of the Ordinary Shares on Euronext Amsterdam under the symbol ''AGDX''. The ISIN (International Security Identification Number) is NL0006294340 and the common code is 063270628.

Subject to acceleration or extension of the timetable for the Offering, trading in the Ordinary Shares on Euronext Amsterdam is expected to commence on the First Trading Date. Trading in the Ordinary Shares before the closing of the Offering will take place on an ''if-and-when-issued'' basis. The closing of the Offering may not take place on the Settlement Date or at all if certain conditions or events referred to in the Underwriting Agreement are not satisfied or waived or occur on or prior to such date. See ''*Plan of Distribution – Underwriting Agreement*''. If closing of the Offering does not take place on the Settlement Date or at all, the Offering will be withdrawn, all applications for the Offer Shares and the Additional Shares, if any, will be disregarded, any allotments made will be deemed not to have been made, any payments made will be returned without interest or other compensation and Euronext may annul transactions that have occurred. All dealings in the Ordinary Shares prior to settlement and delivery, and in the Additional Shares

which may be part of the Over-Allotment Option if this has been exercised prior to the Settlement Date, are at the sole risk of the parties concerned.

The Underwriters, the Company, the Listing Agent and Euronext do not accept any responsibility or liability with respect to any person as a result of the withdrawal of the Offering or the related annulment of any transaction in Ordinary Shares on Euronext Amsterdam.

Roles

The following persons fulfil the following roles in connection with the Offering:

Joint Global Coordinators and Joint Bookrunners	ABN AMRO Bank N.V. and ING Bank N.V.
Co-Lead Managers	KBC Securities N.V. and Kempen & Co N.V.
Listing Agent	ABN AMRO Bank N.V.
Euroclear Agent	ABN AMRO Bank N.V.
Stabilisation Agent	ING Bank N.V.
Paying Agent	ABN AMRO Bank N.V.

PLAN OF DISTRIBUTION

Underwriting Agreement

On the date of this Prospectus, the Company and each of the Underwriters will enter into a conditional underwriting agreement (the "**Underwriting Agreement**"). Pursuant to the Underwriting Agreement, each of the Underwriters has agreed, severally and not jointly nor jointly and severally, subject to the satisfaction of certain conditions as stated below, to use its best efforts to procure purchasers for the Offer Shares, or, to the extent that the Offer Shares in respect of which the Underwriters procure purchasers are not paid for by such purchasers on the Settlement Date, to severally and not jointly nor jointly and severally purchase and pay for (as principal) such Offer Shares *pro rata* to their agreement as set out in the Underwriting Agreement.

The underwriting commitments of the Underwriters are summarised below:

ABN AMRO Bank N.V.	40%
ING Bank N.V.	40%
KBC Securities N.V.	10%
Kempen & Co N.V.	10%
Total	**100%**

The Underwriting Agreement contains standard conditions precedent and conditions subsequent which are customary in the underwriting agreements executed in transactions similar to the Offering, including conditions related to the occurrence of any specific *force majeure* events, the occurrence of any material adverse change in the Company's business or in the financial markets or the economy, the receipt by the Underwriters of opinions and letters on certain legal matters from counsels, as well as the representations and warranties made by, *inter alios*, the Company in the Underwriting Agreement being true, complete and accurate. Unless the purchasers procured by the Underwriters fail to pay for their Offer Shares or Additional Shares, the Underwriters are not required to take or pay for the Offer Shares or Additional Shares.

The Underwriting Agreement is governed by Dutch law and contains such representations and warranties of the Company as are customary in international offerings similar to the Offering.

In the Underwriting Agreement, the Company, *inter alios*, has agreed to indemnify and hold harmless the Underwriters and other specified persons against certain liabilities.

The Company has been advised by the Underwriters that the Underwriters intend to manage the Offering. The Offering will comprise (i) a public offering to institutional and retail investors in the Netherlands and (ii) an international offering to certain institutional investors. The Offer Shares are being offered (i) in the United States, to QIBs pursuant to Rule 144A or another exemption from the registration requirements of the US Securities Act; and (ii) outside the United States in accordance with Regulation S. Neither the Offer Shares nor the Additional Shares, if any, have been or will be registered under the Securities Act and may not be offered or sold within the United States except as described in the immediately preceding sentence. Any offer and sale in the United States will be made by affiliates of the Underwriters who are broker dealers registered under the US Securities Exchange Act of 1934, as amended (the "**US Exchange Act**"). See "*The Offering*" for further details.

In consideration of the agreement by the Underwriters to use their best efforts to procure purchasers for or, in limited circumstances as described above, to purchase themselves, the Offer Shares, and, if applicable, the Additional Shares, at the Offer Price and subject to the Offer Shares being sold as provided for in the Underwriting Agreement, the Company has agreed to pay to the Underwriters certain selling, underwriting and management commissions of 4.00%, not including a discretionary fee and size fee of up to 2.00% of the gross proceeds of the Offering (including any exercise of the Over Allotment Option).

Prior to the Offering, there has been no public market for the Ordinary Shares. Application has been made to have all of the Ordinary Shares admitted to listing and trading on Euronext Amsterdam on the First Trading Date.

The Offer Price will be determined on the basis of a bookbuilding process. The Offer Price may be set within, above or below the Offer Price Range and the exact number of Offer Shares offered will be determined by the Company in consultation with the Joint Bookrunners, taking into account market conditions and other factors. See "*The Offering – Offer Price and Number of Offer Shares*".

Purchasers of the Offer Shares may be required to pay stamp taxes on other charges in accordance with the laws and practices of the country of purchase in addition to the Offer Price.

Over-Allotment Option

We have granted the Joint Global Co-ordinators, on behalf of the Underwriters, the Over-Allotment Option, exercisable within 30 calendar days after the First Trading Date, pursuant to which the Joint Global Co-ordinators, on behalf of the Underwriters, may require us to issue at the Offer Price Additional Shares comprising up to 15% of the total number of Offer Shares sold in the Offering to cover short positions resulting from any over-allotments made in connection with the Offering and short positions resulting from stabilisation transactions.

Stabilisation

In connection with the Offering, the Joint Global Co-ordinators, through the Stabilisation Agent (as defined herein) or its affiliates or agents, may over-allot or effect transactions that stabilise or maintain the market price of the Ordinary Shares at levels different from those which might otherwise prevail in the open market. Such transactions, if commenced, may be effected on Euronext Amsterdam, in the over-the-counter market or otherwise. Such stabilisation, if commenced, shall be conducted in accordance with the rules set out in the European Commission Regulation (EC) No. 2273/2003 of 22 December 2003 implementing Directive 2003/6/EC of the European Parliament and of the Council as regards exemption for buy-back programmes and stabilisation of financial instruments (the "**Stabilisation Regulation**").

There is no assurance that such stabilisation will be undertaken and, if it is, it may commence as early as the First Trading Date, may be discontinued at any time without prior notice and will end no later than 30 calendar days after the First Trading Date. To the extent permitted by applicable law, such transactions may be effected on any securities market, over-the-counter market, stock exchange or otherwise. The stabilisation transactions, if any, may result in a market price of the Ordinary Shares that is higher than the price that would otherwise prevail. Stabilisation of the Ordinary Shares will not, in any circumstance, be executed above the Offer Price. None of the Company or any of the Underwriters makes any representation or prediction as to the direction or the magnitude of any effect that the transactions described above may have on the price of the Ordinary Shares. In addition, none of the Company or any of the Underwriters makes any representation that the Stabilisation Agent or its affiliates or agents will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Except as required by law or regulation, none of the Stabilisation Agent or its affiliates or agents or the Underwriters intends to disclose the extent of any stabilisation or over-allotment transactions in connection with the Offering. Pursuant to the Stabilisation Regulation, the Stabilisation Agent or its affiliates or agents will disclose details of any stabilisation transactions effected by it to the Company no later than the end of the seventh daily market session following the date of execution of such transactions, including (i) whether or not stabilisation was undertaken, (ii) the date on which stabilisation started, (iii) the date on which stabilisation last occurred and (iv) the price range within which stabilisation was carried out, for each of the dates during which stabilisation transactions were carried out. This information shall be subsequently disclosed to the public in the Netherlands and the AFM.

Lock Up Arrangements

Each of the Company, the Foundation, the Founders the members of the Management Board, the members of the Supervisory Board and the members of the Senior Management have agreed with the Underwriters not to issue, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Ordinary Shares (or any securities convertible into or exchangeable for Ordinary Shares or which carry rights to subscribe or purchase Ordinary Shares) or enter into a transaction (including a derivative transaction) having an effect on the market in the Ordinary Shares or publicly announce any intention to do any of such things, during the period commencing on the date of the Underwriting Agreement and ending 360 days after the Settlement Date without the prior written consent of the Joint Global Co-ordinators. Additionally, each Current Shareholder (excluding the Founders) and Breedinvest B.V. have agreed similar Lock-Up Arrangements with the Underwriters for the period commencing on the date of the Underwriting Agreement and ending 270 days after the Settlement Date. These Lock Up

Arrangements do not apply to (i) in respect of the first Lock Up as described above, the issuance of Ordinary Shares in connection with the Offering, (ii) any Ordinary Shares purchased in and subsequent to the Offering, (iii) any transfer or disposal of Ordinary Shares in connection with a public takeover bid or making a public takeover bid, (iv) any sale, transfer or disposal of Ordinary Shares in connection with the Restructuring, (v) any sale, transfer or disposal of Ordinary Shares in connection with the amendment to the Particpation Share Plan and/or (vi) in respect of the first Lock Up as described above, any issuance or grant of options under the Stock Option Plan and/or (vii) in respect of the second Lock Up as described above, the transfer of all Ordinary Shares held by Vlugtinvest B.V. to Breedinvest B.V. on or about the Settlement Date. Lastly, ABN AMRO Bank N.V. has agreed to similar Lock-Up Arrangements with the other Underwriters for the period commencing on the date of the Underwriting Agreement and ending 60 days after the Settlement Date and these Lock Up Arrangements with ABN AMRO Bank N.V. do not apply in respect of any transfer or disposal of Ordinary Shares in connection with a public takeover bid.

Underwriters' Dealings

Certain of the Underwriters and/or their respective affiliates, including Gendi B.V., one of the Current Shareholders, which is affiliated to ING Bank N.V., have in the past engaged and may in the future, from time to time, engage in commercial banking, investment banking and financial advisory and ancillary activities in the ordinary course of their business with the Company or any parties related to it, in respect of which they, have and may in the future, receive customary fees and commissions. As a result of these transactions, these parties may have interests that may not be aligned, or could possibly conflict with, the interests of investors. Moreover, in connection with the Offering, each of the Underwriters, and any of their respective affiliates acting as an investor for its or their own account(s), may subscribe for or purchase Offer Shares and/or Additional Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such Offer Shares and/or Additional Shares, any other securities of the Company or other related investments in connection with the Offering or otherwise. Accordingly, references in this document to Ordinary Shares and/or Additional Shares being issued, offered, subscribed or otherwise dealt with should be read as including any issue or offer to, or subscription or dealing by, the Underwriters and any of their affiliates acting as an investor for its or their own account(s). The Underwriters do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

ABN AMRO Bank N.V. has agreed to submit an order at the commencement of the Offer Period to purchase Offer Shares for an amount of €5,000,000 at the Offer Price. Such order will not benefit from any preferred allocation and is subject to systematic allocation (see "*The Offering – Allocation*"). Any allocation may be scaled back depending on the level of demand in the Offering. ABN AMRO Bank N.V. will receive an underwriting commission in relation to any Offer Shares that are allocated pursuant to such order in the same manner as they receive an underwriting commission in relation to any other Offer Shares in the Offering. See "*Plan of Distribution – Underwriting Agreement*" for further details. ABN AMRO Bank N.V. does not intend to disclose the number of Offer Shares purchased by it pursuant to such allocation except in accordance with any legal or regulatory obligation to do so. The Offer Shares acquired by ABN AMRO Bank N.V. pursuant to the allocation are subject to lock up arrangements for a period of 60 days following the Settlement Date and subject to similar terms and exceptions as set forth in "*Plan of Distribution – Lock Up Arrangements*".

SELLING AND TRANSFER RESTRICTIONS

Selling Restrictions

No Public Offering Outside the Netherlands

No action has been or will be taken in any jurisdiction other than the Netherlands that would permit a public offering of the Offer Shares and/or Additional Shares, or the possession, circulation or distribution of this Prospectus or any other material relating to us or the Offer Shares and/or Additional Shares in any jurisdiction where action for that purpose is required. Accordingly, the Offer Shares and/or Additional Shares may not be offered or sold either directly or indirectly, and neither this Prospectus nor any other offering material or advertisements in connection with the Offer Shares and/or Additional Shares may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction.

European Economic Area

In relation to each Member State of the European Economic Area (the ''**EEA**'') which has implemented the Prospectus Directive (each, a ''**Relevant Member State**'') an offer to the public of the Offer Shares and/or Additional Shares may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of the Offer Shares and/or Additional Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Joint Bookrunners for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of the Offer Shares and/or Additional Shares shall result in a requirement for the publication by us or any Underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive or supplement prospectus pursuant to Article 16 of the Prospectus Directive.

Each person in a Relevant Member State other than, in the case of the two bullets below, persons receiving offers contemplated in this Prospectus in the Netherlands, who receives any communication in respect of, or who acquires any Offer Shares and/or Additional Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with each Underwriter and us that:

- it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and
- in the case of any Offer Shares and/or Additional Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the Offer Shares and/or Additional Shares acquired by it in the Offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Joint Global Co-ordinators has been given to the offer or resale; or (ii) where Offer Shares and/or Additional Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Offer Shares and/or Additional Shares to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of the above, the expression an ''offer to the public'' in relation to the Offer Shares and/or Additional Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Offer Shares and/or Additional Shares to be offered so as to enable an investor to decide to purchase the Offer Shares and/or Additional Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression ''Prospectus Directive'' means Directive 2003/71EC (and any amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any

relevant implementing measure in each Relevant Member State and the expression ''2010 PD Amending Directive'' means European Union (EU) Directive 2010/73/EC.

United Kingdom

Each of the Underwriters has (i) complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the ''**FSMA**'') with respect to anything done by it in relation to the Offer Shares and/or Additional Shares in, from or otherwise involving the United Kingdom and (ii) agreed that it has communicated or caused to be communicated and will communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Offer Shares and/or Additional Shares only in circumstances in which section 21(1) of the FSMA does not apply to us.

United States

The Offer Shares and/or Additional Shares have not been and will not be registered under the US Securities Act or qualified for sale under the laws of any state in the United States, and, subject to certain exceptions, may not be offered or sold within the United States.

The Offer Shares and, to the extent applicable, the Additional Shares, may only be resold (i) in the United States only to QIBs in reliance on Rule 144A under the US Securities Act or another exemption from the registration requirements under the US Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the US Securities Act and in accordance with applicable law. Any offer or sale of Offer Shares and, to the extent applicable, Additional Shares in reliance on Rule 144A will be made by broker-dealers, affiliates of the Underwriters who are registered as such under the US Exchange Act.

Transfer Restrictions

Benefit Plans

Each purchaser of Offer Shares and/or Additional Shares will be deemed to have represented, agreed and acknowledged that (i) either (a) that it is not, and is not acting on behalf of, an employee benefit plan or other plan subject to Section 406 of the United States Employee Retirement Income Security Act of 1974, as amended (''**ERISA**''); Section 4975 of the US Tax Code, or the provisions of any federal, state, local, non-US or other law or regulation that are substantially similar to the prohibited transaction provisions of ERISA or the US Tax Code; or any entity which may be deemed to hold assets of any such employee benefit plan or other plan; and that no part of the assets to be used by it to purchase or hold the Offer Shares and/or Additional Shares or any interest therein constitutes or will at any time constitute the assets of any such employee benefit plan or other plan, or (b) that its purchase, holding and disposition of the Offer Shares and/or Additional Shares does not and will not constitute or otherwise result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the US Tax Code, or result in a violation of any substantially similar provisions of any federal, state, local, non-US or other law.

Rule 144A Shares

Each purchaser of Offer Shares and/or Additional Shares within the United States pursuant to Rule 144A or any other exemption from the registration requirements of the US Securities Act, will be deemed to have represented, agreed and acknowledged that it has received a copy of the Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(i) it is authorised to consummate the purchase of the Offer Shares and/or Additional Shares in compliance with all applicable laws and regulations;

(ii) it is (a) a QIB within the meaning of Rule 144A, (b) acquiring such Offer Shares and/or Additional Shares for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Offer Shares and/or Additional Shares has been advised, that the sale of such Offer Shares and/or Additional Shares to it is being made in reliance on Rule 144A or another exemption from the registration requirements of the US Securities Act;

(iii) it understands that such Offer Shares and/or Additional Shares have not been and will not be registered under the US Securities Act or any other securities regulatory authority of any state of the United States and are subject to significant restrictions on transfer and may not be

offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the US Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States;

(iv) the Offer Shares and/or Additional Shares have not been offered to it by means of any general solicitation or general advertising;

(v) it understands that any Offer Shares and/or Additional Shares issued in certified form, unless otherwise determined by us in accordance with applicable law, will bear a legend substantially to the following effect:

THIS SHARE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933 (THE "US SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE US SECURITIES ACT TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE US SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE US SECURITIES ACT FOR RESALES OF THIS SHARE;

(vi) the purchaser is aware that the Offer Shares and/or Additional Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the US Securities Act;

(vii) the Offer Shares and/or Additional Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Offer Shares and/or Additional Shares;

(viii) the purchaser will not deposit or cause to be deposited such Offer Shares and/or Additional Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Offer Shares and/or Additional Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act;

(ix) the Company will not recognise any offer, sale, pledge or other transfer of the Offer Shares and/or Additional Shares made other than in compliance with the foregoing restrictions;

(x) if it is acquiring any of the Offer Shares and, to the extent applicable, Additional Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account; and

(xi) the purchaser acknowledges that we, the Underwriters and their respective affiliates will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Prospective purchasers that are QIBs are hereby notified that sellers of the Offer Shares and/or Additional Shares may be relying on the exemption from the provisions of Section 5 of the US Securities Act provided by Rule 144A.

Regulation S Shares

Each purchaser of the Offer Shares and/or Additional Shares outside the United States pursuant to Regulation S will be deemed to have represented, agreed and acknowledged that it has received a copy of the Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(i) the purchaser is authorised to consummate the purchase of the Offer Shares and/or Additional Shares in compliance with all applicable laws and regulations;

(ii) Offer Shares and/or Additional Shares have not been and will not be registered under the US Securities Act or any securities regulatory authority of any state of the United States and are subject to certain restrictions on transfer;

(iii) the person, if any, for whose account or benefit it is acquiring the Offer Shares and/or Additional Shares, was located outside the United States at the time the buy order for the Offer Shares and/or Additional Shares was originated and continues to be located outside the United States and has not purchased the Offer Shares and/or Additional Shares for the benefit of any person in the United States or entered into any arrangement for the transfer of the Offer Shares and/or Additional Shares or any economic benefit of the Offer Shares and/or Additional Shares to any person in the United States;

(iv) it is aware of the restrictions on the offer and sale of the Offer Shares and/or Additional Shares pursuant to Regulation S described in this Prospectus;

(v) it is not an affiliate of the Company or a person acting on behalf of an affiliate of the Company;

(vi) it is not acquiring the Offer Shares and/or Additional Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any Offer Shares and/or Additional Shares into the United States;

(vii) the Offer Shares and/or Additional Shares have not been offered by means of any ''directed selling efforts'' as defined in Regulation S;

(viii) the Company will not recognise any offer, sale, pledge or other transfer of the Offer Shares and, to the extent applicable, Additional Shares made other than in compliance with the foregoing restrictions;

(ix) if it is acquiring any of the Offer Shares and, to the extent applicable, Additional Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account; and

(x) the purchaser acknowledges that we, the Underwriters and their respective affiliates will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

We, the Underwriters, each of our and their respective affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If acquiring any Offer Shares and/or Additional Shares for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

INDEPENDENT AUDITORS

Our audited consolidated financial statements as of and for each of the years ended 31 December 2010, 2009 and 2008, appearing in this Prospectus have been audited by PricewaterhouseCoopers Accountants N.V., independent auditors, as stated in their report thereon appearing elsewhere herein. The independent auditors of PricewaterhouseCoopers Accountants N.V. are members of the Royal Dutch Institute of Chartered Accountants (*Koninklijk Nederlands Instituut van Registeraccountants*).

GENERAL INFORMATION

Available Information

Our Management Board is required to prepare annual accounts, accompanied by an annual report and an accountant's report, annually within four months of the end of our financial year and its half-yearly figures within two months after the end of the first six months of each financial year. In addition, the Company publishes quarterly financial statements.

The annual accounts must be signed by all members of the Management Board and the Supervisory Board. The annual accounts based on Dutch GAAP, annual report and independent accountant's report and the half-yearly reports and quarterly reports upon their publication, as well as our Articles of Association, will be available free of charge to shareholders at our head office in Amsterdam during regular business hours from the day of notice convening the annual General Meeting and can be obtained free of charge on our website at www.agendia.com.

Copies of our annual accounts based on Dutch GAAP for the years ended 31 December 2010, 2009 and 2008, our Articles of Association and this Prospectus may also be obtained, for 12 months after the Publication Date, free of charge by sending a request in writing to us at our business address: Science Park 406, 1098 XH Amsterdam, the Netherlands and can be obtained free of charge on our website at www.agendia.com.

Alternatively, Dutch residents may obtain this Prospectus through Euronext at the website www.euronext.com and through the AFM at the website www.afm.nl.

Provision of Information

We have agreed that, for so long as any of the Offer Shares and or Additional Shares are outstanding and are ''restricted securities'' within the meaning of Rule 144(a)(3) under the US Securities Act, we will, during any period in which we are neither subject to Section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted Shares or to any prospective purchaser of such restricted Shares designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the US Securities Act.

We are not currently subject to the periodic reporting and other informational requirements of the Exchange Act.

Corporate Resolutions

On 3 June 2011, the General Meeting resolved to authorise the Management Board to issue such amount of Ordinary Shares as necessary to complete the Offering and to exclude any pre-emptive rights to which existing shareholders may be entitled as a result of the issue of these Ordinary Shares. We reserve the right to issue Ordinary Shares for an amount lower than the minimum point of the Offer Price Range.

Material Contracts

Other than the contracts referred to in ''*Business Overview*'' and ''*Major Shareholders and Related Party Transactions*'', we have not entered into any contracts (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this Prospectus which are material or which have been entered into at any other time and which contain provisions under which we have an obligation or entitlement that is material as of the date of this Prospectus.

APPENDIX: CONSOLIDATED FINANCIAL STATEMENTS

Agendia B.V.

Amsterdam, The Netherlands

Index to Financial Statements

Independent auditor's report

To the General Meeting of Shareholders of Agendia B.V.

Report on special purpose consolidated IFRS financial statements

We have audited the accompanying special purpose consolidated IFRS financial statements 2008, 2009 and 2010 of Agendia B.V., Amsterdam, as set out in appendix consolidated financial statements of the prospectus of Agendia N.V. which comprise the consolidated balance sheet as at 31 December 2008, 2009 and 2010, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended and the notes, comprising a summary of significant accounting policies and other explanatory information.

Board of management's responsibility

The board of management is responsible for the preparation and fair presentation of these special purpose consolidated IFRS financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. Furthermore, the board of management is responsible for such internal control as it determines is necessary to enable the preparation of the special purpose consolidated IFRS financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these special purpose consolidated IFRS financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose consolidated IFRS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special purpose consolidated IFRS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the special purpose consolidated IFRS financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of management, as well as evaluating the overall presentation of the special purpose consolidated IFRS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the special purpose consolidated IFRS financial statements

In our opinion, the special purpose consolidated IFRS financial statements give a true and fair view of the financial position of Agendia B.V. as at 31 December 2008, 2009 and 2010, and of its result and its cash flows for the years then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Amsterdam, 27 May 2011
PricewaterhouseCoopers Accountants N.V.

Originally signed by A.C.M. van der Linden RA

Purpose of the annual report

The annual report 2010 of Agendia B.V. is prepared in accordance with International Financial Reporting Standards (IFRS) for the special purpose of the prospectus, required in undertaking an initial public offering (IPO). One of the requirements for the prospectus is to include at least three years' financial statements. Therefore the annual report 2010 includes the comparative figures of 2009 and 2008. During 2010, the company changed its accounting policies to comply with IFRS. The transition to IFRS is accounted for in accordance with IFRS 1 First-time adoption with 1 January 2008 as transition date. Therefore the opening consolidated balance sheet as per 1 January 2008 is also presented in the 2010 annual report

Considering the requirements of the aforementioned special purpose annual report, no directors' report and stand alone figures have been included.

Consolidated balance sheet

	Note	31 December 2010	31 December 2009	31 December 2008	1 January 2008
Assets					
Non-current assets					
Property, plant and equipment	5	935,108	1,032,121	1,217,161	842,602
Receivable shareholders	7	4,587,021	2,200,314	3,578,256	3,059,920
Trade and other receivables	8	219,125	120,150	12,138	—
Current assets					
Inventories	9	446,413	381,179	343,212	910,031
Trade and other receivables	10	1,441,159	588,646	2,456,767	1,224,524
Cash and cash equivalents	11	11,758,992	17,398,105	13,420,572	26,131,524
Total assets		**19,387,818**	**21,720,515**	**21,028,106**	**32,168,601**
Equity and liabilities					
Equity attributable to owners of the parent					
Share capital	12	55,179	51,666	45,747	45,747
Share premium	12	75,748,058	62,998,354	47,756,940	47,238,604
Retained earnings	13	(48,643,504)	(36,119,423)	(21,185,422)	(10,979,081)
Currency translation adjustment	13	34,426	361,405	109,273	(15,589)
Unappropriated earnings		(16,119,793)	(12,524,081)	(14,934,001)	(10,206,341)
Total equity		**11,074,366**	**14,767,921**	**11,792,537**	**26,083,340**
Liabilities					
Non-current liabilities					
Share-based payment liability	14,17	4,587,021	2,200,314	3,578,256	3,059,920
Current liabilities					
Trade and other payables	15	3,320,500	2,373,232	2,770,056	1,821,330
Deferred revenue		382,357	1,881,800	2,485,490	610,918
Deferred government grants	16	23,574	497,248	401,767	593,093
Total liabilities		**8,313,452**	**6,952,594**	**9,235,569**	**6,085,261**
Total equity and liabilities		**19,387,818**	**21,720,515**	**21,028,106**	**32,168,601**

The Notes on pages F-8 to F-35 form an integral part of these financial statements.

Consolidated statement of comprehensive income

	Note	Year ended 31 December 2010	2009	2008
Revenue	18	4,685,931	1,352,657	486,990
Cost of sales	18	(2,328,585)	(2,006,753)	(1,106,175)
Gross profit	18	**2,357,346**	**(654,096)**	**(619,185)**
Other income	19	803,332	852,444	345,253
Research and development costs	20	(3,534,093)	(2,813,903)	(2,573,949)
Sales and Marketing costs	20	(7,060,876)	(5,115,459)	(6,299,978)
General and administrative costs	20	(9,073,666)	(4,731,207)	(6,464,745)
Operating profit/loss		**(16,507,957)**	**(12,462,221)**	**(15,612,604)**
Financial income	22	396,246	275,539	851,581
Financial costs	22	(8,082)	(337,399)	(172,978)
Finance costs – net		388,164	(61,860)	678,603
Profit before income tax		**(16,119,793)**	**(12,524,081)**	**(14,934,001)**
Income tax expense	23	—	—	—
Profit/(loss) for the year		**(16,119,793)**	**(12,524,081)**	**(14,934,001)**
Other comprehensive income:				
Currency translation differences	13	(326,979)	252,132	124,862
Total comprehensive income/(loss)		**(16,446,772)**	**(12,271,949)**	**(14,809,139)**
Total comprehensive income attributable to:				
Owners of the company		**(16,446,772)**	**(12,271,949)**	**(14,809,139)**
Earnings per share from operations attributable to the equity holders of the company during the year (expressed in € per share)				
Basic earnings per share	24	**(23.84)**	**(19.00)**	**(25.90)**
Diluted earnings per share	24	**(23.84)**	**(19.00)**	**(25.90)**

The Notes on pages F-8 to F-35 form an integral part of these financial statements.

Consolidated statement of changes in equity

	Share capital	Share premium	Retained earnings	Currency translation	Unappropriated earnings	Total equity
Balance at 1 January 2008	**45,747**	**47,238,604**	**(10,979,081)**	**(15,589)**	**(10,206,341)**	**26,083,340**
Profit/(loss)	—	—	—	—	(14,934,001)	(14,934,001)
Other comprehensive income:						—
Currency translation differences	—	—	—	124,862	—	124,862
Comprehensive income	**—**	**—**	**—**	**124,862**	**(14,934,001)**	**(14,809,139)**
Appropriation of result	—	—	(10,206,341)	—	10,206,341	—
Proceeds from shares issued	—	—	—	—	—	—
Contribution related to share based payments	—	518,336	—	—	—	518,336
Total transactions with owners	**—**	**518,336**	**(10,206,341)**	**—**	**10,206,341**	**518,336**
Balance at 1 January 2009	**45,747**	**47,756,940**	**(21,185,422)**	**109,273**	**(14,934,001)**	**11,792,537**
Profit/(loss)	—	—	—	—	(12,524,081)	(12,524,081)
Other comprehensive income:						—
Currency translation differences	—	—	—	252,132	—	252,132
Comprehensive income	**—**	**—**	**—**	**252,132**	**(12,524,081)**	**(12,271,949)**
Appropriation of result	—	—	(14,934,001)	—	14,934,001	—
Proceeds from shares issued	5,919	16,619,356	—	—	—	16,625,275
Contribution related to share based payments	—	(1,377,942)	—	—	—	(1,377,942)
Total transactions with owners	**5,919**	**15,241,414**	**(14,934,001)**	**—**	**14,934,001**	**15,247,333**
Balance at 1 January 2010	**51,666**	**62,998,354**	**(36,119,423)**	**361,405**	**(12,524,081)**	**14,767,921**
Profit/(loss)	—	—	—	—	(16,119,793)	(16,119,793)
Other comprehensive income:						
Currency translation differences	—	—	—	(326,979)	—	(326,979)
Comprehensive income	**—**	**—**	**—**	**(326,979)**	**(16,119,793)**	**(16,446,772)**
Appropriation of result	—	—	(12,524,081)	—	12,524,081	—
Proceeds from shares issued	3,513	10,362,997	—	—	—	10,366,510
Contribution related to share based payments		2,386,707	—	—	—	2,386,707
Total transactions with owners	**3,513**	**12,749,704**	**(12,524,081)**	**—**	**12,524,081**	**12,753,217**
Balance at 31 December 2010	**55,179**	**75,748,058**	**(48,643,504)**	**34,426**	**(16,119,793)**	**11,074,366**

The Notes on pages F-8 to F-35 form an integral part of these financial statements.

Consolidated statement of cash flows

	Note	Year ended 31 December 2010	2009	2008
Cash flows from operating activities				
Operating result		(16,507,957)	(12,462,221)	(15,612,604)
Adjustments for:				
– Amortisation/depreciation	5	374,964	338,177	379,117
– Shared-based payments	7	2,386,707	(1,377,942)	518,336
– Changes in non current trade receivables	8	(98,975)	(108,012)	(12,138)
– Changes in inventories	9	(65,234)	(37,967)	566,819
– Changes in trade and other receivables	10	(852,513)	1,868,121	(1,232,243)
– Changes in trade and other payables	15	947,268	(396,824)	948,726
– Changes in deferred revenue		(1,499,443)	(603,690)	1,874,572
– Changes in deferred government grants	16	(473,674)	95,481	(191,326)
Cash generated from operations		**(15,788,857)**	**(12,684,877)**	**(12,760,741)**
Financial income	22	396,246	275,539	851,581
Financial expense	22	(8,082)	(337,399)	(172,978)
Net cash generated from operating activities		**(15,400,693)**	**(12,746,737)**	**(12,082,138)**
Cash flows from investing activities				
Purchases of property, plant and equipment	5	(239,993)	(141,193)	(753,535)
Net cash used in investing activities		**(239,993)**	**(141,193)**	**(753,535)**
Cash flows from financing activities				
Proceeds from issuance of share capital	12	10,366,510	16,625,275	—
Net cash used in financing activities		**10,366,510**	**16,625,275**	**—**
Net cash flow		**(5,274,176)**	**3,737,345**	**(12,835,673)**
Exchange rate and translation differences on movements in cash		(364,937)	240,188	124,721
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		**(5,639,113)**	**3,977,533**	**(12,710,952)**
Cash, cash equivalents and bank overdrafts at beginning of year	11	17,398,105	13,420,572	26,131,524
Cash, cash equivalents and bank overdrafts at end of year		**11,758,992**	**17,398,105**	**13,420,572**

All amounts reported as cash or cash equivalents are at the free disposal of the company.

The Notes on pages F-8 to F-35 form an integral part of these financial statements.

Notes to the consolidated financial statements

1. General information

Agendia B.V. ('The Company' or 'Agendia') was founded on July 10, 2003. The Company is incorporated and domiciled in The Netherlands. The address of its registered office is Science Park 406, Amsterdam.

Agendia has several shareholders, none of which individually has control over the Company.

The principal activities of Agendia and its subsidiaries (together, 'The Group') are:

- to provide diagnostics with respect to human diseases, mainly in the field of cancer;
- to facilitate the development of new medicine;
- to establish, acquire, participate in, cooperate with, manage and finance other companies; and
- to finance companies and other enterprises.

Agendia B.V. is the head of a group of the following legal entities:

- Agendia GmbH, Germany (100%);
- Agendia Limited, United Kingdom (100%); and
- Agendia Inc., USA (100%).

Agendia GmbH and Agendia Limited are primarily sales support offices. On January 1, 2008 Agendia Inc. was established. It has a sales office and a laboratory for processing samples from U.S.-based customers.

Agendia B.V., focused on sales activities for "Outside the United States", has entered into contractual arrangements with external distributors in various European and non-European countries.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. Unless otherwise stated, these policies have been consistently applied to all the years presented.

2.1 Basis of preparation

The consolidated financial statements of The Company have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS as adopted by the EU) and IFRIC Interpretations. The consolidated financial statements have been prepared under the historical cost convention, amended for certain financial assets, financial liabilities and share based payment liabilities recorded at fair value in the consolidated income statement.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

Going Concern Assessment

The Board of Management of Agendia B.V. has, upon preparing and finalizing the consolidated financial statements for the years 2008, 2009 and 2010, assessed the Company's ability to fund its operations for a period of at least one year after the date of the financial statements. Agendia B.V. does not expect to generate sufficient cash from commercial activities to meet its working capital requirements for one year after the date of these financial statements and therefore is dependent on financing from third parties to finance its ongoing operations.

To enable continued operations for a period of at least 12 months after the date of these financial statements, several sources available to raise additional working capital in the foreseeable future are outlined below:

1. The Company intends to raise additional working capital in 2011 through a capital markets transaction and/or

2. The Company intends to raise additional capital from its existing investor base a number of whom have confirmed their intention to provide sufficient financial support for the Company to meet its obligations for a period of 12 months as from the date of these financial statements should a capital markets transaction not be completed in 2011.

In case the Company is not able to attract sufficient additional cash from any or a combination of these items it may ultimately not be able to continue as a going concern. However, recognizing that actual cash flows may deviate significantly from their projections and taking into account the aforementioned, Management is of the opinion that the uncertainty of the Company being able to continue as a going concern is not material. Therefore these financial statements have been prepared on a going concern basis.

2.2 First time adoption of IFRS

The financial statements of the Company were prepared in accordance with Dutch GAAP until 31 December 2010. As of the financial reporting period that ends 31 December 2010, the accounting policies have been amended to comply with International Financial Reporting Standards (IFRS). The date of transition is 1 January 2008 and all comparative figures for 2008 and 2009 have been restated. Following IFRS 1, all standards and interpretations effective for the financial reporting period that ends 31 December 2010 have been applied.

Effects of first-time adoption of IFRS on equity and profit

The first-time adoption of IFRS by The Company and related changes in accounting policies have an effect on the equity and profit and loss statements as a result of a change in accounting for share-based compensation and trade receivables as described below.

Share-based compensation

In accordance with IFRS 2 the Company measures the services received from its employees in accordance with the requirements applicable to cash-settled share-based payment transactions. IFRS 2 states that cash-settled appreciation rights should be re-measured every reporting date, also taking into account the estimate of vesting upon Exit. The changes in fair value are recognized in the consolidated income statement of the related period.

The cash-settled share-based payment of the Company will be reimbursed by the Company's shareholders. Based on various reimbursement agreements, reimbursement is certain and therefore the Company records the receivable from the shareholders, at the time that expenses and liability in relation to the Share Participation Plan are recorded. Therefore, a receivable is recorded with a credit directly to shareholders' equity resulting in a total effect on the shareholders' equity of zero.

Under Dutch GAAP no liability is recorded and consequently no (fair value) re-measurement results are accounted for in the consolidated income statement.

Trade receivable

A loss for impairment on trade receivables of € 175,863 has been recorded in 2008 under Dutch GAAP. Under IFRS, the transaction did not yet meet the criteria for revenue recognition in 2007 and therefore no resulting loss was recognized in 2008.

Effects on First-time adoption of IFRS on equity and profit	Note	Year ended 31 December 2010 €	2009 €	2008 €	January 1 2008 €
Equity under Dutch GAAP		**11,074,366**	**14,767,921**	**11,792,537**	**26,259,203**
Adjustments:					
Difference in measurement of share-based compensation		—	—	—	—
Recognition of provision for impairment in trade receivables		—	—	—	(175,863)
Equity under IFRS		**11,074,366**	**14,767,921**	**11,792,537**	**26,083,340**
Profit/loss for the period under Dutch GAAP		**(13,733,086)**	**(13,902,023)**	**(14,591,528)**	
Expense share-based compensation plans		(2,386,707)	1,377,942	(518,336)	
Recognition of provision for impairment in trade receivables		—	—	175,863	
Total profit or (loss) for the period under IFRS		**(16,119,793)**	**(12,524,081)**	**(14,934,001)**	

2.3 New IASB standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2010 and not early adopted

This paragraph describes standards, amendments and interpretations issued by the IASB that will be mandatory in 2011 or subsequent years, and the company's position regarding future application.

Standards and amendments applicable to Agendia's financial statements

IFRS 9, 'Financial instruments', issued in November 2009 introduces new requirements for classifying and measuring financial assets and replaces the classification and measurement models used under *IAS 39 Accounting for financial assets*. The standard is effective 1 January 2013 but has not yet been endorsed by the EU. The group does not expect that the revised standard will have a significant impact on the financial statements.

IAS 24 (revised), 'Related party disclosures', issued in November 2009 supersedes *IAS 24, 'Related party disclosures'*, issued in 2003. IAS 24 (revised) is mandatory for periods beginning on or after 1 January 2011 but is not yet endorsed by the EU. Amongst others, the revised standard clarifies and simplifies the definition of a related party. The group does not expect that the revised standard will have a significant impact on the financial statements.

Standards and amendments not applicable or expected to have no effect to Agendia's financial statements

Amendment to IAS 32 (Financial Instruments: Presentation), on the classification of rights issues which addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer.

New interpretations

The IASB has also issued the following interpretations, which are mandatory from 2011 onwards:

IFRIC 19 (Extinguishing Financial Liabilities with Equity Instruments). Given the absence of any transaction falling within the scope of this interpretation, IFRIC 19 does not apply to the financial statements of The Company.

IAS19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. This amendment to IFRIC 14, applicable to financial periods beginning on or after January 1, 2011, is intended to clarify the scope and terms of IFRIC 14. It specifies the application conditions of IFRIC 14 to contributions intended to meet minimum funding requirements, and will be applicable from 2011 onwards. As the Group currently does not have any defined benefit pension schemes, The Company does not expect this interpretation to have an effect on its financial statements.

2.4 Consolidation

Subsidiaries

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies, generally associated with a shareholding of more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group and are de-consolidated from the date which that control ceases.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless there is evidence of impairment in relation to these losses. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with Group policies.

2.5 Segment reporting

(a) Operating segments

Operating segments are determined based on the way management organizes its business for making operating decisions and assessing performance. The Company has two operating segments, the development and commercialization of molecular diagnostic tests in the USA and outside the USA.

(b) Geographical information

Sales are managed on a worldwide basis, although the Company operates laboratory facilities and sales offices in both The Netherlands and the United States. In presenting segmented information, revenue is recorded based on the geographical location of customers and assets are recorded based on the geographical location of the assets.

The segmented information of the Company can be shown as follows:

	2010 €	2009 €	2008 €
Net Revenue			
Geographic			
USA	2,359,232	209,288	—
Netherlands	194,011	215,445	26,213
Rest of world	507,326	519,464	433,150
Total net revenue from diagnostic tests	**3,060,569**	**944,197**	**459,363**
Release of deferred revenue from distributors	1,625,362	408,460	27,627
Total	**4,685,931**	**1,352,657**	**486,990**

The Release of deferred revenue from distributors consists of revenue recognised in the period mentioned, for which cash was received in previous periods under contract minimums requirements from certain distributors, predominantly in Europe. This revenue is attributed to the geographic segment Rest of World.

Non Current Assets	**Year ended 31 December**		
	2010 €	**2009** €	**2008** €
(Property, plant and equipment)			
USA	540,549	454,099	481,940
Outside the United States	394,559	578,022	735,221
Total	**935,108**	**1,032,121**	**1,217,161**

P&L statement

	2010	Outside the United States	USA
Revenue	4,685,931	2,326,699	2,359,232
Cost of sales	(2,328,585)	(394,957)	(1,933,628)
Gross profit	**2,357,346**	**1,931,742**	**425,604**
Other income	803,332	803,332	—
Research and development costs	(3,534,093)	(3,534,093)	—
Sales and Marketing costs	(7,060,876)	(1,021,774)	(6,039,102)
General and administrative costs	(9,073,666)	(7,050,599)	(2,023,067)
	(16,507,957)	**(8,871,392)**	**(7,636,565)**
Financial income	396,246	128,814	267,432
Financial costs	(8,082)	(8,082)	—
Finance costs – net	**388,164**	**120,732**	**267,432**
Profit before income tax	**(16,119,793)**	**(8,750,660)**	**(7,369,133)**
Income tax expense	—	—	—
Profit/(loss) for the year	**(16,119,793)**	**(8,750,660)**	**(7,369,133)**
Other comprehensive income:			
Currency translation differences	(326,979)		(326,979)
Total comprehensive income/(loss)	**(16,446,772)**	**(8,750,660)**	**(7,696,112)**
Total comprehensive income attributable to:			
Owners of the company	**(16,446,772)**	**(8,750,660)**	**(7,696,112)**

Intercompany charges are eliminated for presentation purposes, other than for those related to inter-lab diagnostic services. Intercompany revenues (2010: €1,250,879, 2009: €657,205 and 2008: €390,319) are eliminated for presentation purposes.

2.6 Foreign currency translation

(a) Functional currency and currency used in presentation

Amounts recorded in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Euro ('€'), which is the company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the transaction or valuation date on which the items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognized in the consolidated income statement.

Foreign exchange gains and losses that relate to borrowings and to cash and cash equivalents are presented in the consolidated income statement as 'finance income or costs'. All other foreign exchange gains and losses are presented in the consolidated income statement within 'other gains/(losses) – net'.

(c) Group companies

The results and financial position of the group entities that have a different functional currency from the currency of presentation are translated into the currency of presentation as follows:

(a) assets and liabilities for each consolidated balance sheet presented are translated at the closing rate as at the date of that consolidated balance sheet;

(b) income and expenses for each consolidated income statement are translated at the average exchange rates unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions; and

(c) all resulting exchange differences are recognized in Other comprehensive income.

2.7 Notes to the cash flow statement

The cash flow statement has been prepared using the indirect method. The cash disclosed in the cash flow statement is comprised of cash and cash equivalents. Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash flows denominated in foreign currencies have been translated at the average exchange rates. Exchange rate differences affecting cash items are shown separately in the Cash flow statement. Interest paid and received, dividends received and income taxes are included in Cash from operating activities.

2.8 Property, plant and equipment

Property, plant and equipment comprise mainly laboratory equipment, furniture, hardware and software. All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes those expenditures directly attributable to the acquisition of these assets.

Subsequent costs are included in the asset's carrying amount or recognized as separate assets, as appropriate, only when it is probable that the future economic benefits associated with these costs will flow to the Group and the cost can be reliably measured. The carrying amount of replaced parts not recognised. All other repairs and maintenance costs are charged to the consolidated income statement during the financial period in which they are incurred.

Depreciation is recorded using the straight-line method, to allocate the cost for property, plant and equipment over their estimated useful lives, as follows:

- Laboratory equipment 5 years
- Furniture 5 years
- Hardware & software 5 years

Leasehold improvements are depreciated over the shorter of i) the lease term of the buildings to which the assets relate or ii) their estimated useful life.

Leases of property, plant and equipment are classified as Finance leases if the Company holds substantially all the risks and rewards of ownership of the lease. All other leases are accounted for as operating leases. Finance leases are capitalized at the commencement of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments.

Property, plant and equipment acquired under a Finance lease agreement are depreciated over the shorter of the useful life of the asset or the lease term. The Company has not entered into any Finance lease agreements in the three years presented in this annual report.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset and are recognized within 'Other gains/(losses) – net' in the consolidated statement of comprehensive income.

2.9 Intangible assets

Intangible assets comprise mainly capitalized development costs and are carried at cost less accumulated amortization and accumulated impairment, if any.

Intangible assets are initially measured at cost, including any directly related costs. These are amortized on a straight line basis over their estimated useful lives.

The useful lives of intangible assets are reviewed at each reporting date. The effect of any adjustment to useful lives is recognized prospectively as a change of accounting estimate as these assets represent an IFRS difference from Dutch GAAP.

Amortization of intangible assets is recognized on the relevant line of the consolidated income statement according to the purpose for which the asset relates.

The Company currently does not own any intangible assets with an indefinite useful life.

(a) Research and Development

Research expenditures are recognized as expenses when incurred.

Costs incurred on development projects are recognized as intangible assets when it can be established that it is probable that the future economic benefits attributable to the asset will flow to the Company, considering the assets commercial and technological feasibility.

This is the date where Agendia can demonstrate the following:

- the technical feasibility of the asset;
- the intention to complete use or sell the asset;
- the ability to use or sell the intangible asset;
- the ability of the asset to generate probable future economic benefits;
- the availability of technical, financial and other resources to complete the development use or sale of the asset; and
- the ability to reliably measure the attributable expenditures.

In general, Agendia's does not capitalize R&D expenditures until marketing approval in a major market is obtained (i.e. approval to commercially use the product; for example FDA clearance in the US). This is the first point in time where it becomes probable that future revenues can be generated.

Given the current stage of the development of the products of the Company, development expenditures have only been capitalized for MammaPrint as of the date FDA clearance was obtained for the commercial use of MammaPrint. Substantially all of the development costs of MammaPrint were included before the date FDA clearance was obtained and therefore presented as costs in the relevant period.

Registration costs for patents are part of the expenditure for a research and development project. Therefore, registration costs for patents are expensed when incurred as long as the research and development project concerned does not yet meet the criteria for capitalization.

2.10 Financial assets

2.10.1 Classification

The Group classifies its financial assets into loans and receivables. This classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets as at the date of balance sheet recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are included in current assets, except for those with a maturity date greater than 12 months after the end of the reporting period, which are classified as non-current assets. The Group's Loans and receivables comprise 'Current and non-current trade and other receivables' in the Consolidated balance sheet.

2.10.2 Recognition and measurement

Regular purchases and sales of financial assets are recognized on the date on which the group commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Loans and receivables are subsequently carried at amortized cost using the effective interest method.

2.10.3 Provision for financial assets

The company provides for a financial asset when it has transferred the contractual rights to the cash flows and substantially all of the risks and rewards of ownership.

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is recorded in the consolidated balance sheet when i) there is a legally and enforceable right to offset the recognized amounts and ii) there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.12 Impairment of financial assets

(a) Assets carried at amortized cost

If there is objective evidence that an impairment loss has been incurred on Loans and Receivables carried at amortized cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excl. future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset shall be reduced either directly or through use of an allowance. The amount of the loss is recognized in the consolidated income statement.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include the following:

- a significant financial difficulty of the obligor;
- a breach of contract, such as a default or delinquency in payments;
- the granting to the counterparty of a concession, for economic or legal reasons, that the Company would not otherwise consider relating to the counterparty's financial difficulty; or
- it becomes probable that the counterparty will enter bankruptcy or other financial reorganization.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recorded in the consolidated income statement.

2.13 Derivative financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date in which the derivative contract is entered into and these instruments are subsequently re-measured at their fair value. The resulting gain or loss is recognized in the consolidated income statement.

The Company did not enter into any hedge transactions in the years presented in this financial report, correspondingly no hedge accounting has been applied here by The Company.

2.14 Inventories

Inventories comprise mainly i) work in progress and ii) materials used in the lab and parts used to assemble tissue collection kits (i.e. raw materials). Inventories are stated at the lower of cost or net realizable value. The costs of inventory comprises all costs of the raw materials, conversion and other related costs incurred to bring the inventories to their present location and condition. Net realizable value is the estimated selling price used in the ordinary course of business, less any related selling expenses and estimated costs of completion. The cost of inventories is determined using the first in first out (fifo) method.

The inventories are available for use in research & development and commercial activities. Estimates have been made with respect to the ultimate use or sale of the product.

2.15 Trade receivables

Trade receivables comprise amounts due from customers for services performed in the ordinary course of business. If collection is expected to occur in one year or less, these receivables are classified as current assets otherwise, these receivables are presented as non-current assets.

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less any necessary provision for impairment.

2.16 Cash and cash equivalents

Cash and cash equivalents include Cash on hand and Deposits held at banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.17 Equity

Based on IAS 32, the Company classifies financial instruments, or its component parts, on the initial recognition of the instrument as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument.

A financial liability is defined as any liability that is:

(a) a contractual obligation:

  (i) to deliver cash or another financial asset to another entity; or

  (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or

(b) a contract that will or may be settled by the Company's own equity instruments and is:

  (i) a non-derivative for which the Company is or may be obliged to deliver a variable number of the Company's own equity instruments; or

  (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or by another financial asset for a fixed number of the Company's own equity instruments. For this purpose the Company's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the Company's own equity instruments.

An equity instrument is defined as any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. An instrument is an equity instrument only if the Company has an unconditional right to avoid settlement in cash or by another financial asset.

(a) Common shares

The nominal value of common shares are recorded in equity. Incremental costs directly attributable to the issuance of new shares or options are also recorded in equity as a deduction from proceeds, net of any related tax. Dividends paid on the common shares are recorded as an appropriation to the profit and loss statement.

(b) Preference shares

Dividends paid on the preference shares classified as equity instruments are treated as an appropriation to the profit and loss statement.

2.18 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due within one year or less, otherwise, these are presented as non-current liabilities.

Trade payables are recognized at fair value and subsequently re-measured at amortized cost using the effective interest method.

2.19 Current and deferred income tax

Deferred income tax is determined using tax rates and laws in place or substantially in place as at the balance sheet date and which are expected to be applied when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profits will be available.

Deferred income tax is provided for on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same tax authority on either the taxable entity or on the different taxable entities where there is an intention to settle the balances on a net basis.

2.20 Employee benefits

(a) Pension obligations

Agendia B.V. has a defined contribution pension plan for its Dutch employees, funded through payments to an insurance company. Agendia Inc. has a tax deferred profit sharing/401k plan for its U.S. employees.

Both plans are classified as defined contribution plans, as the Group has no legal or constructive obligations to pay further contributions if the funds do not hold sufficient assets for the benefits relating to employee service in the current and prior periods. Contributions are recognized as an employee benefit expense when due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Termination benefits

Termination benefits are payable when employment is terminated by the Group before an employee's normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either: i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(c) Bonus plans

The Group recognizes a liability and an expense for bonus plans if contractually obliged or if there is a past practice that has created such a constructive obligation.

2.21 Share-based payments

Participation Share Plan

The Company has a share-based payment plan. The grants made under the plan qualify as cash-settled share based payment transactions.

The fair value of the employee services received in exchange for the grant of share-based payment plan options is recognized as an expense. The total amount to be expensed over the vesting period, if any, is determined by reference to the fair value of the rights granted. For cash-settled plans, the liability is re-measured at each balance sheet date and at the settlement of the arrangement.

Until the liability resulting from the cash-settled plan is settled, the Company re-measures the fair value of the liability at each reporting date and at the date of settlement, with any change in fair value being recognized in the consolidated income statement.

The founders and shareholders of the Company are obligated to reimburse the expenses resulting from the share-based payment plan. This obligation is recorded as a receivable in the consolidated balance sheet equal to the liability recognized. Each reporting date and at the date of settlement, the fair value of the receivable and related liability are re-measured with any change in fair value being recognized in equity.

2.22 Provisions

Provisions are recognized when: i) the Company has a present legal or constructive obligation as a result of past events; ii) it is probable that an outflow of resources will be required to settle the obligation; and iii) the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow of resources will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations is small.

Provisions are measured at the present value of the expenditures expected to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2.23 Revenue recognition

Revenues include revenues from the ultimate customer, such as patients, hospitals or (in case of reimbursement) insurance companies. Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of activities. Revenue is shown net of value-added tax and discounts and after eliminating sales within the Group.

The Company uses the accrual method to recognize revenue. Under the accrual method, revenue is recognized when: i) the amount of revenue can be reliably measured, ii) it is probable that future economic benefits will flow to the Company and iii) when specific criteria have been met for each of the Company's activities as described below:

1. Existence of a contractual agreement or stated reimbursement policy or practice (in respect of insurance companies);
2. evidence of consistent payment of invoices;
3. delivery has occurred or services have been rendered;
4. the fee is fixed or determinable; and
5. collectability is reasonably assured.

Management determines the evidence of consistent payment of invoices based upon at least several months of collection history at a customer or payer level.

Revenue from test services is recognized when the test results are sent to the customer if the Company considers that the revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and the Company has had sufficient historical experience that supports consistent reimbursement to Agendia for tests performed. If the consideration for the services performed cannot be reliably measured at the timing of sending the test results, the revenues are deferred and released to revenue when cash is collected from the customer.

2.24 Cost of sales

Cost of sales represents the actual cost of materials, direct and indirect personnel, equipment, allocable facility costs, costs of transport, and costs of pathology reports associated with processing tissue samples for diagnostic tests on clinical patients.

Cost of sales also includes costs incurred in processing diagnostic tests on patients in commercial implementation programmes, but does not include costs incurred in processing tests for patients in clinical trials such as MINDACT, which are presented in research and development costs. The Company recognizes the cost of sales of all the diagnostic tests on clinical patients processed during the periods under review regardless of whether revenue was recognized for those tests according to its revenue recognition policy.

The principal factors affecting the cost of sales are:

(a) variable material costs, based on volumes of tests processed during the period;

(b) employee costs allocated to the processing of tissue samples;

(c) and infrastructure-related costs such as maintenance and rent related to the Company's clinical laboratory facilities and equipment, which are incurred regardless of the volume of tests processed.

2.26 Government grants

The Company receives certain government grants, which support the Company's research efforts in defined research projects. These grants generally provide for the reimbursement of approved costs incurred as defined in the various grant contracts. Grant income includes contributions towards related costs of research and development. Grant income is recognized when costs under each grant are incurred in accordance with the terms and conditions of the grant and the collectability of the receivable is deemed probable.

Government grants relating to reimbursed costs are deferred and recognized in the consolidated income statement over the period necessary to match the grant income with the related costs that they are intended to compensate. Government grants for services performed, but that have not yet been received by the Company are accounted for as receivables in the consolidated balance sheet.

The Company includes income from government grants under 'Other income' in the consolidated statement of comprehensive income.

2.27 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

The group leases laboratory and office space and several cars.

Leases in respect of property, plant and equipment, where the Group has retained substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalized at lease commencement at the lower of i) the fair value of the leased property and ii) the present value of the minimum lease payments. The Company has not entered into any finance leases in the period presented in this financial report.

2.28 Dividend distributions

Dividend distributions to Company's shareholders are recognized as liabilities in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders. No dividend distributions have been made in the period presented in this financial report.

2.29 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to the equity holders of the Company by the weighted average number of shares outstanding during the period.

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit or loss attributable to the equity holders of the Company by the weighted average number of shares outstanding during the period, adjusted for the effects of all potentially dilutive ordinary shares. When the Company is loss-making, the potential dilutive effects are not included in this calculation.

3. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and capital risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the group's financial performance. The group uses no derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the financial management of the company. The financial management identifies, evaluates and monitors financial risks in close co-operation with the Group's operating units.

(a) Market risk

Market risk comprises the risk of changes in market prices, exchange rates or the value of financial instruments it holds. The objective of managing market risk is to manage and control the Group's exposure to this risk.

(i) Foreign exchange risk

The Company conducts the business in multiple currencies, including the euro and the US dollar. The Company currently sells the products primarily in the United States and Europe. Historically the majority of our revenues were in euro. This will change over time as the Company continues to expand the operations in the United States and increase the proportion of revenues derived from the United States.

The Company faces currency transaction risk arising from an increasing proportion of the revenues and costs in US dollars and attempts to manage these currency transaction risks by converting sufficient cash flows between US dollars and euros to satisfy our relevant expenses. In the periods under review, the Company has funded the difference between the US dollar losses and the US dollar revenues with conversion to US dollars of cash and cash equivalents held in euro.

The Company faces currency translation risk arising from the fact that the statutory accounts of our subsidiary in the United States are maintained in US dollars whereas our reporting currency is the euro. Upon preparing consolidated financial statements, the euro-denominated consolidated reported financial results can be affected by changes in the relative value of the US dollar against the Euro. The Company has extended a euro-denominated loan to the subsidiary in the United States. The dollar amount owed by the subsidiary to the parent company fluctuates based on the dollar/euro exchange rate. Moreover, other fluctuations in currency values distort period-to-period comparisons of financial performance.

Changes in exchange rates on the variable component of revenues and costs may lead to higher or lower finance income and expenses. A 10% increase or decrease in the US dollar rate against the euro in 2010 would have had the following effect on our consolidated income statement:

- Increased/decreased the consolidated revenue by € 0.25 million
- Increased/decreased the consolidated operating profit by € 1.0 million
- Increased/decreased the consolidated profit (loss) for the year by € 1.0 million

The Company does not currently enter into forward exchange contracts or other forms of currency hedging to limit our foreign exchange risk.

(b) Credit risk

Credit risk represents the risk of financial loss caused by default of a counterparty. The Company primary source of credit risk arises from the possibility that a customer from whom we have already recognised revenue, but not received cash payment, defaults on its obligation to pay. The Company is also exposed to credit risk on accounts receivable from third-party payors and from patients from whom may be required to collect the amount of any copayments, coinsurance or deductions. The trade and other receivables are monitored on an ongoing basis, and the trade and other receivables are evaluated for impairment on an ongoing basis (see note 10).

The Company is also subject to credit risk as a result of our cash and cash equivalents, in the event of default by the financial institution with which the cash and cash equivalents are deposited or invested as short-term bank deposits. The credit risk in this regard is managed by depositing or investing the cash and cash equivalents only in short-term, investment-grade and highly liquid investments with secure counterparties.

In 2010 the Company received more than 10% of the revenues from two parties.

(c) Liquidity risk

The management of the Company forecasts the company's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Group's financing plans and expected cash flow. The Company's objectives when managing capital is to maintain sufficient capital and liquidity to continue for a period of at least 12 months from the date of these financial statements.

As of the year ended 2010, the Company had cash and cash equivalents of € 11.8 million. Subsequent to 31 December 2010, the Company engaged in a further financing round with its existing shareholders, raising an additional € 3.8 million, resulting in cash and cash equivalents of € 11.0 million as of 31 March 2011.

The company has experienced and expects to continue to experience negative cash flows from operations, and the Company's current cash resources do not provide it with sufficient working capital for the next twelve months following the date of these financial statements. The Company is therefore depending on financing arrangements to conduct its ongoing operations.

The Company intends to raise additional working capital in 2011 through additional support from its existing investor base and/or through a capital markets transaction.

The table below provides an aging of the group's financial liabilities based on the remaining period of the contract at the balance sheet date up to the contract maturity date. The amounts disclosed in the table are the undiscounted contractual cash flows.

	Less than 1 year €	Between 1 and 2 years €	Between 2 and 5 years €	Over 5 years €
At 31 December 2010				
Trade and other payables	3,267,449	—	53,051	—
At 31 December 2009				
Trade and other payables	2,224,583	37,300	111,349	—
At 31 December 2008				
Trade and other payables	2,626,907	117,599	25,550	—

(d) Capital risk management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may issue new shares or enter into financing arrangements.

(e) Fair value estimation

IFRS 7 in respect of Financial instruments measured at fair value in the consolidated balance sheet, requires disclosure of these fair value measurements by the following measurement hierarchy:

1. Quoted prices (unadjusted) in active markets for identical assets or liabilities
2. Information/data other than the quoted prices indicated in (1) that are apparent for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
3. Information/data in respect of the asset or liability that is not based on evident market data

The following table presents the group's assets and liabilities that are measured at fair value (based on level 3):

	Year ended 31 December		
	2010 €	2009 €	2008 €
Share-based payment liabilities	(4,587,021)	(2,200,314)	(3,578,256)
Share-based payment receivables for reimbursement of expenses	4,587,021	2,200,314	3,578,256
Total	—	—	—

4. Critical accounting estimates and judgments

Estimates and judgments are continually being evaluated by the Company based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances.

Critical accounting estimates and assumptions

In the presented financial statements, the Company has made certain estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom be realized. Those estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are listed below.

The Company has made certain assumptions in the valuation of its share-based payments to employees. Any change in the assumptions will have impact on the actual amounts.

Critical judgments in applying the Company's accounting policies

(a) Corporate income taxes

The Group, which has a history of recent tax losses, recognizes deferred tax assets arising from unused tax losses or tax credits only to the extent the relevant fiscal unity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized by the fiscal unity. Management's judgment is that sufficiently convincing evidence is not currently available; therefore a deferred tax asset has not been recognized.

(b) Research and development expenditures

The project stage determines whether or not costs incurred in the Company's research and development projects are capitalized. In general, clinical development expenditures are not capitalized until the Company obtains marketing approval (i.e. approval to commercially use the product, for example receiving final FDA clearance in the United States or receiving market authorization with the EMEA in the EU), as this is considered to be the point in time where it becomes probable that future revenues can be generated and the project will become commercially successful.

(c) Revenue recognition

The Company has recognized revenue in 2010 for tests performed even where there is no insurance contract in place for reimbursement by an insurance company.

For transactions with insurance companies where no contract is in place, the Company recognizes revenue only when certain criteria are met, such that the consideration for the services performed can be reliably measured when sending the test results. This policy requires the Company to estimate whether the receivable from the insurance company can be reliably measured and the amount expected to be reimbursed by the insurance company. The Company estimates the timing and amount of the consideration to be received based on historical experience with the insurance company. If the insurance company has consistently paid invoices from the Company for tests performed over the past several months, management estimates that the consideration can be reliably determined and collectability is reasonably assured for that insurance company.

5. Property, plant and equipment

	Lab equipment €	Furniture, hardware & software €	Renovations €	Total €
At January 1, 2008				
Cost or valuation	1,171,710	725,495	506,647	2,403,852
Accumulated depreciation	(702,600)	(457,708)	(400,942)	(1,561,250)
Net book value	469,110	267,787	105,705	842,602
Year ended 31 December 2008				
Opening net book value	469,110	267,787	105,705	842,602
Additions	506,637	214,151	32,747	753,535
Disposals	(360,892)	—	(489,884)	(850,776)
Depreciation charge	(185,778)	(100,707)	(92,632)	(379,117)
Accumulated depreciation/disposals	360,892	—	489,884	850,776
Currency translation adjustments	33	94	14	141
Closing net book value	**790,002**	**381,325**	**45,834**	**1,217,161**
At 31 December 2008				
Cost or valuation	1,317,455	939,646	49,510	2,306,611
Accumulated depreciation	(527,486)	(558,415)	(3,690)	(1,089,591)
Accumulated currency translation differences	33	94	14	141
Net book value	790,002	381,325	45,834	1,217,161
Year ended 31 December 2009				
Opening net book value	790,002	381,325	45,834	1,217,161
Additions	60,404	74,437	6,352	141,193
Disposals	—	(2,249)	—	(2,249)
Depreciation	(208,971)	(115,926)	(13,280)	(338,177)
Accumulated depreciation/disposals	—	2,249	—	2,249
Currency translation adjustments	11,918	131	(105)	11,944
Closing net book value	**653,353**	**339,967**	**38,801**	**1,032,121**
At 31 December 2009				
Cost or valuation	1,377,859	1,011,834	55,862	2,445,555
Accumulated depreciation	(736,457)	(672,092)	(16,970)	(1,425,519)
Accumulated currency translation differences	11,951	225	(91)	12,085
Net book value	653,353	339,967	38,801	1,032,121
Year ended 31 December 2010				
Opening net book value	653,353	339,967	38,801	1,032,121
Additions	135,810	101,520	2,663	239,993
Disposals	(54,403)	(422,793)	(12,451)	(489,647)
Depreciation	(218,769)	(137,326)	(18,869)	(374,964)
Accumulated depreciation/disposals	54,403	422,793	12,451	489,647
Currency translation adjustments	30,501	6,159	1,298	37,958
Closing net book value	**600,895**	**310,320**	**23,893**	**935,108**
At 31 December 2010				
Cost or valuation	1,459,266	690,561	46,074	2,195,901
Accumulated depreciation	(900,823)	(386,625)	(23,388)	(1,310,836)
Accumulated currency translation differences	42,452	6,384	1,207	50,043
Net book value	**600,895**	**310,320**	**23,893**	**935,108**

Depreciation expense of € 45,287 (2009: € 62,199, 2008: € 105,849) has been charged to research and development costs. Depreciation expense of € 162,311 (2009: € 136,833, 2008: € 75,361) has been charged to cost of sales. The remaining depreciation expense of € 167,365 (2009: € 139,145, 2008: € 197,907) has been charged to general and administrative costs.

The group leases various laboratory and office equipment under non-cancelable operating lease agreements.

6. (a) Financial instruments by category

	Loans and receivables/ other liabilities €	Total €
31 December 2010		
Long term receivables	4,806,146	4,806,146
Trade and other receivables excluding pre-payments	929,501	929,501
Cash and cash equivalents	11,758,992	11,758,992
Total	**17,494,639**	**17,494,639**
Non current liabilities	4,587,021	4,587,021
Trade and other liabilities excluding statutory liabilities	3,320,500	3,320,500
Total	**7,907,521**	**7,907,521**
31 December 2009		
Long term receivables	2,320,464	2,320,464
Trade and other receivables excluding pre-payments	401,301	401,301
Cash and cash equivalents	17,398,105	17,398,105
Total	**20,119,870**	**20,119,870**
Non current liabilities	2,200,314	2,200,314
Trade and other liabilities excluding statutory liabilities	2,373,232	2,373,232
Total	**4,573,546**	**4,573,546**
31 December 2008		
Long term receivables	3,590,394	3,590,394
Trade and other receivables excluding pre-payments	2,291,629	2,291,629
Cash and cash equivalents	13,420,572	13,420,572
Total	**19,302,595**	**19,302,595**
Non current liabilities	3,578,256	3,578,256
Trade and other liabilities excluding statutory liabilities	2,770,056	2,770,056
Total	**6,348,312**	**6,348,312**

6. (b) Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	Year ended 31 December		
	2010 €	2009 €	2008 €
Receivables			
Counterparties with external credit rating	—	—	—
Counterparties without external credit rating	440,381	163,916	1,974,431
Total unimpaired receivables	**440,381**	**163,916**	**1,974,431**
Cash at bank and short-term bank deposits			
A -rating	11,419,991	16,858,231	13,100,471
AA -rating	328,016	495,146	262,102
Other	10,985	44,728	57,999
	11,758,992	**17,398,105**	**13,420,572**

A substantial portion of the Company's presented receivables are with public and private insurance companies. Transactions with such payors are periodically evaluated for consistent payment history through a collection study. When sufficient evidence of collectability exists, a receivable is recognized.

7. Receivable shareholders

An amount of € 4,587,021 has been recognized under non-current other receivables (2009: € 2,200,314 and 2008: € 3,578,256) for the reimbursement of share-based payment expenses in respect of the shareholders of the Company. Reference is made to note 14 for details of this share-based compensation plan.

8. Non-current Trade and other receivables

The fair values of trade and other receivables approximate their carrying values.

An amount of € 219,125 has been recognized under non-current Trade and other receivables (2009: € 120,150 and 2008: € 12,138) in respect of a trade receivable from Stichting Fondsen Nederlands Kankerinstituut (SFN). An agreement between the Company and SFN provides a deferred payment from SFN will cease to exist as of the date when any of the following conditions are met:

- the scheduled termination of the agreement (31 December 2012);
- the sale or disposal of any shares held by SFN in the Company;
- the receivable exceeds € 1,000,000.

9. Inventories

Inventories consist mainly of component materials used in the lab and parts used to assemble tissue collection kits.

In 2010, 2009 and 2008, € 0, € 72,570 and € 404,702, respectively, were recognized in the combined statements of comprehensive income activities for the write-down of inventories to their net realizable values.

No inventories have been pledged as collateral at December 31, 2010.

10. Trade and other receivables

	Year ended 31 December		
	2010	**2009**	**2008**
	€	€	€
Trade receivables	**440,381**	**163,916**	**1,974,431**
Less: Provision for impairment of trade receivables	—	—	76,336
Trade receivables – net	**440,381**	**163,916**	**1,898,095**
Value-added tax	206,258	59,770	161,554
Prepayments	511,658	187,345	165,138
Interest receivables on bank accounts	104,661	155,171	155,210
Other accrued income and other receivables	178,201	22,444	76,770
Total	**1,441,159**	**588,646**	**2,456,767**

The carrying amounts of the Group's trade and other receivables are denominated in Euros or in Dollars.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The group does not hold any collateral as security.

As of 31 December 2010, the aging analysis of trade receivables is as follows:

AGEING

	Year ended 31 December		
	2010	**2009**	**2008**
	€	€	€
< 3 months	246,508	55,948	946,262
3-6 months	107,908	15,785	319,156
6-12 months	85,965	59,471	612,657
>12 months	—	32,712	96,356
Total trade receivables	**440,381**	**163,916**	**1,974,431**

With respect to the trade and other receivables that are neither impaired nor past due, there are no indications as of December 31, 2010 that the debtors will not meet their payment obligations.

The additions to the provision for impairment of trade receivables have been included in the sales costs.

The movements within the provision are as follows for the years presented:

ALLOWANCE

	Year ended 31 December		
	2010	**2009**	**2008**
	€	€	€
Opening balance	**—**	**(76,336)**	**(39,356)**
Additions charged to income	—	—	(205,099)
Utilization	—	76,336	168,119
Closing balance provision	**—**	**—**	**(76,336)**

No impairment losses are recognized during the period on receivables.

11. Cash and cash equivalents

	Year ended 31 December		
	2010	**2009**	**2008**
	€	€	€
Cash at bank and on hand	11,758,992	17,398,105	13,420,572
Total	**11,758,992**	**17,398,105**	**13,420,572**

All cash amounts are at the free disposal of the Company.

12. Share capital and premium

The Company has issued common shares and three classes of preference shares: Class A, Class B and Class C shares. The payment of cash in case of a liquidity event is under the Company's control and no contractual obligation exists in respect of these shares. The Company presents its shares as equity instruments, as it has an unconditional right to avoid cash settlement or another financial asset.

As of 31 December 2010, the company's authorised capital amounted to € 132,000 and was divided into 500,000 ordinary shares, 500,000 preferred shares A, 500,000 preferred shares B and 150,000 preferred shares C, each share with a par value of € 0,08.

Separate classes of additional paid-in-capital are maintained for the contributions on the A, B and C preferred shares made by the A, B and C preferred shareholders. Distributions from these classes of additional paid-in-capital can only be made to the preferred shareholders that are entitled to this class of additional paid-in-capital.

The table below presents the evolution of our share capital from 31 December 2008 to 31 December 2010.

	Year ended 31 December					
	2010		2009		2008	
	Authorised Share Capital €	Outstanding Share Capital €	Authorised Share Capital €	Outstanding Share Capital €	Authorised Share Capital €	Outstanding Share Capital €
Ordinary Shares	40,000	24,366.96	40,000	24,366.96	40,000	24,081.20
Preferred Shares A	40,000	13,194.16	40,000	13,194.16	40,000	13,194.16
Preferred Shares B	40,000	8,471.84	40,000	8,471.84	40,000	8,471.84
Preferred Shares C	12,000	9,146.56	12,000	5,633.68	—	—
Total	**132,000**	**55,179.52**	**132,000**	**51,666.64**	**120,000**	**45,747.20**

Preferred shares A, B and C are convertible into ordinary shares on a one-to-one basis upon on a resolution by the combined meeting of the A, B and C preferred shareholders, adopted with a 60% majority to convert all of the A, B and C preferred shares. Furthermore, the A, B and C preferred shareholders will be obliged to convert their A, B and C preferred shares into common shares at the conversion ratio upon the closing of a 'Qualified IPO' (defined as a market capitalization, before application of the IPO proceeds, of at least € 150 million and an IPO resulting in aggregate gross offering proceeds of at least € 50 million).

On the closing of a Qualified IPO, all outstanding preferred shares will be converted into ordinary shares on a one-to-one ratio. However, the shareholders of the company have agreed that depending on the valuation of the company in such a Qualified IPO, the preferred shareholders will – upon conversion – be entitled to receive more ordinary shares than the number of preferred shares held by them immediately prior to conversion. Any such additional ordinary shares that preferred shareholders are entitled to, will be delivered by the current holders of ordinary shares. The conversion of the preferred shares into ordinary shares upon a Qualified IPO will therefore effectively constitute a redistribution of the share capital of the company among the shareholders.

As of 31 December 2010, the company had undertaken the following finance rounds:

On 28 August 2009, a total number of 70,421 Preferred Shares C were issued. The total subscription amount for these Preferred Shares C was € 5,633.68 in nominal value and € 16,619,365 in share premium. In connection with this financing round Stichting Fondsen Nederlands Kankerinstituut subscribed for 3,572 ordinary shares for a total subscription amount of €285.76. A total amount of € 16,625,284.44 was raised in the 2009 financing round.

On 13 December 2010, a total number of 43,911 Preferred Shares C were issued. The total subscription amount for these Preferred Shares C was € 3,512.88 in nominal value and €10,362,996 in share premium. A total amount of € 10,366,508.88 was raised in the 2010 financing round.

	Number of shares (thousands) €	Common Shares €	Class A Share capital €	Class B Share capital €	Class C Share capital €	Share premium €	Total €
Balance at 1 January 2008	**571,840**	**24,081**	**13,194**	**8,472**	**—**	**47,238,604**	**47,284,351**
Proceeds from shares issued	—	—	—	—	—	—	—
Reimbursement of share based payments	—	—	—	—	—	518,336	518,336
At 31 December 2008	**571,840**	**24,081**	**13,194**	**8,472**	**—**	**47,756,940**	**47,802,687**
Reimbursement of share based payments	—	—	—	—	—	(1,377,942)	(1,377,942)
Proceeds from Common and Class C shares issued	73,993	286	—	—	5,633	16,619,356	16,625,275
At 31 December 2009	**645,833**	**24,367**	**13,194**	**8,472**	**5,633**	**62,998,354**	**63,050,020**
Reimbursement of share based payments	—	—	—	—	—	2,386,707	2,386,707
Proceeds from Class C shares issued	43,908	—	—	—	3,513	10,362,997	10,366,510
Balance at 31 December 2010	**689,741**	**24,367**	**13,194**	**8,472**	**9,146**	**75,748,058**	**75,803,237**

13. Retained earnings

	Accumulated	Translation	Total
	€	€	€
At January 1, 2008	**(10,979,081)**	**(15,589)**	**(10,994,670)**
Loss 2007	(10,206,341)	—	(10,206,341)
Currency translation differences	—	124,862	124,862
At 31 December 2008	**(21,185,422)**	**109,273**	**(21,076,149)**
Loss 2008	(14,934,001)	—	(14,934,001)
Currency translation differences	—	252,132	252,132
At 31 December 2009	**(36,119,423)**	**361,405**	**(35,758,018)**
Loss 2009	(12,524,081)	—	(12,524,081)
Currency translation differences	—	(326,979)	(326,979)
At 31 December 2010	**(48,643,504)**	**34,426**	**(48,609,078)**

14. Share-based payment plan

Agendia B.V. has adopted a Participation Share Plan, which has been sponsored by the Shareholders of the Company to facilitate the recruitment of qualified personnel.

This plan includes a payment obligation of the Company to participants of the Plan in case of an ''Exit''.

An ''Exit'' occurs in either of the following events: (i) a sale of all or substantially all of the Company's assets followed by a cash distribution of all or part of the sales proceeds to the holders of the Common Shares in the form of a dividend or liquidation proceeds or (ii) a sale or disposal of one hundred percent (100%) of the Company's issued and outstanding share capital or voting rights, including all of the Common Shares against a payment in cash or a consideration in kind consisting of listed shares which may be sold immediately upon receipt, or a Listing.

Based on the fact that the Company has the obligation to settle the grants with the employees, the share-based payment plan qualifies as a cash-settled plan under IFRS 2 and a liability has been recorded on the consolidated balance sheet of the Company.

A Reimbursement Agreement exists between the founders and shareholders' of the Company and the Company, which requires compensation of the expenses incurred by the Company from the Shareholders. Since the shareholders reimburse the expenses resulting from the Participation Share Plan, a corresponding receivable has been recorded to reflect this reimbursement right of the expenses from the Shareholders of the Company. The receivable equals the liability recognized. Against the receivable from shareholders the reimbursement right is presented under share premium.

The options granted are (partly) conditional on the employee completing a period of service (the vesting condition). The fair value of the employee services received in exchange for the grant of the options is recognized as an expense. The total amount to be expensed over the vesting period, if any, is determined by reference to the fair value of the options granted. For cash-settled plans, the liability is re-measured at each balance sheet date.

Until the liability resulting from the cash-settled plan is settled, the Company re-measures the fair value of the liability at each reporting date and at the date of settlement, with any change in fair value recognized in the consolidated income statement.

The following applies to each of the Participation Share Series A, B, C, and D shares:

Series A Participation shares

Upon the vesting of a Participation Share, a Participant holding Series A Participation Shares shall be entitled to receive per Series A Participation Share in cash a lump sum equal to the Exit Value of one Common Share.

Series B Participation shares

Participation Shares shall be entitled to receive per Series B Participation Share in cash a lump sum equal to the Exit Value of one Common Share minus an amount of EUR 225.00. No payment obligations relating to Series B Participation Shares pursuant to the Plan exists if the Exit Value of a Common Share equals or is less than an amount of EUR 225.00.

Series C Participation shares

Participation Shares shall be entitled to receive per Series C Participation Share in cash a lump sum equal to the Exit Value of one Common Share minus an amount of EUR 340.00. No payment obligations relating to Series C Participation Shares pursuant to the Plan exist of the Exit Value of a Common Share equals or is less than an amount of EUR 340.00.

Series D Participation shares

Participation Shares representing the right to receive in cash one percent (1%) of the Exit Value of one Common Share minus an amount of one euro and fifty-three and 67/100 eurocents (EUR 1.5367) per Series D Participation Share, subject to certain terms and conditions.

	2010		2009		2008	
	Average exercise price in € per share	**Outstanding Participation Shares**	**Average exercise price in € per share**	**Outstanding Participation Shares**	**Average exercise price in € per share**	**Outstanding Participation Shares**
At 1 January	**96.09**	**89,792**	**95.88**	**76,643**	**125.43**	**63,994**
Granted	87.29	8,626	104.47	21,350	63.24	28,280
Forfeited	90.54	(18,610)	115.91	(8,201)	157.83	(15,631)
At 31 December	**96.43**	**79,808**	**96.09**	**89,792**	**95.88**	**76,643**

The significant assumptions made in the valuation model (Black & Scholes Merton Option Pricing Model) were as follows:

	2010	**2009**	**2008**
	€	€	€
Exercise price per share in €	96.43	96.09	95.88
Weighted average share price at grant date in €	139.87	99.84	236.97
Volatility %	47.4%	56.7%	56.3%
Dividend yield %	0.0%	0.0%	0.0%
Expected option life in years	1.5 years	2.5 years	3.5 years
Annual risk-free interest %	0 – 1.13%	1.75 – 2.22%	3.64 – 4.68%

15. Trade and other payables

	Year ended 31 December		
	2010	**2009**	**2008**
	€	€	€
Trade payables			
Trade creditors	1,473,852	1,056,345	1,419,179
Social security and wage tax	61,390	63,046	181,034
Pension premium	85,405	70,956	183,972
Holiday payments and holiday rights	332,545	288,913	193,985
Commissions and bonuses for personnel	551,299	530,807	287,143
Rent	66,596	73,808	90,086
Consulting fees	140,643	22,672	119,541
Audit fees	105,883	93,753	101,119
Accrued general expenses	314,386	86,928	142,069
Accrued invoices	118,314	40,817	33,868
Other liabilities	70,187	45,187	18,060
Total	**3,320,500**	**2,373,232**	**2,770,056**

16. Deferred government grant

An amount of € 23,574 of deferred income is included in deferred revenues as per December 31, 2010 (2009: € 497,248, 2008: € 401,767). These amounts relate to government grants received in advance.

17. Non-current liabilities

A liability has been recognized in relation to the share-based payment obligation of the Company. This liability, to be reimbursed by the shareholders of the Company, has been reflected as a receivable under Non-current other receivables.

Reference is made to note 14 for further information on the share-based payment plan.

18. Gross Margin

	Year ended 31 December		
	2010	**2009**	**2008**
	€	€	€
USA	2,359,232	209,288	—
Outside the United States	2,326,699	1,143,369	486,990
Total revenue	**4,685,931**	**1,352,657**	**486,990**
USA	1,933,628	1,149,299	275,535
Outside the United States	394,957	857,454	982,351
Total Cost of sales	**2,328,585**	**2,006,753**	**1,106,175**
Gross margin	**2,357,346**	**(654,096)**	**(619,185)**

19. Other income

Other income of € 803,332 (2009: € 852,444, 2008: € 345,253) relates to income received from government bodies or institutions for specific projects whereby the majority of work is related to actual tests processed and/or hours spent. Government grants are recognized on a systematic basis as income over the periods necessary to match the grants against the related costs which they are intended to compensate.

20. Expenses by nature

	2010 €	2009 €	2008 €
Sales and Marketing costs			
Personnel costs	3,911,370	3,058,148	1,582,005
Travel and entertaining costs	1,297,193	792,991	729,716
Other personnel costs	133,199	233,128	335,232
Congresses, Seminar & Booth Costs	435,931	358,829	1,138,465
Website	35,088	61,927	173,620
PR, Media & Advertising	152,650	54,018	521,107
Marketing material	435,586	300,284	348,852
Agency Fees	79,027	66,493	1,055,098
Sponsoring & Promotion	177,694	85,453	131,721
Other	403,138	104,188	284,162
Total cost of sales and marketing	**7,060,876**	**5,115,459**	**6,299,978**
Research and development costs			
Research and development costs	2,500,360	1,861,958	1,547,759
Personnel costs	973,805	912,228	973,239
Travel and entertaining costs	35,329	26,099	23,943
Other personnel costs	24,599	13,618	29,008
Total cost of research and development	**3,534,093**	**2,813,903**	**2,573,949**
General and administrative costs			
Personnel costs	4,960,400	1,600,843	2,823,385
Travel and entertaining costs	228,515	215,357	216,764
Other personnel costs	790,746	130,203	322,229
Depreciation of tangible assets	167,365	139,146	197,908
Housing expense	358,939	282,297	324,596
Office expense	1,293,558	1,109,094	846,061
General expense	1,273,724	1,203,522	1,269,576
Provision	419	50,745	464,226
Total cost of general and administrative expenses	**9,073,666**	**4,731,207**	**6,464,745**
Total	**19,668,635**	**12,660,569**	**15,338,672**

21. (a) Analysis of Personnel costs included in Note 20

	2010 €	2009 €	2008 €
Sales and Marketing costs			
Wages and salaries	3,664,850	2,832,898	1,400,689
Social security costs	222,566	168,091	105,785
Pension costs – defined contribution plans	23,954	57,159	75,531
Total cost of sales and marketing	**3,911,370**	**3,058,148**	**1,582,005**
Research and development costs			
Wages and salaries	841,764	787,419	830,881
Social security costs	96,057	94,456	108,535
Pension costs – defined contribution plans	35,984	30,353	33,823
Total cost of research and development	**973,805**	**912,228**	**973,239**
General and administrative costs			
Wages and salaries	2,161,172	2,656,534	2,026,896
Social security costs	306,877	227,710	200,545
Pension costs – defined contribution plans	105,644	94,541	77,608
Share based payments	2,386,707	(1,377,942)	518,336
Total cost of general and administrative expenses	**4,960,400**	**1,600,843**	**2,823,385**

The Share based payments expense is disclosed in notes 2.2 and 14. The Share based payments plan is relating to employees of different departments in the Company. Because the Share based payments expense is cash settled and the annual amount fluctuates, for presentation purposes these costs are classified as a total amount in General and administrative costs.

21. (b) Average number of people employed

The full time equivalent employees in 2010 was 81 (2009: 70, 2008: 49). In 2010 the number of employees working abroad was 46 (2009: 31, 2008: 11).

22. Finance income and costs

Finance income consists of interest income received from short-term bank deposits in 2010, 2009 and 2008. Exchange rate items are realized and unrealized exchange rate gains or losses on the intercompany balances.

	2010 €	2009 €	2008 €
Finance income			
Exchange rate	237,623	—	—
Interest income	158,623	275,539	851,581
Total finance income	**396,246**	**275,539**	**851,581**
Finance costs			
Exchange rate	—	(322,156)	(164,718)
Interest and finance costs	(8,082)	(15,243)	(8,260)
Total finance costs	**(8,082)**	**(337,399)**	**(172,978)**
Total finance income and costs	**388,164**	**(61,860)**	**678,603**

23. Income tax expense

Since the company is currently loss-making, no tax charges or income have been recognized in the financial statements in the years 2010, 2009 and 2008. In addition, no deferred tax assets have been recognized for loss carry-forwards as there is insufficient evidence that these tax loss carry-forwards would be utilized in offsetting future taxable profits.

The total amount of consolidated tax loss carried forwards at December 31, 2010 is € 51,950,951 (2009: € 41,918,353, 2008: € 29,466,957). Under Dutch income tax law, tax loss carry-forwards expire after nine years (tax rate: 25%). Under US income tax law, tax loss carry-forward expire after twenty years (tax rate: 35%).

For the rest of the world the tax rate is between 33.3% (Germany) and 28% (United Kingdom)

Fiscal year	Expiration year Netherlands	Tax losses Netherlands	Expiration year USA	Tax losses USA	Tax losses Rest of world	Total tax losses
2003	2012	623,860				623,860
2004	2013	1,571,099			139,679	1,710,778
2005	2014	2,337,295			372,683	2,709,978
2006	2015	3,292,897			541,304	3,834,201
2007	2016	6,334,752			449,330	6,784,082
2008	2017	10,459,349	2028	2,869,744	538,994	13,868,087
2009	2018	5,613,699	2029	6,332,588	61,642	12,007,930
2010	2019	3,454,217	2030	6,884,943	72,876	10,412,036
Total tax loss carry-forward		**33,687,168**		**16,087,275**	**2,176,508**	**51,950,952**

24. Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Common and profit participating Preference shares in issue during the year.

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the periods included in these financial statements, the Participation Share Plan grants are cash settled and therefore are not included in diluted earnings per share. Furthermore the Group was loss-making in all periods. Consequently basic and diluted earnings per share are the same.

25. Contingencies

Income from Government Grants

Income from Government Grants refers to Grants received from government bodies or institutions for specific projects where the majority of work is related to actual tests processed and/or hours spent. Project revenue is recognized according to the progress of the project. The Company participates in consortia which directly or indirectly receive subsidies from the government.

The Company entered into arrangements relating to specific projects to increase the applicability of MammaPrint and to gain possible economic benefits in the future. The obligation to perform a certain number of tests for these projects are stated in the agreements, however the economic benefits cannot be reliably measured.

Without considering the possible economic benefits, these projects result in the following commitments as per year end based on the number of tests to be performed:

31-12-2008: € 2,547,196
31-12-2009: € 1,710,903
31-12-2010: € 1,236,664

Lease agreements

The company has entered into the following lease agreements for which it has future obligations:

Agendia B.V.

I. a rental contract for lab and office space expiring November 30, 2014 amounting to € 275,360 per year;

II. a bank guarantee amounting to € 90,000 with respect of the above rental contract;

III a car lease agreement commencing February 28, 2008 for 48 months amounting to € 13,221 per year;

IV. a copier lease agreement commencing December 3, 2009 for 36 months amounting to € 2,880 per year;

V. a telephone lease agreement commencing January 10, 2008 for 60 months amounting to € 7,782 per year.

VI. The Company has involved in a lawsuit and proceedings since January 2009 with Slotervaart Ziekenhuis B.V. (SLZ). Claiming damages for maximum € 520,000 relating to outstanding rent and recovery costs to restore the premises that Agendia had leased to its original state. Agendia successfully contested SLZ's claim, which was dismissed by the Dutch court, and SLZ has filed an appeal on 3 May 2011.

Agendia GmbH

I. a car lease agreement commencing July 1, 2007 for 48 months amounting to € 12,948 per year.

Agendia Inc

II. a rental contract for lab and office space expiring October 31, 2013 amounting to USD 11,700 per month;

III. letter of credit is issued amounting to USD 100,000 with respect of the above rental contract;

III. a contract with XIFIN Inc, to outsource accounts receivable management relating to reimbursement by U.S. Health Insurance providers. The term of the contract is 36 months, commencing December 23, 2008. The service includes a one-time up-front installation fee and a recurring monthly service fee. The monthly service fee paid to XIFIN is based on the greater of 1) a percentage of cash collection received during the month or 2) the minimum service fee;

IV. a copier lease agreement commencing June 16, 2008 for 39 months amounting to € 3,116 per year;

V. a security agreement commencing June 18, 2010 for 36 months amounting to € 7,178 per year.

The total future aggregate minimum lease payments under non-cancelable operating leases are as follows:

	2010 €	2009 €	2008 €
< 1 year	489,590	509,605	509,232
> 1 year and < 5 years	1,111,176	94,688	577,196
> 5 years	—	—	—
Total	**1,600,766**	**604,293**	**1,086,428**

26. Related-party transactions

Transactions with related parties have been performed at arm's length as part of the Group's ordinary trade practices.

During March 2009 the Company entered into a service agreement with Stichting Fondsen Nederlands Kankerinstituut (SFN) to provide the MammaPrint service to the Antoni van Leeuwenhoek hospital. The receivables from SFN are presented as non-current Trade and other receivables as SFN has the right to defer payment of the invoices under the conditions mentioned in note 8. The following transactions were carried out with SFN during the period:

	Year ended 31 December		
	2010 €	2009 €	2008 €
Trade and other receivables/net-revenues	219,125	120,150	12,138

Key management compensation

The remuneration of the Management Board and Supervisory Board amounted to € 390,241 (2009: € 408,188, 2008: € 335,380).

The remuneration paid to the members of the Key management amounted to € 1,805,007 (2009: € 1,013,158, 2008: € 1,144,723).

The compensation paid or payable to the members of the Boards and Key management for services is shown below:

2010	Salary €	Bonus €	Share-based payments €	Professional fees €	Pension €	Total 2010 €
Board	327,531	37,500	3,096	11,351	10,763	390,241
Key management	935,363	146,711	695,897	—	27,036	1,805,007
Total	**1,138,766**	**184,211**	**698,993**	**11,351**	**37,799**	**2,195,248**

2009	Salary €	Bonus €	Share-based payments €	Professional fees €	Pension €	Total 2009 €
Board	278,272	105,000	—	14,368	10,548	408,188
Key management	911,164	117,823	(51,915)	—	36,086	1,013,158
Total	**1,189,436**	**222,823**	**(51,915)**	**14,368**	**46,634**	**1,421,346**

2008	Salary €	Bonus €	Share-based payments €	Professional fees €	Pension €	Total 2008 €
Board	291,875	30,000	4,077	—	9,328	335,280
Key management	656,717	105,122	359,440	—	23,444	1,144,723
Total	**867,643**	**135,122**	**363,517**	**—**	**32,772**	**1,480,003**

27. Events after the reporting period

On 13 May 2011, the Participation Share Plan was amended to include a new Series E Participation share. These are instruments representing the right to receive in cash one percent (1%) of the Exit Value of one Common Share minus an amount of one euro and thirty-one eurocents (EUR 1.31) per Series E Participation Share, subject to certain terms and conditions. There were no Grants of the Series E Participation Shares in the presented period.

Amsterdam, May 26, 2011

R. Bernards Holding B.V. *L. van 't Veer Holding B.V.* *Dr. Sixt Holding B.V.*

DEFINED TERMS

The following list of defined terms is not intended to be an exhaustive list of definitions, but provides a list of some of the defined terms used in this Prospectus.

Additional Shares	additional new Ordinary Shares, comprising up to 15% of the total number of Offer Shares sold by the Company in the Offering, which the Company may be required to issue pursuant to the Over-Allotment Option
AFM	the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*)
Allocation	allocation of the Offer Shares
Articles of Association	the articles of association of the Company as they shall read as per the settlement of the Offering
CLIA	Clinical Laboratory Improvement Amendments of 1988
CMS Medicare	the Centres for Medicare & Medicaid Services
Co-Lead Managers	KBC Securities N.V. and Kempen & Co N.V.
Company	Agendia N.V.
Corporate Governance Code	the Dutch Corporate Governance Code
Current Shareholders	the holders of Ordinary Shares and Preferred Shares as at the date of this Prospectus
DHS	the California Department of Health Services
DOH	the New York State Department of Health
Dutch Financial Supervision Act	the Dutch Financial Supervision Act (*Wet op het Financieel Toezicht*) and the rules promulgated thereunder
Dutch GAAP	Dutch generally accepted accounting principles
EEA	European Economic Area
ERISA	United States Employee Retirement Income Security Act of 1974
Euroclear Nederland	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. trading as Euroclear Nederland
Euronext	Euronext Amsterdam N.V.
Euronext Amsterdam	NYSE Euronext in Amsterdam, the regulated market of Euronext
FDA	US Food and Drug Administration
First Trading Date	21 June 2011
FNIH	US Foundation of National Institutes of Health
Foundation	Stichting PSP Agendia
FRSA	The Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*)
FSMA	Financial Services and Markets Act 2000
FTEs	full time employee equivalents
General Meeting	the general meeting of shareholders (*algemene vergadering van aandeelhouders*) of Agendia N.V.
HHS	Department of Health and Human Services
HIPAA	the US Health Insurance Portability and Accountability Act of 1996
IFRS	International Financial Reporting Standards as adopted by the European Commission
Independent Source	market research firms or other independent publications
IRS	US Internal Revenue Service

I-SPY2	Investigation of Serial Studies to Predict Your Therapeutic Response with Imaging and Molecular Analysis
Joint Global Co-ordinators	ABN AMRO Bank N.V. and ING Bank N.V.
KOLs	Key Opinion Leaders
LDTs	laboratory developed tests
Management Board	the management board (*Raad van Bestuur*) of Agendia N.V.
MD Anderson	MD Anderson Cancer Centre in the United States
Member State	a member state of the EEA
MINDACT	the Microarray In Node Negative and 1-3 positive lymph node Disease may Avoid Chemotherapy Trial
MINT	Multi-Institutional Neo-adjuvant Therapy trial
MTAs	material transfer agreements
NCCN	National Cancer Center Network
NKI	Netherlands Cancer Institute
Offer Price	price per Offer Share
Offer Price Range	€16.35 to €19.15 per Offer Share
Offer Shares	up to 4,587,156 new Ordinary Shares
Offering	the offering of Offer Shares and Additional Shares, if any, as described in this Prospectus
Ordinary Shares	the ordinary shares in the capital of the Company with a nominal value of 0.10 each
Over- Allotment Option	an option, exercisable within 30 calendar days after the First Trading Date, pursuant to which the Joint Global Co-ordinators may require the Company to issue at the Offer Price Additional Shares, to cover short positions resulting from any over-allotments made, in connection with the Offering and short positions resulting from stabilisation transactions
PARSC	Prospective Analysis of Risk Stratification by ColoPrint® 1 trial
Participation Share Plan	the participation share plan of the Company
PFIC	passive foreign investment company
Preferred Shareholders	the holders of the Preferred Shares
Preferred Shares	the preferred class A, class B and class C shares in the capital of the Company
Pricing Statement	a pricing statement published by the Company, which will define the Offer Price and the final number of the Offer Shares and Additional Shares, if any, to be offered in the Offering
Prospectus	this prospectus dated 3 June 2011
Prospectus Directive	Directive 2003/71/EC as amended by Directive 2010/73/EC
Publication Date	3 June 2011
QIBs	qualified institutional buyers
Regulation S	Regulation S under the US Securities Act
Relevant Member State	each Member State of the EEA which has implemented the Prospectus Directive
Restructuring	the restructuring of the share capital of the Company that will be effected prior to settlement of the Offering as described in "*Description of Share Capital and Corporate Governance – Restructuring of Share Capital (the "Restructuring")*"
Rule 144A	Rule 144A under the US Securities Act
SEC	the US Securities and Exchange Commission

Securities Giro Transactions Act	Dutch Securities Giro Transactions Act (*Wet giraal effecten verkeer*)
Settlement Date	24 June 2011
SFN	Stichting Fondsen Nederlands Kankerinstituut
St. Gallen international guidelines	the St. Gallen International Expert Consensus on the Primary Therapy of Breast Cancer
Stabilisation Regulation	the European Commission Regulation (EC) No. 2273/2003 of 22 December 2003 implementing Directive 2003/6/EC of the European Parliament and of the Council as regards exemption for buy-back programmes and stabilisation of financial instruments
Stock Option Plan	the stock option plan of the Company
Supervisory Board	the supervisory board (*Raad van Commissarissen*) of Agendia N.V.
Transparency Directive	Directive 2004/109/EC
Underwriters	the Joint Global Co-ordinators and the Lead Co-Managers
US Exchange Act	US Exchange Act of 1934, as amended
US Holder	a beneficial owner of an Offer Share that is, for US federal income tax purposes, (i) a citizen or individual resident of the United States, (ii) a corporation (or other entity treated as a corporation for US federal income tax purposes) created or organised in or under the laws of the United States or any state thereof or the District of Columbia, (iii) an estate the income of which is includable in gross income for US federal income tax purposes regardless of its source, or (iv) a trust if, in general, a court within the United States is able to exercise primary supervision over its administration and one or more United States persons (as defined in the US Tax Code) have the authority to control all substantial decisions of such trust, and certain eligible trusts that have elected to be treated as United States persons.
US Securities Act	the US Securities Act of 1933, as amended
US Tax Code	US Internal Revenue Code of 1986, as amended
US-Dutch Treaty	the income tax treaty between the United States and the Netherlands
WHO	World Health Organisation

GLOSSARY OF SELECTED TERMS

The following explanations are not intended to be exhaustive definitions, but to assist understanding of certain terms used in this Prospectus.

Adjuvant Therapy	Additional therapy; in the context of treating breast or colon cancer, the follow-on treatment after a patient's tumour is surgically removed. Common forms of adjuvant therapy for breast cancer are chemotherapy and hormonal treatment.
Assay	A laboratory test used to test or measure the amount of a specific substance.
Basal-type	In breast cancer, basal-type (or basal-like) refers to a specific subtype of cancer that is characterised by particular genetic changes and a morphology resembling basal epithelial cells.
Biomarker	A biological indicator that can be used to identify a specific disease state.
Chemotherapy	A form of adjuvant treatment for cancer which often involves intravenous application of anti-cancer chemicals. Most commonly, chemotherapy acts by killing cells that divide rapidly; chemotherapy therefore targets certain healthy cells as well as cancer cells, often resulting in severe side effects.
Clinical Trial	Clinical trials are research studies that involve people and test new ways to prevent, detect, diagnose, or treat a disease. Every clinical trial has a protocol that describes what will be done in the trial, how the trial will be conducted, and why each part of the trial is necessary. Guidelines ensure that trials are conducted according to established scientific and ethical principles.
Clinical Validation	In the context of this Prospectus, clinical validation refers to a study involving samples from many patients. Clinical validation studies are performed to confirm (or ''validate'') results that have been observed in earlier studies.
Companion Diagnostic	Molecular marker that identifies which patients are likely to benefit from a particular cancer drug treatment. The diagnostic test or marker is specific to the treatment and therefore treatment can only be given in accompaniment with the diagnostic.
Ductal Carcinoma In-situ (DCIS)	The most common type of non-invasive breast cancer, DCIS starts inside the milk ducts and has not spread into any normal surrounding breast tissue.
EGFR Pathway	The EGFR pathway is a chain of proteins in the cell that communicates a signal from the receptor on the surface of the cell to the DNA in the nucleus of the cell. The receptor is called EGFR (epidermal growth factor receptor). Activation of the EGFR pathway is necessary for normal cells to divide but in cancer the pathway is often over-activated and leads to uncontrolled growth.
ER	Estrogen Receptor. A protein found inside the cells that is activated by the hormone estrogen. Estrogen receptors are over-expressed in around 70% of breast cancer cases, and this over-expression is referred to as ''ER-positive''.
Fluorescent in situ hybridisation (FISH) test	FISH is a technique that is used to detect and localise the presence or absence of specific DNA sequences on chromosomes. In breast cancer, this technique is used to determine if the HER2-receptor is over-expressed in the patient's tumour cells.

Formalin ..... A solution of formaldehyde in water, used as a preservative for human tissue samples.

Gene Expression ..... When genes are activated, they are translated into a mRNA. The level of mRNA can be measured, for example by microarray analysis. The level of gene expression for a given gene is a measure of the activation of that gene at a given point time.

Gene Signature ..... Group of genes whose combined expression is uniquely characteristic of a specific condition.

HER-2 receptor ..... Her2-receptor, also known as ERBB2 receptor, is a member of the Human Epidermal Growth Factor Receptor family. This family of proteins are found on the surface of cells and are normally involved in the communication of signals that lead to growth and development of the cell. In approximately 20-30% of breast cancer patients, this receptor is over-expressed and the over-expression is associated with increased disease recurrence and unfavorable prognosis.

IHC ..... Immunohistochemistry; refers to the process of detecting antigens (e.g., proteins) in cells of a tissue section. IHC staining is widely used in the diagnosis of abnormal cells such as those found in cancerous tumors. Specific markers can be used to analyse the expression of proteins like Estrogen, Progesteron or Her2-recptor that have important relevance in the diagnosis and prognosis of breast cancer.

Lymph node ..... A rounded mass of lymphatic tissue that is surrounded by a capsule of connective tissue. Lymph nodes filter lymph (lymphatic fluid), and store lymphocytes (white blood cells) and are widely distributed in the body.

Metastases ..... Plural form for metastasis, or the spread of cancer from one part of the body to another.

Molecular Diagnostics ..... The clinical application of molecular technologies to diagnose and monitor human diseases, combining tools from genomics and proteomics in order to study patterns of gene and protein expression.

mRNA ..... Messenger RNA. Although the genes in a cell carry all information, they need to be translated into proteins before they can fullfill their function. Genes are made of DNA and this DNA is first translated into mRNA which is then translated into a protein. mRNA is therefore the messenger between genes and proteins. Since mRNA is only produced when the genes are active, measuring the mRNA levels of a cell gives an overview of the active genome. See also ‘‘RNA’’.

Progesterone Receptor ..... A receptor found inside the cells that binds the hormone progesterone. In breast cancer , the receptor is often over-expressed and may cause uncontrolled growth.

Prognostic ..... Predicting the likely outcome of a patient independent of the treatment.

Predictive ..... Predicting the likely response to a specific treatment.

Prospective Study ..... A prospective study is one in which the participants are identified and then followed forward in time to determine whether a relationship exists between different variables in a given patient population. A prospective study can be a clinical trial (see also Clinical Trial).

Proteomics ..... Large scale study of proteins.

Reagent ..... A substance used to carry out a laboratory test.

Receptor ..... A molecule inside or on the surface of a cell that binds to a specific substance and causes a specific physiologic effect in the cell.

Retrospective Study ..... A study that uses material from patients who have been treated in the past and whose health outcome is known. The analysis determines if the test under investigation can predict the outcome. A retrospective study can use samples from a clinical trial that has been performed in the past, but more often uses samples that were collected consecutively in one hospital.

RNA ..... Ribonucleic Acid. RNA is made up of a long chain of molecules called nucleotides. The chemical structure of RNA is very similar to that of DNA but RNA has a different role in the cell (see also mRNA).

Technical Validation ..... A test or series of tests that demonstrate or confirms that a test produces standardised and reproducible results under various conditions.

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