



**OncoMethylome Corporate Overview**  
**January 2008**

## Forward Looking Statements Disclaimer

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## Investment case

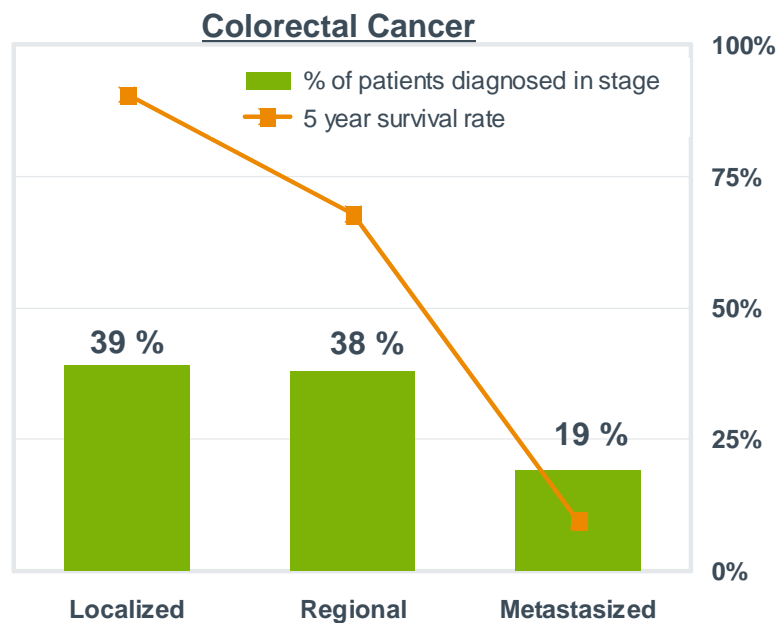
- Clear focus on developing molecular diagnostic tests for:
  - early detection of cancer, and
  - companion diagnostics for cancer treatment decisions
- Broad product pipeline consisting of ten products
- Three products are close to market launch
- Attractive industry: patent protection + shorter development timeline
- Solid intellectual property, with patents granted in USA, Europe and Japan on methylation detection technology and methylation markers
- Strong commercial & collaborative partners, including: Veridex (J&J), Labcorp, Schering-Plough, Abbott, GSK Biologicals
- Access to renowned oncology opinion-leaders as research collaborators
- Management team with depth of relevant experience
  
- ... and, extensive newsflow in coming months

# Mission: enabling early cancer detection and personalized cancer treatment



Today,

... too few cancers are detected early, and



....the best drug is not immediately prescribed to the individual patient

### New cancer drug costs per full treatment period

Avastin	> \$45,000
Erbix	> \$45,000
Gleevec	> \$30,000
Herceptin	> \$30,000
Rituxan	> \$25,000

## OncoMethylome Fast Facts

- Focus:** Oncology – molecular diagnostics and personalized treatment solutions
- Listing:** June 2006 IPO on Euronext in Brussels and Amsterdam
- Founded:** January 2003
- Pipeline:** Ten molecular tests, three of which are expected to launch soon
- Technology:** DNA methylation, from Johns Hopkins University
- Staff:** 57 internal personnel + ~ 15 dedicated external R&D collaborators
- Locations:** Laboratory activities in Belgium  
ISO certified laboratory in Amsterdam, Netherlands  
Business development office in Durham, NC





## Experienced Management Team

<b>Herman Spolders</b>	CEO	>30 years in biotech Tibotec-Virco, deVGen, Akzo-Nobel, IGEN, Novartis
<b>Philip Devine</b>	CFO	>15 years in finance and strategy Tibotec-Virco, McKinsey, Deloitte&Touche. CPA, INSEAD MBA
<b>James DiGuseppi</b>	Chief Technology Officer	>15 years in biotech Akzo Nobel, bioMérieux
<b>Joseph Bigley</b>	VP Clinical Development	>25 years in biotech, pharma, clinical development Tibotec-Virco, Triangle Pharmaceuticals, Glaxo Wellcome, Roche
<b>Harry Schrickx</b>	VP Business Development	>20 years in biotech Akzo-Nobel, Organon Teknika, bioMérieux
<b>Luc Segers</b>	Sr. VP Business Development	>15 years in diagnostics Sales and marketing at Innogenetics
<b>Lucija Turcinov</b>	Director, IR and Corp. Strategy	>8 years in strategy and finance Parthenon Consulting Group; Wharton MBA
<b>Katja Bierau</b>	VP Laboratory Operations	>10 years in biotech R&D PamGene, Bio-Data; PhD in Cancer Studies from Birmingham Univ.
<b>Joost Louwagie</b>	VP Product Development	>10 years in diagnostics Innogenetics; PhD in Biochemistry and MBA
<b>Wim Van Criekinge</b>	VP Biomarker and Parmaco Research	>10 years in bioinformatics and molecular biology Univ. Ghent, deVGen; PhD in Molecular Biology

# Attractive Business Model Fundamentals

1. Short development timelines
2. Fast market access: early revenue via service laboratories, plus global distribution via large diagnostic kit companies
3. Thought-leader network of leading oncologists



## Network of Expertise + Proprietary Bio-informatics

- Johns Hopkins University
- Fox Chase Cancer Center
- Duke University
- Colorado University
- Cambridge University (UK)
- Vrije Universiteit Medical Center (NL)
- Spanish National Cancer Institute (Spain)
- ....

## In-House Development Labs

## Commercial Partners

### Service Laboratories:

- USA (ex. Labcorp)
- Europe

### Diagnostic Kit Companies:

- Johnson & Johnson
- ...

### Pharmaceutical Companies:

- Schering-Plough
- Abbott, GSK Biologicals<sup>7</sup>.



# OncoMethylome Revenue Model

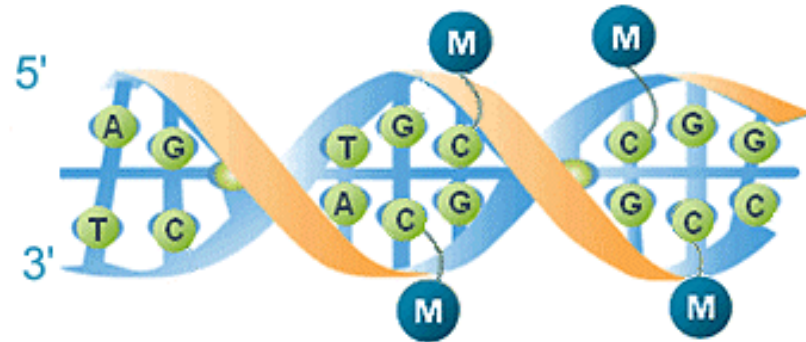
**IP protection is the revenue cornerstone**  
**Revenue model from commercialized tests:**

Distribution	Payments	Other Benefits
Laboratory Service channel	<ul style="list-style-type: none"><li>• Upfront milestones</li><li>• Sales volume milestones</li><li>• Royalties</li></ul>	<ul style="list-style-type: none"><li>• Reimbursement</li><li>• Promotion</li><li>• Quick market introduction</li><li>• Large FDA trials not needed</li></ul>
Kit Product channel		<ul style="list-style-type: none"><li>• Worldwide distribution</li></ul>

**Plus additional short-term cash flows from pharma collaborations (for clinical trials and marker ID)**

# Core DNA Methylation Technology

Methylation regulates gene expression (inactivates certain genes and their normal role)

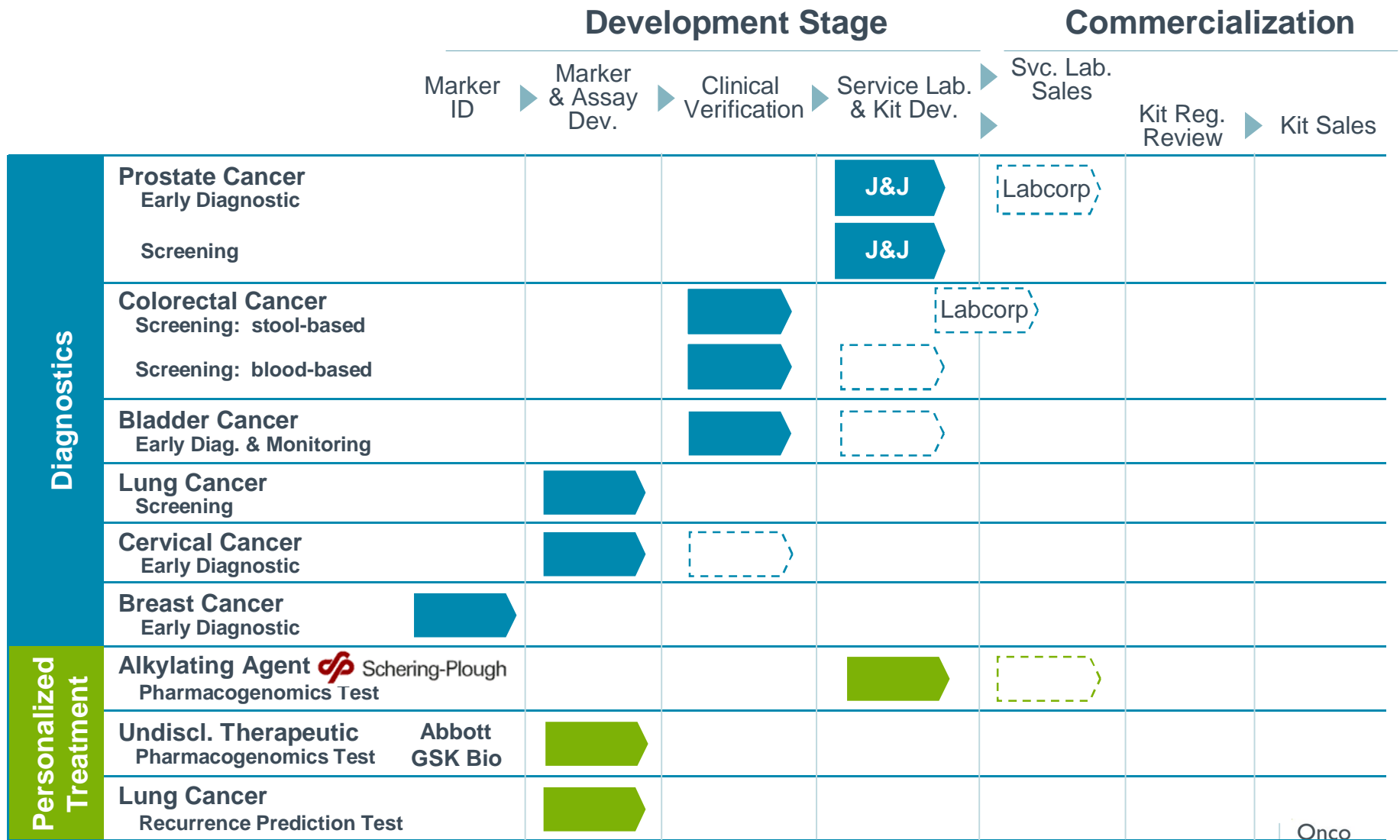


Aberrant methylation of specific genes is correlated with cancer development

<u>Gene</u>	<u>Cancers</u>	<u>Role</u>
GST-Pi	Prostate	Detoxification enzyme
RASSF1A	Lung	tumor suppressor gene
p16	Lung, colon, ...	tumor suppressor gene
MGMT	Brain	DNA repair enzyme
MLH1	Colon, endometrial, ...	DNA repair enzyme
GATA-4	Colon, ...	
BRCA-1		

**OncoMethylome applies patented methylation technology (“MSP”) and patented markers for early detection of cancer and personalized treatment solutions**

# Broad & Advanced Product Pipeline



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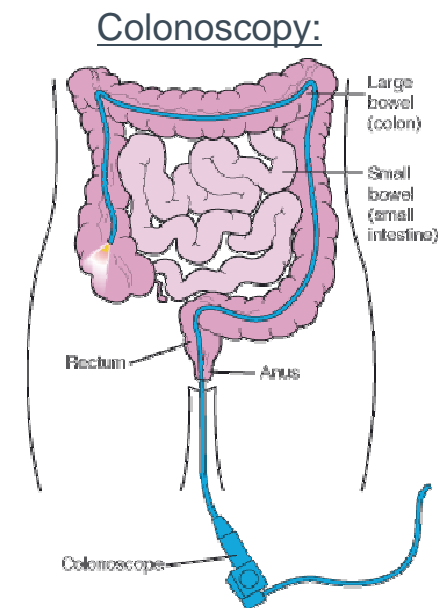
# Colorectal Cancer: Current Market Conditions

## Colorectal Cancer Statistics

- 2<sup>nd</sup> most deadly cancer
- Despite current screening approaches, only 39% of cases are diagnosed early, when survival is 90%
  - Colonoscopy: effective, but inadequate availability of trained physicians, invasive, burdensome and avoided by many
  - Fecal Occult Blood Test: stool test with poor performance
  - PreGen-Plus Test: stool test, with historically low sensitivity and specificity

## Significant Market Opportunity

- Screening guidelines call for regular testing of population aged > 50
- ~200 million adults in EU & USA > age 50 need screening



Source: British Medical Association Publishing Group

# Colorectal Cancer: Product Development Status

## OncoMethylome is developing non-invasive stool and blood screening tests

- Test all people aged > 50 (200M in EU and US)
- Rule-in for colonoscopy

Colorectal Cancer Screening Options					
	Tests Currently on Market		Tests in Development by OncoMethylome		
	FOBT test	PreGen Plus*	Stool Tests		Blood Test
PreGen Plus v2*			100% Methylation test	100% Methylation test	
Number of markers	n/a	22	2 (of which 1 methylation)	2	4
% sensitivity (% cancers correctly detected)	~25-65%	<60%	83-88%	86%	74% for all cancers 70% for early stage cancers (stage 0-II)
% specificity (% controls correctly detected)	~90%	94%	82%	96%	92%

\* Jo. Clinical Gastroenterology and Hepatology, Jan 07



## Bladder Cancer: Urine Test

### Bladder cancer overview

- 4th most common cancer in men
- Cancer recurs in ~ 70% of patients
- Ongoing monitoring is very important

### Main diagnostic procedures

- Cytology – limited sensitivity
- Cystoscopy – invasive

### OncoMethylome's Bladder Cancer Activities:

- Developing non-invasive and accurate urine based test for early detection of cancer and recurrence
- Sept. 07: Interim clinical trial results show 88% sensitivity and 93% specificity for early stage cancer, which outperforms cytology (most widely used urine test)
- Next: verify test in recurrence samples
- Next: evaluate options for commercialization

## Prostate Cancer: Urine Screening Test

### Product Positioning:

- Many people below the PSA cutoff have cancer but are not followed-up (~25% for PSA 2.5-4, and ~30% for PSA 4-10)
- OncoMethylome's urine screening test to initially manage patients with inconclusive PSA (esp. in 2.5-10 PSA range)

**Initial Market Size: ~20% of men aged over 50, or approximately 19M men**

### Recent Developments:

- Veridex (J&J) licensed this test from OncoMethylome in December 2006
- April 2007 AACR poster confirms ability urine test to detect cancer in men with low PSA (sens. 58-74%, spec 75-88%)
- Several independent publications confirm ability of OncoMethylome urine test to pick up >80% of prostate cancers in the general screening population
- Optimization of commercial version of the test is ongoing



# Prostate Cancer: Tissue Test for Early Detection

## Product Positioning:

- Prostate biopsy procedure misses cancer 20-30% of the time → repeat biopsy
- OncoMethylome test to be used in:
  - finding cancers missed by histopathology in prostate biopsies, and
  - confirming negative findings so as to avoid repeat biopsies

Marker Performance in Tissue (>1300 patients & controls)		
<u>Marker Panel</u>	<u>Sens</u>	<u>Spec</u>
1 marker	90%	~100%

## Market Size:

- 1.5 million annual negative prostate biopsies in US and Europe

## Recent Developments: Test Licensed by Veridex (J&J) to Laboratory Corporation of America (LabCorp) on May 30, 2007

- LabCorp is a \$9 billion US company with 25,000 US employees
- OncoMethylome will receive a royalty on all product sales
- OncoMethylome estimates Labcorp will launch test in 2007 or Q1-2008

## Recent Achievements: Companion Diagnostics

### Companion Diagnostics

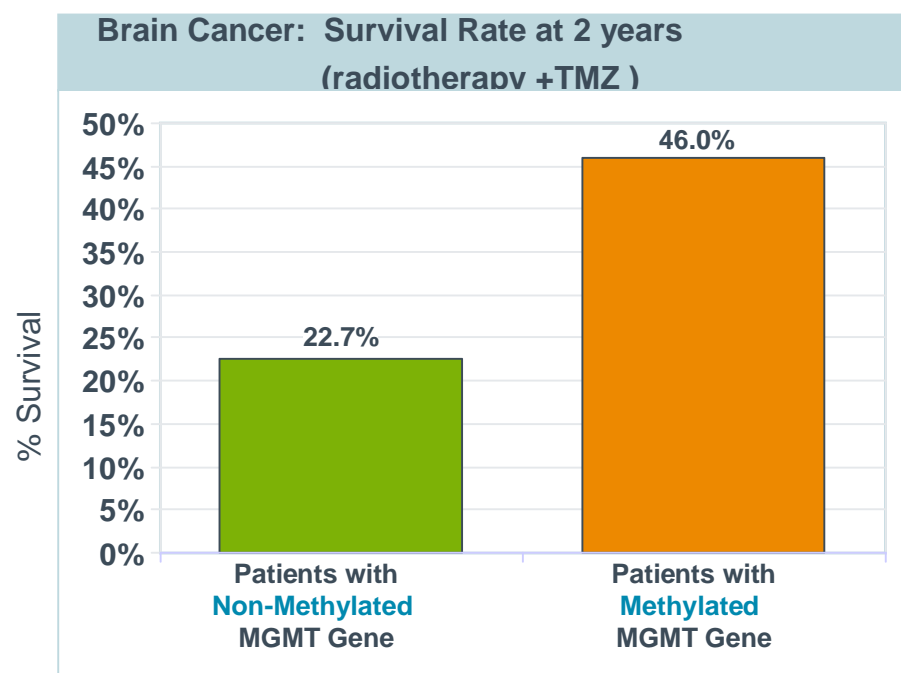
- OncoMethylome Sciences to collaborate with GlaxoSmithKline Biologicals for Personalized Cancer Treatment (11/07)
- OncoMethylome Sciences to Profile DNA for Abbott Oncology Compounds (12/07)
- Clinical trials of MGMT companion diagnostic test continue to expand

# MGMT Alkylating Agent Test: Moving Towards Commercialization

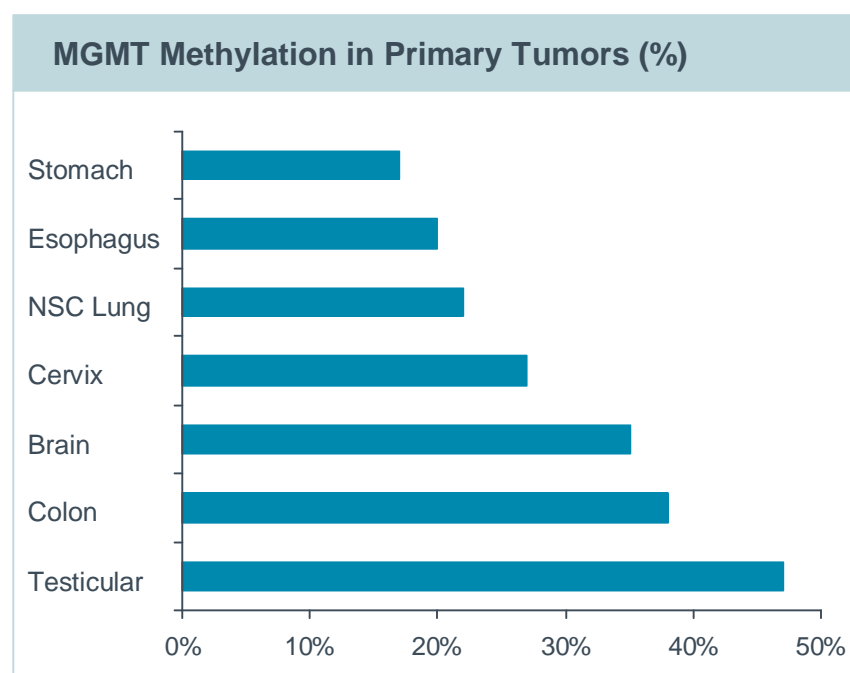


## MGMT gene methylation improves drug efficacy

- Schering-Plough brain cancer trials underway, consisting of over 5,000 patients, including 800+ patient, multi-center, phase III trial with drug temozolomide
- 20 additional trials underway for 5 indications outside brain cancer, comprising >2,000 patients
- OncoMethylome in negotiations regarding commercial launch of MGMT test



Adapted from Stupp et al NEJM 2005, 352(10): 987-996; and Hegi et al. NEJM 2005, 352(10):997-1003



Adapted from Esteller and Herman, Oncogene (2004) 23, 1-8

## Operational priorities: working through the list

- Publish prostate urine test data
- Exact Sciences DNA isolation technology deal
- Publish data on bladder cancer screening test
- Publish data on colon cancer stool-based screening test → ✓ €10.6 mio secondary
- Publish data on blood-based colorectal cancer test
- Companion diagnostics deal with pharma company (GSK, Abbott) → ✓ Epigenomics License
- Commercial deal with US service laboratory for launch of MGMT pharmacogenomics test
- Commercial deal with US service laboratory for launch of colorectal cancer test

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- Launch of prostate cancer early diagnostic test (LabCorp)
- Launch of PreGen Plus v2 colorectal cancer screening test (LabCorp)
- Launch of MGMT pharmacogenomics test

# OncoMethylome Financial Highlights

## 2006: Income Statement

- €2.8 million revenue in 2006
- Commercial revenue generated from J&J and Schering-Plough
- All R&D, own IP, and in-licensed IP is expensed
- 80% of costs are for R&D

## YTD 2007: Cash Flows

- Cash of €27 million at June 30, 2007
- Raised €10.6 million in October 2007
- Cash burn of €5.6 million in H1 2007

## 2006: Balance Sheet

- 89% of asset side of balance sheet is cash (Dec. 31, 2006)
- 87% of liabilities side of balance sheet is shareholders' equity
- No financial debt

Thank You



[www.oncomethylome.com](http://www.oncomethylome.com)

## 2008 Upcoming Dates

- March 13: Full Year Results