



COMPANY OVERVIEW

Pacific Biosciences' mission is to transform the way humankind acquires, processes, and interprets data from living systems. The company has developed a disruptive technology platform for the real-time detection of biological events at single molecule resolution. Single Molecule Real Time (SMRT™) Biology promises to revolutionize the life sciences by revealing the underlying molecular interactions and associated networks that define living systems. Unraveling the complexity of biological systems will usher in a greater understanding of the fundamental causes and potential cures for disease, and contribute to progress in other important fields dedicated to improving the health of our planet and its inhabitants.

The first application for the SMRT Biology platform is a paradigm changing approach to DNA sequencing. SMRT technology will ultimately make it possible to sequence individual genomes as part of routine medical care. DNA sequencing is expected to be the first of many transformative SMRT Biology applications that will benefit society by driving radical advances in personalized medicine, agriculture, clean energy, and global health.

MARKET OVERVIEW

Genomics is currently a \$7.4 billion market, with DNA sequencing comprising approximately a billion dollars of that market. The most widely used DNA sequencing platform – the “1st generation” technology that was used to sequence the Human Genome – is time-consuming and expensive. For example, it took 13 years and \$3 billion to complete the Human Genome Project. While “2nd generation” technologies now on the market have much higher throughput and enable even more applications, they have limitations that do not truly allow them to be used for personalized medicine. These limitations include short readlengths, long cycle times, and lack of flexibility to handle both small and large projects.

Third generation sequencing technology has the potential to replace both 1st and 2nd generation technologies by offering orders of magnitude greater performance for a wide range of applications. Third generation technologies are differentiated by single molecule resolution, very long reads, faster time to result and lower overall cost, including the flexibility to cost effectively perform small projects. With these improvements, DNA sequencing is expected to become a key technology in the rapidly growing molecular diagnostics market.

POSITIONED FOR SUCCESS

Pacific Biosciences expects its ultra-fast, cost effective, and highly sensitive SMRT sequencing technology to replace both the established and second-generation technology platforms, and enable a new era of genome discovery that will ultimately make personalized medicine a reality. The SMRT technology also offers unique advantages such as long readlengths, highly informative data, and built-in flexibility that could advance other important causes such as more rapid and accurate detection of pandemic-causing viruses, the development of environmentally friendly biofuels, and supporting the development of more disease-resistant crops.

The company has raised approximately \$266 million to date through a combination of grants and venture capital. Investors include Deerfield Management, Intel Capital (Intel Corporation's global investment organization), Wellcome Trust, Monsanto, Morgan Stanley, Redmile Group, T. Rowe Price, Fidelity, Mohr Davidow Ventures, Kleiner Perkins Caufield and Byers, Alloy Ventures, Maverick Capital, AllianceBernstein, DAG Ventures, Teachers' Private Capital, Blackstone Cleantech Venture Partners, and Sutter Hill Ventures. In 2005, the NHGRI (National Human Genome Research Institute) of the NIH

(National Institute of Health) awarded Pacific Biosciences an Advanced Sequencing Technology Award grant of \$6.6 million for development of technology leading to the \$1000 genome, the largest grant of any company applying at any level.

Pacific Biosciences has built a highly cross-functional, interdisciplinary team comprised of top scientists and engineers in a broad range of fields from enzymology to optics engineering. The executive management team has a long and successful track record both in the technology and biotechnology industries, from high speed optical telecommunications to capillary electrophoresis sequencing. The Board of Directors is comprised of true leaders and visionaries of the industry. The members of the Scientific Advisory Board are world renowned experts in their respective fields. More information is available at www.pacificbiosciences.com

KEY FACTS

Year Founded: 2004

Number of Employees: 340 (as of March 2010)

Headquarters: Menlo Park, CA

Executive Management Team

Hugh Martin, Chairman and Chief Executive Officer
Stephen Turner, Ph.D., Founder & Chief Technology Officer
Eric Schadt, Ph.D., Chief Scientific Officer
Susan Barnes, Chief Financial Officer
Michael Phillips, Vice President Development
Martha Trela, Vice President Marketing
Pat Brooks, Vice President Sales
Bruce Leisz, Vice President Operations/VP Program Management
Matthew Murphy, Esq., Vice President Intellectual Property & General Counsel
Carol Tillis, Vice President Finance
Mary Corbett, Vice President Human Resources

Board of Directors

Brook Byers, Partner, Kleiner Perkins Caufield & Byers
Bill Ericson, Partner, Mohr Davidow Ventures
Michael Hunkapiller, Partner, Alloy Ventures
Randy Livingston, Chief Financial Officer, Stanford University
Hugh Martin, Chairman and Chief Executive Officer, Pacific Biosciences
Sue Siegel, Partner, Mohr Davidow Ventures
David Singer, Partner, Maverick Capital Ltd.
Stephen Turner, Ph.D., Founder & Chief Technology Officer, Pacific Biosciences

Scientific Advisory Board

Joseph V. Bonventre, M.D., Ph.D., Harvard Medical School and MIT
Harold Craighead, Ph.D., Cornell University (Chairman)
Evan Eichler, Ph.D., University of Washington
Harry Barkus Gray, Ph.D., California Institute of Technology
David Haussler, Ph.D., University of California, Santa Cruz
Chenming Calvin Hu, Ph.D., University of California, Berkeley
Kenneth A. Johnson, Ph.D., University of Texas, President and CEO KinTek
Roger Kornberg, Ph.D., Stanford University
Elaine Mardis, Ph.D., Washington University
Watt W. Webb, Sc.D., Cornell University