PARTICIPANTS

Corporate Participants

Lynn C. Pieper – Managing Director, Westwicke Partners LLC
R. Bradley Gray – President & Chief Executive Officer, NanoString Technologies, Inc.
James Algot Johnson – Chief Financial Officer, NanoString Technologies, Inc.

Other Participants

Daniel G. Brennan – Analyst, Morgan Stanley & Co. LLC
Justin D. Bowers – Analyst, Leerink Swann LLC

MANAGEMENT DISCUSSION SECTION

Operator: Good day, ladies and gentlemen, and welcome to NanoString 2013 Third Quarter Financial Results Conference Call. At this time, all participants are in a listen-only mode. Later, we will conduct a question-and-answer session and instructions will be given at that time. [Operator Instructions] As a reminder, this conference call may be recorded.

I would now like to turn the conference over to Ms. Lynn Pieper. Ma'am, you may begin.

Lynn C. Pieper, Managing Director, Westwicke Partners LLC

Thank you. Earlier today, NanoString released financial results for the quarter ended September 30, 2013. If you have not received this news release or if you'd like to be added to the company's distribution list, please call Westwicke Partners at 415-202-5678.

Before we begin, let me remind you that the company's remarks include various forward-looking statements including projections of future business growth and the factors underlying such growth, estimates of market penetration and revenue-generating potential of new product offerings, anticipated findings and outcomes of ongoing clinical studies, anticipated presentation and publication of data from clinical studies, expectations for the timing of launch of Prosigna, expectation regarding Prosigna's competitive profile and market acceptance, the timing and nature of Prosigna reimbursement related decision, plans for and timing of applications and decisions regarding the inclusion of Prosigna in treatment guidelines and projected financial results for the year 2013.

Forward-looking statements are subject to numerous risks and uncertainties, many of which are beyond NanoString's control, including risks and uncertainties described from time to time in NanoString's SEC filings.

NanoString's results may differ materially from those projected on today's call. NanoString undertakes no obligation to publicly update any forward-looking statement. Additionally, non-GAAP financial measures may be referred to during today's call. A reconciliation of these non-GAAP measures is included in today's press release, which is available on the NanoString website.

With that, I'd like to turn the call over to Brad Gray, President and CEO of NanoString. Brad?

R. Bradley Gray, President & Chief Executive Officer

Thank you, Lynn. Good afternoon and thank you for joining us on our Q3 call. During the third quarter, we continued to build fundamental value across both of our businesses. We posted strong top-line growth of 39% and record revenue of $8.4 million, driven by acceleration in our Life Sciences business. Our Instrument revenue grew by 63% reaching a total of $3.6 million.

We expanded our gross margin to a record 55% driven primarily by efficiencies in our consumable manufacturing. Finally, we substantially expanded our addressable market into clinical laboratories to the FDA 510(k) clearance of our Prosigna Breast Cancer Assay and the launch of nCounter Elements General Purpose Reagents. Overall, we're extremely pleased with our performance and achievements during the quarter.

This afternoon I'll provide a business update and then we'll turn the call over to our CFO, Jim Johnson, who will provide more detail on the financial results and will provide our updated outlook for 2013. We'll then open up the call for your questions.

On the Life Sciences side of our business, we achieved $8.1 million in revenue in Q3, 34% growth over 2012 and 15% sequential growth. Our momentum is being driven by increasing Life Science Instrument revenues, which grew 50% year-on-year. We believe that this is a direct result of the investments that we have made in our commercial channels over the past several quarters and solid execution by our team.

Life Sciences revenue growth was particularly strong outside North America, where we have recently expanded both our direct and distributor channels. In particular, the Asia-Pacific accounted for 18% of our revenue and approximately half of the growth in our Life Sciences business.

Two important trends that we experienced during the second quarter continued during Q3. These are first, the strength and demand from biopharma customers and second, the increasingly important role that nCounter technology is playing in cancer research.

During the third quarter, we continued to see our business shift towards biopharma customers. The fraction of our consumable revenue coming from these customers has increased in each sequential quarter during 2013. As an example of our growing strength in this market segment, during the third quarter, one leading biopharma company placed multiple consumable orders totaling over $1 million in value. These reagents will be used to support large scale studies in the development of cancer drugs.

The study and treatment of cancer is a critical part in NanoString's mission and a primary driver of growth for both of our businesses. Consistent with last quarter, we estimate that approximately 70% of our new Life Science Instrument placements in the third quarter were with customers focused on cancer research. We expect that cancer research will continue to be an important driver of future growth.

The extensive use of nCounter technology in cancer research sets the stage for expansion into the clinical market where we seek to decentralize and democratize complex testing for cancer. We took a major step forward in serving the needs of the clinical lab with the launch of nCounter Elements under an Early Access Program at the end of July.

nCounter Elements is a line of General Purpose Reagents developed specifically to meet the needs of translational researchers and clinical labs. Using nCounter Elements, our customers can assemble their own customized assay by combining standardized sets of barcodes provided by NanoString with probes purchased independently from a third-party oligonucleotide manufacturer.

This is by far the single most important launch of our Life Science business over the past two years and as it expands our market reach into clinical testing for the first time, increasing our addressable market substantially. Participants in the Early Access program receive a starter package to support initial experiments using nCounter Elements, and then have the opportunity to provide feedback which we can incorporate into our commercial processes to ensure the best possible customer experience after launch. We are pleased with the strong level of interest so far and have already met our target of 15 Early Access customers who are spread across three continents. Interest is growing and we expect to continue the Early Access Program through the fourth quarter.

While a handful of participants in the Early Access Program plan to use nCounter Elements for research, the majority intend to run Laboratory Developed Tests or LDTs. Many of them are developing LDTs based on gene expression signatures that they initially validated using our traditional nCounter chemistry. Others wish to offer LDTs based on assays that they have read about in one of the over 300 peer-reviewed papers published by our customers. For instance, several Early Access participants intend to offer ALK-EML4 fusion testing for lung cancer patients, based on a technique first described in a paper offered by researchers from Pfizer and published in The Journal of Molecular Diagnostics in January 2013.
In another important development, we announced a collaboration agreement with BD Biosciences, a segment of Becton, Dickinson to jointly develop a single cell isolation and analysis workflow. Single Cell Gene Expression is a small but rapidly growing approach to genome research.

A recent market research report [ph] Tested Bio (7:20) has estimated that single cell genomics market at $75 million in value today growing to over $500 million by 2018. Performing single cell experiments involves first isolating cells and then analyzing them individually. BD Biosciences is a leader in cell isolation with instrument platforms that can sort cells on numerous parameters simultaneously, while the nCounter Analysis System provides the opportunity to probe up to 800 genes from a single isolated cell. When used together, our systems provide tremendous power and flexibility for scientists perform a wide range of single cell experiments in fields such as oncology, immunology and stem cell research.

The agreement with BD Biosciences will allow NanoString to present prospective customers with a comprehensive workflow for a single cell gene expression analysis, and co-host meetings and seminars to educate scientists about the single cell workflow. We believe that the single cell application will contribute to our growth in 2014 and beyond.

Finally, on October 1, we announced that we have settled all outstanding losses with Fluidigm Corporation related to a comparison study of Single Cell Gene Expression capabilities. This is important as we can now return our full attention to managing our growing business and deliver innovative genomic products to our customers.

Now moving to our diagnostics business, during the third quarter we achieved a seminal milestone for our company with the FDA 510(k) clearance of our Prosigna Breast Cancer Assay for use in conjunction with the nCounter Dx Analysis System, while delivering steady progress in other areas.

Our efforts during the third quarter were focused on three primary objectives. First, to sustainably develop a market for Prosigna outside the United States. Second, to rapidly expand the body of clinical data that we can use to educate physicians and payers about the advantages of Prosigna. And third, to lay the ground work for U.S. Prosigna launch in early 2014.

I'll now review our recent progress on each of these key areas. We continue to lay the foundation for broad long-term adoption for Prosigna outside the United States. Our first priority has been to place Prosigna capable nCounter Dx Analysis Systems in major academic centers and commercial clinical labs which can serve as local or regional centers of Prosigna testing.

We've been positively surprised that so far early adopters of Prosigna have preferred to purchase, rather than rent an nCounter Dx Analysis System. To date, the sales cycle for our diagnostic instruments appear to be similar to that of our Life Sciences business, which can extend over six months or more. Therefore, as we are establishing an installed base, the majority of our early Diagnostic revenue is coming from instrument sales. Recall that during the second quarter, we placed three diagnostic systems, two for use in decision impact studies in Spain and one for commercial testing of breast cancer patients in the Middle East. During the third quarter that commercial system serving patients in the Middle East generated our first Prosigna kit sales totaling approximately $40,000. During the third quarter, we shipped four additional diagnostic systems, two for use in a decision impact study in Germany and two for commercial testing elsewhere in Europe. These two new commercial systems are expected to generate their first Prosigna kit orders during the fourth quarter.

Meanwhile, our two ongoing decision impact studies, which we expect to be important drivers of long-term demand and reimbursement in Europe, are progressing according to plan. The Spanish study, which we initiated during the second quarter has now enrolled over 125 patients and is expected to complete enrollment around the end of the year. The newer German study, which we initiated during the third quarter is expected to enroll patients at 10 medical centers across Germany and yield results in 2014.

Building a critical mass of data on Prosigna's performance is important for our commercial success, and we have made significant progress on this front. During the third quarter, clinical results that further differentiate Prosigna from competing breast cancer tests were reported in two peer-reviewed publications. Both of these papers reported results from the landmark TransATAC study. First, the 10-year results of our TransATAC clinical validation study was published online in the Journal of Clinical Oncology in July; and second the late recurrence results from the TransATAC study were published online in the Journal of the National Cancer Institute in September. We expect these patients to become a centerpiece of discussions with payers and guidelines committees, particularly because they established Prosigna's advantages relative to Oncotype DX, a test that is already included in numerous breast cancer treatment guidelines and widely reimbursed within the United States.

Looking ahead, we expect publication or presentation of several additional clinical validation results in the near-term. We recently learned that the results of our ABCSG8 clinical validation study have been accepted for publication in a major peer-reviewed journal and expect that to be one of several additional papers published in the months ahead. In addition, there will be a podium presentation on Prosigna's ability to predict late recurrence at the San Antonio Breast Cancer Symposium in December.

The most important achievement of last quarter and perhaps our 10-year history as a company was the FDA's 510(k) clearance for Prosigna, which we announced on December 9. We are extremely pleased by both the timing of the FDA clearance and the strength of the label and we're confident about the competitive profile of Prosigna. We believe that the report format provides the optimal balance of individualized information, clarity, and familiarity. We expect that the report will be intuitive to oncologists who have been users of other breast cancer genomic tests historically. By integrating Prosigna into existing laboratory workflow and eliminating the need to shift tumor samples to a specialized testing lab, we're offering physicians and patients seamless and timely access to clinical insights and a tool that is useful as an aid in making informed clinical decisions.

We believe that Prosigna's compelling clinical data, clear patient reports, and unique delivery model positions Prosigna for success in the U.S. market. We are on track to have Prosigna-enabled nCounter Systems available for placement in high-complexity CLIA labs later this quarter and we will be showcasing the nCounter Dx Analysis System publicly for the first time at the Annual Association of Molecular Pathology or AMP Meeting in Phoenix next week.

We are also on track to make Prosigna testing services available in the U.S. during the first quarter of 2014. We expect the U.S. Prosigna revenue to ramp throughout 2014, building momentum as we established reimbursement and gain inclusion in treatment guidelines.

On the reimbursement front, we are actively working on both coding and coverage by laying the groundwork for Prosigna's inclusion in the MolDx program run by CMS. We are submitting an application to McKesson for a unique Z-Code for Prosigna and expect it will be assigned the code by early in the coming year. Once the Z-Code has been assigned, we plan to submit an application for coverage. The MolDx program could provide a positive coverage decision by as early as the third quarter of 2014 for states covered by Palmetto and Meridian, which include the largest molecular diagnostic testing sites for the largest U.S. commercial labs. During this period, we will also be engaging with private payers to first establish positive coverage decision and then collaborate with them to establish a coding approach that works for their health plans.

In parallel to the reimbursement work, we have begun to execute on our strategy to gain Prosigna's inclusion in key breast cancer treatment guidelines. Within the United States, the most important treatment guidelines for breast cancer are those maintained by the National Comprehensive Cancer Network or NCCN. We've encouraged by our discussions with the NCCN and plan to apply for inclusion in the guideline during the first half of 2014, following publication of the result of our ABCSG-8 study. These guidelines are updated on an annual cycle and a meeting typically held each July yields updates to guidelines published each fall. Our base case expectation is that Prosigna will be considered by the guideline committee during the summer 2014 and referenced in the NCCN guideline at the time of the next regularly scheduled update in the second half of 2014.

In addition to laying the groundwork for reimbursement and guideline, we're actively recruiting our U.S. commercial leadership team and are engaged in numerous discussions with leading cancer centers and commercial labs. We plan to have a strong commercial presence for Prosigna at both the AMP meeting next week and the San Antonio Breast Cancer Symposium in December.

I'd now like to hand it over to Jim Johnson who will review our Q3 financials and outlook for 2013.

James Algot Johnson, Chief Financial Officer

Thanks, Brad. First I'm going to review our results for the third quarter, and then I will provide our updated financial guidance for the year. Total revenue for the third quarter was $8.4 million, up 39% over a strong third quarter in 2012. Sequentially total revenue grew by 16% over a solid second quarter 2013. All but $327,000 of our recorded revenue for the quarter was from our Life Sciences business.

Total instrument revenue was $3.6 million, up 63% from the third quarter 2012. Our install base continues to build and now stands at over 160 systems. The acceleration in growth is being driven by the expansion of our sales and distribution channel, and we're seeing increased traction in all major geographic regions with particular strength in the Asia Pacific region.

Consumable demand was also robust at $4.4 million for the quarter. Consumable revenue was up 24% over the third quarter of 2012. Average pull-through per system in Q3 continued to exceed $100,000 on an annualized basis. Notably, gross margin continued to improve to 55% compared to 49% a year ago. The primary driver of gross margin expansion is that we have consistently generated consumables manufacturing efficiencies as our scale has increased. Certain favorable overhead cost variances also contributed to the increase in Q3, and this improvement in gross margin occurred despite a shift in product mix toward lower-margin instrument revenue. Due to the strong instrument sales, consumable revenue was only 53% of total revenue this quarter versus 60% last quarter and 59% in Q3 of 2012.

R&D expense was $3.8 million, up 23% over Q3 of 2012, and the increase reflects our ongoing investment in the development of our next generation of nCounter technology. SG&A expense was $8 million for the quarter, up significantly from $4.2 million a year ago. The increase primarily reflects investments to expand our Life Sciences sales channel, litigation-related costs, and other increased corporate costs related to our transition to a public company. Operating expense for the quarter included $278,000 of stock compensation expense compared to $149,000 in the third quarter of 2012. The company ended the third quarter with $52.2 million of cash, cash equivalents and short-term investments.

For your reference, we've included a schedule of non-GAAP financial information in our press release. And on a non-GAAP basis, and described further in that schedule, our net loss for the quarter was $6.4 million or $0.44 per share, compared to $3.9 million or $0.49 per share in the third quarter of 2012. Please refer to that schedule for a summary of these items.

So now, I'll review our financial guidance for the full-year 2013. Based on the strength of our Life Sciences business in Q3 and the outlook for Q4, we're increasing the low-end of our range of total revenue guidance for the year from $29.5 million to $30 million. Our updated total revenue guidance is $30 million to $31.5 million for the year, which reflects approximately 31% to 37% growth over 2012.

Our Life Sciences revenue expectations are $29 million to $30 million for the year, which implies a range of $8.2 million to $9.2 million in the fourth quarter of this year. Our Diagnostics revenue expectations for 2013 are unchanged at $1 million to $1.5 million for the full-year, which in Q4 will largely be driven by additional diagnostic instrument placements, including initial sales to U.S. customers that may occur in late Q4.

Actual fourth quarter Diagnostics revenue will be heavily impacted by the mix of instrument purchases, which will drive near-term instrument revenue versus reagent rentals, which will not. For the year in total, we're increasing our gross margin guidance to reflect the strong trends we've experienced through September. And we now expect to be in the range of 50% to 53% for the year, up from our prior guidance of 48% to 51%. We've kept the low-end of the range at 50% because we see momentum in instrument sales that could shift product mix even more toward instruments in the fourth quarter, which would produce a lower overall gross margin.

For operating expenses, we expect $44 million to $46 million for the year, a decrease from our prior guidance of $45 million to $49 million. We still expect operating expenses to be spilt approximately one-third to R&D and two-thirds to SG&A. And there should be approximately $1 million to $1.2 million of stock-based compensation expense included in operating expenses. We continue to expect interest expense to be about $2 million for the full-year. Capital expenditures are expected to be less than $1.5 million in total for the year, and we expect to end 2013 with over $40 million of cash and investments.

With that, I'll turn it back over to Brad to wrap up.

R. Bradley Gray, President & Chief Executive Officer

Thanks, Jim. In summary, our business has made significant progress in 2013 to date, and we're confident that we'll finish the year strong and enter 2014 with substantial momentum. We are creating fundamental value through the combination of robust revenue growth, gross margin expansion, and entry into the clinical laboratory market. For innovative products such as nCounter Elements and the Prosigna Breast Cancer Assay, we are accelerating the use of genomic [ph] insights (23:00) to benefit patients globally.

We'll be kicking off our campaign to build an installed base of nCounter Systems in the U.S. clinical labs at the Annual AMP Meeting next week. At this meeting we'll be talking to potential customers for the first time about all three of our clinical laboratory offerings; the new nCounter Dx Analysis System, our Prosigna Breast Cancer Assay and our nCounter Elements General Purpose Reagents. With these three offerings in hand, we believe that we're uniquely positioned to offer local labs the opportunity to perform complex, high-value clinical testing for cancer. We expect that the clinical laboratory market will emerge as a major catalyst for growth for both the markets [indiscernible] (23:43) during 2014. We look forward to updating you on our progress during future calls.

I would now like to open up the line for questions.

QUESTION AND ANSWER SECTION

Operator: Thank you, sir. [Operator Instructions] And our first question comes from Daniel Brennan from Morgan Stanley. Please go ahead, sir. Your line is open.

<Q – Dan Brennan – Morgan Stanley & Co. LLC>: Hi, guys. Thanks for taking the questions. Congrats on the quarter. I was wondering if you could start off maybe with some color just on maybe some customer trends, kind of academic and pharma, I know you said pharma strength in your prepared remarks. Just wondering – I know academic is a big customer base of yours. What did you see in the quarter? Any color you can give us on kind of the academic demand trends and how does shutdown and the ongoing sequestration is impacting you there?

<A – Brad Gray – NanoString Technologies, Inc.>: Sure, Dan. Thanks. This is Brad. I think first strong trend is the strength in biopharma. Obviously, we had reported last quarter that 35% of our consumable revenue came from biopharma; that was up sequentially both in absolute terms and on a percentage of our overall consumables. We think that represents from that segment a growing and deep commitment to using nCounter in the biomarker discovery and validation that's associated with cancer drug development. The strength in the biopharma segment combined with the strength in our ex-U.S. growth where we've invested heavily in both our direct channel and our distributor relationships are growing over 40% in direct head count and doubling the number of distributors we had in this year alone, offset weakness that we did see in the U.S. market, especially in consumable demand during the quarter.

<Q – Dan Brennan – Morgan Stanley & Co. LLC>: Okay. And then kind of as we look out then for your biopharma and kind of your academic customer base that's like on the Life Sciences side of the business, like where are we, maybe can you help us think about where are we with kind of your ex-U.S. opportunity? I mean, Asia-Pac was, you said generated half your growth, I believe, this quarter. So, can you help us at all frame as you've kind of increased the number of distributor and sales force relationships, how we should think about kind of penetration or dynamics looking forward with these different customer bases?

<A – Brad Gray – NanoString Technologies, Inc.>: We think over time ex-U.S. will contribute a larger and larger fraction of our revenue base overall. The reason for this is both historical; we started as a private company focused in the United States with a direct channel here and so we have [ph] score of (26:22) installed base in North America that's more substantial than overseas and because our investment in both direct head count overseas and distributor relationships is relatively recent. Our experience is that it takes, whether it's a sales rep or a distributor, it takes on average maybe nine months to become fully effective. So, many of these distributor relationships that we put in place in the first half of 2013 are really just now beginning to make material contribution to our growth, and will make even more meaningful contributions in 2014 and beyond.

<Q – Dan Brennan – Morgan Stanley & Co. LLC>: Okay. And then on the Elements, I mean, obviously, sounds like it could be a tremendous opportunity for the company. I know you got the 15 Early Access placements out there. How do we think about the transition from these Early Access placements kind of turning into kind of revenue producing customers? Any way to help us think about the Elements opportunity and/or the timing of kind of how that begins to materialize?

<A – Brad Gray – NanoString Technologies, Inc.>: Sure. So, Elements will not be a material contributor to revenue during calendar year 2013 for us. I know it's just the beginning, but it will become a more material contributor during 2014.

The Elements is a core part of our strategy for entering the clinical markets. And so for us, one of the great benefits of the Elements offering is an opportunity to grow our installed base of instruments into a segment of the market that we've never approached in the past, which is the

U.S. CLIA laboratory. So, the first manifestation of having Elements as an offering will hopefully be the sales of additional systems into that new market segment, which is un-penetrated by us.

Just to give you some color around the participant breakdown in our Early Access program, we've had a majority of participants, as I said, interested in the Laboratory Developed Tests. Several of these are actually for-profit diagnostic companies, who are interested in either porting testing on another platform onto nCounter or offering new tests that would have been too difficult to automate on another platform on nCounter. So we have interest both from commercial entities and the classic cancer center laboratory for using Elements. So we're very excited about the potential to tap a new market.

<Q – Dan Brennan – Morgan Stanley & Co. LLC>: And then, while I know you're not discussing the forward year, just on Prosigna, just anything you can share regarding maybe how we should think about the pace of that initial kind of penetration given the fact that, I think you mentioned in the prepared remarks, you're kind of expecting to get NCCN [indiscernible] (29:14) in the back half of 2014, you're discussing the Z-Code and maybe getting to MolDx [ph] in the kind of (29:22) back half of maybe the Z-Code earlier, but the MolDx later in the year, which will drive Medicare adoption. So, as we think about the coverage and guidelines coming more to the back half of 2014, anything you can say at this point regarding how we think about maybe the kind of first half 2014 versus second half 2014 with Prosigna uptake?

<A – Brad Gray – NanoString Technologies, Inc.>: Sure. So, clearly reimbursement and guidelines are major catalysts for Prosigna adoption in the United States. And we would expect momentum to build over the course of 2014 and therefore, of course in a launch year more revenue on the back end than the frontend.

That being said, we do think there will be uptake ahead of guideline reimbursement, and guideline inclusion in reimbursement, and that's because the combination of clinical data, the opportunity to localize or regionalize testing, and frankly the opportunity for laboratories to profit by adopting and winning market share using Prosigna is compelling.

We've had substantial early interest from both cancer centers and clinical laboratories, who are interested in being amongst the first wave of labs to offer Prosigna in the United States. And they understand that they'll kind of have to be partners with us in establishing reimbursement in those early months. But that's not atypical for labs, who look to operate at the cutting edge and you can look at other areas of molecular diagnostic innovation like non-invasive prenatal testing, the entry of sequencing into the clinical market, or even the enthusiasm of many major labs for launching BRCA tests to understand that there is a pent-up demand to participate in some of these dynamic segments of the market and a willingness and ability to help advocate for reimbursement in the early days.

<Q – Dan Brennan – Morgan Stanley & Co. LLC>: Great. I'll get back in the queue. Thank you.

Operator: Thank you. And our next question comes from Dan Leonard from Leerink Swann.

<Q – Justin Bowers – Leerink Swann LLC>: Hey, good afternoon, everyone. This is Justin on for Dan. So, just on the two commercial sales that you placed, where was that geographically? And then, again, can you remind us kind of what proportion of your instrument placements were motivated by Prosigna and kind of whether or not you're seeing any change in trends there?

<A – Brad Gray – NanoString Technologies, Inc.>: Sure. Thanks, Justin. So, the two commercial systems that we sold out by the United States, one went to a commercial testing laboratory in Italy and the other went to a major medical provider in Turkey, so again, exciting to penetrate markets that haven't traditionally had access to genomic testing for breast cancer patients.

In terms of the contribution of Prosigna capable systems to the instrument revenue in Q3, it was very small and so $285,000 of our instrument revenue in total was from the Diagnostics segment of our business with the remainder coming from our Life Sciences segment. So, it's still early days in the launch of our diagnostic instrument platform outside the United States.

<Q – Justin Bowers – Leerink Swann LLC>: Okay. And then just one more; on the BD agreement, I think you did size, put some numbers out there, the opportunity being $75 million to $90 million or ballpark around there. But, how are you guys actually like thinking about commercializing that in 2014 or 2015? And then, should we keep our eyes open for other types of arrangements like that in the future?

<A – Brad Gray – NanoString Technologies, Inc.>: So, the Single Cell Gene Expression application for NanoString has been available for about a year now. We first announced it in September of 2012. So far, it's been an area of interest to many of our customers, but a relatively small contributor to our overall revenue growth. One of the offerings that we haven't had is a complete workflow solution that would help researchers both isolate cells and then analyze them. With the new partnership, we believe our offering can be more complete and more compelling and that that can become a more meaningful contributor in 2014, but for us we still expect it to be relatively small part of our business as compared to say the incorporation of nCounter into cancer research or into the development of new therapeutics.

In terms of future partnerships, we do remain open to working with companies with complementary interests such as, in this case, BD cell isolation capability and our cell analysis capability. We're not announcing anything today, but that could be part of our strategy in the future.

<Q – Justin Bowers – Leerink Swann LLC>: Okay, great. Thank you.

Operator: Thank you. And I'm showing no further questions at this time.

R. Bradley Gray, President & Chief Executive Officer

Well, thank you everyone for joining us today. We look forward to seeing many of you at AMP and the San Antonio Breast Cancer Symposium in future. Thank you for your interest in NanoString.

Operator: Ladies and gentlemen, thank you for participating in today's conference. This concludes our program for today. You may all disconnect and have a wonderful day.

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