

EXACT SCIENCES CORP  
Form 10-Q  
May 15, 2009  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 10-Q**

- x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended March 31, 2009**

**OR**

- o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**Commission File Number: 000-32179**

**EXACT SCIENCES CORPORATION**

(Exact name of registrant as specified in its charter)

**DELAWARE**

**02-0478229**

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(State or other jurisdiction of  
incorporation or organization)

(I.R.S. Employer  
Identification Number)

**100 Campus Drive, Marlborough, Massachusetts**  
(Address of principal executive offices)

**01752**  
(Zip Code)

**(508) 683-1200**

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer   
(Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of May 15, 2009, the registrant had 30,887,484 shares of Common Stock outstanding.

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	<b>March 31, 2009</b>	<b>December 31, 2008</b>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 3,595	\$ 4,937
Marketable securities	17,018	
Prepaid expenses and other current assets	690	190
Total current assets	21,303	5,127
Property and Equipment, at cost:		
Laboratory equipment	174	174
Office and computer equipment	22	13
Leasehold improvements		
Furniture and fixtures	196	187
Less Accumulated depreciation and amortization	(123)	(111)
	73	76
Patent costs, net of accumulated amortization of \$2,820 at December 31, 2008		95
Restricted cash	600	600
	\$ 21,976	\$ 5,898
<b>LIABILITIES AND STOCKHOLDERS DEFICIT</b>		
Current Liabilities:		
Accounts payable	\$ 34	\$ 683
Accrued expenses	1,234	1,498
Third party royalty obligation, current portion	1,000	1,500
Deferred license fees, current portion	4,986	1,350
Total current liabilities	7,254	5,031
Third party royalty obligation, less current portion	965	1,950
Deferred license fees, less current portion	14,901	1,350
Commitments and contingencies		
Stockholders Deficit:		
Preferred stock, \$0.01 par value Authorized 5,000,000 shares Issued and outstanding 0 shares at March 31, 2009 and December 31, 2008, respectively		
Common stock, \$0.01 par value Authorized 100,000,000 shares Issued and outstanding 30,848,070 and 27,522,931 shares at March 31, 2009 and December 31, 2008, respectively	308	275
Additional paid-in capital	174,878	169,854
Treasury stock, at cost, 85,550 shares	(97)	(97)
Other comprehensive income	71	
Accumulated deficit	(176,304)	(172,465)
Total stockholders deficit	(1,144)	(2,433)
	\$ 21,976	\$ 5,898

*The accompanying notes are an integral part of these condensed consolidated financial statements.*



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**EXACT SCIENCES CORPORATION**

**Condensed Consolidated Statements of Operations**

**(Amounts in thousands, except per share data - unaudited)**

	<b>Three Months Ended March 31,</b>	
	<b>2009</b>	<b>2008</b>
Revenue:		
Product royalty fees	\$ 7	\$ (292)
License fees	993	338
Product		5
	1,000	51
Cost of revenue:		
Product royalty fees		1
Gross profit	1,000	50