
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **November 2, 2007**

EXACT SCIENCES CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

000-32179

(Commission File Number)

02-0478229

(IRS Employer Identification No.)

100 Campus Drive, Marlborough, Massachusetts

(Address of Principal Executive Offices)

01752

(Zip Code)

Registrant's telephone number, including area code: **(508) 683-1200**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

On November 2, 2007, EXACT Sciences Corporation announced a correction to its financial results for the quarter ended September 30, 2007 related to its accounting for certain stock option modifications. A copy of the press release is being furnished as Exhibit 99.1 to this Report on Form 8-K.

The information in this Report on Form 8-K and Exhibit 99.1 attached hereto is intended to be furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

99.1 Press Release issued by the registrant on November 2, 2007, furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EXACT Sciences Corporation

November 2, 2007

By: /s/ Charles R. Carelli, Jr.
Charles R. Carelli, Jr.
Senior Vice President, Chief Financial
Officer, Treasurer and Secretary

EXHIBIT INDEX

| <u>Exhibit Number</u> | <u>Description</u> |
|-----------------------|---------------------------------------------------------------------------------|
| 99.1 | Press Release issued by the registrant on November 2, 2007, furnished herewith. |



Press Release

For further information:

Charles Carelli
Chief Financial Officer
EXACT Sciences Corporation
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EXACT SCIENCES ANNOUNCES NON-CASH CORRECTION TO REPORTED THIRD QUARTER 2007 RESULTS

MARLBOROUGH, Mass – November 2, 2007 – EXACT Sciences Corporation (NASDAQ: EXAS) today issued a non-cash correction to its third quarter 2007 financial results release dated October 22, 2007. The correction relates to the Company's accounting for certain stock option modifications under Financial Accounting Standards No. 123(R), "Share-Based Payment" ("FAS 123(R)"), resulting in additional non-cash stock-based compensation charges of approximately \$0.6 million in the three and nine months ended September 30, 2007, compared to the amounts reported in the October 22, 2007 press release.

In connection with EXACT's previously announced management changes and restructuring in July 2007, the Company, in concurrence with its independent registered public accounting firm, recorded \$0.3 million in non-cash stock-based compensation in the three and nine months ended September 30, 2007. In connection with the finalization of the Company's Form 10-Q for the quarter ended September 30, 2007, and subsequent to the October 22, 2007 press release, EXACT, following consultation with its independent registered public accounting firm, determined that the Company's accounting treatment with respect to these modifications needed to be changed under the requirements of FAS 123(R). Accordingly, the Company has recorded an additional \$0.4 million and \$0.2 million, respectively, in non-cash stock-based compensation in the general and administrative and restructuring line items of its unaudited consolidated statements of operations during the three and nine month periods ended September 30, 2007.

This total additional non-cash stock-based compensation of \$0.6 million increased the Company's previously reported basic and diluted net loss per share by \$0.02 for the three and nine months ended September 30, 2007. EXACT's revised net loss was \$4.2 million for the third quarter of 2007 and \$7.9 million for the nine months ended September 30, 2007. For the third quarter 2007, revised basic and diluted net loss per share were both \$0.16, while on a year-to-date basis, revised basic and diluted net loss per share were both \$0.30.

The corrected condensed consolidated statements of operations data, along with a reconciliation to the previously announced financial results, follow this release.

About EXACT Sciences Corporation

EXACT Sciences Corporation uses applied genomics to develop effective, patient-friendly screening technologies for use in the detection of cancer. Certain of its technologies have been licensed to Laboratory Corporation of America Holdings® (LabCorp®) for a stool-based DNA assay developed by LabCorp for colorectal cancer screening in the average-risk population and marketed by LabCorp under the name PreGen-Plus™. Colorectal cancer, which is the most deadly cancer among non-smokers, is generally curable if detected early. Despite the availability of colorectal cancer screening and diagnostic tests for more than 20 years, the rate of early detection of colorectal cancer remains low, and deaths from colorectal cancer remain high. EXACT Sciences believes its genomics-based technologies will help enable earlier detection of colorectal cancer so that more people can be effectively treated. EXACT Sciences is based in Marlborough, Mass. PreGen-Plus, the non-invasive colorectal cancer screening testing service offered by LabCorp, has not been approved or cleared by the U.S. Food & Drug Administration.

(tables follow)

EXACT SCIENCES CORPORATION
Selected Unaudited Financial Information
Condensed Consolidated Statements of Operation Data

| In thousands, except per share data | Three Months Ended September 30, 2007 | | | Nine Months Ended September 30, 2007 | | |
|-----------------------------------------------------------------------|------------------------------------------|-------------------|-------------------|-----------------------------------------|-------------------|-------------------|
| | October 22, 2007 | Revised | Change | October 22, 2007 | Revised | Change |
| | Press Release | | | Press Release | | |
| Revenue: | | | | | | |
| Product royalty fees | \$ (239) | \$ (239) | \$ — | \$ (194) | \$ (194) | \$ — |
| License fees | 338 | 338 | — | 2,520 | 2,520 | — |
| Product | 14 | 14 | — | 72 | 72 | — |
| | <u>113</u> | <u>113</u> | | <u>2,398</u> | <u>2,398</u> | |
| Gross profit (loss): | | | | | | |
| Product royalty fees | (240) | (240) | — | (198) | (198) | — |
| License fees | 338 | 338 | — | 2,520 | 2,520 | — |
| Product | (31) | (31) | — | 27 | 27 | — |
| | <u>67</u> | <u>67</u> | | <u>2,349</u> | <u>2,349</u> | |
| Operating Expenses: | | | | | | |
| Research and development (1) | 1,009 | 1,009 | — | 3,618 | 3,618 | — |
| Sales and marketing (1) | 385 | 385 | — | 1,390 | 1,390 | — |
| General and administrative (1) | 1,863 | 2,290 | 427 | 4,742 | 5,169 | 427 |
| Restructuring (1) | 614 | 788 | 174 | 645 | 819 | 174 |
| | <u>3,871</u> | <u>4,472</u> | <u>601</u> | <u>10,395</u> | <u>10,996</u> | <u>601</u> |
| Loss from operations | (3,804) | (4,405) | (601) | (8,046) | (8,647) | (601) |
| Interest income | 210 | 210 | — | 707 | 707 | — |
| Net loss | \$ (3,594) | \$ (4,195) | \$ (601) | \$ (7,339) | \$ (7,940) | \$ (601) |
| Net loss per share - basic and diluted | \$ (0.13) | \$ (0.16) | \$ (0.02)* | \$ (0.27) | \$ (0.30) | \$ (0.02)* |
| Weighted average common shares outstanding - basic and diluted | 27,017 | 27,017 | — | 26,897 | 26,897 | — |

* Does not sum across due to rounding.

(1) Non-cash stock-based compensation expense included in these amounts are as follows:

| | | | | | | |
|----------------------------|-------|-------|------|--------|--------|------|
| Research and development | \$ 49 | \$ 49 | \$ — | \$ 482 | \$ 482 | \$ — |
| Sales and marketing | 86 | 86 | — | 331 | 331 | — |
| General and administrative | 639 | 1,066 | 427 | 1,091 | 1,518 | 427 |
| Restructuring | — | 174 | 174 | — | 174 | 174 |

EXACT SCIENCES CORPORATION
Condensed Consolidated Unaudited Balance Sheet Data
(In thousands)

| | October 27, 2007 | Revised | Change |
|-----------------------------------------------|------------------|------------------|-------------|
| | Press Release | | |
| Assets | | | |
| Unrestricted cash and cash equivalents | \$ 7,164 | \$ 7,164 | \$ — |
| Short-term investments | 7,611 | 7,611 | — |
| Prepaid expenses | 281 | 281 | — |
| Property and equipment, net | 670 | 670 | — |
| Patent costs, net of accumulated amortization | 450 | 450 | — |
| Restricted cash | 700 | 700 | — |
| Total assets | \$ 16,876 | \$ 16,876 | \$ — |
| Liabilities and stockholders' equity | | | |
| Total current liabilities | \$ 3,842 | \$ 3,842 | \$ — |
| Third party royalty obligation | 250 | 250 | — |
| Deferred licensing fees, less current portion | 3,038 | 3,038 | — |
| Total stockholders' equity | 9,746 | 9,746 | — |

| | | | |
|---------------------------------------------------|------------------|------------------|-------------|
| Total liabilities and stockholders' equity | <u>\$ 16,876</u> | <u>\$ 16,876</u> | <u>\$ —</u> |
|---------------------------------------------------|------------------|------------------|-------------|

This selected financial information should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2006, and the Company's subsequent Forms 10-Q.

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