
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 13, 2001

EXELIXIS, INC. (Exact name of registrant as specified in its charter)

DELAWARE

0-30235

04-3257395

(State or other jurisdiction of incorporation) (Commission File No.) (I.R.S. Employer Identification No.)

170 Harbor Way
P.O. Box 511
South San Francisco, CA 94083
(Address of principal executive offices, including zip code)
(650) 837-7000
(Registrant's telephone number, including area code)

=====

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(i) Exhibits

Exhibit 99.1 Press release entitled "Exelixis Announces Third Quarter Financial Results", dated November 13, 2001.

ITEM 9. REGULATION FD DISCLOSURE

On November 13, 2001, Exelixis, Inc. (the "Company") issued a press release announcing third quarter financial results. A copy of such press release is furnished pursuant to Item 9 as Exhibit 99.1 hereto and is incorporated by reference herein.

SIGNATURE

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

Dated: November 13, 2001

Exelixis, Inc.

/s/ Glen Y. Sato

Glen Y. Sato
Chief Financial Officer, Vice President,
Legal Affairs and Secretary
(Principal Financial and Accounting Officer)
=====

Contact: Glen Y. Sato
 Chief Financial Officer
 Exelixis, Inc.
 (650) 837-7565
 gsato@exelixis.com

EXELIXIS ANNOUNCES THIRD QUARTER FINANCIAL RESULTS

SOUTH SAN FRANCISCO, Calif.- November 13, 2001 - Exelixis, Inc., (Nasdaq:EXEL) today reported financial results for the quarter ended September 30, 2001. For the quarter, the company reported a net loss of approximately \$13.4 million, or \$0.28 per share, excluding non-cash charges for stock compensation expense, and amortization of goodwill and intangibles. For the third quarter of 2000, the net loss was approximately \$5.5 million, or \$0.13 per share, excluding non-cash charges.

At September 30, 2001, cash, cash equivalents and short-term investments totaled approximately \$132.3 million, compared to \$112.6 million at December 31, 2000.

For the quarter ended September 30, 2001, total revenues almost doubled to \$11.9 million from \$6.1 million for the same period of 2000. The increase was due primarily to new collaborations formed with Bristol-Myers Squibb and Protein Design Labs, in addition to increased contract revenues from existing collaborations. The third quarter of 2001 also included revenues from Aventis CropScience resulting from the December 2000 acquisition of Agritope, Inc. (now Exelixis Plant Sciences, Inc.) and revenues from government grants resulting from the May 2001 acquisition of Artemis Pharmaceuticals GmbH.

Research and development expenses for the third quarter of 2001 were \$21.3 million, excluding stock compensation expense of \$1.1 million, compared to \$11.1 million, excluding stock compensation expense of approximately \$2.3 million, for the equivalent period of 2000. The increase reflects expenses from both Exelixis Plant Sciences and Artemis Pharmaceuticals, neither of which were part of Exelixis a year ago, as well as expansion of South San Francisco research and development to support new collaborations and the continued expansion of our drug discovery organization. For the quarter ended September 30, 2001, general and administrative expenses totaled \$4.8 million, excluding stock compensation expense of \$0.6 million, compared to \$2.6 million, excluding stock compensation expense of approximately \$1.2 million, in the third quarter of 2000. The increase resulted primarily from additional staffing required to support our expanding worldwide research and development efforts. The third quarter of 2001 also included \$1.4 million for the amortization of goodwill and intangibles from recent acquisitions.

"The third quarter was highly productive for Exelixis, both in establishing key strategic partnerships with leading companies such as Bristol-Myers Squibb and Elan and in moving our internal programs forward aggressively," said George A. Scangos, Ph.D., president and chief executive officer of Exelixis, Inc. "We are confident in the robust potential of our internal pipeline and remain on track to announce our first lead compound by year end."

Recent Highlights:

- - During the third quarter, Exelixis entered into a new collaboration with Bristol-Myers Squibb to discover a new generation of cancer drugs. As part of the collaboration, BMS purchased \$20 million of common stock at \$33.30 per share. Under the agreement, each company receives half of the targets generated under the collaboration, and Exelixis also received royalty-free rights to DEAE rebeccamycin, a cancer compound in Phase II clinical development.
- - Exelixis signed chemistry collaborations with Elan Pharmaceuticals and Scios, for the generation of high-quality, small molecule compound libraries for high-throughput screening. Exelixis receives financial compensation for the compounds, which reduces the cost of developing its internal libraries, and can use these compounds for its internal programs in addition to its partnered programs.
- - As part of the initiation of a new inflammation program, scientists at Exelixis and the Institute of Molecular and Cellular Biology in Strasbourg, France, identified and characterized a gene involved in mediating the innate immune response, a discovery that could have significant implications in treating a wide variety of human inflammatory diseases, such as rheumatoid arthritis, asthma, atherosclerosis and inflammatory bowel disease. The findings were published in the October 11th issue of Developmental Cell.
- - Protein Design Labs accepted several cancer antibody targets from Exelixis for further research and development. Under the agreement, Exelixis retains the right to co-fund and co-develop antibodies resulting from the collaboration. For antibody products developed by Protein Design Labs that Exelixis elects not to co-develop, Exelixis will be entitled to specified milestone payments and royalty payments on any product sales.
- - Exelixis continued to deliver targets and assays to partners throughout the course of the quarter, earning milestone payments in most cases.

Outlook:

The following statements are based on current expectations. These statements are forward-looking and actual results may differ materially. Except as expressly set forth below, these statements do not include the potential impact of any mergers, acquisitions or other business combinations that may be closed or entered into after October 31, 2001.

For the fourth quarter, Exelixis anticipates that revenues will increase in the range of 5-10%. Due to continued expansion of the drug discovery operations and clinical development to support our effort to file our first IND for a proprietary lead compound in 2002 as well as manufacture and develop our Phase II cancer product, expenses, excluding non-cash charges, will increase in the range of 10-15% from the third quarter levels. For 2001, Exelixis continues to expect a cash burn in the range of \$42-47 million based on total revenues of \$40-45 million. Exelixis also continues to expect to report a cash, cash equivalents and short term investments balance in excess of the \$112.6 million reported at December 31, 2000.

Exelixis, Inc. is a leading worldwide genomics-based drug discovery company focused on product development through its expertise in comparative genomics and model system genetics. An outstanding team of company scientists has developed multiple fungal, nematode, insect, plant and vertebrate genetic systems. Exelixis' proprietary model systems and comparative genomics technologies address gene function by using biologically relevant functional genomics information very early on in the process to rapidly, efficiently and cost-effectively translate sequence data to knowledge about the function of genes and the proteins that they encode. The company has a significant internal cancer discovery and drug development program, through which a number of compounds are expected to complete screening by the end of the year. Exelixis believes that its technology is broadly applicable to all life science industries, including pharmaceutical, diagnostic, agricultural biotechnology and animal health and the company has active collaborations with Aventis CropScience, Bayer, Bristol-Myers Squibb, Elan Pharmaceuticals, Pharmacia, Protein Design Labs, Scios and Dow AgroSciences, and is building its internal development program in the area of oncology. For more information, please visit the company's web site at www.exelixis.com.

Exelixis and the Exelixis logo are registered U.S. trademarks.

This press release contains forward-looking statements, including without limitation the matters discussed in the "Outlook" section. These forward-looking statements are based upon Exelixis' current expectations. Forward-looking statements involve risks and uncertainties. Exelixis' actual results and the timing of events could differ materially from those anticipated in its forward-looking statements as a result of many factors, including Exelixis' ability to enter into new collaborations, continue existing collaborations and receive milestones and royalties derived from future products developed from its research efforts; the rate of growth, if any, in license and contract revenues, the timing and level of expenses associated with the growth of proprietary programs and the ability to identify and develop compounds against proprietary cancer targets; expenses and debt repayment associated with the integration of Artemis; and the amount and timing of investments in manufacturing and clinical development of the rebeccamycin analogue currently in Phase II clinical studies that was acquired from Bristol-Myers Squibb in July 2001. These and other risk factors are discussed under "Risk Factors" and elsewhere in Exelixis' Annual Report on Form 10-K for the year ended December 31, 2000 and other SEC reports. Exelixis expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

EXELIXIS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2001	2000	2001	2000
Revenues:				
License	\$ 2,716	\$ 907	\$ 4,564	\$ 2,271
Contract and government grants	9,212	5,211	23,649	14,914
Total revenues	11,928	6,118	28,213	17,685
Operating expenses:				
Research and development	21,330	11,137	55,899	28,956
Selling, general and administrative	4,810	2,635	12,677	7,774
Amortization of goodwill and intangibles	1,397	-	3,673	-
Acquired in-process research and development	-	-	6,673	-
Stock compensation expense	1,687	3,501	5,857	12,059
Total operating expenses	29,224	17,273	84,779	48,789
Loss from operations	(17,296)	(11,155)	(56,566)	(31,104)
Other income (expense):				

Interest and other income	1,617	2,318	5,109	4,333
Interest expense	(811)	(162)	(1,460)	(488)
	-----	-----	-----	-----
Total other income	806	2,156	3,649	3,845
	-----	-----	-----	-----
Net loss	\$ (16,490)	\$ (8,999)	\$ (52,917)	\$ (27,259)
	=====	=====	=====	=====
Net loss excluding non-cash charges for stock compensation, amortization of goodwill and intangibles, and acquired in-process research and development	\$ (13,406)	\$ (5,498)	\$ (36,714)	\$ (15,200)
	=====	=====	=====	=====
Basic and diluted net loss per share excluding non-cash charges	\$ (0.28)	\$ (0.13)	\$ (0.80)	\$ (0.56)
	=====	=====	=====	=====
Shares used in computing basic and diluted net loss per share excluding non-cash charges	47,750	41,179	45,848	27,235
	=====	=====	=====	=====
Pro forma basic and diluted net loss per share excluding non-cash charges (1)	\$ (0.28)	\$ (0.13)	\$ (0.80)	\$ (0.42)
	=====	=====	=====	=====
Shares used in computing pro forma basic and diluted net loss per share excluding non-cash charges (1)	47,750	41,179	45,848	36,034
	=====	=====	=====	=====

(1) Shares used in computing pro forma basic and diluted net loss per share include convertible stock outstanding during 2000 using the if-converted method from the original date of issuance.

EXELIXIS, INC.
CONSOLIDATED BALANCE SHEET DATA
(in thousands)

	September 30, 2001 ----- (unaudited)	December 31, 2000 (2) -----
Cash, cash equivalents & short-term investments	\$132,283	\$112,552
Working capital	103,005	95,519
Total assets	246,717	204,914
Stockholders' equity	149,411	162,734

(2) Derived from the audited consolidated financial statements