Exelixis and Bristol-Myers Squibb Sign New Collaboration Agreement to Develop Novel Cardiovascular Disease Treatments

December 6, 2005

Focus on LXR-Targeted Therapies for Atherosclerosis and Coronary Artery Disease

SOUTH SAN FRANCISCO, Calif. and NEW YORK, Dec. 6 /PRNewswire-FirstCall/ -- Exelixis, Inc. (Nasdaq: EXEL) and Bristol-Myers Squibb Company (NYSE: BMY) today announced a collaboration agreement to discover, develop and commercialize novel therapies targeted against the Liver X Receptor (LXR), a nuclear hormone receptor implicated in a variety of cardiovascular and metabolic disorders.

Under the collaboration, which will become effective upon antitrust clearance, the companies will jointly identify drug candidates that are ready for Investigational New Drug Application-enabling studies. Bristol-Myers Squibb will undertake further preclinical development and would be responsible for clinical development, regulatory, manufacturing and sales/marketing activities for such compounds.

Terms of the agreement include an upfront payment from Bristol-Myers Squibb of $17.5 million to Exelixis and will provide research and development funding of approximately $10 million per year for an initial period of two years. Exelixis also may receive pre-specified development and regulatory milestones totaling approximately $140 million per product for up to two products from the collaboration, as well as sales milestones and royalties on sales of products commercialized under the collaboration.

Exelixis -- with its expertise in the field of nuclear receptors and drug discovery -- has identified a series of proprietary LXR agonist drug candidates that are highly potent, selective and efficacious in animal models of atherosclerosis. Exelixis' lead compounds further display excellent pharmacokinetic profiles and a broad safety margin in multiple animal models.

"We are very excited about combining the strengths of our two organizations. We have worked together productively in the past and we look forward to successfully combining our expertise in drug discovery and early biology with the proven capabilities of Bristol-Myers-Squibb in developing and commercializing important therapies for cardiovascular disease," said George A. Scangos, Ph.D., president and chief executive officer of Exelixis.

"This collaboration is strongly aligned with Bristol-Myers Squibb's strategy of focusing on therapies addressing areas of serious medical need," said Francis Cuss, M.D., senior vice president of drug discovery for Bristol- Myers Squibb. "We believe that LXR agonists, by triggering reverse cholesterol transport and reducing inflammation in vessel walls, have significant potential to treat atherosclerosis and cardiovascular disease. We look forward to combining our efforts with scientists from Exelixis to bring this new class of medicines into clinical testing."

About LXR

LXR activation by oxysterols (oxidized cholesterol) or by synthetic agonists initiates a cascade of cellular events that both increase "reverse cholesterol transport," thereby removing excess cholesterol from the body, and suppressing inflammation. Elevated levels of oxysterols have been implicated in the progression of heart disease and plaque formation in the artery wall. LXR activation therefore directly targets two well-known risk factors of heart disease and provides a novel approach for decreasing the deposition of fat and lipids in the artery wall and suppressing the inflammatory damage associated with atherosclerosis. In animal models of heart disease, small molecule synthetic LXR ligands have been shown to cause regression of pre-existing atherosclerotic lesions. Thus, LXR may be a first-in-class target for therapies that directly target the pathology of atherosclerosis and coronary artery disease via a dual mechanism of reverse cholesterol transport and repression of inflammation.

About Exelixis

Exelixis, Inc. is a biotechnology company dedicated to the discovery and development of novel therapeutics that will potentially enhance the care and lives of patients with cancer and other serious diseases. The company is leveraging its fully integrated gene-to-drug platform to fuel the growth of its proprietary drug pipeline. Exelixis' development pipeline covers cancer and metabolism and is comprised of the following compounds: XL119 (becatecarin), for which a multinational Phase III clinical trial in bile duct tumor is ongoing and which has been exclusively licensed to Helsinn Healthcare S.A. with rights to reacquire commercial rights for North America; XL784, which is being advanced as a treatment for renal disease and is currently in a Phase I clinical trial using a newly developed capsule formulation of the compound; XL647, XL999, XL880, XL820, XL844 and XL184, anticancer compounds currently in Phase I clinical trials; and multiple compounds in preclinical development for diseases including cancer and various metabolic and cardiovascular disorders. Exelixis has established broad corporate alliances with major pharmaceutical and biotechnology companies including GlaxoSmithKline (GSK) and Bristol-Myers Squibb Company. Pursuant to a product development and commercialization agreement between Exelixis and GSK, GSK has the option, after completion of Phase IIa clinical trials by Exelixis, to elect to develop a certain number of compounds in Exelixis' product pipeline, which may include XL784 and the cancer compounds identified in this press release (other than XL119), thus potentially triggering milestone payments and royalties from GSK and co-promotion rights by Exelixis. For more information, please visit the company's web site at www.exelixis.com.

About Bristol-Myers Squibb

Bristol-Myers Squibb is a global pharmaceutical and related health care products company whose mission is to extend and enhance human life. Visit Bristol-Myers Squibb on the World Wide Web at www.bms.com.

Exelixis Forward-Looking Statement

This press release contains forward-looking statements, including without limitation all statements related to the discovery, development and commercializing of therapies targeted against LXR under the collaboration as well as related payments; the therapeutic and commercial potential of XL119, XL784, XL647, XL999, XL880, XL820, XL844 and XL184, other compounds in the Exelixis preclinical pipeline and its program in metabolic diseases. Words such as "believes," "anticipates," "plans," "expects," "intends," "will," "slated," "goal" and similar expressions are intended to identify forward- looking statements. 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 such forward-looking statements as a result of these risks and uncertainties, which include, without limitation, the risk that products candidates that appeared promising in early research do not demonstrate safety or efficacy in clinical trials, the ability of the company to successfully conduct the clinical trials for XL119, XL784, XL647, XL999, XL880, XL820, XL844 and XL184; the ability of the company to advance additional preclinical compounds into clinical development; the uncertainty of the FDA approval process; and the therapeutic and commercial value of the company's compounds. These and other risk factors are discussed under "Risk Factors" and elsewhere in Exelixis' quarterly report on Form 10-Q for the quarter ended September 30, 2005 and other filings with the Securities and Exchange Commission. 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 the company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

Bristol-Myers Squibb Forward-Looking Statement

This press release contains "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995 regarding the potential discovery, development and commercialization or products. Such forward-looking statements are based on current expectations and involve inherent risks and uncertainties, including factors that could delay, divert or change any of them, and could cause actual outcomes and results to differ materially from current expectations. No forward-looking statement can be guaranteed. There can be no guarantee that the research collaboration agreement described in this release will result in the discovery, development and commercialization or products. Forward-looking statements in this press release should be evaluated together with the many uncertainties that affect Bristol-Myers Squibb's business, particularly those identified in the cautionary factors discussion in Bristol-Myers Squibb's Annual Report on Form 10-K for the year ended December 31, 2004, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. Bristol-Myers Squibb undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

SOURCE Exelixis, Inc.

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