



Exelixis and Bristol-Myers Squibb Company Extend Oncology Collaboration

December 18, 2003

SOUTH SAN FRANCISCO, Calif., Dec 18, 2003 /PRNewswire-FirstCall via Comtex/ -- Exelixis, Inc. (Nasdaq: EXEL) announced the extension and expansion of its oncology research collaboration with Bristol-Myers Squibb Company (NYSE: BMY) under which the two companies will continue to identify and validate molecular targets implicated in cancer. The original agreement was established for a three-year term in July 2001. Subject to the terms of their amended agreement, Exelixis and Bristol-Myers Squibb have agreed to extend their collaboration until December 2006, and Bristol-Myers Squibb has the right to continue the collaboration until July 2009. The goal of the extension is to increase the total number and degree of validation of cancer targets that Exelixis will deliver to Bristol-Myers Squibb. Exelixis and Bristol-Myers Squibb will each maintain the option to obtain exclusive worldwide rights to equal numbers of validated targets arising from the collaboration.

Under the terms of the extended collaboration, Bristol-Myers Squibb will provide Exelixis with an upfront payment, increased annual research funding, and milestones on certain cancer targets arising from the collaboration that progress through specified stages of validation. Exelixis will also be entitled to receive milestones on compounds in the event of successful clinical and regulatory events and royalties on commercialized products.

"We are pleased to extend the agreement between Bristol-Myers Squibb and Exelixis, which is a significant component of our company's discovery efforts to identify and validate novel cancer targets," said James B.D. Palmer, FRCP, Chief Scientific Officer and President, Bristol-Myers Squibb Pharmaceutical Research Institute. "The alliance embodies our efforts to fully leverage novel approaches to treating cancer, and ultimately extending and enhancing the lives of patients."

"Our cancer collaboration with Bristol-Myers Squibb has been extremely productive, cooperative and successful due to the combined efforts of our respective research organizations and the strong support from our colleagues in the Bristol-Myers Squibb management group," said George A. Scangos, Ph.D., president and chief executive officer, Exelixis. "We believe that our collaboration exemplifies how pharmaceutical and biotechnology companies can work together successfully to exploit novel insights into cancer, share equally in the fruits of their collaboration and advance potentially new therapeutic approaches toward the clinic. We are enthusiastic about the opportunity to build on our collaboration's successes and to work with Bristol-Myers Squibb on this important endeavor."

Exelixis, Inc. is a leading genomics-based drug discovery company dedicated to the discovery and development of novel therapeutics. The company is leveraging its fully integrated gene-to-drug platform to fuel the growth of its proprietary drug pipeline. Exelixis' development pipeline includes: XL119, which is anticipated to enter a Phase 3 trial as a potential treatment for bile duct tumors; XL784, an anticancer compound currently in a Phase 1 safety study; XL647 and XL999, anticancer compounds that are potential IND candidates; and multiple compounds in preclinical development. Exelixis has established broad corporate alliances with major pharmaceutical and biotechnology companies, including SmithKlineBeecham Corporation and Bristol-Myers Squibb Company. The company has also established agricultural research collaborations with Bayer CropScience, Dow AgroSciences and Renessen LLC. Other partners include Merck & Co., Inc., Schering-Plough Research Institute, Inc., Cytokinetics, Inc., Elan Pharmaceuticals, Inc. and Scios Inc. For more information, please visit the company's web site at www.exelixis.com.

This press release contains forward-looking statements, including without limitation statements related to the total number and degree of validation of cancer targets that Exelixis will deliver to Bristol-Myers Squibb, the potential receipt by Exelixis of research funding, milestones and royalties from Bristol-Myers Squibb, the potential advancement of product candidates into clinical development and the potential commercialization of any products arising from the collaboration. Words such as "goal," "believes," "anticipates," "plans," "expects," "intend," "will" 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, risks related to: our ability to achieve milestones, develop products or continue our collaboration, potential conflicts with our collaborator, whether clinical testing of any product candidates will demonstrate safety and efficacy and our ability to obtain regulatory approval for any product candidates. These and other risk factors are discussed under "Risk Factors" and elsewhere in our quarterly report on Form 10-Q for the quarter ended September 30, 2003 and other filings with the Securities and Exchange Commission. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

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

SOURCE Exelixis, Inc.

Jane M. Green, Ph.D., VP, Corporate Communications of Exelixis, Inc., +1-650-837-7579, or jmgreen@exelixis.com

<http://www.prnewswire.com>