Exelixis Identifies Mechanism of Action, Target of Key Herbicidal Compound For Dow AgroSciences

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Successful Project Triggers Milestone Payment

SOUTH SAN FRANCISCO, Calif., Oct 7, 2003 /PRNewswire-FirstCall via COMTEX/ -- Exelixis, Inc. (Nasdaq: EXEL) announced today that Exelixis Plant Sciences, a wholly owned subsidiary headquartered in Portland, Ore., has successfully identified a molecular target site for Indianapolis-based Dow AgroSciences LLC that may provide insight into the mechanism of action of a Dow AgroSciences proprietary herbicidal compound. The findings could lead to the development of new crop protection products with potentially greater selectivity and efficacy than those currently available. Identification of this target site has triggered a milestone payment to Exelixis by Dow AgroSciences.

In July 2003, Exelixis and Dow AgroSciences extended their herbicide Mechanism of Action (MOA) collaboration that was initiated in 2000. In this collaboration, Exelixis Plant Sciences intends to identify target sites for specific herbicide compounds that are active, yet may not have characterized molecular target sites. Leveraging its proprietary platform and expertise in comparative genetics and functional genomics, Exelixis Plant Sciences works to identify targets in plant model organisms. Exelixis is entitled to receive milestone payments and royalties for any products that are developed from this collaboration.

"As our collaboration with Exelixis enters its fourth year, we continue to be pleased with its positive impact on our discovery program," said Bill Kleschick, global leader for Discovery R&D at Dow AgroSciences. "We believe that target site identification of early stage herbicidal compounds through this collaboration greatly improves our chances of success."

"The herbicide MOA program with Dow AgroSciences has been extremely productive and collaborative, and has allowed Exelixis Plant Sciences and Dow AgroSciences staff to work closely together to discover new ways to protect commercially important crops," said D. Ry Wagner, vice president for Plant Genetics and Biotechnology of Exelixis. "The high throughput gene discovery and functional biology platform of Exelixis Plant Sciences, in combination with the proprietary chemistry of Dow AgroSciences, has the potential to rapidly define superior products for agriculture and new methods for crop protection."

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 implications of the idenitifcation of the molecular target site for DowAgrosciences, including the potential development of any new crop protection products. Words such as "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 many factors, including without limitation its ability to identify the novel targets of Dow AgroSciences compounds included in their collaboration, to achieve additional milestones and royalties on the development of Dow AgroSciences compounds against targets identified and for Dow AgroSciences to develop novel products, if any, based on Exelixis' identification of these targets. These and other risk factors are discussed under "Risk Factors" and elsewhere in Exelixis' quarterly report on Form 10-Q for the quarter ended June 30, 2003, annual report on Form 10-K for the year ended December 31, 2002 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 its expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

SOURCE Exelixis, Inc.

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