



Exelixis Pharmaceuticals And Pharmacia & Upjohn Form Research Collaboration

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Exelixis Pharmaceuticals, Inc. and Pharmacia & Upjohn, Inc. announced today the signing of a five-year research collaboration focused on the identification of novel targets for small molecule therapeutics in the areas of Alzheimer's Disease and Metabolic Syndrome, including diabetes and obesity.

Exelixis will utilize its proprietary PathFinder™ Technology coupled with genomic and computational biology technologies to identify and validate novel targets for drug discovery. It is anticipated that Exelixis' affiliate, Artemis Pharmaceuticals GmbH, will also participate in the collaboration.

"This collaboration with P&U is our first in what we anticipate will be a series of relationships with major pharmaceutical companies," said George Scangos, Ph.D., President and Chief Executive Officer of Exelixis. "Pharmacia & Upjohn's investment in the broad-based technology platform and intellectual capital provided by Exelixis is an endorsement of our ability to focus the power of genetics and genomics towards the acceleration of drug discovery."

Added Geoffrey Duyk, M.D., Ph.D., Chief Scientific Officer at Exelixis: "Genetic tools offer the most definitive biological test of the therapeutic potential of modulating the activity of a candidate target. Targets selected on this basis will increase the likelihood that compounds directed against the target will result in an effective new therapeutic agent."

"The ability to efficiently and accurately identify controlling genes in disease and physiologic pathways is a critical success factor in drug discovery," said Göran Ando, M.D., Executive Vice President and President of Research and Development at Pharmacia & Upjohn, "Exelixis is well qualified to complement Pharmacia & Upjohn's drug discovery expertise in this regard."

Under the terms of the agreement, Exelixis will receive substantial committed funding in the form of research support, upfront payment and equity during the initial five-year term. Exelixis also will potentially receive milestone payments, as well as royalties based on the future sales of products arising from the collaboration. Financial details of the agreement were not disclosed.

Within the collaboration, and subject to certain rights of P&U, Exelixis has retained the rights to develop small molecule therapeutics outside the field of the sponsored research as well as in the field(s) of research for targets not selected by Pharmacia & Upjohn. In addition, Exelixis retains all rights with respect to agriculture, animal health, and, subject to certain rights of P&U, rights for the development of potential biotherapeutic products arising from the collaboration.

Exelixis Pharmaceuticals, Inc., together with its affiliate, Artemis Pharmaceuticals GmbH, represent the premiere model system genetics biopharmaceutical organization focused on the identification and validation of novel screening targets and proteins for the pharmaceutical, diagnostic, agricultural, and animal health industries. Their PathFinder™ Technology utilizes a systematic genetics approach in model organisms including *Drosophila*, *C. elegans*, zebrafish and mice to identify critical genes in disease and physiological pathways, determine functional relationships and select optimal targets for intervention. Exelixis' drug discovery programs include the areas of CNS, inflammation, metabolic disease, and oncology.

Pharmacia & Upjohn is a global innovation driven pharmaceutical and health care company. Pharmacia & Upjohn's products, services and employees demonstrate its commitment to improve wellness and quality of life for people around the world.