



Exelixis and Bristol-Myers Squibb Sign New Collaboration Agreement to Discover and Develop Novel Oncology Compounds

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SOUTH SAN FRANCISCO, Calif. and NEW YORK, Dec. 18 /PRNewswire-FirstCall/

-- Exelixis, Inc. (Nasdaq: EXEL) and Bristol-Myers Squibb Company (NYSE: BMY) today announced a worldwide collaboration to discover, develop and commercialize novel targeted therapies for the treatment of cancer.

Under the collaboration, which will become effective upon antitrust clearance, Exelixis will deploy its drug discovery platform and be fully responsible for the identification and pre-clinical development of small molecule drug candidates directed against mutually selected targets. Bristol-Myers Squibb will have the right to select up to three Investigational New Drug (INDs) candidates against three different targets. Following selection by Bristol-Myers Squibb, the company will lead all global activities, although the parties will co-develop and co-commercialize the programs in the United States.

Under the terms of the agreement, Bristol-Myers Squibb will pay to Exelixis an upfront payment of \$60 million in cash. Exelixis will also receive \$20 million for each of up to three different drug candidates selected by Bristol-Myers Squibb at IND. The parties plan to equally share development costs, commercial profits and co-promotion responsibilities in the United States. Exelixis will also receive royalties on product sales outside of the United States. For each program selected by Bristol-Myers Squibb, Exelixis may opt out of the co-development or co-promotion in the United States, in which case Exelixis would receive milestones and royalties in lieu of a U.S. profit share.

"We are very pleased to collaborate with BMS on the discovery and development of novel treatments for cancer," said George A. Scangos, Ph.D., president and chief executive officer of Exelixis. "This collaboration will capitalize on the power of Exelixis' drug discovery engine and on the breadth and depth of BMS' expertise in oncology. We have had excellent, productive collaborations with BMS in oncology since 2000, and I am confident that this new collaboration will build on the excellent relationship between the companies and on the knowledge that we have generated during those years."

"Bristol-Myers Squibb is dedicated to addressing areas of serious medical need, and oncology remains one of the cornerstones of our research and development efforts," said Francis Cuss, M.D., senior vice president of Drug Discovery for Bristol-Myers Squibb. "We have a long-standing and productive history of collaboration with Exelixis and are pleased to expand our partnership to include the discovery and development of novel, targeted oncology therapies."

Exelixis Conference Call and Webcast

Exelixis' management will discuss this collaboration during a conference call beginning at 5:00 a.m. PT / 8:00 a.m. ET today, Monday, December 18, 2006. To listen to the discussion, the webcast may be accessed in the Event Calendar page under Investors at www.exelixis.com.

About Exelixis

Exelixis, Inc. is a development-stage biotechnology company dedicated to the discovery and development of novel small molecule therapeutics for the treatment of cancer and other serious diseases. The company is leveraging its fully integrated drug discovery platform to fuel the growth of its development pipeline, which is primarily focused on cancer. 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 commercialization of therapies targeting the treatment of cancer under the collaboration as well as related costs and payments, including milestones, profits and royalties. Words such as "believes," "anticipates," "plans," "expects," "intends," "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 and past performance is not indicative of future results. 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 advance 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, 2006 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 development and commercialization of 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. Among other risks, there can be no guarantee that the research collaboration agreement described in this release will result in the discovery, development and commercialization of products. Forward-looking statements in the 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, 2005, its Quarterly Reports on Form 10-Q, and 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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