Celgene and IBM Watson Health Forge Collaboration Designed to Transform Patient Safety Monitoring

SUMMIT, NJ and CAMBRIDGE, Mass. - 01 Nov 2016: Celgene Corporation (NASDAQ: CELG) and IBM Watson Health (NYSE: IBM) today announced a collaboration to co-develop IBM Watson for Patient Safety, a new offering that aims to enhance pharmacovigilance methods used to collect, assess, monitor, and report adverse drug reactions. The new offering will run on the Watson Health Cloud.

The collaboration will combine Watson's cognitive computing ability with Celgene's deep history and experience in drug safety and risk management in order to create an outcome- and evidence-based drug safety decision support system for life science companies. Watson's cognitive computing engine continuously learns, so it is expected that Watson for Patient Safety will increasingly be able to help identify potential drug safety signals.

Watson for Patient Safety is being developed as a first-of-its-kind, highly automated drug-safety offering designed to enable the rapid collection, collation and automated analysis of high volumes of data from diverse sources, including anonymized electronic medical records, medical claims databases and other healthcare information sources. Watson for Patient Safety will be designed to drive pharmaceutical companies' understanding of complex safety questions, and delivery of evidence-based insights to help support ongoing understanding of the safety profiles of drug products by stakeholders.

This advanced approach is intended to help biopharmaceutical companies and other stakeholders to better manage and interpret large volumes of Individual Case Safety Reports (ICSRs) describing potential side effects associated with drug products. Across the biopharmaceutical industry these reports are increasing in volume and complexity as data sources grow and regulations evolve.

"With this collaboration, we intend to create a paradigm shift in identifying patient safety data that we hope can be applied across the entire product lifecycle – from early development through to approved medicines," said John Freeman, MSc, JD, Corporate Vice President of Global Drug Safety and Risk Management for Celgene. "The new offering we are co-developing will bring the cognitive computing power of Watson and its growing view of clinical, research and social health data to bear on this critical healthcare challenge."

"Celgene established one of the first risk management systems, and its commitment to pharmacovigilance continues with this collaboration," said Lauren O'Donnell, Vice President of Life Sciences, IBM Watson Health. "Together we look forward to creating a cognitive solution that can be applied across the industry to help benefit patients everywhere, leveraging our cloud platform."

Watson for Patient Safety will be developed in phases, with the first module anticipated within the next year. Watson Health Cloud for Life Sciences Compliance offers a health-data enabled infrastructure and is designed to

streamline GxP compliance.

About Celgene

Celgene Corporation, headquartered in Summit, New Jersey, is an integrated global biopharmaceutical company engaged primarily in the discovery, development and commercialization of innovative therapies for the treatment of cancer and inflammatory diseases through next-generation solutions in protein homeostasis, immuno-oncology, epigenetics, immunology and neuro-inflammation. For more information, please visit www.celgene.com. Follow Celgene on Social Media: @Celgene, Pinterest, LinkedIn, Facebook and YouTube.

About IBM Watson Health

Watson is the first commercially available cognitive computing capability representing a new era in computing. The system, delivered through the cloud, analyzes high volumes of data, understands complex questions posed in natural language, and proposes evidence-based answers. Watson continuously learns, gaining in value and knowledge over time, from previous interactions. In April 2015, the company launched IBM Watson Health and the Watson Health Cloud platform. The new unit will help improve the ability of doctors, researchers and insurers to innovate by surfacing insights from the massive amount of personal health data being created and shared daily. The Watson Health Cloud can mask individual identities and allow this information to be shared and combined with a dynamic and constantly growing aggregated view of clinical, research and social health data. For more information on IBM Watson, visit: ibm.com/watson. For more information on IBM Watson Health, visit: ibm.com/watsonhealth.

Forward-Looking Statements

This press release contains forward-looking statements, which are generally statements that are not historical facts. Forward-looking statements can be identified by the words "expects," "anticipates," "believes," "intends," "estimates," "plans," "will," "outlook" and similar expressions. Forward-looking statements are based on management's current plans, estimates, assumptions and projections, and speak only as of the date they are made. Neither Celgene nor IBM Watson Health undertake any obligation to update any forward-looking statement in light of new information or future events, except as otherwise required by law. Forward-looking statements involve inherent risks and uncertainties, most of which are difficult to predict and are generally beyond either companies control. Actual results or outcomes may differ materially from those implied by the forward-looking statements as a result of the impact of a number of factors, many of which are discussed in more detail in each company's Annual Report on Form 10-K and other reports filed with the Securities and Exchange Commission.

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