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**THALOMID[®] (Thalidomide) DELAYS TIME TO DISEASE
PROGRESSION IN NEWLY DIAGNOSED MULTIPLE MYELOMA**

*Updated Clinical Data Evaluating THALOMID in Multiple Myeloma Reported at the
42nd American Society of Clinical Oncology Oral Session*

ATLANTA, GA – (June 5, 2006) – Celgene Corporation (NASDAQ: CELG) announced that updated clinical data from an ongoing multi-centered, randomized, placebo-controlled phase III study (MM-003) of oral combination therapy thalidomide plus dexamethasone versus dexamethasone alone as induction therapy for previously untreated multiple myeloma were reported at the 42nd American Society of Clinical Oncology (ASCO) Meeting in Atlanta, Georgia.

Thalidomide is currently indicated in the United States for use as a treatment in combination with dexamethasone for newly diagnosed multiple myeloma. The effectiveness of THALOMID is based upon response rates. There are no controlled trials demonstrating a clinical benefit, such as an improvement in survival.

The study reported that the combination of thalidomide plus dexamethasone led to a statistically significant improvement ($p=0.0001$) in median time to disease progression - the primary endpoint of this Phase III trial - in patients receiving thalidomide plus dexamethasone compared to patients receiving dexamethasone alone. The median overall survival and median time to disease progression have not been reached in the thalidomide plus dexamethasone arm of the study.

The data were presented at an oral session during the 42nd American Society of Clinical Oncology (ASCO) Meeting in Atlanta, GA, on Monday, June 5, 2006, by Vincent Rajkumar, M.D., a Mayo Clinic hematologist and oncologist. Dr. Rajkumar presented updated results from the Phase III special protocol assessment trial (MM-003) that reported:

- The median overall survival (OS) in patients treated with thalidomide plus dexamethasone has not been reached as compared to 25.2 months with dexamethasone plus placebo ($p<0.0001$)
- The median time to disease progression (TTP) in patients treated with thalidomide plus dexamethasone has not been reached as compared to 8.1 months with dexamethasone plus placebo

- Best response rate with thalidomide plus dexamethasone was 58.5 percent, compared with 35.3 percent for dexamethasone plus placebo (p<0.01)
- Complete response (CR) rate (based on Bladé criteria) with thalidomide plus dexamethasone was 4.7 percent, compared with 1.3 percent for dexamethasone plus placebo
- The most common side effects observed in this trial with the combination of thalidomide and dexamethasone were constipation, edema, insomnia, fatigue, tremor and neuropathy

About the Trial:

The thalidomide phase III special protocol assessment trial included patients with previously untreated (first-line) multiple myeloma. Patients were randomized to receive thalidomide plus dexamethasone or placebo plus dexamethasone alone. A total of 470 patients were randomized to receive thalidomide plus dexamethasone, or placebo plus dexamethasone, in this multi-centered clinical trial. The trial design included a primary endpoint of time to disease progression calculated as the time from randomization to the first documentation of progressive disease based on Bladé myeloma response criteria.

Patients treated with thalidomide and dexamethasone had an increase in side effects as compared to those patients only treated with placebo plus dexamethasone alone. These adverse drug events included insomnia, tremors, dizziness, peripheral neuropathy and constipation. Grade 3 or 4 adverse events reported included deep vein thrombosis (DVT) and pulmonary embolism (PE) occurred in 17.9% of patients treated with thalidomide plus dexamethasone, compared to 4.3% of patients treated with placebo plus dexamethasone alone.

Safety Notice

THALOMID[®] (thalidomide) Capsules 50 mg, 100 mg, & 200 mg

WARNING: IF THALIDOMIDE IS TAKEN DURING PREGNANCY, IT CAN CAUSE SEVERE BIRTH DEFECTS OR DEATH TO AN UNBORN BABY. THALIDOMIDE SHOULD NEVER BE USED BY WOMEN WHO ARE PREGNANT OR WHO COULD BECOME PREGNANT WHILE TAKING THE DRUG. EVEN A SINGLE DOSE, ONE CAPSULE (50 MG, 100 MG AND 200 MG), TAKEN BY A PREGNANT WOMAN CAN CAUSE SEVERE BIRTH DEFECTS. BECAUSE THALIDOMIDE IS PRESENT IN THE SEMEN OF MALE PATIENTS, MALES RECEIVING THALIDOMIDE MUST ALWAYS USE A LATEX CONDOM DURING SEXUAL CONTACT WITH WOMEN OF CHILDBEARING POTENTIAL EVEN IF HE HAS UNDERGONE A SUCCESSFUL VASECTOMY. THALIDOMIDE CAN ONLY BE MARKETED UNDER A SPECIAL RESTRICTED DISTRIBUTION PROGRAM. THIS PROGRAM IS CALLED THE "SYSTEM FOR THALIDOMIDE EDUCATION AND PRESCRIBING SAFETY (S.T.E.P.S.[®]). UNDER THIS PROGRAM, ONLY REGISTERED PRESCRIBERS AND PHARMACISTS MAY DISPENSE THE DRUG. IN ADDITION, PATIENTS MUST BE ADVISED OF, AGREE TO AND COMPLY WITH THE REQUIREMENTS OF S.T.E.P.S.

WARNING: THE USE OF THALOMID® (THALIDOMIDE) IN MULTIPLE MYELOMA RESULTS IN AN INCREASED RISK OF VENOUS THROMBOEMBOLIC EVENTS, SUCH AS DEEP VENOUS THROMBOSIS AND PULMONARY EMBOLUS. THIS RISK INCREASES SIGNIFICANTLY WHEN THALIDOMIDE IS USED IN COMBINATION WITH STANDARD CHEMOTHERAPEUTIC AGENTS INCLUDING DEXAMETHASONE. IN ONE CONTROLLED TRIAL, THE RATE OF VENOUS THROMBOEMBOLIC EVENTS WAS 22.5% IN PATIENTS RECEIVING THALIDOMIDE IN COMBINATION WITH DEXAMETHASONE COMPARED TO 4.9% IN PATIENTS RECEIVING DEXAMETHASONE ALONE ($P = 0.002$). PATIENTS AND PHYSICIANS ARE ADVISED TO BE OBSERVANT FOR THE SIGNS AND SYMPTOMS OF THROMBOEMBOLISM. PATIENTS SHOULD BE INSTRUCTED TO SEEK MEDICAL CARE IF THEY DEVELOP SYMPTOMS SUCH AS SHORTNESS OF BREATH, CHEST PAIN, OR ARM OR LEG SWELLING. PRELIMINARY DATA SUGGESTS THAT PATIENTS WHO ARE APPROPRIATE CANDIDATES MAY BENEFIT FROM CONCURRENT PROPHYLACTIC ANTICOAGULATION OR ASPIRIN TREATMENT.

Thalidomide is contraindicated in patients who have demonstrated hypersensitivity to the drug and its components. It is not known whether THALOMID is excreted in human milk. Because of the potential for adverse reactions in nursing infants, a decision should be made whether to discontinue nursing or the drug, taking into account the importance of the drug to the mother. Thalidomide is known to cause nerve damage that may be permanent. Peripheral neuropathy is a common, potentially severe, side effect of treatment with thalidomide that may be irreversible. Decreased white blood cell counts, including neutropenia, have been reported in the clinical use of thalidomide. In placebo controlled clinical trials of HIV-seropositive patient populations, there have been reports of increased plasma HIV RNA levels associated with thalidomide therapy.

The most frequently reported adverse events were constipation (55%), sensory neuropathy (54%), confusion (28%), hypocalcemia (72%), edema (57%), dyspnea (42%), thrombosis/embolism (23%), and rash/desquamation (30%) (occurring in $\geq 20\%$ of patients and with a frequency $\geq 10\%$ in patients treated with THALOMID/dexamethasone compared with dexamethasone alone).

Patients should be advised about these associated adverse events and routinely monitored by a physician during treatment with thalidomide. Patients should be instructed to not extensively handle or open thalidomide capsules and to maintain storage of capsules in blister packs until ingestion.

About THALOMID®

THALOMID (thalidomide), manufactured by Celgene Corporation, is indicated for use as a treatment in combination with dexamethasone for newly diagnosed multiple myeloma. The effectiveness of THALOMID is based upon response rates. There are no controlled trials demonstrating a clinical benefit, such as an improvement in survival. It also is approved for the acute treatment of cutaneous manifestations of moderate to

severe erythema nodosum leprosum (ENL) and as maintenance therapy for prevention and suppression of the cutaneous manifestations of ENL recurrence. Thalidomide is not indicated as monotherapy for ENL treatment in the presence of moderate to severe neuritis.

About Multiple Myeloma

Multiple myeloma (also known as myeloma or plasma cell myeloma) is a cancer of the blood in which malignant plasma cells are overproduced in the bone marrow. Plasma cells are white blood cells that help produce antibodies called immunoglobulins that fight infection and disease. However, most patients with multiple myeloma have cells that produce a form of immuno-globulin called paraprotein (or M protein) that does not benefit the body. In addition, the malignant plasma cells replace normal plasma cells and other white blood cells important to the immune system. Multiple myeloma cells can also attach to other tissues of the body, such as bone, and produce tumors. The cause of the disease remains unknown. In the year 2005, there were approximately 200,000 people worldwide suffering from multiple myeloma. An estimated 74,000 new cases of multiple myeloma are expected in 2006. The estimated number of deaths from multiple myeloma expected in 2006 is approximately 60,000 worldwide.

About Celgene

Celgene Corporation, headquartered in Summit, New Jersey, is an integrated global pharmaceutical company engaged primarily in the discovery, development and commercialization of innovative therapies for the treatment of cancer and inflammatory diseases through gene and protein regulation. For more information, please visit the Company's website at www.celgene.com.

This release contains forward-looking statements which are subject to known and unknown risks, delays, uncertainties and other factors not under the Company's control, which may cause actual results, performance or achievements of the Company to be materially different from the results, performance or other expectations expressed or implied by these forward-looking statements. These factors include results of current or pending research and development activities, actions by the FDA and other regulatory authorities, and other factors described in the Company's filings with the Securities and Exchange Commission such as our 10K, 10Q and 8K reports.

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