Celgene Corporation and Subsidiaries
Reconciliation of Estimated/Projected GAAP to Adjusted (Non-GAAP) Measures
(Unaudited)

		Three Months Ended December 31, 2014 Range		Twelve Months Ended December 31, 2014 Range		Twelve Months Ending December 31, 2015 Range	
		Low	High	Low	High	Low	High
Estimated/projected diluted earnings per common share - GAAP	(1)	$ 0.71	$ 0.74	$ 2.38	$ 2.41	$ 3.68	$ 3.92
Per share impact of excluded items before tax:							
Cost of goods sold (excluding amortization of acquired intangible assets):							
Share-based compensation expense	(2)	0.01	0.01	0.03	0.03	0.04	0.04
Research and Development:							
Share-based compensation expense	(2)	0.07	0.07	0.24	0.24	0.32	0.31
Upfront collaboration expense	(1)(3)	0.06	0.06	0.54	0.54	-	-
IPR&D Impairment	(1)(4)	-	-	0.15	0.15	-	-
Selling, general and administrative:							
Share-based compensation expense	(2)	0.08	0.08	0.27	0.27	0.37	0.35
Settlement of contingent obligation	(5)	-	-	0.03	0.03	-	-
Amortization of acquired intangible assets	(1)(6)	0.08	0.08	0.31	0.31	0.31	0.31
Acquisition related charges, net:							
Change in fair value of contingent consideration	(1)(7)	0.05	0.04	0.06	0.05	0.15	0.12
Net income tax adjustments	(8)	(0.05)	(0.07)	(0.30)	(0.32)	(0.27)	(0.30)
Estimated/projected diluted earnings per common share - Adjusted		Approximately $ 1.01		Approximately $ 3.71		$ 4.60	$ 4.75

		Twelve Months Ended December 31, 2014 Range		Twelve Months Ending December 31, 2015 Range	
		Low	High	Low	High
Operating margin percentage of revenue - GAAP	(1)	32.8%	32.9%	41.1%	42.2%
Plus adjustments:					
Share-based compensation expense	(2)	5.8%	5.8%	6.7%	6.1%
Upfront collaboration expense	(1)(3)	5.9%	5.9%	0.0%	0.0%
IPR&D Impairment	(1)(4)	1.7%	1.7%	0.0%	0.0%
Settlement of contingent obligation	(5)	0.3%	0.3%	0.0%	0.0%
Amortization of acquired intangible assets	(1)(6)	3.4%	3.4%	2.8%	2.7%
Change in fair value of contingent consideration	(1)(7)	0.7%	0.6%	1.4%	1.0%
Operating margin percentage of revenue - Adjusted		50.6%	50.6%	52.0%	52.0%

In addition to financial information prepared in accordance with U.S. GAAP, this press release also contains adjusted financial measures that we believe provide investors and management with supplemental information relating to operating performance and trends that facilitate comparisons between periods and with respect to projected information. These adjusted financial measures are non-GAAP and should be considered in addition to, but not as a substitute for, the information prepared in accordance with U.S. GAAP. We typically exclude certain GAAP items that management does not believe affect our basic operations and that do not meet the GAAP definition of unusual or non-recurring items. Other companies may define these measures in different ways.

Explanation of adjustments:

(1) Our projected 2015 financial measurements do not include the effect of any business combinations, collaboration agreements, asset acquisitions, intangible asset impairments, or changes in the fair value of our CVRs issued as part of the acquisition of Abraxis BioScience Inc. (Abraxis) that may occur after the day prior to the date of this press release.

(2) Exclude share-based compensation expense.

(3) Exclude upfront payment expense for research and development collaboration arrangements.

(4) Exclude in-process research and development (IPR&D) impairment recorded as a result of changes in estimated probability-weighted cash flows related to CC-292.

(5) Exclude settlement of contingent obligation to make matching contributions to a non-profit organization.

(6) Exclude amortization of intangible assets acquired in the acquisitions of Pharmion Corp., Gloucester Pharmaceuticals, Inc. (Gloucester), Abraxis and Celgene Avilomics Research, Inc. (Avila).

(7) Exclude changes in the fair value of contingent consideration related to the acquisitions of Gloucester, Abraxis, Avila and Nogra Pharma Limited.

(8) Net income tax adjustments reflect the estimated tax effect of the above adjustments and the impact of certain other non-operating tax adjustments, including the effects of acquisition related matters, adjustments to the amount of unrecognized tax benefits, and nonrecurring items connected with the launch of new products.