

Salix Pharmaceuticals, Ltd.  
Condensed Consolidated Statements of Operations  
(In thousands, except per share data)

	Three Months Ended	
	March 31, 2009 (unaudited)	March 31, 2008 (unaudited)
<b>Revenues:</b>		
Net product revenues	\$ 44,774	\$ 34,254
Total revenues	44,774	34,254
<b>Costs and Expenses:</b>		
Cost of products sold	9,905	7,256
Fees and costs related to license agreements	-	1,500
Amortization of product rights and intangible assets	2,502	2,271
Research and development	20,074	25,898
Selling, general and administrative	25,015	21,177
Total costs and expenses	57,496	58,102
Income (loss) from operations	(12,722)	(23,848)
Interest and other income, net	(1,291)	461
Income (loss) before provision for income tax	(14,013)	(23,387)
Provision for income tax	47	(610)
<b>Net income (loss)</b>	<b>\$ (13,966)</b>	<b>\$ (23,997)</b>
<b>Net income (loss) per share, basic</b>	<b>\$ (0.29)</b>	<b>\$ (0.50)</b>
<b>Net income (loss) per share, diluted</b>	<b>\$ (0.29)</b>	<b>\$ (0.50)</b>
<b>Weighted average shares outstanding, basic</b>	<b>48,111</b>	<b>47,722</b>
<b>Weighted average shares outstanding, diluted</b>	<b>48,111</b>	<b>47,722</b>

Salix Pharmaceuticals, Ltd.  
Condensed Consolidated Balance Sheets  
(In thousands)

	March 31, 2009 (unaudited)	March 31, 2008 (unaudited)
<b>Assets</b>		
Cash, cash equivalents and investments	\$ 83,468	\$ 111,515
Accounts receivable, net	54,087	24,939
Inventory, net	21,734	24,490
Other assets	222,313	207,575
<b>Total Assets</b>	<b>\$ 381,602</b>	<b>\$ 368,519</b>
<b>Liabilities and Stockholders' Equity</b>		
Accounts payable and other liabilities	\$ 128,442	\$ 98,931
Total liabilities	128,442	98,931
Common stock	48	47
Additional paid-in-capital	419,423	398,276
Accumulated deficit	(166,311)	(128,735)
<b>Total stockholders' equity</b>	<b>253,160</b>	<b>269,588</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 381,602</b>	<b>\$ 368,519</b>