

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

	Three Months Ended		Twelve Months Ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
Revenues:	(unaudited)	(unaudited)		
Net product revenues	\$ 70,224	\$ 60,569	\$ 232,890	\$ 178,766
Costs and Expenses:				
Cost of products sold	17,502	14,577	52,025	36,710
Amortization of product rights and intangible assets	3,920	3,078	11,485	9,891
Research and development	19,912	26,432	89,466	83,735
Selling, general and administrative	36,388	27,533	120,020	95,088
Total costs and expenses	77,722	71,620	272,996	225,424
Loss from operations	(7,498)	(11,051)	(40,106)	(46,658)
Interest and other income (expense), net	(1,463)	(1,134)	(5,525)	(1,065)
Income tax expense	(1,940)	(1,108)	(2,012)	(116)
Net Loss	\$ (7,021)	\$ (11,077)	\$ (43,619)	\$ (47,607)
Loss per share, basic	\$ (0.13)	\$ (0.23)	\$ (0.88)	\$ (0.99)
Loss per share, diluted	\$ (0.13)	\$ (0.23)	\$ (0.88)	\$ (0.99)
Shares used in computing net loss per share, basic	52,170	48,068	49,350	47,898
Shares used in computing net loss per share, diluted	52,170	48,068	49,350	47,898

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

	December 31, 2009	December 31, 2008
Assets		
Cash and cash equivalents	\$ 192,512	\$ 120,153
Accounts receivable, net	98,248	40,461
Inventory, net	24,341	17,311
Other assets	227,939	222,559
Total Assets	\$ 543,040	\$ 400,484
Liabilities and Stockholders' Equity		
Accounts payable and other liabilities	\$ 173,016	\$ 135,083
Total liabilities	173,016	135,083
Common stock	56	48
Additional paid-in-capital	565,932	417,698
Accumulated deficit	(195,964)	(152,345)
Total stockholders' equity	370,024	265,401
Total Liabilities and Stockholders' Equity	\$ 543,040	\$ 400,484