

Cytokinetics, Incorporated
Condensed Statements of Operations
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Revenues:				
Research and development	\$ 462	\$ 622	\$ 1,084	\$ 641
License revenues	—	71,308	—	74,367
Total revenues	<u>462</u>	<u>71,930</u>	<u>1,084</u>	<u>75,008</u>
Operating Expenses:				
Research and development	10,236	10,202	19,304	20,161
General and administrative	3,380	4,127	7,217	8,147
Restructuring charges	—	56	—	(2)
Total operating expenses	<u>13,616</u>	<u>14,385</u>	<u>26,521</u>	<u>28,306</u>
Operating income (loss)	(13,154)	57,545	(25,437)	46,702
Interest and other, net	<u>10</u>	<u>(1,586)</u>	<u>104</u>	<u>(1,428)</u>
Net income (loss)	<u>\$ (13,144)</u>	<u>\$ 55,959</u>	<u>\$ (25,333)</u>	<u>\$ 45,274</u>
Basic net income (loss) per common share	\$ (0.21)	\$ 0.99	\$ (0.40)	\$ 0.84
Diluted net income (loss) per common share	\$ (0.21)	\$ 0.98	\$ (0.40)	\$ 0.83
Shares used in calculating:				
Basic net income (loss) per common share	63,814,731	56,454,574	62,910,077	54,031,708
Diluted net income (loss) per common share	63,814,731	56,902,550	62,910,077	54,449,630

Cytokinetics, Incorporated
Condensed Balance Sheets
(in thousands)
(unaudited)

	June 30, 2010	December 31, 2009
Assets		
Cash and cash equivalents	\$ 18,365	\$ 25,561
Short-term investments	61,739	71,266
Investment in auction rate securities	6,698	15,542
Investment put option	777	2,358
Related party receivables	211	189
Other current assets	<u>2,349</u>	<u>2,005</u>
Total current assets	90,139	116,921
Property and equipment, net	2,953	3,713
Restricted investments	1,233	1,674
Other assets	<u>291</u>	<u>291</u>
Total assets	\$ <u>94,616</u>	\$ <u>122,599</u>
Liabilities and stockholders' equity		
Current liabilities	\$ 6,875	\$ 20,186
Long-term obligations	489	985
Stockholders' equity	<u>87,252</u>	<u>101,428</u>
Total liabilities and stockholders' equity	\$ <u>94,616</u>	\$ <u>122,599</u>

Cytokinetics, Incorporated
Reconciliation of GAAP amounts to non-GAAP amounts
(Unaudited)
(In thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
GAAP net income (loss)	\$ (13,144)	\$ 55,959	\$ (25,333)	\$ 45,274
Non-cash deferred revenue related to Amgen collaboration	—	(21,418)	—	(24,492)
Non-cash warrant expense	—	1,585	—	1,585
Non-cash stock-based compensation	1,012	1,224	2,006	2,473
Non-cash depreciation, amortization, and other	485	576	975	1,022
Non-GAAP net income (loss)	<u>\$ (11,647)</u>	<u>\$ 37,926</u>	<u>\$ (22,352)</u>	<u>\$ 25,862</u>