

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

	Three Months Ended		Nine Months Ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
Revenues:				
Research and development	\$ 5,506	\$ 67	\$ 6,148	\$ 93
License revenues	-	3,058	74,367	9,175
Total revenues	<u>5,506</u>	<u>3,125</u>	<u>80,515</u>	<u>9,268</u>
Operating Expenses:				
Research and development	9,857	13,519	30,018	42,480
General and administrative	3,878	3,826	12,025	12,235
Restructuring charges	(21)	2,492	(23)	2,492
Total operating expenses	<u>13,714</u>	<u>19,837</u>	<u>42,020</u>	<u>57,207</u>
Operating income (loss):	(8,208)	(16,712)	38,495	(47,939)
Interest and other, net	<u>6</u>	<u>453</u>	<u>(1,422)</u>	<u>2,421</u>
Net income (loss)	<u>\$ (8,202)</u>	<u>\$ (16,259)</u>	<u>\$ 37,073</u>	<u>\$ (45,518)</u>
Basic net income (loss) per common share	\$ (0.14)	\$ (0.33)	\$ 0.66	\$ (0.92)
Diluted net income (loss) per common share	\$ (0.14)	\$ (0.33)	\$ 0.65	\$ (0.92)
Shares used in calculating:				
Basic net income (loss) per common share	60,501,962	49,415,937	56,212,160	49,358,705
Diluted net income (loss) per common share	60,501,962	49,415,937	56,696,840	49,358,705

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

	<u>September 30,</u> <u>2009</u>	<u>December 31,</u> <u>2008</u>
Assets		
Cash and cash equivalents	\$ 23,715	\$ 41,819
Short term investments	79,723	15,048
Investment in auction rate securities	15,782	-
Investment put option	2,368	-
Related party receivables	4,553	261
Other current assets	<u>2,010</u>	<u>1,782</u>
Total current assets	128,151	58,910
Investment in auction rate securities	-	16,636
Investment put option	-	3,389
Property and equipment, net	3,865	5,087
Restricted investments	1,674	2,750
Other assets	<u>474</u>	<u>682</u>
Total assets	\$ <u><u>134,164</u></u>	\$ <u><u>87,454</u></u>
Liabilities and stockholders' equity		
Current liabilities	\$ 20,469	\$ 22,877
Long-term obligations	1,338	14,811
Stockholders' equity	<u>112,357</u>	<u>49,766</u>
Total liabilities and stockholders' equity	\$ <u><u>134,164</u></u>	\$ <u><u>87,454</u></u>

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

	Three months ended September 30,		Nine months ended September 30,	
	2009	2008	2009	2008
GAAP net income (loss)	\$ (8,202)	\$ (16,259)	\$ 37,073	\$ (45,518)
Non-cash deferred revenue related to Amgen collaboration	-	(3,058)	(24,493)	(9,175)
Non-cash warrant expense	-	-	1,585	-
Non-cash stock-based compensation	1,261	1,435	3,734	4,309
Non-cash depreciation, amortization, and other	489	1,482	1,512	2,819
Non-GAAP net income (loss)	<u>\$ (6,452)</u>	<u>\$ (16,400)</u>	<u>\$ 19,411</u>	<u>\$ (47,565)</u>