

AVIGEN, INC.

SELECTED FINANCIAL INFORMATION

STATEMENTS OF OPERATIONS

(In thousands, except shares and per share information)

	<u>Three months ended</u>		<u>Six months ended</u>	
	<u>June 30,</u> 2005 (unaudited)	<u>June 30,</u> 2004 (unaudited)	<u>June 30,</u> 2005 (unaudited)	<u>June 30,</u> 2004 (unaudited)
Revenue	\$ 11	\$ 2,002	\$ 20	\$ 2,152
Operating expenses				
Research and development	3,665	4,963	7,306	10,062
General and administrative	2,013	1,944	3,892	4,771
Impairment loss related to long-lived assets	4,490	-	4,490	-
Total operating expenses	10,168	6,907	15,688	14,833
Loss from operations	(10,157)	(4,905)	(15,668)	(12,681)
Net interest income and other expense	309	392	630	887
Net loss	<u>\$ (9,848)</u>	<u>\$ (4,513)</u>	<u>\$ (15,038)</u>	<u>\$ (11,794)</u>
Basic and diluted net loss per common share	<u>\$ (0.48)</u>	<u>\$ (0.22)</u>	<u>\$ (0.74)</u>	<u>\$ (0.58)</u>
Shares used in basic and diluted net loss per common share calculation	<u>20,381,506</u>	<u>20,371,852</u>	<u>20,381,378</u>	<u>20,348,763</u>

CONDENSED BALANCE SHEETS

(In thousands)

	<u>June 30,</u> 2005 (unaudited)	<u>December 31,</u> 2004 (1)
Cash, cash equivalents, available-for-sale securities and restricted investments - current	\$ 57,209	\$ 64,290
Accrued interest and other current assets	1,254	1,151
Total current assets	58,463	65,441
Restricted investments	10,428	11,928
Property and equipment, net	6,255	12,497
Deposits and other assets	532	641
Total assets	<u>\$ 75,678</u>	<u>\$ 90,507</u>
Current liabilities	1,773	1,568
Long-term obligations	9,079	9,064
Stockholders' equity	64,826	79,875
Total liabilities and stockholders' equity	<u>\$ 75,678</u>	<u>\$ 90,507</u>

(1) Derived from audited financial statements.