

**AVIGEN, INC.**

**SELECTED FINANCIAL INFORMATION**

**STATEMENTS OF OPERATIONS**

(In thousands, except shares  
and per share information)

	<i>Three months ended</i>	
	<i>March 31</i>	<i>March 31</i>
	2006	2005
	(unaudited)	
Revenue	\$ 103	\$ 9
Operating expenses		
Research and development	3,001	3,641
General and administrative	2,815	1,879
In-license fees	3,000	-
Total operating expenses	8,816	5,520
Loss from operations	(8,713)	(5,511)
Sublease income	141	-
Net interest income and other expense	550	321
Net loss	\$ (8,022)	\$ (5,190)
Basic and diluted net loss per common share	\$ (0.38)	\$ (0.25)
Shares used in basic and diluted net loss per common share calculation	20,915,099	20,381,250

**CONDENSED BALANCE SHEETS**

(In thousands)

	<i>March 31</i>	<i>December 31</i>
	2006	2005
	(unaudited)	(1)
Cash, cash equivalents and available-for-sale securities	\$ 53,207	\$ 59,960
Accrued interest and other current assets	1,281	1,207
Total current assets	54,488	61,167
Restricted investments	10,428	10,428
Property and equipment, net	3,566	3,929
Deposits and other assets	658	740
Total assets	\$ 69,140	\$ 76,264
Current liabilities and deferred revenue	1,888	1,518
Long-term obligations	9,227	9,282
Stockholders' equity	58,025	65,464
Total liabilities and stockholders' equity	\$ 69,140	\$ 76,264

(1) Derived from audited financial statements.