

# **Amylin Pharmaceuticals**

## **2010 – A Value Inflection Year**

**Daniel M. Bradbury**  
**President & Chief Executive Officer**

**Mark Foletta**  
**Senior VP Finance & Chief Financial Officer**

**Vince Mihalik**  
**Senior VP Sales & Marketing &**  
**Chief Commercial Officer**

**Michael York**  
**Senior Director Finance, Investor Relations**

**Fourth Quarter/Full Year 2009**  
**Earnings Conference Call**  
**January 27, 2010**



# Safe Harbor Statement

This presentation contains forward-looking statements about Amylin. Our actual future results could differ materially from those discussed due to a number of factors, including risks that: BYETTA® and/or SYMLIN®, and the revenues generated from these products, may be affected by competition, unexpected new data, safety and other issues; clinical trials, including the trials included in our clinical superiority strategy mentioned in this presentation, not being completed in a timely manner, confirming previous results, achieving the intended clinical endpoints or not being predictive; NDAs, such as the NDA for exenatide once weekly, or sNDAs not being submitted in a timely manner or receiving regulatory approval; approved label expansions not producing the results we expect; exenatide once weekly, if approved, and other elements of the exenatide life cycle plan not being launched in a timely manner; expense reductions not being as large as we expect; financial goals mentioned in this presentation not being achieved; our obesity co-development and commercialization collaboration not producing the results we expect; or manufacturing and supply issues. The pace of market acceptance, rate of patient adherence and other risks inherent in the drug development and commercialization process may also affect the potential for BYETTA and/or SYMLIN. These and other risks and uncertainties are described more fully in Amylin's most recently filed Form 10-Q. Amylin disclaims any obligation to update these forward-looking statements.

## **Note Regarding Use of Non-GAAP Financial Measures**

Amylin reports non-GAAP operating income/(loss) excluding non-cash items and one-time items such as restructuring charges, which is a non-GAAP financial measure. The Company believes that investors' understanding of its progress towards its stated goal of generating positive non-GAAP operating results by the end of 2010 is enhanced by this disclosure. This non-GAAP financial measure should be considered in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. Refer to Appendix A for a reconciliation of non-GAAP operating income/(loss) to GAAP operating income/(loss).

**The information contained in this presentation is dated as of January 27, 2010. Amylin disclaims any obligation to update this information.**



# Strong Execution in 2009

## BYETTA®

- ✓ Gain monotherapy approval
- ✓ Finalize label updates
- > Grow prescriptions

## EXENATIDE ONCE WEEKLY

- ✓ Submit NDA
- ✓ Position for launch
- ✓ Execute DURATION clinical superiority strategy

## SYMLIN®

- ✓ Continue growth


## OBESITY

- ✓ Complete phase 2 studies
- ✓ Finalize development and funding strategy

## OPERATING RESULTS

- ✓ Reduce expenses and improve operating results
- ✓ On track for positive sustainable operating cash flow by the end of 2010


# BYETTA: Glycemic Control with Potential Weight Loss



For every BYETTA success story,  
there are many more waiting to be told

*It's time for* **Byetta**<sup>®</sup>  
exenatide injection

BYETTA is indicated as an adjunct to diet and exercise to improve glycemic control in adults with type 2 diabetes mellitus.  
For information about pancreatitis, hypoglycemia, nausea, and the Important Safety Information and Important Limitations of Use, please see pages 22 and 23 and the accompanying Prescribing Information and Medication Guide.  
\*S21 data, March 2009.



## BYETTA addresses unmet needs

- > First FDA-approved GLP-1 receptor agonist for the treatment of type 2 diabetes
  - > 5th year on the market
  - > 1MM+ patients treated and large safety database
  - > 10,000,000+ prescriptions written
- > Dual benefits of powerful glucose control with potential weight loss
- > In 2009:
  - > Added to AACE/ADA/EASD treatment guidelines
  - > Approved for use as monotherapy
  - > Year ended 12/31/2009: \$668M



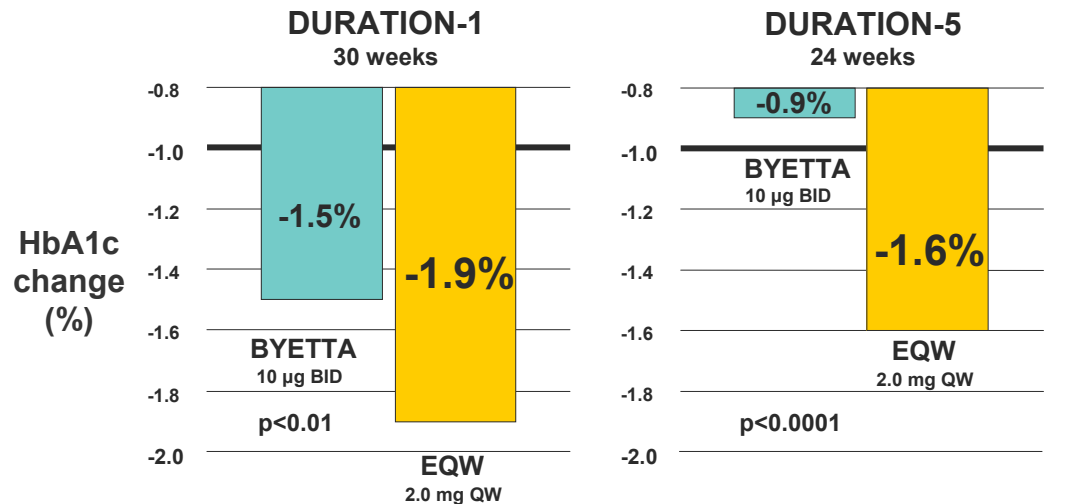
# Exenatide Once Weekly: Demonstrating Efficacy with Superiority Trials

EQW	Comparator	Background	Subjects	Results
DURATION-1	BYETTA Open label	Drug naïve, mono and combo failures	295	Superiority endpoint met
DURATION-2	Januvia™ or Actos® Double blind	Metformin	491	Superiority endpoint met
DURATION-3	Lantus® Open label	Metformin +/- SFU	467	Superiority endpoint met
DURATION-4	Metformin, Januvia™ or Actos® Double blind	Drug naïve	800	2010
DURATION-5	BYETTA Open label	Drug naïve, mono and combo failures	~250	Superiority endpoint met
DURATION-6	Liraglutide Open label	Mono and combo failures	900	2011
EXSCEL* (CV Outcomes Study)	Standard of care Double blind	Drug naïve, mono and combo failures	12,000+	2016

\*EXenatide Study of Cardiovascular Event Lowering

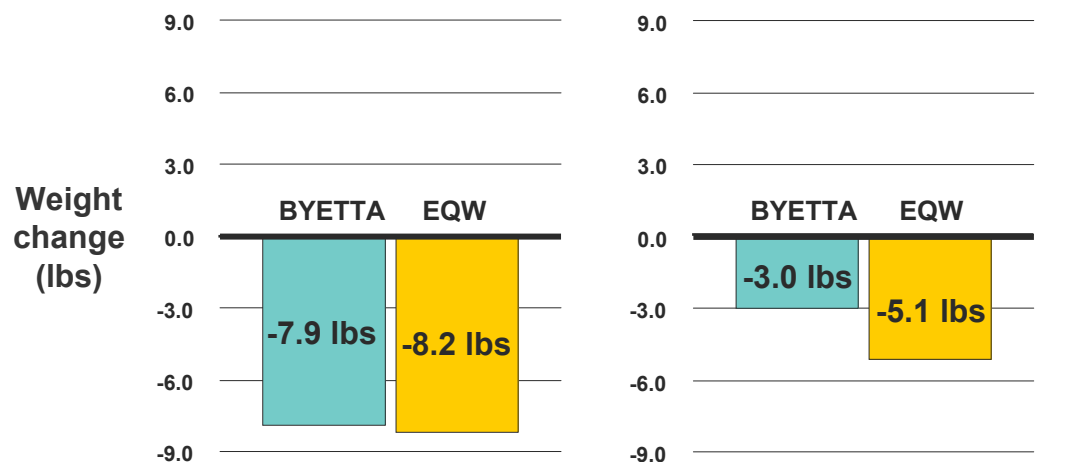


# Exenatide Once Weekly: Favorable Profile vs. Current Gold Standard GLP-1 Therapy



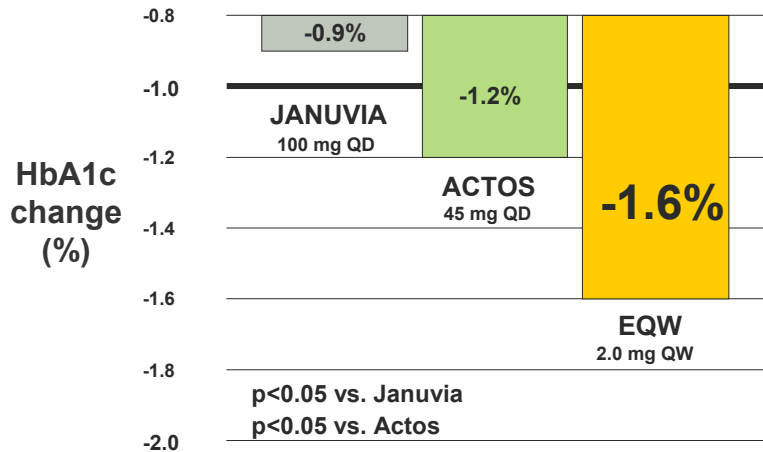
## COMPARED TO BYETTA:

- > Greater HbA1c reduction
- > Improved GI tolerability
- > Reduced dose frequency



# Exenatide Once Weekly: Favorable Profile vs. Best-selling Branded Oral Medications

DURATION-2  
26 weeks

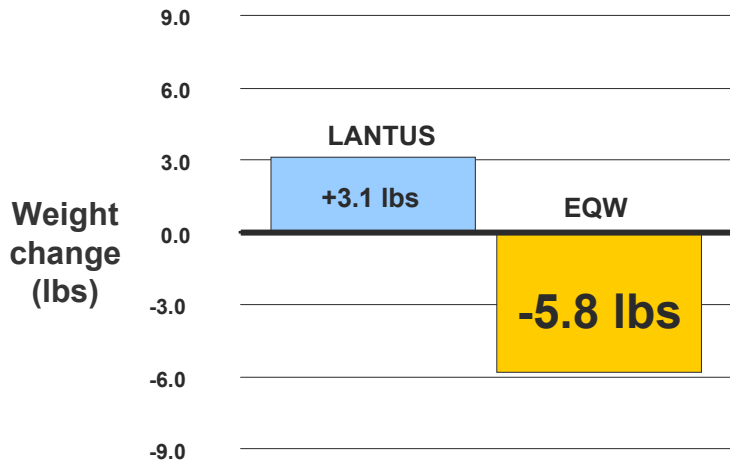
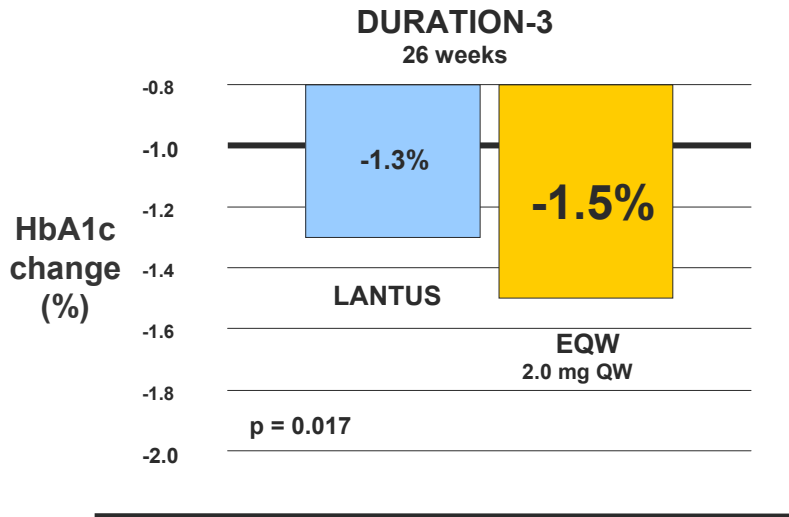


## COMPARED TO ACTOS AND JANUVIA:

- > Greater HbA1c reduction
- > Weight loss vs. neutrality/gain
- > Reduced dose frequency



# Exenatide Once Weekly: Favorable Profile vs. Best-selling Branded Insulin



## COMPARED TO LANTUS:

- > Greater HbA1c reduction
- > Weight loss vs. weight gain
- > Lower risk of hypoglycemia
- > Reduced dose frequency
- > No frequent blood glucose measurements
- > No dose adjustments



# SYMLIN: Partner to Insulin

- > First and only FDA-approved amylin analog
- > Patients with type 1 and type 2 diabetes using mealtime insulin
- > “Fine Tunes” insulin therapy
  - > Manage post-meal glucose fluctuation
  - > Demonstrated weight loss
- > Pen represents ~75% of NRxs
- > Wholly owned by Amylin
- > Year ended 12/31/2009: \$87 MM



FINE TUNING  
for Better Glucose Control  
and Proven Weight Loss\*



# Collaboration with Takeda Focuses on the Development and Commercialization of Therapies Targeting the Obesity Epidemic

- > Collaboration leverages strengths of both companies
  - > Amylin's experience and expertise with peptide and protein science
  - > Takeda's worldwide development and commercial expertise
- > Highlights market potential for peptide hormones to treat obesity
- > Improves speed to market and shares technical and financial risk
  - > \$75M cash up front payment
  - > >\$1B in development, commercial and sales milestones
  - > Amylin to lead development of candidates through phase 2
  - > Takeda to lead clinical development beyond phase 2 and lead global commercialization initiatives



# Deliberate Focus on Operating Model Efficiency

## Year Ended 12/31/2009

- > Momentum toward goal of sustainable positive operating cash flow by end of 2010
- > Non-GAAP operating loss\* of \$58.7M compared to \$137.2M in 2008
  - 57% improvement over 2008
- > Cash position remains strong
  - \$668M in cash and short-term investments
  - \$165M credit facility available as of December 2009

\*Non-GAAP operating income/(loss) = GAAP operating income/(loss) excluding non-cash items and one-time items



## Q4 09 Results Underscore Improvements in Efficiency Balanced with Investment in the Launch of EQW

	Q4 2009	Q4 2008	% Change
> Total revenue	\$185.5M	\$186.0M	0%
> Product sales:			
> BYETTA	\$163.7M	\$162.7M	+1%
> SYMLIN	\$ 20.6M	\$22.2M	-7%
> Gross margin %	91%	88%	+3%
> SG&A expenses	\$ 84.2M	\$ 86.1M	-2%
> R&D expenses	\$ 50.2M	\$ 50.5M	-1%
> Non-GAAP operating loss	\$ (17.0M)	\$ (20.2M)	+16%
> Net loss	\$ (50.3M)	\$ (105.2M)	+52%
> Net loss per share	\$ (0.35)	\$ (0.76)	+54%

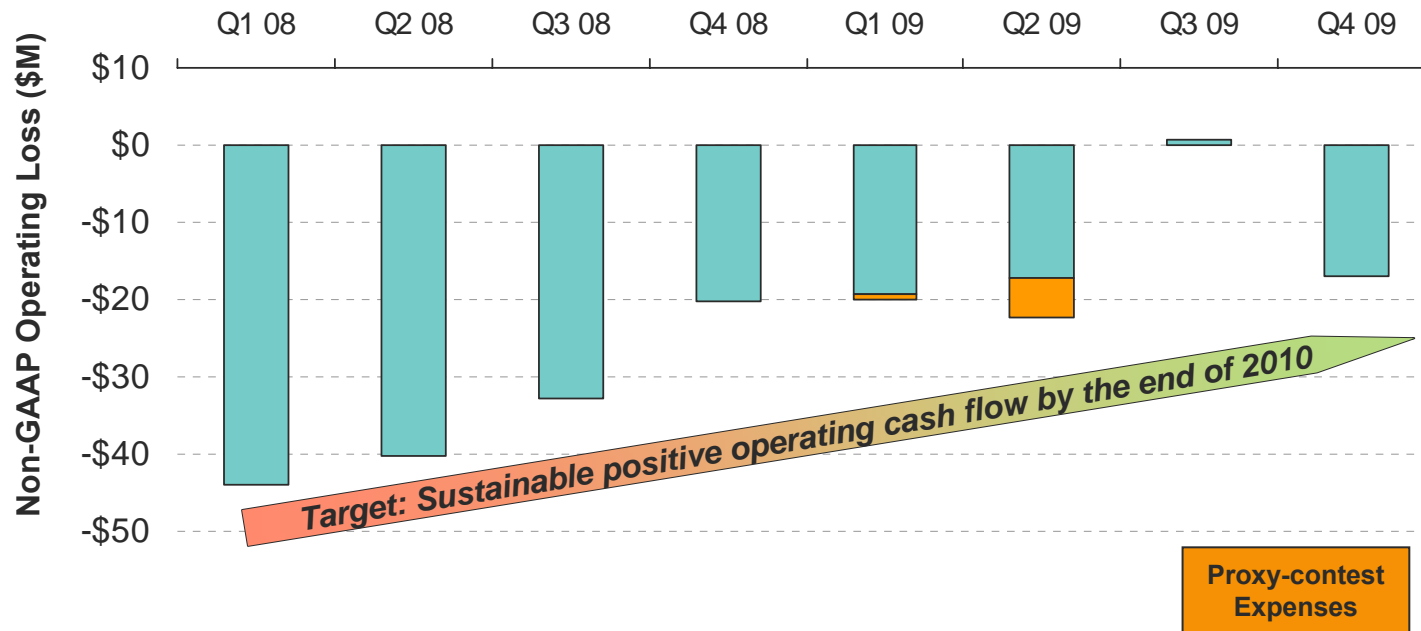
## 2009 Results Illustrate the Impact of Increasing Operating Leverage and Our Focus On Our Operating Model

	Year Ended 12/31/2009	Year Ended 12/31/2008	% Change
> Total revenue	\$758.4M	\$769.6M	-1%
> Product sales:			
> BYETTA	\$667.6M	\$678.5M	-2%
> SYMLIN	\$86.4M	\$86.8M	0%
> Gross margin %	89%	88%	+1%
> SG&A expenses	\$ 343.9M	\$ 395.1M	-13%
> R&D expenses	\$ 185.1M	\$ 222.6M	-17%
> Non-GAAP operating loss	\$ (58.7M)	\$ (137.2M)	+57%
> Net loss	\$ (186.3M)	\$ (321.9M)	+42%
> Net loss per share	\$ (1.32)	\$ (2.35)	+44%

# Amylin Pharmaceuticals Q4 2009

## Focused Improvements in Non-GAAP Operating Loss Since Q1 2008

- > Non-recurring expenses tied to pre-launch activities for exenatide once weekly will lead to variability in non-GAAP operating results over the next few quarters



# 2010 is a Value Inflection Year

## Drive revenue

- > Leverage updated label for BYETTA
- > Maximize increased promotion for SYMLIN

## Launch exenatide once weekly

- > Advance clinical superiority strategies
- > Execute market development activities

## Positive cash flow from operations

- > Achieve sustainable positive operating cash flow by the end of 2010
- > Position for GAAP operating profitability by the end of 2011

## Advance pipeline

- > Advance new forms and delivery options for exenatide
- > Move forward obesity program

**Value creation.**

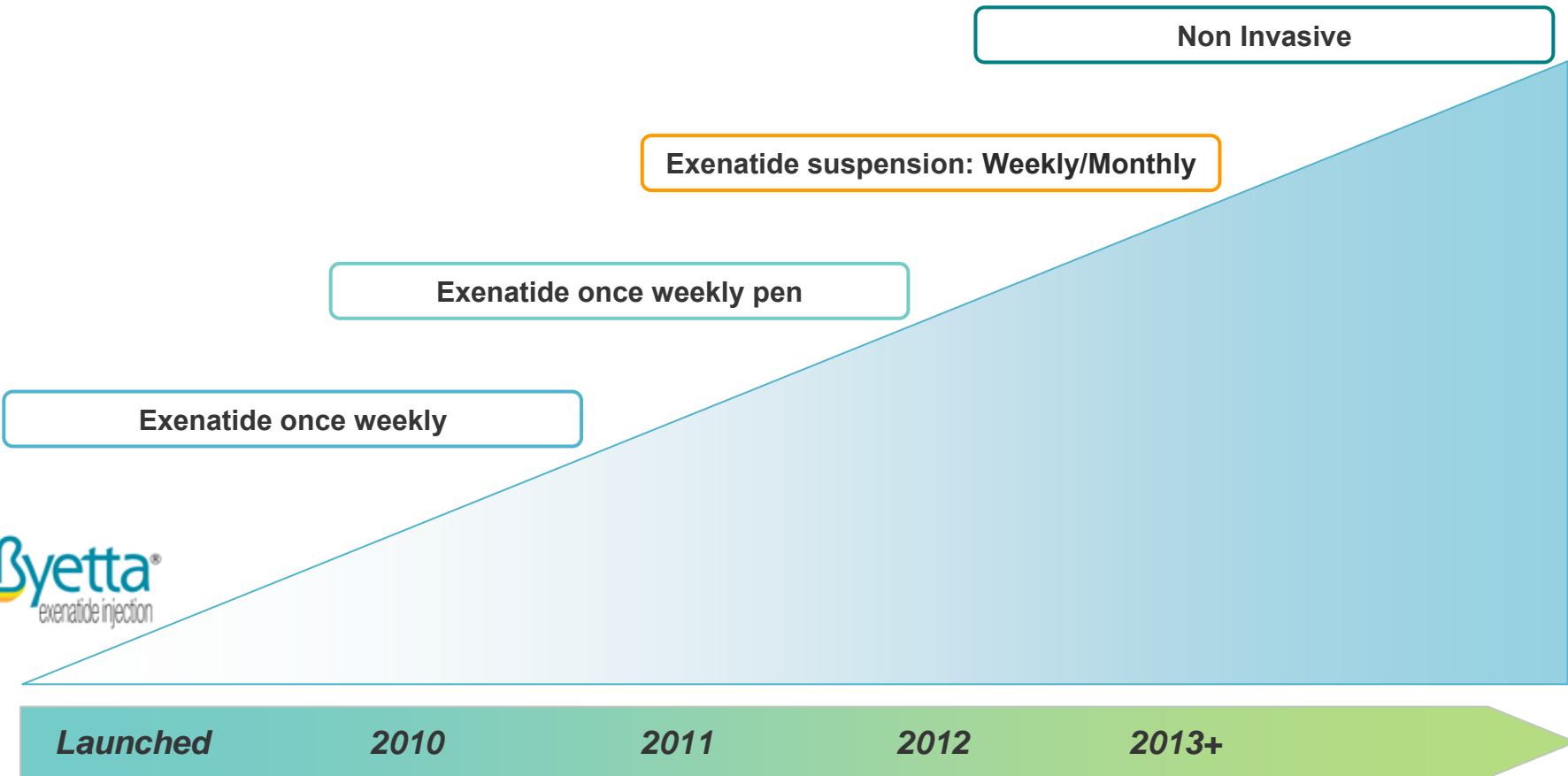


# Exenatide Once Weekly: Building on the Heritage of BYETTA and Poised for Market Dominance

Key Drivers of Prescribing	Exenatide Once Weekly
Unprecedented HbA1c reductions	✓
Potential weight loss	✓
Once weekly dosing	✓
Improved GI tolerability vs. BYETTA	✓
Low risk of severe hypoglycemia	✓
No dose adjustments	✓
Straightforward delivery system	✓
Reduced glucose monitoring	✓
Leverages BYETTA experience	✓



# Robust Exenatide Lifecycle Plan to Ensure Sustained Leadership



# Obesity Program Remains on Track

---

- > Phase 2 study of pramlintide/metreleptin reported positive results in Q2 2009
  - Extension to this study completed in Q4 2009
- > Phase 2 davalintide study completed in Q4 2009
- > Announcement of joint path forward with Takeda during 1H 2010



# Key Milestones Driving Value Creation for Shareholders

	1Q 10	2Q 10	3Q 10	4Q 10	2011
<b>Exenatide Franchise</b>					
Exenatide once weekly regulatory	PDUFA				
DURATION-6	FPV ✓				Results
EXSCEL	FPV	→			
DURATION-4			Results		
<b>Obesity</b>					
Obesity Development Plan					

FPV – First patient visit

## Appendix A – Reconciliation Tables

A reconciliation of reported GAAP net loss to non-GAAP operating loss excluding non-cash items and one-time items such as restructuring charges is provided in the table that follows (in thousands, unaudited):

	Quarter December 31,		Year ended December 31,	
	2009	2008	2009	2008
GAAP operating loss	\$ (47,246)	\$ (100,239)	\$ (173,347)	\$ (297,220)
Stock-based compensation	9,815	12,104	43,762	55,115
Other non-cash compensation	4,442	5,833	20,161	24,680
Depreciation and amortization	11,610	8,232	38,198	29,566
Amortization of deferred revenue	(1,250)	(1,071)	(4,426)	(4,286)
Restructuring	5,604	54,926	16,980	54,926
Non-GAAP operating loss	<u>\$ (17,025)</u>	<u>\$ (20,215)</u>	<u>\$ (58,672)</u>	<u>\$ (137,219)</u>

## Appendix B – Accounting Change

---

- > The Company now presents reimbursements received under collaborative agreements for research and development as a reduction of research and development expense, and has reflected 2009 and 2008 information accordingly. Previously, these reimbursements were presented as revenue under collaborative agreements. This change in accounting method does not have any effect on net loss or net loss per share.
- > Research and development expenses for 2009 include a reduction of \$69.1 million for reimbursements from collaborative partners, including \$27.7 million in the fourth quarter of 2009.
- > Research and development expenses for 2008 include a reduction \$70.5 million for reimbursements from collaborative partners, including \$16.5 million in the fourth quarter of 2008.