

**AVI BIOPHARMA, INC.**  
(A Development-Stage Company)  
(in thousands, except per share amounts)  
(unaudited)

	<b>Three Months Ended December 31,</b>		<b>Twelve Months Ended December 31,</b>	
	<b><u>2009</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
Revenues from license fees, grants and research contracts	\$ 5,141	\$ 5,479	\$ 17,585	\$ 21,258
Operating expenses:				
Research and development	6,624	5,070	24,396	27,331
General and administrative	2,470	3,303	8,696	11,469
Acquired in-process research and development	-	-	-	9,916
Operating loss	<u>(3,953)</u>	<u>(2,894)</u>	<u>(15,507)</u>	<u>(27,458)</u>
Other income (loss):				
Interest (expense) income and other, net	(312)	36	(454)	344
(Increase) decrease on warrant valuation	<u>7,791</u>	<u>1,718</u>	<u>(9,198)</u>	<u>3,161</u>
Net income (loss)	<u>\$ 3,526</u>	<u>\$ (1,140)</u>	<u>\$ (25,159)</u>	<u>\$ (23,953)</u>
Net income (loss) per share— basic	<u>\$ 0.03</u>	<u>\$ (0.01)</u>	<u>\$ (0.27)</u>	<u>\$ (0.34)</u>
Net income (loss) per share— diluted	<u>\$ 0.03</u>	<u>\$ (0.01)</u>	<u>\$ (0.27)</u>	<u>\$ (0.34)</u>
Shares used in per share calculations - basic	<u>110,266</u>	<u>71,074</u>	<u>93,090</u>	<u>69,491</u>
Shares used in per share calculations - diluted	<u>125,647</u>	<u>71,074</u>	<u>93,090</u>	<u>69,491</u>

**BALANCE SHEET HIGHLIGHTS**  
(in thousands)

	December 31, 2009	December 31, 2008
Cash, cash equivalents and short-term securities	\$ 48,446	\$ 11,474
Total current assets	51,310	17,044
Total assets	60,027	25,536
Total current liabilities	33,507	7,288
Total shareholders' equity	\$ 23,630	\$ 15,732