

Aeterna Zentaris

Interim Unaudited and Annual Audited Consolidated Statements of Operations

(in thousands, except share and per share data)

	Three months ended December 31,		Year ended December 31,		
	2009	2008	2009	2008	2007
	(unaudited)			(audited)	
	\$	\$	\$	\$	\$
Revenues					
License fees	35,162	2,092	42,221	8,504	12,843
Sales and royalties	5,020	4,640	20,957	29,462	28,825
Other	-	512	59	512	400
	40,182	7,244	63,237	38,478	42,068
Operating expenses					
Cost of sales, excluding depreciation and amortization	3,774	4,930	16,501	19,278	12,930
Research and development costs	10,744	12,328	44,217	57,448	39,248
Research and development tax credits and grants	(181)	(137)	(403)	(343)	(2,060)
Selling, general and administrative expenses	6,191	3,038	16,040	17,325	20,403
Depreciation and amortization					
Property, plant and equipment	2,302	316	3,285	1,515	1,562
Intangible assets	5,841	3,084	7,555	5,639	4,004
Impairment of long-lived asset held for sale	-	-	-	-	735
	28,671	23,559	87,195	100,862	76,822
Earnings (loss) from operations	11,511	(16,315)	(23,958)	(62,384)	(34,754)
Other income (expenses)					
Interest income	34	131	349	868	1,904
Interest expense	(1)	(50)	(5)	(118)	(85)
Foreign exchange gain (loss)	488	2,642	(1,110)	3,071	(1,035)
Other	-	46	-	(79)	(28)
	521	2,769	(766)	3,742	756
Income (loss) before income taxes	12,032	(13,546)	(24,724)	(58,642)	(33,998)
Income tax (expense) recovery	-	(947)	-	(1,175)	1,961
Net earnings (loss) from continuing operations	12,032	(14,493)	(24,724)	(59,817)	(32,037)
Net loss from discontinued operations	-	-	-	-	(259)
Net earnings (loss)	12,032	(14,493)	(24,724)	(59,817)	(32,296)
Net earnings (loss) per share					
Basic and diluted	0.19	(0.27)	(0.43)	(1.12)	(0.61)
Weighted average number of shares					
Basic and diluted	61,993,939	53,187,470	56,864,484	53,187,470	53,182,803

Consolidated Balance Sheet Information (Unaudited)

(in thousands)	As at December 31, 2009	As at December 31, 2008
	\$	\$
Cash and cash equivalents	38,100	49,226
Short-term investments	-	493
Accounts receivable and other current assets	10,913	12,005
Restricted cash	878	-
Property, plant and equipment, net	4,358	6,682
Other long-term assets	32,013	39,936
Total assets	86,262	108,342
Accounts payable and other current liabilities	19,211	22,121
Current portion of long-term payable	57	49
Long-term payable	143	172
Non-financial long-term liabilities*	57,625	64,525
Total liabilities	77,036	86,867
Shareholders' equity	9,226	21,475
Total liabilities and shareholders' equity	86,262	108,342

* Comprised mainly of deferred revenues and employee future benefits.