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**Biogen Idec Q3 2008 Earnings
Conference Call and Webcast**

October 21st 2008

Forward Looking Statements

This presentation includes forward-looking statements about:

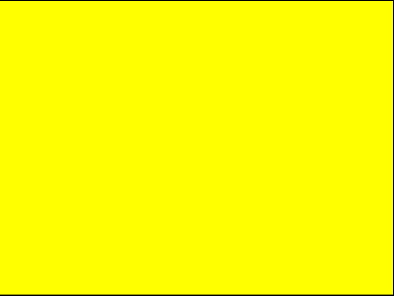
- our 2008 guidance and our financial and operational goals through 2010
- our expected revenues, earnings, cash flows, tax rate and royalty rates
- estimates of sales for our products and the size and growth of the markets for our products
- our expected filings with regulatory agencies
- the anticipated development and timing of programs in our clinical pipeline
- the sales potential of TYSABRI®
- the management of our marketable securities portfolio
- the availability of external growth opportunities

Each forward-looking statement is subject to risks and uncertainties that could cause actual results to differ materially from those that we express or imply, including our continued dependence on our two principal products, AVONEX® and RITUXAN®, the uncertainty of success in commercializing other products including TYSABRI®, the occurrence of adverse safety events with our products, the failure to execute our growth strategy successfully or to compete effectively in our markets, our dependence on collaborations over which we may not always have full control, possible adverse impact of government regulation and changes in the availability of reimbursement for our products, problems with our manufacturing processes and our reliance on third parties, our ability to attract and retain qualified personnel, the risk of doing business internationally, fluctuations in our operating results, our significant investments in marketable securities, the impact of the global credit crisis, our ability to protect our intellectual property rights and the cost of doing so, product liability claims, fluctuations in our effective tax rate, our substantial indebtedness, environmental risks, the actions of activist shareholders and the other risks and uncertainties that are described in Item 1.A. Risk Factors in our annual report on Form 10-K and our quarterly reports on Form 10-Q and in other reports we file with the SEC.

These forward-looking statements speak only as of the date of this presentation, and we do not undertake any obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Q3 2008 Earnings Call Agenda

- Introduction
 - Elizabeth Woo, Vice President, Investor Relations
- Overview
 - Jim Mullen, Chief Executive Officer
- MS Franchise Update
 - Bill Sibold, Senior Vice President, US Commercial
- R&D Update
 - Cecil Pickett, President, Research & Development
- Financial Performance
 - Paul Clancy, Chief Financial Officer
- Q&A



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James Mullen
Chief Executive Officer

Business Overview

Q3 2008 Overview

- Robust Financial Performance
 - Revenues +38% growth y/y
 - GAAP and non-GAAP diluted EPS growth of 71% and 69% y/y, respectively
- Outstanding Product Performance
 - Revenues to Biogen Idec from RITUXAN® of \$299 million, +27% growth y/y
 - AVONEX worldwide revenues of \$573 million, +26% growth y/y
 - TYSABRI® global end user sales exiting Q3-08 at run rate of \$900+ million annually
- Pipeline Advancing
 - Five novel compounds in registrational trials
- FY 2008 Guidance
 - Aspirational goal of over \$4 billion in Full Year 2008 Revenues

**4th Consecutive Quarter:
>25% Revenue & EPS Growth Y/Y**

Note: See Table 3 from Biogen Idec's Q3'08 earnings press release or the end of this presentation for reconciliation of GAAP diluted EPS to non-GAAP diluted EPS.

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2010 Goals

	<u>Goal</u>	<u>Progress</u>
Products	<ul style="list-style-type: none">• TYSABRI® patients on therapy exceeds 100,000 by year end 2010• AVONEX® maintains its patient market share in the “ABCR” market• Anti-CD20 franchise growth fueled by filings in at least 2 additional indications• Over 40% of revenue from International business	<ul style="list-style-type: none">• 35,500 patients on TYSABRI®• AVONEX® share of “ABCR” market flat to slightly down• RITUXAN® DMARD-IR indication filed and CLL filing planned• 34% of revenue from International business
Pipeline	<ul style="list-style-type: none">• 2 new products or indications launched• 6 programs in late stage development• Continued disciplined execution of external growth strategy	<ul style="list-style-type: none">• TYSABRI® Crohn’s launched• 5 programs in late stage• Actively exploring BD opportunities
Financial	<ul style="list-style-type: none">• 15% top line CAGR• 20% bottom line CAGR	<ul style="list-style-type: none">• 4th consec. quarter >25% top line growth y/y• 2008 guidance implies 28% EPS growth y/y

Note: The bottom line, or EPS, reference in this slide refers to non-GAAP EPS. Non-GAAP EPS excludes the impact of purchase accounting, merger-related adjustments, stock option expense, and other items and their related tax effects. GAAP to non-GAAP EPS reconciliation is provided in the appendix at the end of this presentation.



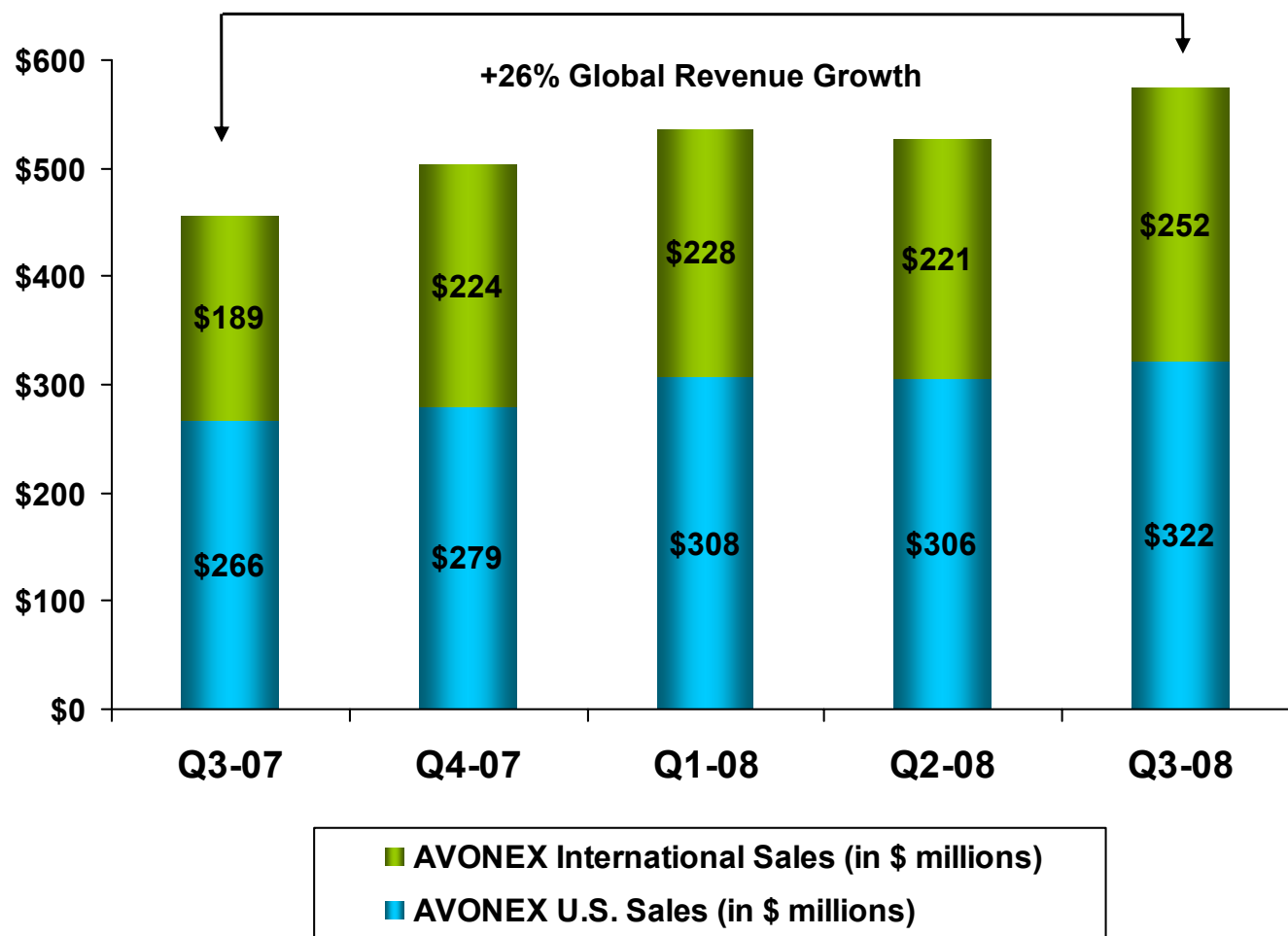
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Bill Sibold
Senior Vice President

MS Franchise Update

AVONEX[®] ... Disrupts Disease Not Patients' Lives

Most prescribed MS therapy & 12 years as market leader





TYSABRI Safety and Utilization

- Utilization end of September 2008: **Approximately 35,500 MS and CD patients on TYSABRI worldwide**
 - U.S. Commercial: Approximately 19,500 patients on commercial therapy
 - International Commercial: Approximately 15,300 patients on commercial therapy
 - Clinical Trials: Approximately 700 patients on therapy in clinical trials

Current Utilization Data as of:	Mid July 2007	End of September 2007	End of December 2007	End of March 2008	End of June 2008	End of September 2008
Update venue	One Year Anniv & BIIB / ELN Q2-07	ECTRIMS & BIIB / ELN Q3-07	JPMorgan HC Conf	AAN & BIIB / ELN Q1-07 earnings	Two Year Anniv & BIIB / ELN Q2-08	BIIB / ELN Q3-08
U.S. commercial patients on therapy	8,600	10,500	12,900	15,300	17,800	19,500
International commercial patients on therapy	4,300	5,500	7,500	10,200	13,400	15,300
Total commercial & clinical trial patients on therapy	14,000	17,000	21,100	26,000	31,800	35,500
Prescribing Neuro + GI physicians in the U.S.	1,800	2,100	2,500	2,750	3,100	3,400
Weeks from prior update	--	11 weeks	13 weeks	13 weeks	13 weeks	13 weeks

- Safety end of September 2008: **Approximately 48,000 patients ever exposed in clinical and post-marketing**
 - Approximately 18,000 patients exposed for at least one year
 - Approximately 9,500 patients exposed for at least 18 months
 - Two cases of confirmed PML since re-launch in US and launch Internationally in July 2006**

Cumulative Safety Data as of:	Feb 23, 2007	May 23, 2007	Aug 23, 2007	Mid Dec 2007	End of Mar 2008	End of Jun 2008	End of Sept 2008
Update venue	2007 AAN Mtg	2007 ENS Mtg	2007 ECTRIMS Mtg	2008 JPMorgan HCC	2008 AAN Mtg	2 Year Anniversary	BIIB / ELN Q3-08
Cumulative total patient exposure	18,000	21,000	26,200	30,900	36,700	43,300	48,000
Patients on therapy for one year	--	--	--	6,300	9,900	13,900	18,000
Patients on therapy for 18 months	--	--	--	--	3,600	6,600	9,500



Most recent TYSABRI® updates – Utilization and safety: Biogen Idec and Elan Q3-08 earnings calls. Numbers are approximate.



Addressing Some Key Questions Regarding Tysabri Trends

What caused the moderation in Tysabri growth in Q3?

- Difficult to fully discern impact of summer holidays and ECTRIMS attendance
- Have observed a reduction in prescriptions and an increase in discontinuations

What do we know about the source of patients coming to Tysabri?

- The type of patients coming to Tysabri appears to be unchanged based on both their time since diagnosis with MS and their prior therapy. Copaxone is still the largest source of patients
- Naïve patients unchanged, approximately 4-5% of patients

Have we seen any patterns of behavior that differ between small and large volume prescribers?

- The reduction has been fairly consistent among those physicians who have written Tysabri in a consistent manner
- Part of the moderation in the prescriptions from large volume physicians appears to be driven by a reduction in the number of in-coming referrals they receive

What trends are being seen in discontinuations?

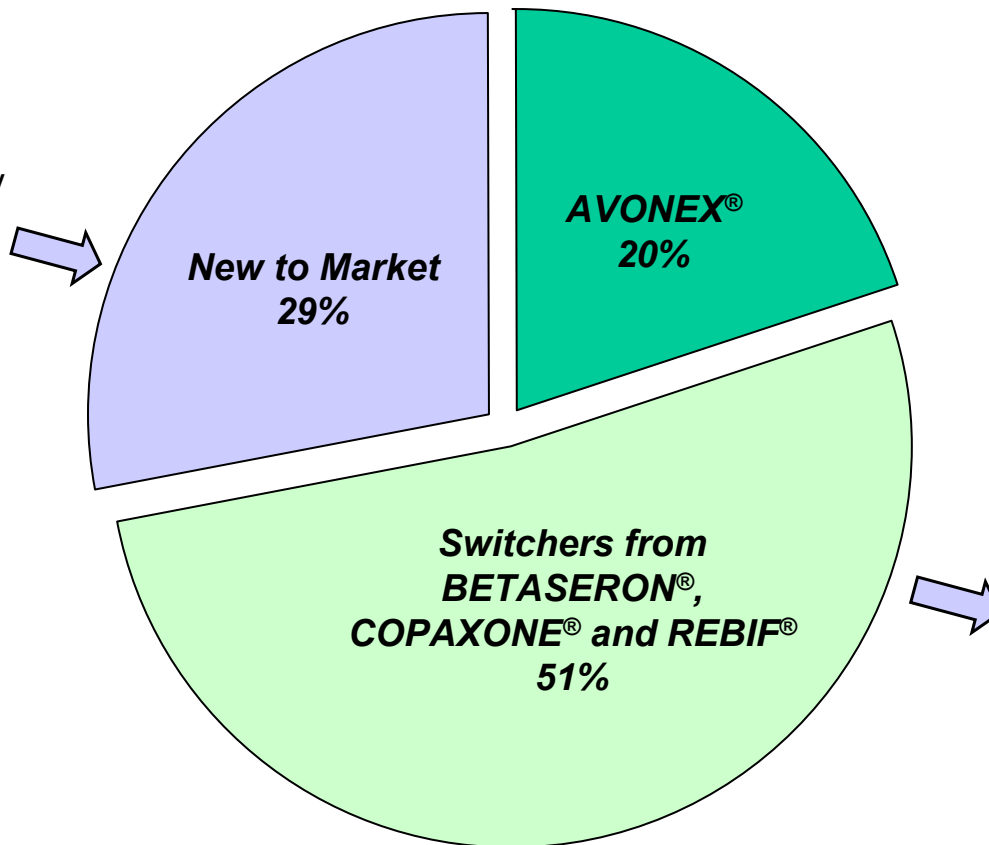
- Tysabri discontinuation rate increased slightly, now similar to that of disease-modifying therapies
- Too early to discern if patients are reaching a certain amount of time on drug and then discontinuing
- Isolated reports of treatment pauses

TYSABRI®

U.S. Source of Patients YTD 2008

Includes

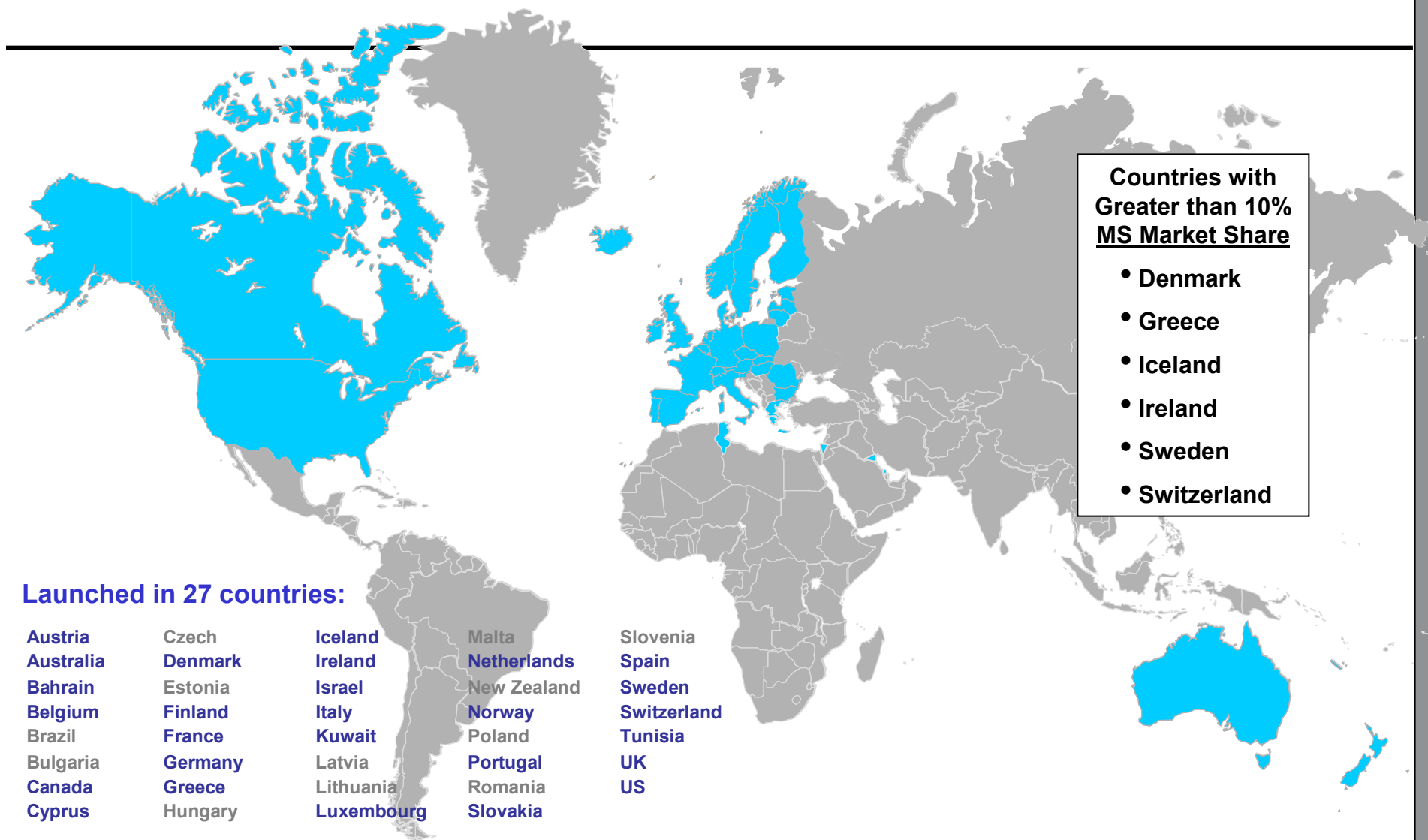
- Returning quitters
- Non-ABCR therapy patients
- ABCR treatment naïve patients (mid single digits)



- Single largest source of TYSABRI® patients is COPAXONE®

~4 out of 5 TYSABRI® patients in the US are new to the Biogen Idec MS franchise

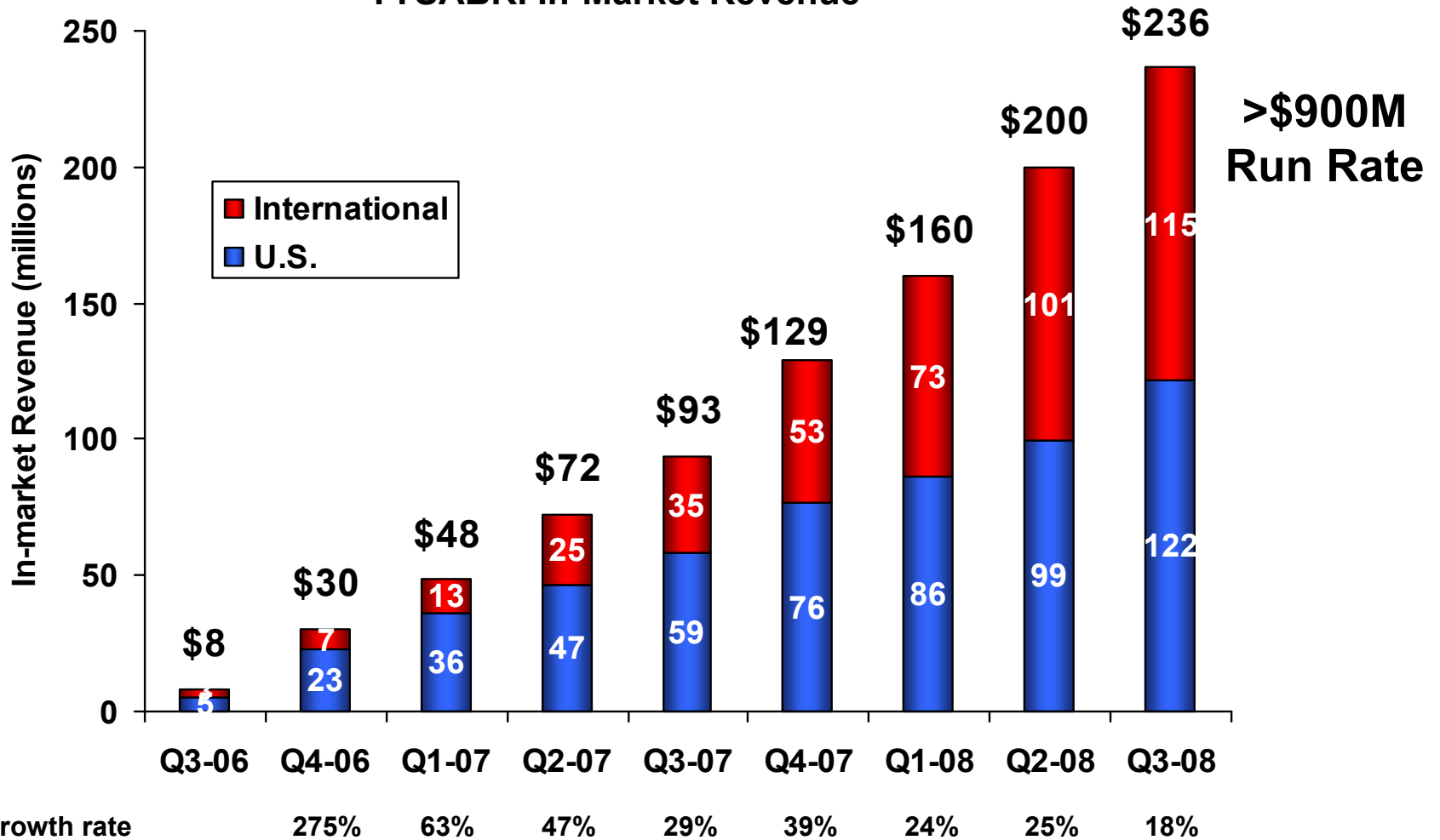
TYSABRI Approved in 39 Countries





TYSABRI® Strong Quarterly Growth

TYSABRI In-Market Revenue



Leading Multiple Sclerosis Franchise

- AVONEX[®] – #1 prescribed MS therapy worldwide
- TYSABRI[®] – New level of efficacy
- Pipeline – Best and broadest for the future

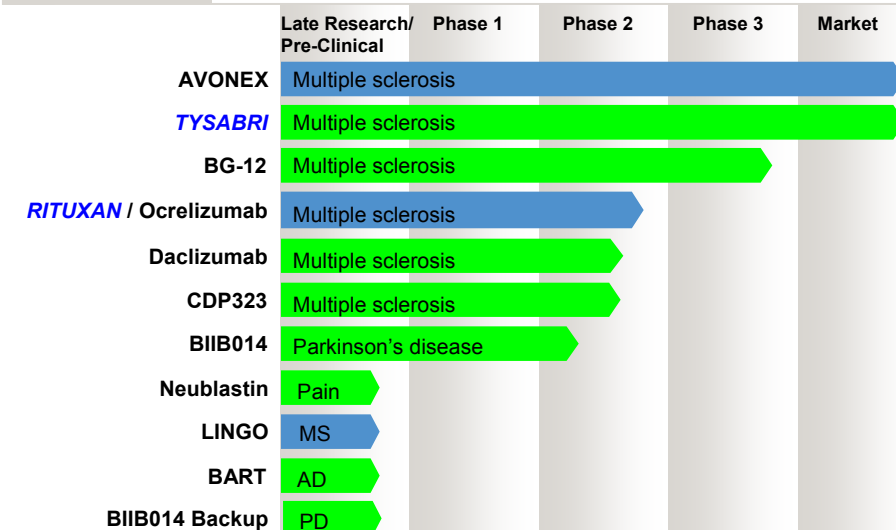
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Cecil Pickett
President, R&D

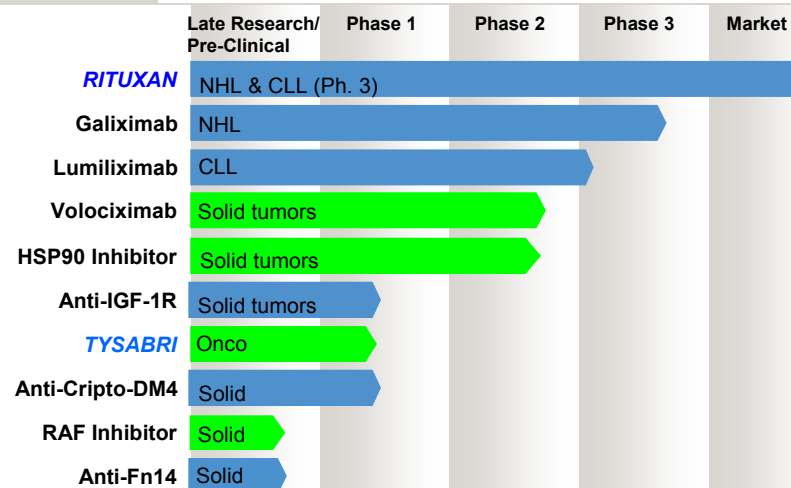
R&D Update

Broad and Deep Pipeline

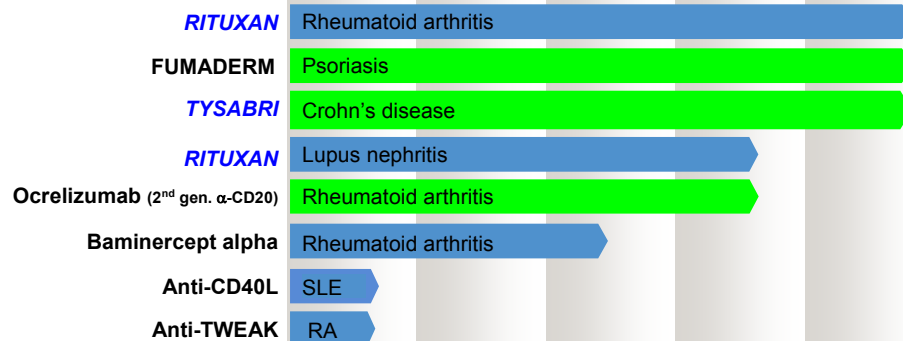
NEUROLOGY



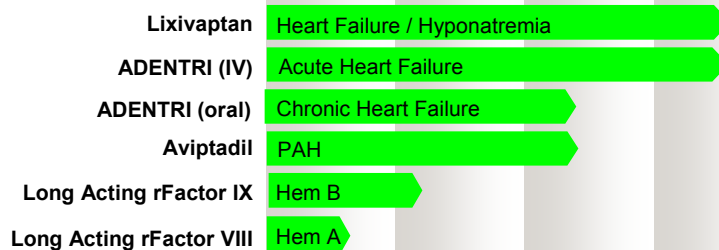
ONCOLOGY



IMMUNOLOGY



CARDIOPULMONARY & EMERGING AREAS



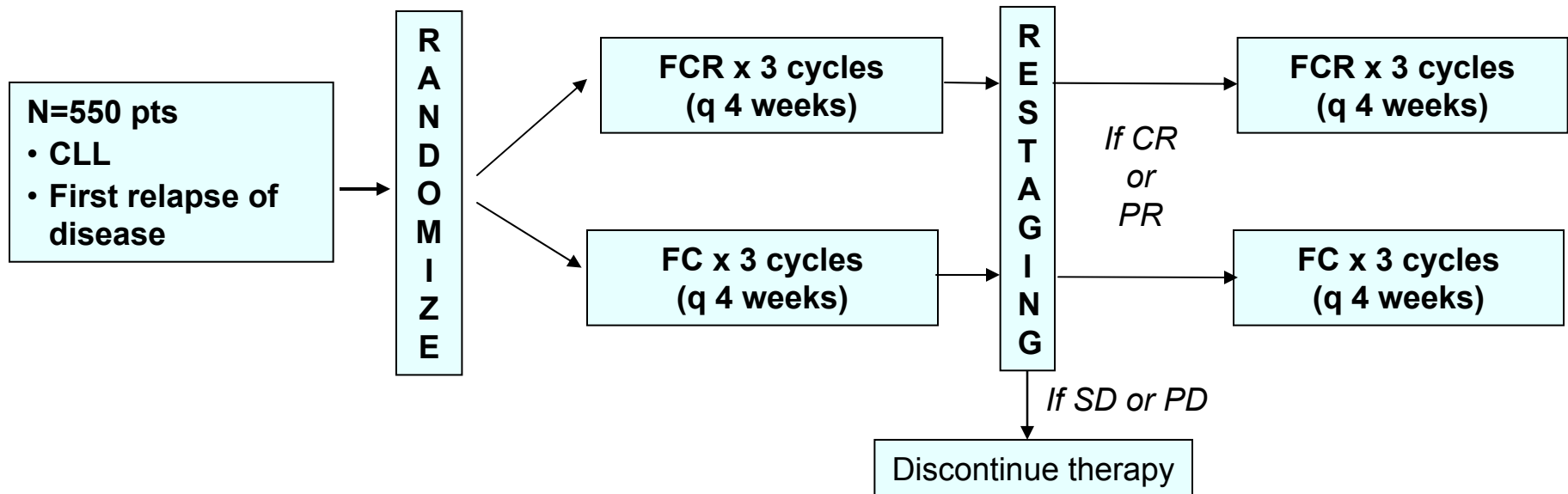
 Internally Sourced
 Externally Sourced

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Late Stage Programs in Registrational Trials

Program (Ph3 Trials)	Indication	Planned Ph3 Patients
BG-12 (DEFINE, CONFIRM)	<i>RRMS</i>	~2,200
Lumiliximab (LUCID)	<i>CLL</i>	~900
Galiximab (TARGET)	<i>NHL</i>	~750
Lixivaptan (BALANCE)	<i>Hyponatremia/CHF</i>	~650
ADENTRI® (TRIDENT)	<i>Acute CHF</i>	~900

Rituxan REACH Relapsed CLL Study design



Efficacy Endpoints

- Primary endpoint - Superiority in PFS with FCR compared with FC
- Secondary endpoints - Response rate, Duration of response, Overall survival

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Paul Clancy
Chief Financial Officer

Financial Performance

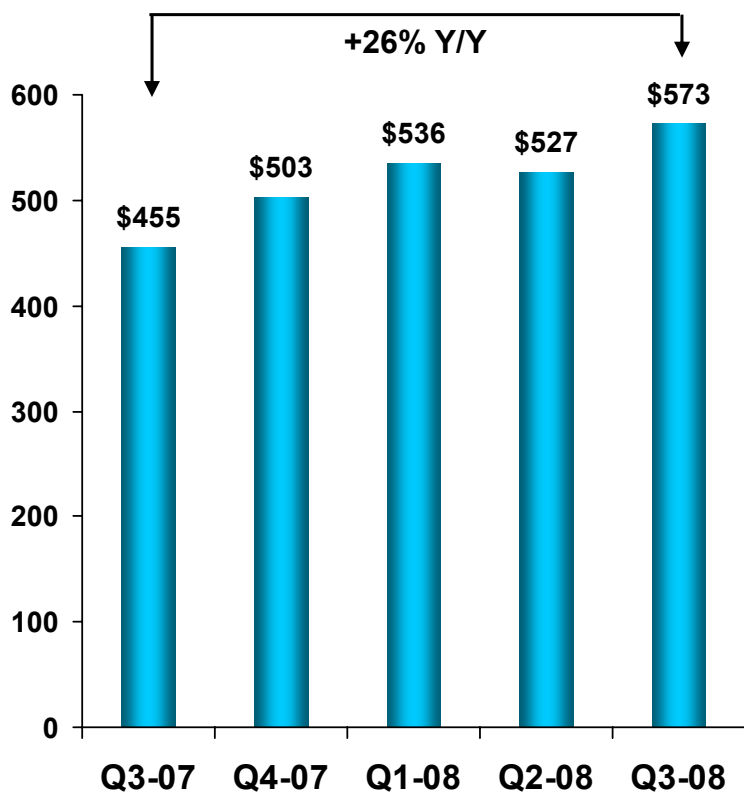
Q3 2008 Financial Performance

- Revenue growth of 38% year over year
- GAAP and non-GAAP diluted EPS growth of 71% and 69%, respectively, year over year
- 2008 financial guidance

Note: See Table 3 from Biogen Idec's Q3'08 earnings press release or the end of this presentation for reconciliation of GAAP diluted EPS to non-GAAP diluted EPS.

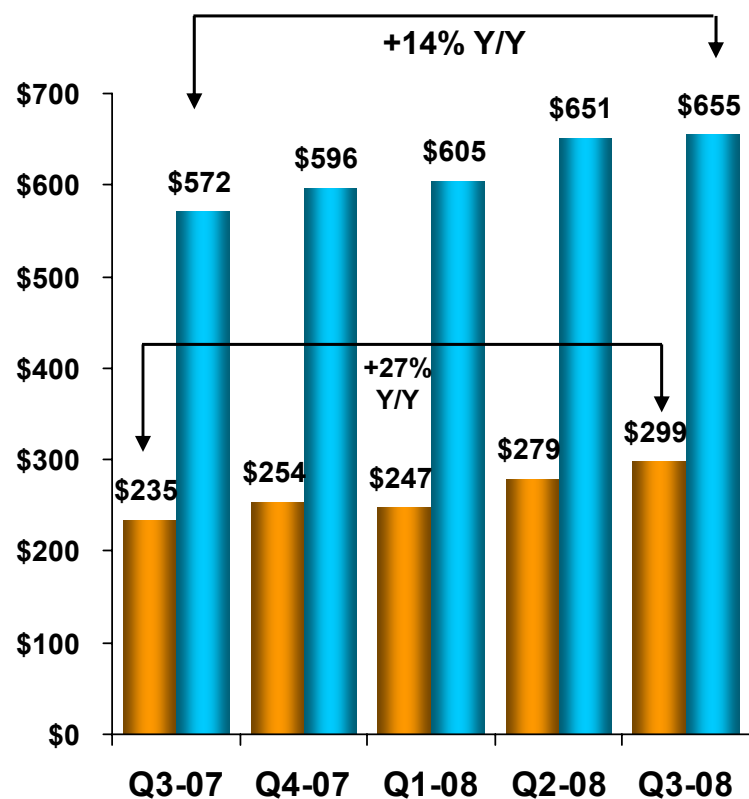
AVONEX® & RITUXAN® Revenue Growth

AVONEX®



■ AVONEX Worldwide Sales (in \$ millions)

RITUXAN®



■ BIIB Revenue (in \$ millions)
■ US Net Sales (in \$ millions)

Q3 2008 Financial Worksheet

- Revenues (\$ millions)

	Q3 2007	Q3 2008	%Δ	Notes
<i>AVONEX® U.S. Revenues</i>	\$266	\$322	21%	
<i>AVONEX® International Revenues</i>	\$189	\$252	33%	
Total AVONEX® Sales	\$455	\$573	26%	
TYSABRI® Revenue to BIIB	\$63	\$171	172%	
Total Product Sales	\$530	\$758	43%	
Revenue from Unconsolidated Joint Business [RITUXAN®]	\$235	\$299	27%	
Royalties	\$24	\$35	49%	
Total Revenue	\$789	\$1093	38%	

Q3 2008 Financial Worksheet

- Costs and Expenses (\$ millions)

	Q3 2007	Q3 2008	%Δ	Notes
Non-GAAP and GAAP Cost of Sales ¹	\$82	\$107	32%	
<i>% of Product Sales</i>	15.4%	14.2%		
Non-GAAP R&D Expenses ¹	\$282	\$265	(6)%	
<i>% of Total Revenues</i>	35.7%	24.2%		
GAAP R&D Expenses	\$286	\$269		
Non-GAAP SG&A Expenses ¹	\$185	\$225	22%	
<i>% of Total Revenues</i>	23.4%	20.6%		
GAAP SG&A Expenses	\$191	\$233		
Collaboration Profit (Loss) Sharing [TYSABRI®]	\$6	\$44		

1. Please see the end of this presentation for a reconciliation of our GAAP to non-GAAP results.

Q3 2008 Financial Worksheet

- Other Selected Financials (\$ millions except EPS)

	Q3 2007	Q3 2008	%Δ	Notes
Other income (expense), net ¹	\$7	\$(26)	NM	
Non-GAAP Tax Rate ¹	29.6%	32.5%		
GAAP Tax Rate ¹	31.4%	35.6%		
Non-GAAP Net Income¹	\$170	\$288	69%	
GAAP Net Income	\$119	\$207	73%	
Weighted average shares used in calculating diluted EPS (millions)	293.4	293.9		
Non-GAAP EPS¹	\$0.58	\$0.98	69%	
GAAP EPS¹	\$0.41	\$0.70	71%	

1. Please see the end of this presentation for a reconciliation of our GAAP to non-GAAP results.

Financial Guidance

Guidance for Full Year 2008

- Total revenue growth above the mid-20% range over 2007 revenues
- Operating margins similar to previous guidance, and total GAAP and non-GAAP R&D and SG&A expenses to be in the range of \$2 billion
- Non-GAAP tax rate expected to be 28%-30%; GAAP tax rate expected to be 31%-33%
 - The difference between the GAAP and non-GAAP tax rate is a result of the cumulative effects of the reconciliation items as detailed in the table at the end of this presentation
- Non-GAAP diluted EPS above \$3.50; GAAP diluted EPS above \$2.51
 - Consistent with goal of 20% non-GAAP EPS CAGR through 2010
 - Both Non-GAAP and GAAP diluted EPS include the potential for upfront and milestone payments of approximately \$40 million which are under consideration for Q4-08
- Capital expenditures of \$270 to \$290 million

Note: See Table 3 from Biogen Idec's Q3'08 earnings press release or the end of this presentation for reconciliation of our GAAP to non-GAAP guidance.

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Questions & Answers

GAAP to non-GAAP Reconciliation

Diluted EPS and Net Income: Q3 2008

TABLE 3
Biogen Idec Inc.
September 30, 2008
Condensed Consolidated Statements of Income - Non-GAAP
(in millions, except per share amounts)
(unaudited)

EARNINGS PER SHARE	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
GAAP earnings per share - Diluted	\$ 0.70	\$ 0.41	\$ 1.95	\$ 1.34
Adjustments to net income (as detailed below)	0.28	0.17	0.78	0.54
Non-GAAP earnings per share - Diluted	<u>\$ 0.98</u>	<u>\$ 0.58</u>	<u>\$ 2.73</u>	<u>\$ 1.88</u>

An itemized reconciliation between net income on a GAAP basis and net income on a non-GAAP basis is as follows:

GAAP net income	\$ 206.8	\$ 119.4	\$ 576.5	\$ 437.0
Adjustments:				
COGS: Stock Option Expense	-	-	-	0.1
R&D: Restructuring	0.1	0.8	0.1	1.2
R&D: Stock option expense	2.4	3.5	6.5	9.4
R&D: FIN 46 consolidation of Cardiokine	1.7	-	4.0	-
SG&A: Restructuring	2.9	-	2.9	0.6
SG&A: Stock option expense	5.3	5.9	12.2	17.3
Amortization of acquired intangible assets	94.5	65.7	242.1	186.6
In-process research and development related to the contingent consideration payment in 2008 associated with Conforma acquisition and the 2007 acquisition of Syntonix and consolidation of Cardiokine	-	30.0	25.0	48.4
Other income (expense), net: FIN 46 consolidation of Cardiokine and gain on sale of long-lived assets	(1.7)	(38.0)	(4.0)	(38.0)
Income taxes: Income tax effect of reconciling items	(24.1)	(16.9)	(58.6)	(49.5)
Non-GAAP net income	<u>\$ 287.9</u>	<u>\$ 170.4</u>	<u>\$ 806.7</u>	<u>\$ 613.1</u>

2008 Full Year Guidance GAAP to non-GAAP adjustments

An itemized reconciliation between projected EPS on a GAAP basis and on a non-GAAP basis is as follows:

	Shares	Diluted EPS
Projected GAAP net income	\$ 740.0	\$ 2.51
Adjustments:		
Stock option expense	25.5	
In-process research and development	25.0	
Amortization of acquired intangible assets	317.5	
Income taxes: Income tax effect of reconciling items	(76.5)	
Projected Non-GAAP net income	<u>\$ 1,031.5</u>	<u>\$ 3.50</u>

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GAAP to non-GAAP Reconciliation

Diluted EPS and Net Income: Five Year History

Condensed Consolidated Statements of Income – Operating Basis	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
GAAP diluted EPS	(4.92)	0.07	0.47	0.63	1.99
Adjustment to net income (see below)	6.14	1.38	1.10	1.62	0.75
Effect of FAS128 and EITF 03-06	-	(0.05)	-	-	-
Non-GAAP diluted EPS	1.22	1.40	1.57	2.25	2.74
GAAP Net Income (\$M)	(875.1)	25.1	160.7	217.5	638.2
Revenue – Pre-merger Biogen product, royalty and corporate partner revenue	1,173.1	-	-	-	-
COGS – Fair value step up of inventory acquired from Biogen and Fumapharm	231.6	295.5	34.2	7.8	-
COGS – Pre-merger Biogen cost of sales	(179.2)	-	-	-	-
COGS – Royalties related to Corixa	1.8	-	-	-	-
COGS – Amevive divesture	-	-	36.4	-	-
R&D – Pre-merger Biogen net R&D	(301.1)	-	-	-	-
R&D – Severance and restructuring	-	3.1	20.3	0.3	1.2
R&D – Sale of plant	-	-	1.9	-	-
SG&A – Pre-merger Biogen SG&A	(346.7)	-	-	-	-
SG&A – Merger related and purchase accounting costs	-	-	-	0.1	-
SG&A – Severance and restructuring	13.2	9.3	19.3	2.0	0.6
Amortization of intangible assets primarily related to Biogen merger	33.2	347.7	302.3	267.0	257.5
In-process R&D related to the Biogen Idec merger, acquisitions of Conforma, Syntonix, and Fumapharm, and consolidation of Cardiokine, Neurimmune and Escoubloc	823.0	-	-	330.5	84.2
Loss/(gain) on settlement of license agreements with Fumedica and Fumapharm	-	-	-	(6.1)	-
(Gain)/loss on sale of long lived assets	-	-	111.8	(16.5)	(0.4)
Other income, net: Pre-merger Biogen	32.9	-	-	-	-
Other income, net: Consolidation of Cardiokine and Neurimmune and gain on sale of long lived assets	-	-	-	-	(72.3)
Write down of investments	-	12.7	-	-	-
Charitable donations and legal settlements	30.7	-	-	-	-
Income taxes – Effect of reconciling items	(205.8)	(195.4)	(145.2)	(70.3)	(65.5)
Stock option expense	-	-	-	44.5	35.6
Non-GAAP Net Income	431.7	498.0	541.7	776.8	879.1

Notes: The non-GAAP financial measures presented in this table are utilized by Biogen Idec management to gain an understanding of the comparative financial performance of the Company. Our non-GAAP financial measures are defined as reported, or GAAP, values excluding (1) purchase accounting and merger-related adjustments, (2) stock option expense and the cumulative effect of an accounting change relating to the initial adoption of SFAS No. 123R and (3) other items. Our management uses these non-GAAP financial measures to establish financial goals and to gain an understanding of the comparative financial performance of the Company from year to year and quarter to quarter. Accordingly, we believe investors' understanding of the Company's financial performance is enhanced as a result of our disclosing these non-GAAP financial measures. Non-GAAP net income and non-GAAP diluted EPS should not be viewed in isolation or as a substitute for reported, or GAAP, net income and diluted EPS.

The GAAP figures reflect:

* 2004 and beyond – the combined Biogen Idec

* 2003 – a full year of IDEC Pharmaceuticals and 7 weeks of the former Biogen, Inc. (for the period 11/13/03 through 12/31/03)

Numbers may not foot due to rounding.

Source: Biogen Idec Annual Reports, 10-K filings and earnings press releases (FY 2003-2007).