**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# FORM 8-K

**CURRENT REPORT**
**Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **July 25, 2023**

# BIOGEN INC.

*(Exact name of registrant as specified in its charter)*

| **Delaware** | **0-19311** | **33-0112644** |
|---|---|---|
| *(State or other jurisdiction of incorporation)* | *(Commission File Number)* | *(IRS Employer Identification No.)* |

**225 Binney Street, Cambridge, Massachusetts 02142**
*(Address of principal executive offices; Zip Code)*

Registrant's telephone number, including area code: **(617) 679-2000**

*(Former name or former address, if changed since last report.)*

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| **Common Stock, $0.0005 par value** | **BIIB** | **The Nasdaq Global Select Market** |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

## Item 2.02 Results of Operations and Financial Condition.

On July 25, 2023, Biogen Inc. issued a press release announcing its results of operations and financial condition for the second quarter ended June 30, 2023. A copy of the press release is furnished as Exhibit 99.1 and is incorporated herein by reference.

The press release is being furnished pursuant to Item 2.02 of this Current Report on Form 8-K and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that Section, nor shall such document be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act.

## Item 9.01 Financial Statements and Exhibits.

**(d) Exhibits**

The exhibits listed below are furnished as part of this Current Report on Form 8-K.

| Exhibit No. | Description |
|---|---|
| 99.1 | Biogen's press release dated July 25, 2023 |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**BIOGEN INC.**

By: /s/ Wendell Taylor
Wendell Taylor
Assistant Secretary

Date: July 25, 2023

**Press Release**

**Cambridge, Mass. – July 25, 2023**

# Biogen reports second quarter 2023 results and reaffirms full year 2023 guidance; LEQEMBI launched in the U.S.

**Second quarter revenue $2,456 million; GAAP diluted EPS $4.07; Non-GAAP diluted EPS $4.02**

**Poised for leadership in Alzheimer's disease with launch of LEQEMBI in the U.S.**

**New "Fit for Growth" program expected to generate approximately $1 billion in gross operating expense savings, approximately $300 million of which will be reinvested into product launches and R&D programs, resulting in approximately $700 million in net operating expense savings by 2025 - program includes net headcount reduction of approximately 1,000**

**TECFIDERA regulatory market protection in E.U. extended until February 2, 2025**

**New data highlight potential benefit of SPINRAZA for the treatment of spinal muscular atrophy in infants and toddlers with unmet clinical needs after gene therapy**

**R&D pipeline prioritization substantially complete, enabling a sharper focus on high potential opportunities**

**Commenting on** Biogen Inc. (Nasdaq: BIIB) results, President and Chief Executive Officer Christopher A. Viehbacher said:

“In the second quarter, Biogen continued to advance groundbreaking science with the FDA approval of two first-in-class therapies for Alzheimer's disease and ALS, while also delivering on our base business expectations. Biogen’s business is in transition. Accordingly, we have taken a bottom-up view to shift our resources to the areas of greatest value creation. While we will be making significant investments in our newly prioritized pipeline and new product launches, we will also need to invest less in other areas which are no longer growing. With these changes, I believe that Biogen will be better positioned to maximize its growth opportunities going forward.”

## Financial Highlights

| | Q2 '23 | Q2 '22 | Δ | r (CC[#]) |
|---|---|---|---|---|
| Total Revenue (in millions) | $2,456 | $2,589 | (5)% | (3)% |
| GAAP diluted EPS | $4.07 | $7.24 | (44)% | —% |
| Non-GAAP diluted EPS | $4.02 | $5.25 | (23)% | —% |

Note: Percent changes represented as favorable/(unfavorable) versus the prior year period.
# Percentage changes in revenue growth at constant currency (CC) are presented excluding the impact of changes in foreign currency exchange rates and hedging gains or losses. The current period’s foreign currency revenue values are converted into U.S. dollars using the average exchange rates from the prior period.

A reconciliation of GAAP to Non-GAAP financial measures can be found in Table 4 at the end of this news release.

**Revenue Summary**

| (in millions) | Q2 '23 | Q2 '22 | Δ | r (CC#) |
|---|---|---|---|---|
| Multiple sclerosis (MS) product revenue[1] | $1,209 | $1,427 | (15)% | (14)% |
| Spinal muscular atrophy revenue[2] | $437 | $431 | 1% | 5% |
| Alzheimer's disease revenue[3] | $(20) | $— | NMF | NMF |
| Biosimilars revenue | $195 | $194 | —% | 4% |
| Other product revenue[4] | $4 | $3 | 35% | 32% |
| Revenue from anti-CD20 therapeutic programs | $433 | $436 | (1)% | (1)% |
| Contract manufacturing, royalty and other revenue[5] | $198 | $98 | 102% | 102% |
| **Total revenue** | **$2,456** | **$2,589** | **(5)%** | **(3)%** |

Note: Percent changes represented as favorable/(unfavorable) versus the prior year period. Numbers may not foot or recalculate due to rounding.
NMF = No Meaningful Figure
[1] MS includes TECFIDERA®, VUMERITY®, AVONEX®, PLEGRIDY®, TYSABRI® and FAMPYRA™.
[2] Spinal muscular atrophy includes SPINRAZA®.
[3] Alzheimer's disease includes ADUHELM® product revenue and revenue from LEQEMBI® collaboration. Upon commercialization of LEQEMBI, we began recognizing our portion of the profit share on a net basis as a separate component of total revenue within revenue from LEQEMBI collaboration in our condensed consolidated income statements, as we are not the principal.
[4] Other includes FUMADERM™ and QALSODY™.
[5] Includes revenue from manufacturing of LEQEMBI beginning in the first quarter of 2023.

**Expense Summary**

| (in millions) | Q2 '23 | Q2 '22 | Δ |
|---|---|---|---|
| GAAP and Non-GAAP cost of sales* | $593 | $484 | (22)% |
| *% of Total Revenue* | *24%* | *19%* | — |
| GAAP and Non-GAAP R&D expense | $584 | $529 | (11)% |
| GAAP SG&A expense | $548 | $573 | 4% |
| Non-GAAP SG&A expense | $534 | $570 | 6% |

Note: Percent changes represented as favorable/(unfavorable) versus the prior year period
*Excluding amortization and impairment of acquired intangible assets

- Second quarter 2023 GAAP and Non-GAAP cost of sales includes approximately $34 million of idle capacity charges. Second quarter 2022 GAAP and Non-GAAP cost of sales includes approximately $27 million of idle capacity charges. The increase in second quarter 2023 GAAP and Non-GAAP cost of sales as a percentage of total revenue was driven primarily by product mix, particularly the year-over-year increase in contract manufacturing revenue.

- Second quarter 2023 GAAP and Non-GAAP R&D expense includes approximately $13 million in estimated study close out costs related to BIIB093 (glibenclamide IV) for large hemispheric infarction and brain contusion.

- The decrease in second quarter 2023 GAAP and Non-GAAP SG&A expense was driven primarily by cost savings initiatives, partially offset by investments to support new product launches. Beginning in the first quarter of 2023 the reimbursement to Eisai for Biogen's share of U.S. LEQEMBI SG&A expense is reflected as a component of revenue rather than SG&A.

- Second quarter 2023 GAAP restructuring expense was $34 million.

**Other Financial Highlights**

- Second quarter 2023 GAAP and Non-GAAP collaboration profit sharing was a net expense of $57 million, related to Biogen's collaboration with Samsung Bioepis.

- Second quarter 2023 GAAP other income was $121 million, primarily driven by net unrealized gains on strategic equity investments of $107 million. Second quarter 2023 Non-GAAP other income was $15 million, primarily driven by net interest income.

- Second quarter 2023 GAAP and Non-GAAP effective tax rates were 16.2% and 15.7%, respectively, as compared to 17.1% and 15.2% in the second quarter of 2022.

**Financial Position**

- Second quarter 2023 net cash flow from operations was $487 million. Capital expenditures were $71 million, and free cash flow, defined as net cash flow from operations less capital expenditures, was $416 million.

- As of June 30, 2023, Biogen had cash, cash equivalents, and marketable securities totaling $7,286 million and $6,285 million in total debt, resulting in net cash of $1,002 million.

- No shares of the Company's common stock were repurchased in the second quarter of 2023. As of June 30, 2023, there was $2,050 million remaining under the share repurchase program authorized in October 2020.

- For the second quarter of 2023 the Company's weighted average diluted shares were 146 million.

**Full Year 2023 Financial Guidance**

For the full year 2023, Biogen is reaffirming its guidance ranges as follows:

| | Full Year 2023 Guidance |
|---|---|
| Total revenue | Mid-single digit percentage decline versus reported full year 2022 |
| Non-GAAP diluted EPS | $15.00 to $16.00 |

This guidance assumes that foreign exchange rates as of June 30, 2023, will remain in effect for the remainder of the year, net of hedging activities.

This financial guidance does not include any impact from potential acquisitions or large business development transactions or pending and future litigation, as all are hard to predict, or any impact of potential tax or healthcare reform. Biogen may incur charges, realize gains or losses, or experience other events or circumstances in 2023 that could cause any of these assumptions to change and/or actual results to vary from this financial guidance.

Biogen does not provide guidance for GAAP reported financial measures (other than revenue) or a reconciliation of forward-looking Non-GAAP financial measures to the most directly comparable GAAP reported financial measures because the Company is unable to predict with reasonable certainty the financial impact of items such as the transaction, integration, and certain other costs related to acquisitions or large business development transactions; unusual gains and losses; potential future asset impairments; gains and losses from our equity security investments; and the ultimate outcome of pending or future significant litigation without unreasonable effort. These items are uncertain, depend on various factors, and could have a material impact on GAAP reported results for the guidance period. For the same reasons, the Company is unable to address the significance of the unavailable information, which could be material to future results.

**Recent Developments**

- In June, the last patient was enrolled in the Phase 3 study of dapirolizumab pegol in systemic lupus erythematous (SLE). Top line results of the study are expected mid-year 2024. If this study is positive,

Biogen and UCB anticipate that a second Phase 3 study would be needed to support a regulatory filing in SLE.

**Conference Call and Webcast**

The Company's earnings conference call for the second quarter will be broadcast via the internet at 8:00 a.m. ET on July 25, 2023 and will be accessible through the Investors section of Biogen's website, www.biogen.com. Supplemental information in the form of a slide presentation is also accessible at the same location on the internet and will be subsequently available on the website for at least 90 days.

**About Biogen**

Founded in 1978, Biogen is a leading global biotechnology company that has pioneered multiple breakthrough innovations including a broad portfolio of medicines to treat multiple sclerosis, the first approved treatment for spinal muscular atrophy, and two co-developed treatments to address a defining pathology of Alzheimer's disease. Biogen is advancing a pipeline of potential novel therapies across neurology, neuropsychiatry, specialized immunology and rare diseases and remains acutely focused on its purpose of serving humanity through science while advancing a healthier, more sustainable and equitable world.

We routinely post information that may be important to investors on our website at www.biogen.com. Follow us on social media — Twitter, LinkedIn, Facebook, YouTube.

**Biogen Safe Harbor**

This press release contains forward-looking statements, relating to: our strategy and plans; potential of, and expectations for, our commercial business and pipeline programs; capital allocation and investment strategy; clinical development programs, clinical trials, and data readouts and presentations; regulatory discussions, submissions, filings, and approvals; the potential benefits, safety, and efficacy of our and our collaboration partners' products and investigational therapies; the anticipated benefits and potential of investments, optimization of the cost structure including our "Fit for Growth" program, actions to improve risk profile and productivity of R&D pipeline, collaborations, and business development activities; our future financial and operating results; 2023 financial guidance. These forward-looking statements may be accompanied by such words as "aim," "anticipate," "believe," "could," "estimate," "expect," "forecast," "goal," "intend," "may," "plan," "potential," "possible," "prospect," "will," "would," and other words and terms of similar meaning. Drug development and commercialization involve a high degree of risk, and only a small number of research and development programs result in commercialization of a product. Results in early-stage clinical trials may not be indicative of full results or results from later stage or larger scale clinical trials and do not ensure regulatory approval. You should not place undue reliance on these statements.

These statements involve risks and uncertainties that could cause actual results to differ materially from those reflected in such statements, including: our dependence on sales from our products; uncertainty of long-term success in developing, licensing, or acquiring other product candidates or additional indications for existing products; failure to compete effectively due to significant product competition in the markets for our products; failure to successfully execute or realize the anticipated benefits of our strategic and growth initiatives; difficulties in obtaining and maintaining adequate coverage, pricing, and reimbursement for our products; our dependence on collaborators and other third parties for the development, regulatory approval, and commercialization of products and other aspects of our business, which are outside of our full control; risks associated with current and potential future healthcare reforms; risks related to commercialization of biosimilars; failure to obtain, protect, and enforce our data, intellectual property, and other proprietary rights and the risks and uncertainties relating to intellectual property claims and challenges; the risk that positive results in a clinical trial may not be replicated in subsequent or confirmatory trials or success in early stage clinical trials may not be predictive of results in later stage or large scale clinical trials or trials in other potential indications; risks associated with clinical trials, including our ability to adequately manage clinical activities, unexpected concerns that may arise from

additional data or analysis obtained during clinical trials, regulatory authorities may require additional information or further studies, or may fail to approve or may delay approval of our drug candidates; the occurrence of adverse safety events, restrictions on use with our products, or product liability claims; risks relating to technology failures or breaches; problems with our manufacturing processes; risks relating to management and personnel changes, including attracting and retaining personnel; failure to comply with legal and regulatory requirements; the risks of doing business internationally, including currency exchange rate fluctuations; risks relating to investment in our manufacturing capacity; the direct and indirect impacts of the COVID-19 pandemic on our business; risks relating to the distribution and sale by third parties of counterfeit or unfit versions of our products; risks relating to the use of social media for our business; results of operations, and financial condition; fluctuations in our operating results; risks related to investment in properties; the market, interest, and credit risks associated with our investment portfolio; risks relating to share repurchase programs; risks relating to access to capital and credit markets; risks related to indebtedness; change in control provisions in certain of our collaboration agreements; fluctuations in our effective tax rate; environmental risks; and any other risks and uncertainties that are described in other reports we have filed with the U.S. Securities and Exchange Commission.

These statements speak only as of the date of this press release. We do not undertake any obligation to publicly update any forward-looking statements.

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**MEDIA CONTACT:**
**Biogen**
Jack Cox
Tel: +1 210-544-7920
public.affairs@biogen.com

**INVESTOR CONTACT:**
**Biogen**
Chuck Triano
Tel: +1 781-464-2442
IR@biogen.com

## TABLE 1

## BIOGEN INC. AND SUBSIDIARIES
## CONDENSED CONSOLIDATED STATEMENT OF INCOME
***(unaudited, in millions, except per share amounts)***

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| Revenue: | | | | |
| Product, net | $ 1,845.8 | $ 2,054.9 | $ 3,609.1 | $ 4,121.2 |
| Revenue from LEQEMBI Collaboration | (20.7) | — | (39.6) | — |
| Revenue from anti-CD20 therapeutic programs | 433.4 | 436.3 | 832.9 | 835.7 |
| Contract manufacturing, royalty and other revenue | 197.5 | 97.9 | 516.6 | 164.0 |
| Total revenue | 2,456.0 | 2,589.1 | 4,919.0 | 5,120.9 |
| Cost and expense: | | | | |
| Cost of sales, excluding amortization and impairment of acquired intangible assets | 592.7 | 484.0 | 1,255.5 | 1,237.9 |
| Research and development | 584.2 | 528.6 | 1,154.8 | 1,080.3 |
| Selling, general and administrative | 548.0 | 572.6 | 1,153.0 | 1,207.5 |
| Amortization and impairment of acquired intangible assets | 52.9 | 67.5 | 103.1 | 134.4 |
| Collaboration profit sharing/(loss reimbursement) | 56.9 | 29.4 | 114.0 | (87.9) |
| (Gain) loss on fair value remeasurement of contingent consideration | — | (4.5) | — | (11.6) |
| Restructuring charges | 34.4 | 70.6 | 44.0 | 108.7 |
| Other (income) expense, net | (121.2) | (428.6) | (51.8) | (165.3) |
| Total cost and expense | 1,747.9 | 1,319.6 | 3,772.6 | 3,504.0 |
| Income before income tax expense and equity in loss of investee, net of tax | 708.1 | 1,269.5 | 1,146.4 | 1,616.9 |
| Income tax (benefit) expense | 114.8 | 216.7 | 165.5 | 342.3 |
| Equity in (income) loss of investee, net of tax | — | (5.9) | — | (2.6) |
| Net income | 593.3 | 1,058.7 | 980.9 | 1,277.2 |
| Net income (loss) attributable to noncontrolling interests, net of tax | 1.7 | 0.7 | 1.4 | (84.6) |
| Net income attributable to Biogen Inc. | $ 591.6 | $ 1,058.0 | $ 979.5 | $ 1,361.8 |
| | | | | |
| Net income per share: | | | | |
| Basic earnings per share attributable to Biogen Inc. | $ 4.09 | $ 7.25 | $ 6.78 | $ 9.30 |
| Diluted earnings per share attributable to Biogen Inc. | $ 4.07 | $ 7.24 | $ 6.74 | $ 9.27 |
| | | | | |
| Weighted-average shares used in calculating: | | | | |
| Basic earnings per share attributable to Biogen Inc. | 144.7 | 145.9 | 144.6 | 146.5 |
| Diluted earnings per share attributable to Biogen Inc. | 145.5 | 146.2 | 145.4 | 146.8 |

## TABLE 2

## BIOGEN INC. AND SUBSIDIARIES
## CONDENSED CONSOLIDATED BALANCE SHEETS
*(unaudited, in millions)*

| | As of June 30, 2023 | As of December 31, 2022 |
|---|---|---|
| **ASSETS** | | |
| Cash and cash equivalents | $ 2,617.8 | $ 3,419.3 |
| Marketable securities | 3,460.5 | 1,473.5 |
| Accounts receivable, net | 1,685.9 | 1,705.0 |
| Due from anti-CD20 therapeutic programs, net | 438.1 | 431.4 |
| Inventory | 1,333.5 | 1,344.4 |
| Other current assets | 895.9 | 1,417.6 |
| Total current assets | 10,431.7 | 9,791.2 |
| Marketable securities | 1,208.0 | 705.7 |
| Property, plant and equipment, net | 3,307.2 | 3,298.6 |
| Operating lease assets | 366.5 | 403.9 |
| Intangible assets, net | 1,776.4 | 1,850.1 |
| Goodwill | 5,753.7 | 5,749.0 |
| Deferred tax asset | 1,208.4 | 1,226.4 |
| Investments and other assets | 1,104.9 | 1,529.2 |
| TOTAL ASSETS | $ 25,156.8 | $ 24,554.1 |
| **LIABILITIES AND EQUITY** | | |
| Taxes payable | $ 260.0 | $ 259.9 |
| Accounts payable | 445.4 | 491.5 |
| Accrued expenses and other | 2,481.1 | 2,521.4 |
| Total current liabilities | 3,186.5 | 3,272.8 |
| Notes payable | 6,284.6 | 6,281.0 |
| Deferred tax liability | 143.9 | 334.7 |
| Long-term operating lease liabilities | 304.4 | 333.0 |
| Other long-term liabilities | 776.9 | 944.2 |
| Equity | 14,460.5 | 13,388.4 |
| TOTAL LIABILITIES AND EQUITY | $ 25,156.8 | $ 24,554.1 |

# TABLE 3

## BIOGEN INC. AND SUBSIDIARIES
## PRODUCT REVENUE & TOTAL REVENUE
*(unaudited, in millions)*

### Product Revenue

| | For the Three Months Ended June 30, | | | | | |
|---|---|---|---|---|---|---|
| | 2023 | | | 2022 | | |
| | United States | Rest of World | Total | United States | Rest of World | Total |
| Multiple Sclerosis (MS): | | | | | | |
| TECFIDERA | $ 66.5 | $ 187.7 | $ 254.2 | $ 120.7 | $ 277.2 | $ 397.9 |
| VUMERITY | 130.3 | 15.9 | 146.2 | 129.9 | 6.9 | 136.8 |
| Total Fumarate | 196.8 | 203.6 | 400.4 | 250.6 | 284.1 | 534.7 |
| AVONEX | 145.9 | 74.4 | 220.3 | 171.0 | 87.7 | 258.7 |
| PLEGRIDY | 34.1 | 48.0 | 82.1 | 40.2 | 51.3 | 91.5 |
| Total Interferon | 180.0 | 122.4 | 302.4 | 211.2 | 139.0 | 350.2 |
| TYSABRI | 259.9 | 223.2 | 483.1 | 291.9 | 224.3 | 516.2 |
| FAMPYRA | — | 23.4 | 23.4 | — | 25.5 | 25.5 |
| Subtotal: MS | 636.7 | 572.6 | 1,209.3 | 753.7 | 672.9 | 1,426.6 |
| Spinal Muscular Atrophy (SMA): | | | | | | |
| SPINRAZA | 155.8 | 281.3 | 437.1 | 139.8 | 291.3 | 431.1 |
| Subtotal: SMA | 155.8 | 281.3 | 437.1 | 139.8 | 291.3 | 431.1 |
| Biosimilars: | | | | | | |
| BENEPALI | — | 109.2 | 109.2 | — | 115.8 | 115.8 |
| IMRALDI | — | 58.8 | 58.8 | — | 57.6 | 57.6 |
| FLIXABI | — | 20.1 | 20.1 | — | 20.5 | 20.5 |
| BYOOVIZ[1] | 7.0 | — | 7.0 | 0.5 | — | 0.5 |
| Subtotal: Biosimilars | 7.0 | 188.1 | 195.1 | 0.5 | 193.9 | 194.4 |
| Other[2] | 1.5 | 2.8 | 4.3 | 0.1 | 2.7 | 2.8 |
| Total product revenue | $ 801.0 | $ 1,044.8 | $ 1,845.8 | $ 894.1 | $ 1,160.8 | $ 2,054.9 |

[1] BYOOVIZ became commercially available in the U.S. during the third quarter of 2022 and commercially available in international markets in 2023.
[2] Other includes FUMADERM, ADUHELM and QALSODY, which became commercially available in the U.S. during the second quarter of 2023.

| | For the Six Months Ended June 30, | | | | | |
|---|---|---|---|---|---|---|
| | 2023 | | | 2022 | | |
| | United States | Rest of World | Total | United States | Rest of World | Total |
| Multiple Sclerosis (MS): | | | | | | |
| TECFIDERA | $ 141.2 | $ 387.5 | $ 528.7 | $ 237.8 | $ 570.0 | $ 807.8 |
| VUMERITY | 223.8 | 30.6 | 254.4 | 255.1 | 9.7 | 264.8 |
| Total Fumarate | 365.0 | 418.1 | 783.1 | 492.9 | 579.7 | 1,072.6 |
| AVONEX | 248.5 | 144.2 | 392.7 | 319.0 | 169.3 | 488.3 |
| PLEGRIDY | 64.0 | 91.3 | 155.3 | 74.5 | 97.0 | 171.5 |
| Total Interferon | 312.5 | 235.5 | 548.0 | 393.5 | 266.3 | 659.8 |
| TYSABRI | 505.3 | 450.6 | 955.9 | 576.4 | 460.6 | 1,037.0 |
| FAMPYRA | — | 47.5 | 47.5 | — | 51.7 | 51.7 |
| Subtotal: MS | 1,182.8 | 1,151.7 | 2,334.5 | 1,462.8 | 1,358.3 | 2,821.1 |
| Spinal Muscular Atrophy (SMA): | | | | | | |
| SPINRAZA | 302.5 | 577.9 | 880.4 | 303.1 | 600.5 | 903.6 |
| Subtotal: SMA | 302.5 | 577.9 | 880.4 | 303.1 | 600.5 | 903.6 |
| | | | 0 | | | |
| Biosimilars: | | | | | | |
| BENEPALI | — | 218.2 | 218.2 | — | 230.5 | 230.5 |
| IMRALDI | — | 113.2 | 113.2 | — | 114.7 | 114.7 |
| FLIXABI | — | 40.5 | 40.5 | — | 43.0 | 43.0 |
| BYOOVIZ[1] | 15.2 | 0.4 | 15.6 | 0.5 | — | 0.5 |
| Subtotal: Biosimilars | 15.2 | 372.3 | 387.5 | 0.5 | 388.2 | 388.7 |
| Other[2] | 1.9 | 4.8 | 6.7 | 2.9 | 4.9 | 7.8 |
| Total product revenue | $ 1,502.4 | $ 2,106.7 | $ 3,609.1 | $ 1,769.3 | $ 2,351.9 | $ 4,121.2 |

[1] BYOOVIZ became commercially available in the U.S. during the third quarter of 2022 and commercially available in international markets in 2023.
[2] Other includes FUMADERM, ADUHELM and QALSODY, which became commercially available in the U.S. during the second quarter of 2023.

## Total Revenue

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| Product revenue | $ 1,845.8 | $ 2,054.9 | $ 3,609.1 | $ 4,121.2 |
| Revenue from LEQEMBI Collaboration | (20.7) | — | (39.6) | — |
| OCREVUS royalties | 325.5 | 291.8 | 609.1 | 544.1 |
| RITUXAN/GAZYVA®/LUNSUMIO™ revenue | 103.6 | 139.9 | 216.1 | 283.1 |
| Other revenues from anti-CD20 programs | 4.3 | 4.6 | 7.7 | 8.5 |
| Contract manufacturing, royalty and other revenue | 197.5 | 97.9 | 516.6 | 164.0 |
| Total revenue | $ 2,456.0 | $ 2,589.1 | $ 4,919.0 | $ 5,120.9 |

## TABLE 4

## BIOGEN INC. AND SUBSIDIARIES
## GAAP TO NON-GAAP RECONCILIATION
## OPERATING EXPENSE, OTHER (INCOME) EXPENSE, NET, AND INCOME TAX
***(unaudited, in millions, except effective tax rate)***

We supplement our GAAP consolidated financial statements and GAAP financial measures with other financial measures, such as adjusted net income, adjusted diluted earnings per share, revenue growth at constant currency, which excludes the impact of changes in foreign exchange rates and hedging gains or losses, and free cash flow, which is defined as net cash flow from operations less capital expenditures. We believe that these and other Non-GAAP financial measures provide additional insight into the ongoing economics of our business and reflect how we manage our business internally, set operational goals and form the basis of our management incentive programs. Non-GAAP financial measures are in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| **Research and Development Expense:** | | | | |
| Total research and development expense, GAAP | $ 584.2 | $ 528.6 | $ 1,154.8 | $ 1,080.3 |
| Less: restructuring charges and other cost saving initiatives | 0.4 | — | 0.4 | — |
| Less: other | — | — | 0.1 | — |
| Total research and development expense, Non-GAAP | $ 583.8 | $ 528.6 | $ 1,154.3 | $ 1,080.3 |
| **Selling, General and Administrative Expense:** | | | | |
| Total selling, general and administrative, GAAP | $ 548.0 | $ 572.6 | $ 1,153.0 | $ 1,207.5 |
| Less: restructuring charges and other cost saving initiatives | 11.5 | — | 11.5 | — |
| Less: other | 2.7 | 2.2 | 5.1 | 2.0 |
| Total selling, general and administrative, Non-GAAP | $ 533.8 | $ 570.4 | $ 1,136.4 | $ 1,205.5 |
| **Amortization and Impairment of Acquired Intangible Assets:** | | | | |
| Total amortization and impairment of acquired intangible assets, GAAP | $ 52.9 | $ 67.5 | $ 103.1 | $ 134.4 |
| Less: amortization of acquired intangible assets | 44.6 | 60.2 | 87.2 | 119.5 |
| Total amortization and impairment of acquired intangible assets, Non-GAAP | $ 8.3 | $ 7.3 | $ 15.9 | $ 14.9 |
| **Other (Income) Expense, net:** | | | | |
| Total other (income) expense, net, GAAP | $ (121.2) | $ (428.6) | $ (51.8) | $ (165.3) |
| Less: (gain) loss on equity security investments | (106.5) | 77.2 | (29.4) | 267.9 |
| Less: (gain) on sale of equity interest in Samsung Bioepis [A] | — | (1,505.3) | — | (1,505.3) |
| Less: litigation settlement agreement and settled fees [B] | — | 900.0 | — | 900.0 |
| Less: other | — | 20.0 | — | 20.0 |
| Total other (income) expense, net, Non-GAAP | $ (14.7) | $ 79.5 | $ (22.4) | $ 152.1 |
| **Income Tax (Benefit) Expense:** | | | | |
| Total income tax expense, GAAP | $ 114.8 | $ 216.7 | $ 165.5 | $ 342.3 |
| Less: Neurimmune step-up tax basis [C] | — | — | — | 83.9 |
| Less: international reorganization (2022) & income tax effect related to Non-GAAP reconciling items | 5.9 | 81.5 | (20.4) | 25.6 |
| Total income tax expense, Non-GAAP | $ 108.9 | $ 135.2 | $ 185.9 | $ 232.8 |
| **Effective Tax Rate:** | | | | |
| Total effective tax rate, GAAP | 16.2 % | 17.1 % | 14.4 % | 21.2 % |
| Less: Neurimmune step-up tax basis [C] | — | — | — | 5.2 |
| Less: impact of GAAP to Non-GAAP adjustments | 0.5 | 1.9 | (0.3) | 0.7 |
| Total effective tax rate, Non-GAAP | 15.7 % | 15.2 % | 14.7 % | 15.3 % |

## TABLE 4 (continued)

## BIOGEN INC. AND SUBSIDIARIES
## GAAP TO NON-GAAP RECONCILIATION
## NET INCOME ATTRIBUTABLE TO BIOGEN INC. & DILUTED EPS
*(unaudited, in millions, except per share amounts)*

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| **Equity in (Income) Loss of Investee, Net of Tax:** | | | | |
| Total equity in (income) loss of investee, GAAP | $ — | $ (5.9) | $ — | $ (2.6) |
| Less: amortization of equity in (income) loss of investee | — | 7.1 | — | 14.4 |
| Total equity in (income) loss of investee, Non-GAAP | $ — | $ (13.0) | $ — | $ (17.0) |
| **Net Income (Loss) Attributable to Noncontrolling Interests, Net of Tax:** | | | | |
| Total net income (loss) attributable to noncontrolling interests, GAAP | $ 1.7 | $ 0.7 | $ 1.4 | $ (84.6) |
| Less: Neurimmune step-up tax basis [C] | — | — | — | (83.9) |
| Less: net distribution to noncontrolling interests | — | — | — | (1.5) |
| Total net income (loss) attributable to noncontrolling interests, Non-GAAP | $ 1.7 | $ 0.7 | $ 1.4 | $ 0.8 |
| **Net Income Attributable to Biogen Inc.:** | | | | |
| Total net income attributable to Biogen Inc., GAAP | $ 591.6 | $ 1,058.0 | $ 979.5 | $ 1,361.8 |
| Plus: amortization of acquired intangible assets | 44.6 | 60.2 | 87.2 | 119.5 |
| Plus: restructuring charges and other cost saving initiatives | 46.3 | 70.6 | 56.0 | 108.7 |
| Plus: (gain) loss on fair value remeasurement of contingent consideration | — | (4.5) | — | (11.6) |
| Plus: (gain) loss on equity security investments | (106.5) | 77.2 | (29.4) | 267.9 |
| Plus: net distribution to noncontrolling interests & amortization of equity in (income) loss of investee | — | 7.1 | — | 12.9 |
| Plus: gain on sale of equity interest in Samsung Bioepis [A] | — | (1,505.3) | — | (1,505.3) |
| Plus: litigation settlement agreement and settled fees [B] | — | 900.0 | — | 900.0 |
| Plus: international reorganization & income tax effect related to Non-GAAP reconciling items | 5.9 | 81.5 | (20.4) | 25.6 |
| Plus: other | 2.7 | 22.2 | 5.1 | 22.1 |
| Total net income attributable to Biogen Inc., Non-GAAP | $ 584.6 | $ 767.0 | $ 1,078.0 | $ 1,301.6 |
| **Diluted Earnings Per Share:** | | | | |
| Total diluted earnings per share, GAAP | $ 4.07 | $ 7.24 | $ 6.74 | $ 9.27 |
| (Less) Plus: adjustments to GAAP net income attributable to Biogen Inc. (as detailed above) | (0.05) | (1.99) | 0.67 | (0.41) |
| Total diluted earnings per share, Non-GAAP | $ 4.02 | $ 5.25 | $ 7.41 | $ 8.86 |

[A] In April 2022 we completed the sale of our 49.9% equity interest in Samsung Bioepis to Samsung BioLogics in exchange for total consideration of approximately $2.3 billion. Under the terms of this transaction, we received approximately $1.0 billion in cash at closing, with approximately $1.3 billion in cash to be deferred over two payments. The first payment of $812.5 million was received in April 2023 and the second payment of $437.5 million is due at the second anniversary of the closing of this transaction.

During the second quarter of 2022 we recognized a pre-tax gain of approximately $1.5 billion related to this transaction, which was recorded in other (income) expense, net in our condensed consolidated statements of income for the three and six months ended June 30, 2022.

[B] During the second quarter of 2022 we recorded a pre-tax charge of $900.0 million, plus settlement fees and expenses, related to a litigation settlement agreement to resolve a qui tam litigation relating to conduct prior to 2015. This charge is included within other (income) expense, net in our condensed consolidated statements of income for the three and six months ended June 30, 2022.

[C] During the first quarter of 2022, upon issuance of the final National Coverage Determination related to ADUHELM, we recorded an increase in a valuation allowance of approximately $85.0 million to reduce the net value of a previously recorded deferred tax asset to zero.

This adjustment to our net deferred tax asset is recorded with an equal and offsetting amount assigned to net income (loss) attributable to noncontrolling interests, net of tax in our condensed consolidated statements of income, resulting in a zero net impact to net income attributable to Biogen Inc.

## TABLE 4 (continued)

## BIOGEN INC. AND SUBSIDIARIES
## GAAP TO NON-GAAP RECONCILIATION
## REVENUE GROWTH AT CONSTANT CURRENCY
***(unaudited)***

Percentage changes in revenue growth at constant currency are presented excluding the impact of changes in foreign currency exchange rates and hedging gains or losses. The current period's foreign currency revenue values are converted into U.S. dollars using the average exchange rates from the prior period.

| | Q2 2023 vs. Q2 2022 | YTD 2023 vs. YTD 2022 |
|---|---|---|
| **Total Revenue:** | | |
| Revenue change, as reported | (5.1)% | |
| Less: impact of foreign currency translation and hedging gains / losses | (1.7) | |
| Revenue change at constant currency | (3.4)% | |
| **Total MS Product Revenue:** | | |
| Revenue change, as reported | (15.2)% | ( |
| Less: impact of foreign currency translation and hedging gains / losses | (1.6) | |
| Revenue change at constant currency | (13.6)% | ( |
| **Total SPINRAZA Revenue** | | |
| Revenue change, as reported | 1.4 % | |
| Less: impact of foreign currency translation and hedging gains / losses | (3.4) | |
| Revenue change at constant currency | 4.8 % | |
| **Total SPINRAZA Rest of World Revenue** | | |
| Revenue change, as reported | (3.4)% | |
| Less: impact of foreign currency translation and hedging gains / losses | (4.8) | |
| Revenue change at constant currency | 1.4 % | |
| **Total Biosimilars Product Revenue:** | | |
| Revenue change, as reported | 0.4 % | |
| Less: impact of foreign currency translation and hedging gains / losses | (3.5) | |
| Revenue change at constant currency | 3.9 % | |
| **Total Other Product Revenue (FUMADERM and QALSODY):** | | |
| Revenue change, as reported | 34.5 % | |
| Less: impact of foreign currency translation and hedging gains / losses | 2.2 | |
| Revenue change at constant currency | 32.3 % | |
| **Total Product Revenue and LEQEMBI:** | | |
| Revenue change, as reported | (11.2)% | ( |
| Less: impact of foreign currency translation and hedging gains / losses | (2.1) | |
| Revenue change at constant currency | (9.1)% | ( |
| **Total Contract Manufacturing, Royalty and Other Revenue:** | | |
| Revenue change, as reported | 101.8 % | 2 |
| Less: impact of foreign currency translation and hedging gains / losses | — | |
| Revenue change at constant currency | 101.8 % | 2 |

## TABLE 4 (continued)

## BIOGEN INC. AND SUBSIDIARIES
## GAAP TO NON-GAAP RECONCILIATION
## FREE CASH FLOW
***(unaudited, in millions)***

We define free cash flow as net cash provided by (used in) operating activities in the period less capital expenditures made in the period. The following table reconciles net cash provided by (used in) operating activities, a GAAP measure, to free cash flow, a Non-GAAP measure.

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| **Cash Flow:** | | | | |
| Net cash provided by (used in) operating activities | $ 487.0 | $ 736.5 | $ 942.3 | $ 898.3 |
| Net cash provided by (used in) investing activities | (753.5) | 693.5 | (1,706.5) | 45.5 |
| Net cash provided by (used in) financing activities | (9.8) | (471.5) | (53.2) | (488.0) |
| Net increase (decrease) in cash and cash equivalents | $ (276.3) | $ 958.5 | $ (817.4) | $ 455.8 |
| | | | | |
| Net cash provided by (used in) operating activities | $ 487.0 | $ 736.5 | $ 942.3 | $ 898.3 |
| Less: Purchases of property, plant and equipment | 71.0 | 36.9 | 137.6 | 94.8 |
| Free cash flow | $ 416.0 | $ 699.6 | $ 804.7 | $ 803.5 |

## Use of Non-GAAP Financial Measures

We supplement our GAAP consolidated financial statements and GAAP financial measures with other financial measures, such as adjusted net income, adjusted diluted earnings per share, revenue growth at constant currency, which excludes the impact of changes in foreign exchange rates and hedging gains or losses, and free cash flow, which is defined as net cash flow from operations less capital expenditures. We believe that these and other Non-GAAP financial measures provide additional insight into the ongoing economics of our business and reflect how we manage our business internally, set operational goals and form the basis of our management incentive programs. Non-GAAP financial measures are in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

Our “Non-GAAP net income attributable to Biogen Inc.” and “Non-GAAP earnings per share - Diluted” financial measures exclude the following items from “GAAP net income attributable to Biogen Inc.” and “GAAP earnings per share - Diluted”:

1. Acquisitions and divestitures

We exclude transaction, integration and certain other costs related to the acquisition and divestiture of businesses and items associated with the initial consolidation or deconsolidation of variable interest entities. These adjustments include, but are not limited to, the amortization and impairment of intangible assets, charges or credits from the fair value remeasurement of our contingent consideration obligations and losses on assets and liabilities held for sale.

2. Restructuring, business transformation and other cost saving initiatives

We exclude costs associated with our execution of certain strategies and initiatives to streamline operations, achieve targeted cost reductions, rationalize manufacturing facilities or refocus research and development activities. These costs may include employee separation costs, retention bonuses, facility closing and exit costs, asset impairment charges or additional depreciation when the expected useful life of certain assets have been shortened due to changes in anticipated usage and other costs or credits that management believes do not have a direct correlation to our ongoing or future business operations.

3. (Gain) loss on equity security investments

We exclude unrealized and realized gains and losses related to our equity security investments as we do not believe that these components of income or expense have a direct correlation to our ongoing or future business operations.

4. Other items

We evaluate other items of income and expense on an individual basis and consider both the quantitative and qualitative aspects of the item, including (i) its size and nature, (ii) whether or not it relates to our ongoing business operations and (iii) whether or not we expect it to occur as part of our normal business on a regular basis. We also include an adjustment to reflect the related tax effect of all reconciling items within our reconciliation of our GAAP to Non-GAAP net income attributable to Biogen Inc. and earnings per share - diluted.