Advancing Life-Changing Discoveries in Neuroscience

Q1 2021
Corporate Presentation
May 5, 2021

neurocrine.com

Nasdaq: NBIX

Safe Harbor Statement and Non-GAAP Financial Measures

In addition to historical facts, this presentation contains forward-looking statements that involve a number of risks and uncertainties. These statements include, but are not limited to, statements related to: the benefits to be derived from our products and product candidates; the value our products and/or our product candidates may bring to patients; the continued success of INGREZZA; our launch of ONGENTYS; our financial and operating performance, including our future expenses; our collaborative partnerships; expectations regarding the impact of COVID-19 on our business; expectations regarding our ability to adapt our business to the evolving COVID-19 pandemic, mitigate its impact on our business and maintain business continuity, including our ability to protect the safety and well-being of our employees, to continue to support uninterrupted supply of INGREZZA, patient in-person access to their healthcare provider, to continue our ongoing clinical trials and other development activities, and to otherwise advance our business objectives; and the timing of the initiation and/or completion of our clinical, regulatory, and other development activities and those of our collaboration partners. Among the factors that could cause actual results to differ materially from those indicated in the forward-looking statements are: our future financial and operating performance; risks associated with the commercialization of INGREZZA and ONGENTYS; the impact of the COVID-19 pandemic on our business and the business operations of our customers; risks and uncertainties associated with the scale and duration of the COVID-19 pandemic and resulting global, national, and local economic and financial disruptions; risk and uncertainties related to any COVID-19 quarantines, shelter-in-place, social distancing and other government orders that are currently in place or that may be put in place in the future, including the impact of such orders on our and our customers' business operations and the business operations of the third parties on which we rely; risks related to the development of our product candidates; risks associated with our dependence on third parties for development and manufacturing activities for our products and product candidates, and our ability to manage these third parties; risks that the FDA or other regulatory authorities may make adverse decisions regarding our products or product candidates; risks associated with our dependence on AbbVie for the commercialization of ORILISSA and ORIAHNN, as well as the continued development of elagolix; risks that clinical development activities may not be initiated or completed on time or at all, or may be delayed for regulatory, manufacturing, COVID-19 or other reasons, may not be successful or replicate previous clinical trial results, may fail to demonstrate that our product candidates are safe and effective, or may not be predictive of real-world results or of results in subsequent clinical trials; risks that the potential benefits of the agreements with our collaboration partners may never be realized; risks that our products, and/or our product candidates may be precluded from commercialization by the proprietary or regulatory rights of third parties, or have unintended side effects, adverse reactions or incidents of misuse; and other risks described in our periodic reports filed with the SEC, including without limitation our quarterly report on Form 10-Q for the quarter ended March 31, 2021. Neurocrine Biosciences disclaims any obligation to update the statements contained in this presentation after the date hereof.

In addition to the financial results and financial guidance that are provided in accordance with accounting principles generally accepted in the United States (GAAP), this presentation also contains the following non-GAAP financial measures: non-GAAP R&D expense, non-GAAP SG&A expense, and non-GAAP net income and net income per share. When preparing the non-GAAP financial results and guidance, the Company excludes certain GAAP items that management does not consider to be normal, including recurring cash operating expenses that might not meet the definition of unusual or non-recurring items. In particular, these non-GAAP financial measures exclude: milestone payments received from licenses and collaborations, milestones paid related to licenses and collaborations, non-cash collaboration revenue, acquired in-process research and development, share-based compensation expense, non-cash interest expense related to convertible debt, changes in fair value of equity security investments and certain adjustments to income tax expense. These non-GAAP financial measures are provided as a complement to results provided in accordance with GAAP as management believes these non-GAAP financial measures help indicate underlying trends in the Company's business, are important in comparing current results with prior period results and provide additional information regarding the Company's financial position. Management also uses these non-GAAP financial measures to establish budgets and operational goals that are communicated internally and externally and to manage the Company's business and evaluate its performance. The Company provides guidance regarding combined research and development and sales, general, and administrative expenses on both a GAAP and a non-GAAP basis. The guidance regarding GAAP research and development expenses and sales, general and administrative expenses does not include estimates for expenses associated with any potential future business development activities. A reconciliation of these GAAP financial results to non-GAAP financial results is included in the attached financial information. In addition, INGREZZA net sales are presented in accordance with GAAP and as inventory-adjusted net sales, which is a non-GAAP financial measure. The difference between INGREZZA net sales and inventory-adjusted net sales reflects changes in channel inventory that are not representative of the underlying prescription demand. Management uses inventory-adjusted net sales to manage the Company's business and evaluate its performance.

Neuroscience Company Well-Positioned for Sustained and Long-Term Growth

Strong Commercial Capabilities; Experienced Sales Team

- 4 Approved Products
- INGREZZA Blockbuster Status
- ONGENTYS‡ Launched Q3 2020

R&D Focus on Neurological, Endocrine, Psychiatric Disorders

- Robust Pipeline
- Multiple Mid-to-Late-Stage Programs

Strong Financial Position

- Over $1.1B Cash and Investments *(as of 3/31/2021)*
- Generating Healthy Free Cash Flow

‡ Under License from Biai

Neurocrine Q1 2021 Highlights and 2021 Key Activities

Q1 2021 Highlights

- **INGREZZA® (valbenazine) Net Product Sales**
  - $230MM with ~43,300 TRx
  - $227MM Inventory-Adjusted Net Product Sales
- **MTPC* Reported Positive Top-Line Valbenazine Results from Asia-Based J-KINECT Phase III Study, Designed to Evaluate Efficacy and Safety of Valbenazine in TD**
  - MTPC Submitted Valbenazine MAA with Ministry of Health and Welfare in Japan
- **U.S. Food and Drug Administration Approved 60 mg INGREZZA Capsule**
- **Initiated Pediatric Phase III Registrational Program for Crinecerfont for the Treatment of Classic CAH**
- **Initiated Phase II Study of NBI-827104 in Essential Tremor**
- **Appointed Johanna Mercier (Chief Commercial Officer at Gilead Sciences) to Board of Directors**

2021 Key Milestones and Activities

- **Continued Focus on INGREZZA Commercial Execution**
  - "TD Spotlight" Direct-to-Consumer Advertising Campaign
- **Grow Awareness and Adoption of ONGENTYS via Educational Initiatives and Product Sampling**
- **Top-Line Data for Valbenazine Phase III Registrational Study for the Treatment of Chorea in Huntington Disease by Year-End**
- **Initiate Additional Mid-to-Late-Stage Studies, Including:**
  - Valbenazine in Registrational Studies in a Neurological Indication and a Psychiatric Indication
  - NBI-921352 in Phase II Studies in SCN8A-DEE and Focal-Onset Seizures in Adults
  - Luvadaxistat (NBI-1065844) in Phase II Study for CIAS
  - NBI-1065845 in Phase II Study for Inadequate Response to Treatment in Major Depressive Disorder
  - NBI-1065846 in Phase II Study for Anhedonia in Depression

TRx = Total Prescriptions; CAH = Congenital Adrenal Hyperplasia; TD = Tardive Dyskinesia; SCN8A-DEE = SCN8A Developmental and Epileptic Encephalopathy; CIAS = Cognitive Impairment Associated with Schizophrenia
* Partnered with Mitsubishi Tanabe Pharma Corporation (MTPC) who has commercialization rights in East Asia

Strong Pipeline Momentum Through 2021

	PROGRAM	INDICATION	PHASE 1	PHASE 2	PHASE 3	PARTNER	2021 UPCOMING MILESTONES
Neurology	**valbenazine***	Tardive Dyskinesia (Japan)	Filed Marketing Authorization			Mitsubishi Tanabe Pharma	MTPC Submitted Marketing Authorization with Ministry of Health & Welfare in Japan
	valbenazine*	Chorea in Huntington Disease	Registrational				Top-Line Data Expected in Q4
	valbenazine*	New Indication (Neurology)					Initiate Registrational Study
	NBI-827104	Rare Pediatric Epilepsy: CSWS				Idorsia	Ongoing Phase II Study
	NBI-827104	Essential Tremor					Ongoing Phase II Study
	NBI-921352	Rare Pediatric Epilepsy: SCN8A-DEE				XENON	Initiate Phase II Study
	NBI-921352	Focal-Onset Seizures in Adults					Initiate Phase II Study
Endocrinology	**crinecerfont**	Congenital Adrenal Hyperplasia (Adults)	Registrational				Ongoing Registrational Study
	crinecerfont	Congenital Adrenal Hyperplasia (Pediatric)	Registrational				Ongoing Registrational Study
	elagolix†	Polycystic Ovary Syndrome				abbvie	Ongoing Phase II Study
Psychiatry	**valbenazine***	New Indication (Psychiatry)					Initiate Registrational Study
	luvadaxistat (NBI-1065844)§	Cognitive Impairment Associated with Schizophrenia (CIAS)				Takeda	Initiate Phase II Study
	NBI-1065845‖	Inadequate Response to Treatment in Major Depressive Disorder					Initiate Phase II Study
	NBI-1065846‖	Anhedonia in Depression					Initiate Phase II Study

CSWS = Epileptic Encephalopathy with Continuous Spikes and Waves During Sleep; Neurocrine Biosciences has global rights unless otherwise noted.
*Mitsubishi Tanabe Pharma has commercialization rights in East Asia. †AbbVie has global commercialization rights. §Takeda has co-commercialization option following the ongoing Phase II.
‖Takeda has co-commercialization rights with option to opt out following certain development milestones.

Denotes program/study to be Initiated in 2021

2021 Scorecard

Expanding Potential Indications and Advancing Clinical Programs

5 Pivotal Programs	**Phase III Global Registrational Study of Crinecerfont for CAH** (adults)	Ongoing ✓
	Phase III Global Registrational Study of Crinecerfont for CAH (pediatric)	Ongoing ✓
	Phase III Study of Valbenazine for Chorea in Huntington Disease	Ongoing – Data in Q4 ✓
	Initiate Phase III of Valbenazine in Psychiatric Indication	2021
	Initiate Phase III of Valbenazine in Neurological Indication	2021
8 Mid-Stage Programs	**Phase II Study of Elagolix in Polycystic Ovary Syndrome**[l]	Ongoing ✓
	Phase II Study of NBI-827104 in CSWS	Ongoing ✓
	Phase II Study of NBI-827104 in Essential Tremor	Ongoing ✓
	Initiate Phase II Study of NBI-1065845 in Inadequate Response to Treatment in Major Depressive Disorder*	2021
	Initiate Phase II Study of Luvadaxistat (NBI-1065844) in CIAS**	2021
	Initiate Phase II Study of NBI-921352 in SCN8A-DEE	2021
	Initiate Phase II Study of NBI-921352 in Focal-Onset Seizures in Adults	2021
	Initiate Phase II Study of NBI-1065846 in Anhedonia in Depression*	2021

Neurocrine Biosciences has global rights unless otherwise noted
[l] AbbVie has global commercial rights and is conducting the study
* Takeda has co-commercialization rights with option to opt out following certain development milestones
** Takeda has co-commercialization option following the ongoing Phase II

Q1 2021 Financial Summary

$ Millions, Except Non-GAAP Earnings Per Share

Item	Q1 ’21	Q1 ’20	Financial Highlights / Comments
Revenue - Product Sales, Net - Collaboration Revenue	$237 231 6	$237 231 6	INGREZZA Sales of $230MM
Non-GAAP R&D Expense	58	51	Increase Due Primarily to Increased Investment across Expanded Pipeline Programs
Non-GAAP SG&A Expense	111	103	Increase Due Primarily to Increased Investment in Commercial Initiatives
Non-GAAP Net Income	48	79	Decrease Due Primarily to Higher Non-GAAP R&D and SG&A Expense
Non-GAAP Earnings per Share, Diluted	$0.49	$0.82	
Cash and Investments (Period End)	$1,123	$1,008	Increase Driven by Operating Income

All income statement items, except revenue, are non-GAAP financial measures; see reconciliations accompanying the presentation. All numbers except EPS rounded to the nearest million.

2021 GAAP and Non-GAAP Expense Guidance

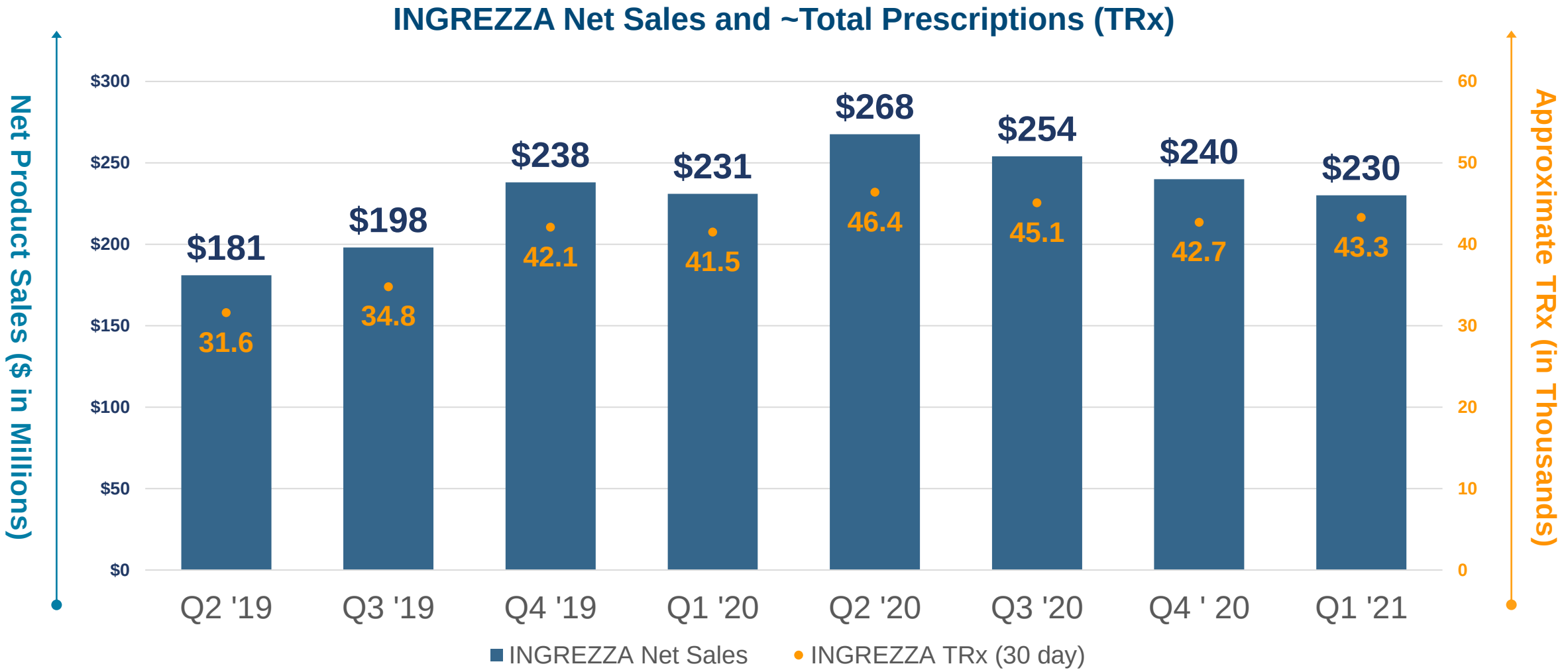
$ Millions

Combined R&D and SG&A Expenses	2020 Actuals	Previous 2021 Expense Guidance Range	Revised 2021 Expense Guidance Range
GAAP Basis	$873	$800 - $850	$855 - $905
Non-GAAP Basis	$588	$675 - $725	$720 - $770

- **Guidance Change Driven by Investment in INGREZZA Direct-to-Consumer "TD Spotlight" Advertising Campaign to Grow Awareness and Improve Diagnosis of Tardive Dyskinesia**
- **Guidance Range Reflects Increased Investment in R&D, Including Planned Initiation of 9 Mid-to-Late-Stage Pipeline Programs Plus Continued INGREZZA and ONGENTYS Marketing Costs**
- **GAAP-Only Guidance:**
  - Includes Approximately $130 Million of Share-Based Compensation
  - Does Not Include Any Potential Future Milestones or In-Process Research and Development Costs Associated with Current Collaborations or Potential Future Business Development Activities
- **Taxes:**
  - No Federal Cash Tax Expected in 2021 Based Upon Current Net Operating Loss Position

Our Medicines
Our Patients

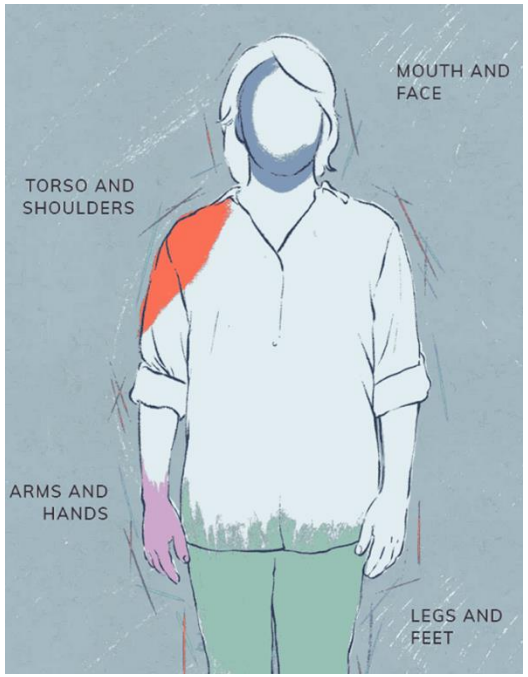
INGREZZA Quarterly Sales and TRx Performance



Substantial Impact on TD Patients and Caregivers

Movement disorder caused by prolonged use of antipsychotics and anti-nausea medications

Uncontrollable, abnormal and repetitive movements



>50% of patients experience meaningful emotional, social and psychological impact*

Job Performance

Patients believe TD affects their ability to perform their job

Low Self-Worth

Psychiatric patients may already have difficulty gaining stability and social acceptance

Isolation

Loss of physical control may make patients more likely to withdraw from social situations

* https://www.takeontd.com/ *Source: IQVIA's SMART Audit, Quarterly Data for Antipsychotic Class*

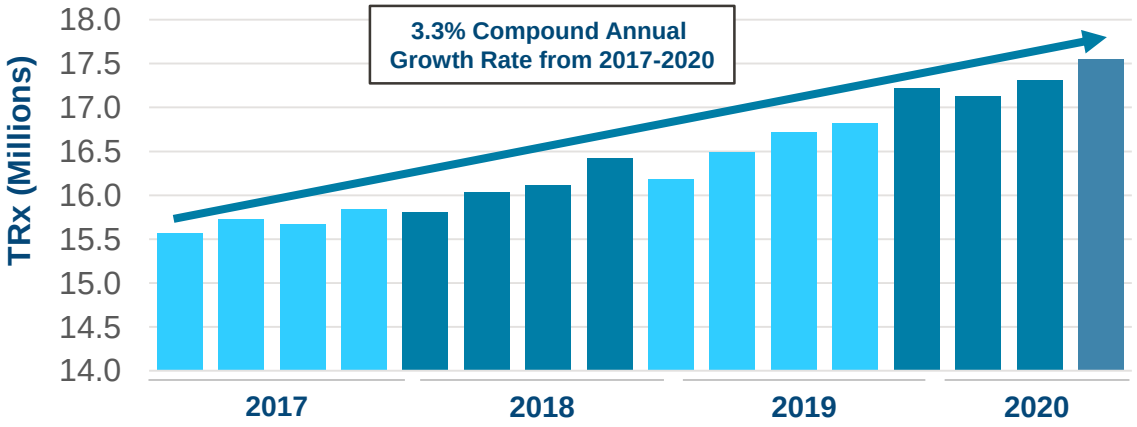
Nascent TD Market Presents Significant Opportunity

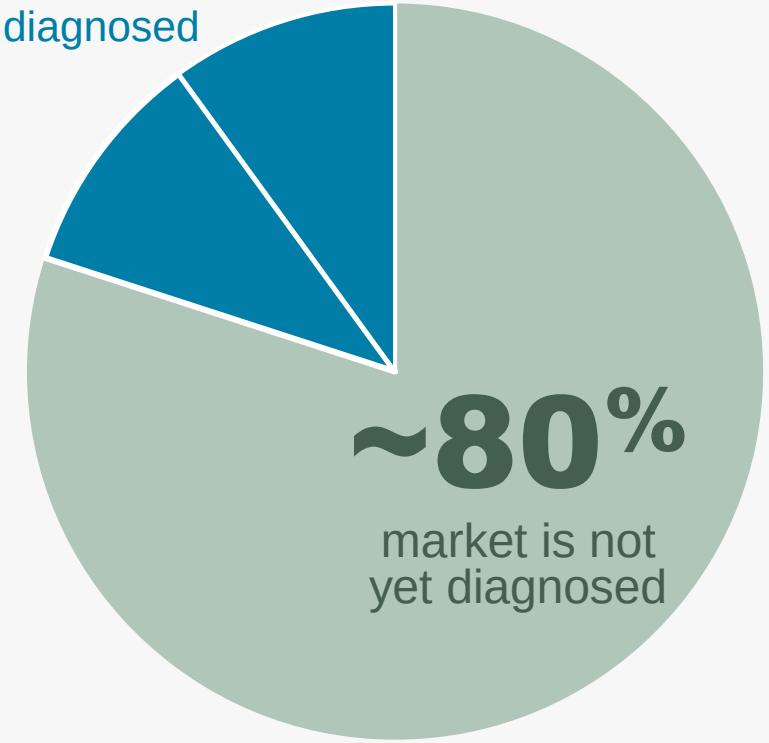
ESTIMATED TO AFFECT

~600,000

people in the U.S.

Increasing Antipsychotic Prescriptions (U.S.)





Source: Neurocrine Biosciences Data

Driving Long-Term Growth for INGREZZA

INGREZZA® (valbenazine) capsules

ONGENTYS and **INGREZZA** offering **greater access** to neurology practices

Investing in **telemedicine** capabilities

AMERICAN PSYCHIATRIC ASSOCIATION

Recommends patients with **TD** associated with antipsychotic therapy be treated with a **VMAT2** inhibitor

Patient outreach programs including "TD Spotlight" direct-to-consumer campaign

Healthcare provider **educational initiatives**

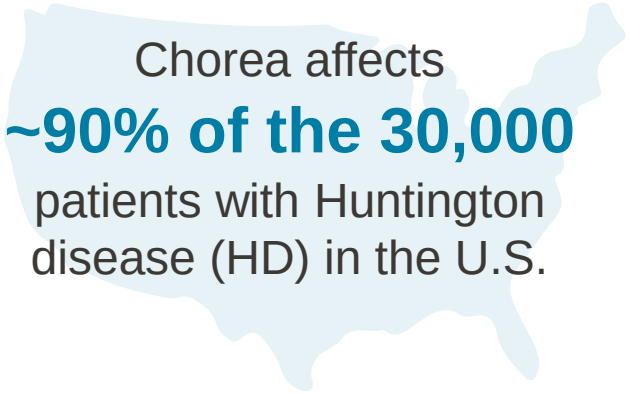
Pursuing New Indications: Chorea in Huntington Disease

Registrational Top-Line Data Expected End of 2021; sNDA Planned for 2022

valbenazine*

Simple once-a-day treatment targeted for symptom control of chorea movements

Promising profile supported by **extensive safety** data in tardive dyskinesia



Chorea affects

~90% of the 30,000

patients with Huntington disease (HD) in the U.S.

Rare neurodegenerative disorder in which neurons within the brain break down

Patients develop involuntary abnormal, abrupt or irregular movements

Current treatment associated with **increased risk of depression, suicidality**

*valbenazine in Huntington Disease is investigational and not approved in any country

ONGENTYS Is the 1st and Only FDA-Approved Once-Daily COMT Inhibitor for Parkinson's Disease

Provides Significant Reduction of Daily "Off" Time; Increase in Good "On" Time

- Add-on treatment to levodopa/carbidopa prolongs clinical effects
- One capsule, once-a-day treatment
- Helps patients achieve more consistent motor symptom control

Demonstrated Safety and Tolerability Profile

- Not associated with diarrhea or discoloration of body fluids

Launched in Sept. 2020 in Virtual and Physical Environment

- Strong interest from neurologists
- Clinical program consisted of 38 studies, including 2 multinational studies in more than 1,000 patients living with Parkinson's disease

COMT = Catechol-O-methyltransferase
‡ Under License from Bial

Orilissa® elagolix tablets 150 mg 200 mg

Neurocrine Biosciences discovered and developed through Phase II; AbbVie received FDA approval and responsible for commercialization

1st FDA-Approved Oral Treatment for Women with Moderate-to-Severe Endometriosis Pain in Over a Decade; Launched in 2018

- **Less Estrogen = Less Painful Endometriosis Lesions**
  - Addresses three most common types of endometriosis pain: painful periods, pelvic pain between periods, pain with sex*
- **Oral Administration**
  - Two dosage options based on severity of symptoms and treatment objectives
- **Safety and Tolerability Profile**
  - Proven efficacy and safety in largest endometriosis clinical program

* There are two different dosage options of ORILISSA: 150 mg (taken once a day) or 200 mg (taken twice a day). Only the 200 mg dose was proven to work for pain with sex.

Oriahnn™
elagolix, estradiol and norethindrone acetate capsules and elagolix capsules 300 mg/1 mg/0.5 mg and 300 mg

Neurocrine Biosciences discovered and developed elagolix through Phase II; AbbVie received FDA approval and responsible for commercialization

1ST FDA-Approved Oral Medication to Manage Heavy Menstrual Bleeding due to Uterine Fibroids in Pre-Menopausal Women

- **Clinically Meaningful Reduction in Heavy Menstrual Bleeding**
  - 7 out of 10 women no longer experiencing heavy menstrual bleeding vs. 1 out of 10 women on placebo
  - Reduced heavy menstrual bleeding by 50% within the first month of use
- **Non-Surgical Oral Administration**
  - Oral combination of elagolix and estradiol/norethindrone acetate helps achieve a balance between the reduction of heavy bleeding and associated hypoestrogenic side effects
  - Twice daily (morning and evening) dosing at approximately the same time each day, with or without food
- **Safety and Tolerability Profile**
  - The most common adverse reactions occurring in ≥5% of women receiving ORIAHNN in clinical trials were hot flush, headache, fatigue, and metrorrhagia. These are not the only possible side effects of ORIAHNN
  - May increase chances of heart attack, stroke, or blood clots, especially in smokers over 35 years of age with high blood pressure
  - Use of ORIAHNN should be limited to 24 months due to the risk of continued bone loss, which may not be reversible
  - See important safety information, including **BOXED WARNING on THROMBOEMBOLIC AND VASCULAR EVENTS** at **rxabbvie.com**

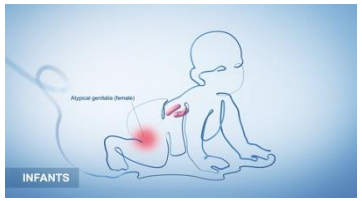
Classic Congenital Adrenal Hyperplasia (CAH)

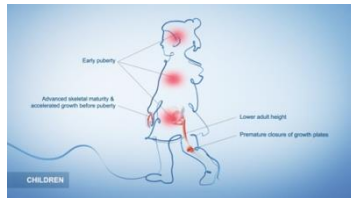
Rare Genetic Disorder

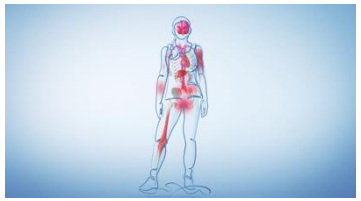
- Enzyme deficiency
- Reduced adrenal steroids & excess androgen levels

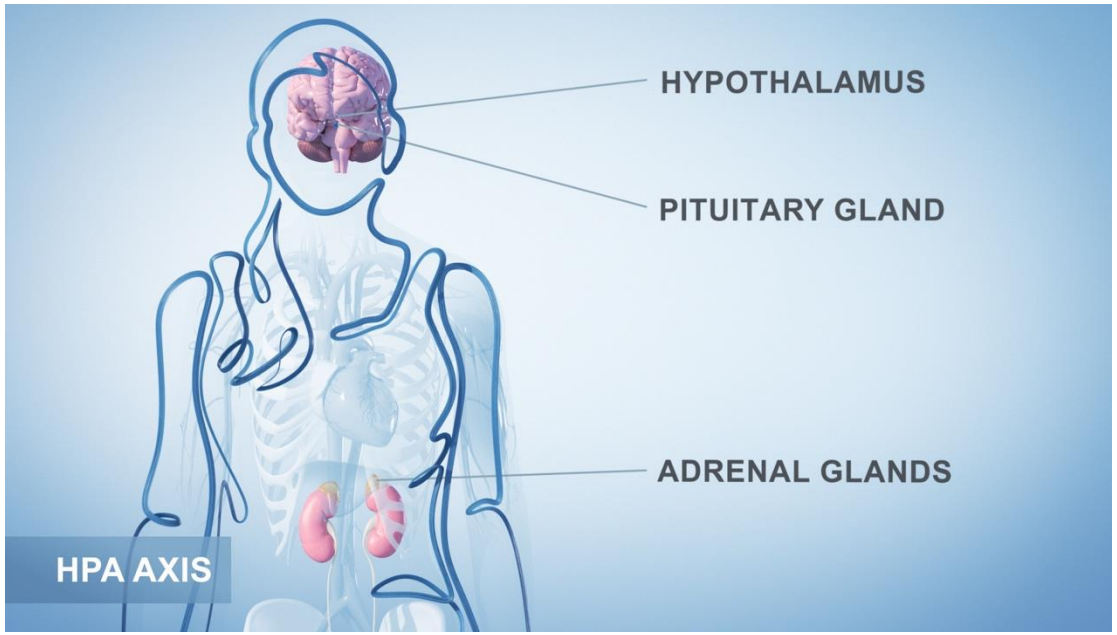
U.S.
~30,000

E.U.
~50,000









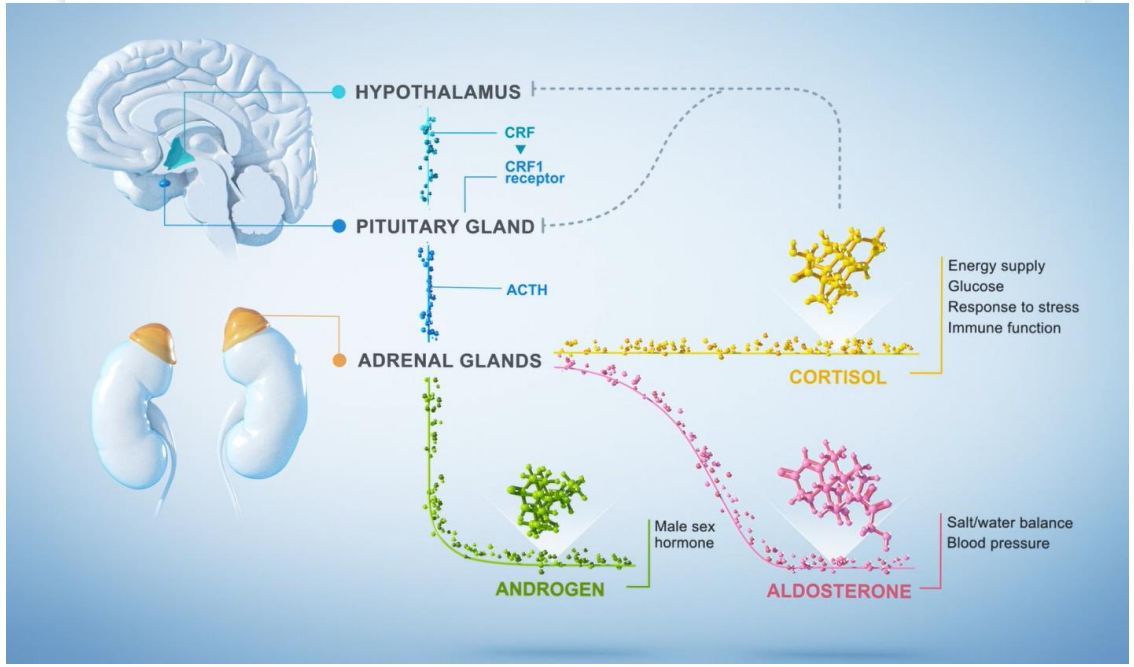
Complex and Highly Variable Symptoms

Treatment Options Stagnant for 60 Years

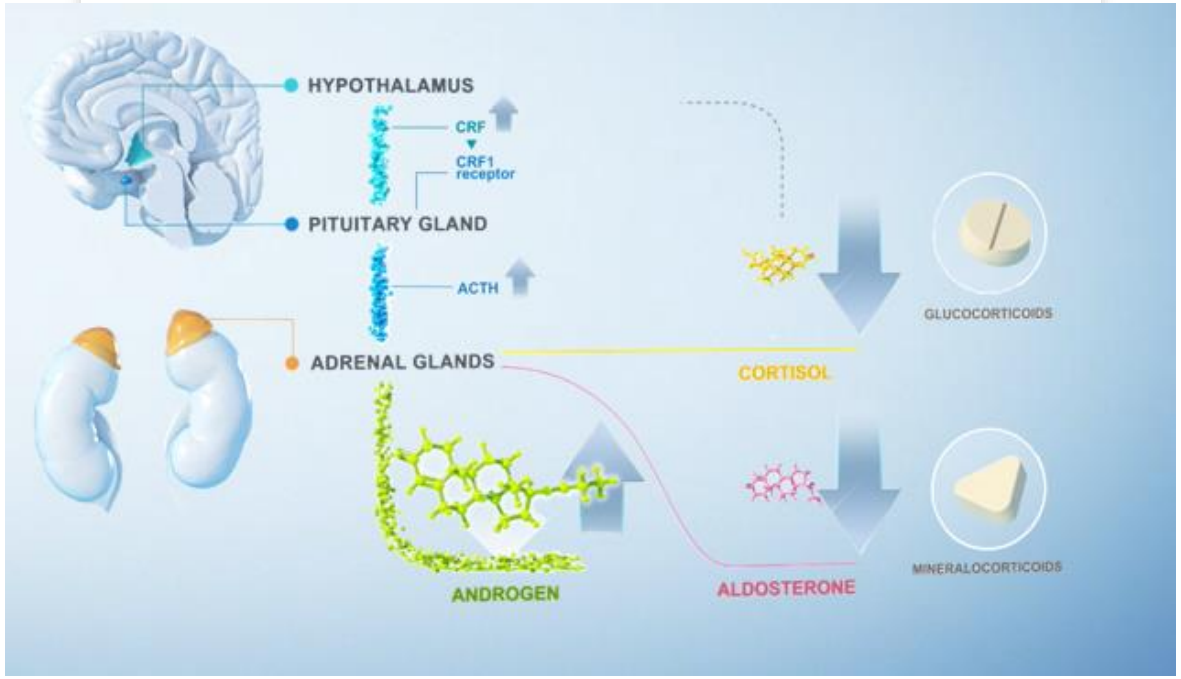
- Hormone replacement
- Do not address underlying issue

Congenital Adrenal Hyperplasia Disease Mechanism

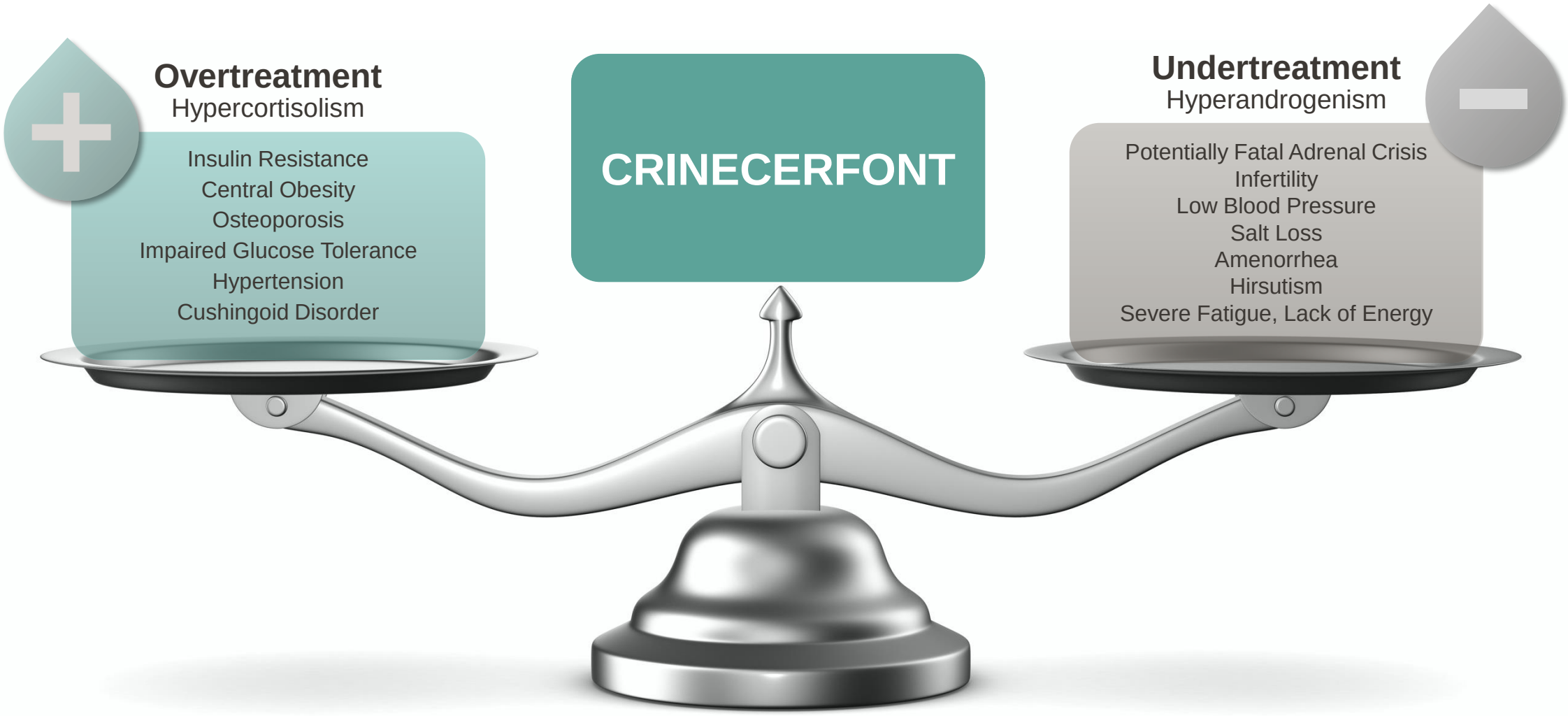
Normal Homeostasis



CAH Patients



Crinecerfont Potentially Meets the Challenges of the Standard of Care



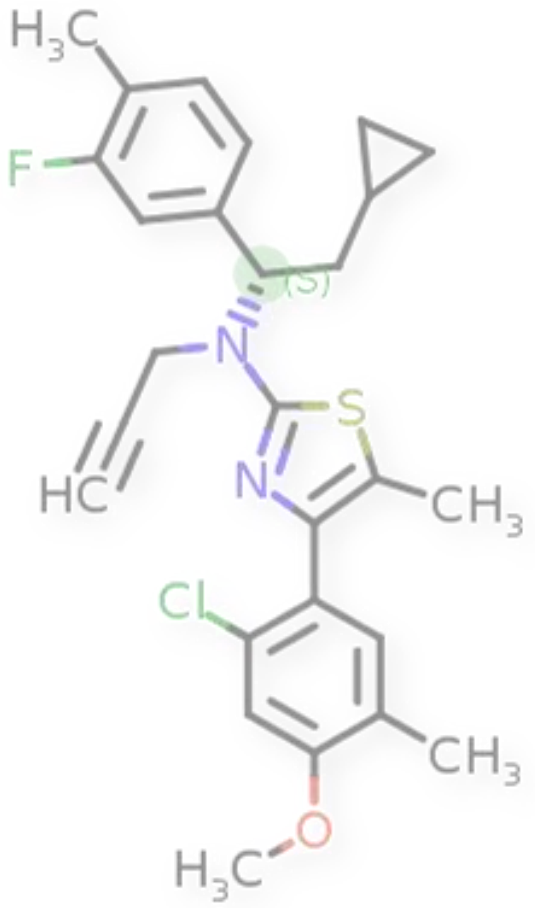
Potential Paradigm Shift in the Treatment of CAH

crinecerfont*

Phase III Global Registrational Study in Adults Ongoing

Phase III Global Registrational Study in Pediatrics Ongoing

- Potent
- Orally Active
- Selective
- Well Tolerated



* Crinecerfont is investigational and not approved in any country

First-in-Class Early- to Mid-Stage Compounds

Takeda Partnership

Exclusive worldwide rights to early- to mid-stage psychiatric compounds

luvadaxistat	Cognitive Impairment Associated with Schizophrenia (CIAS)	**Initiate Phase II Study**
NBI-1065845	Inadequate Response to Treatment in Major Depressive Disorder (MDD)	**Initiate Phase II Study**
NBI-1065846	Anhedonia in Depression	**Initiate Phase II Study**

luvadaxistat*: Potential First-in-Class D-Amino Acid Oxidase (DAAO) Inhibitor

Cognitive Impairment Associated with Schizophrenia (CIAS)

Affects approximately **60% of the 3.5 million** people in the U.S. **diagnosed with schizophrenia**

CIAS symptoms are characterized by **poor mental function** and include difficulty paying attention, processing information and making decisions

No approved treatments specifically indicated for CIAS

luvadaxistat†

- **Potent first-in-class DAAO inhibitor**
- Hypofunction of glutamatergic signaling has been implicated in the pathophysiology of schizophrenia
- **Phase II INTERACT study data** showed luvadaxistat met secondary endpoints of cognitive assessment
- **Initiate Phase II study in CIAS**

* In-licensed from Takeda Pharmaceuticals
† Luvadaxistat is investigational and not approved in any country

Precision Medicine Epilepsy Programs

Partnerships with Idorsia and Xenon

Exclusive worldwide rights to early- to mid-stage neurology compounds

NBI-827104*	Rare Pediatric Epilepsy: CSWS	**Enrolling Phase II Study**
	Essential Tremor	**Enrolling Phase II Study**
NBI-921352**	Rare Pediatric Epilepsy: SCN8A-DEE	**Initiate Phase II Study**
	Focal-Onset Seizures in Adults	**Initiate Phase II Study**

* In-licensed from Idorsia Pharmaceuticals
** In-licensed from Xenon Pharmaceuticals

NBI-827104*: Enrolling Patients in Phase II Studies

CSWS Background

Rare childhood epilepsy characterized by onset **seizures** between 2-12 years of age.

Progressive decline in cognitive, behavioral and psychiatric functioning impacting all language, communication, attention and social interaction. Impairments are typically severe.

No approved treatments with off-label options associated with **poor outcomes, safety and tolerability.**

Essential Tremor Background

Essential tremor is one of the **most common** movement disorders, with an estimated **10 million people living with essential tremor** in the U.S. alone.

Involves involuntary and rhythmic shaking of the limbs and other body parts during movement that can impact activities of daily living, including eating, drinking, writing, and dressing.

The only medication approved in the U.S. for essential tremor was approved in the 1970s. Many **patients become refractory** to beta-blockers or anti-seizure medications often used off-label to treat the disorder.

* In-licensed from Idorsia Pharmaceuticals
† NBI-827104 is investigational and not approved in any country

NBI-827104*: Selective Ca_V Inhibitor

NBI-827104†

- **Potentially the first potent, selective inhibitor and 1x/day dosing** to precisely target calcium channels 3.1, 3.2 and 3.3
- **Program has potential to address other central nervous system diseases**

CSWS Program

Could impact the lives of **CSWS patients** and over **1 million patients with adult generalized seizures**

Phase II study enrolling in CSWS

Potential fast track to approval in CSWS given significant clinical need and lack of treatment options

Essential Tremor Program

Phase II study enrolling in essential tremor

* In-licensed from Idorsia Pharmaceuticals

† NBI-827104 is investigational and not approved in any country

NBI-921352*: Initiating Phase II Studies

SCN8A-DEE Background

Rare form of early-onset epilepsy with occurrence of **seizures** beginning in the first 18 months of life and a **high incidence of sudden unexpected death in epilepsy**

Physical and psychological symptoms include recurrent seizures of all types, developmental delays, learning difficulties, muscle spasms, poor coordination, sleep problems and autistic-like features.

No approved treatments with off-label options associated with **poor outcomes, safety and tolerability**

Adult Focal-Onset Seizures Background

Also referred to as **partial-onset seizures**, these are the **most common** form of seizures in **adults**.

Predominant symptom is **recurring seizures** that affect one half of the brain. Involve **involuntary movements** with alteration or loss of awareness and can last up to several minutes.

Several treatments are available that can help **prevent further focal-onset seizures from occurring**, including anti-seizure medicines, surgery, devices and dietary therapy.

* In-licensed from Xenon Pharmaceuticals; NBI-921352 is investigational and not approved in any country

NBI-921352*: Selective $Na_V1.6$ Inhibitor

NBI-921352*

- **First potent and selective inhibitor** to precisely target the sodium channel affected by the genetic mutation of SCN8A – NaV1.6
- **Program has potential to address other central nervous system diseases**

SCN8A-DEE Program

Could impact the lives of **SCN8A-DEE patients**

Planned initiation of Phase II studies in SCN8A-DEE in 2021

Adult Focal-Onset Seizures Program

Potential to impact the lives of **1 million patients with focal seizures**, 50% of whom are refractory to existing treatments

Planned Initiation of Phase II studies in focal-onset seizures in adults in 2021

* In-licensed from Xenon Pharmaceuticals; NBI-921352 is investigational and not approved in any country


Our Vision
for the Future

Well-Positioned for Sustained and Long-term Growth

INGREZZA® (valbenazine) capsules

Ongentys®‡ (opicapone) capsules

Achieved ~$1B in Annual Sales in **3.5 Years**

Significant Opportunity for **GROWTH**

R&D Focus

- Neurology
- Endocrinology
- Psychiatry

Robust Pipeline

Multiple Mid- to Late-Stage Programs

Strong Financial Position

>$1.1B Cash and Investments (as of 3/31/2021)

‡ Under License from Bial

GAAP to Non-GAAP Reconciliations

NEUROCRINE BIOSCIENCES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(unaudited)

(in millions, except per share data)	Three Months Ended March 31, 2021	2020
Revenues:		
Product sales, net	$ 231.0	$ 231.1
Collaboration revenue	5.6	6.0
Total revenues	236.6	237.1
Operating expenses:		
Cost of sales	2.9	2.1
Research and development	73.2	58.3
Selling, general and administrative	129.0	117.8
Total operating expenses	205.1	178.2
Operating income	31.5	58.9
Other (expense) income:		
Interest expense	(6.4)	(8.2)
Unrealized gain (loss) on equity securities	0.7	(16.5)
Investment income and other, net	1.4	4.7
Total other expense, net	(4.3)	(20.0)
Income before (benefit from) provision for income taxes	27.2	38.9
(Benefit from) provision for income taxes	(4.9)	1.5
Net income	$ 32.1	$ 37.4
Net income per share, basic	$ 0.34	$ 0.40
Net income per share, diluted	$ 0.33	$ 0.39
Weighted average common shares outstanding, basic	94.2	92.6
Weighted average common shares outstanding, diluted	98.2	97.0

NEUROCRINE BIOSCIENCES, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited)

(in millions)	March 31, 2021	December 31, 2020
Cash, cash equivalents and debt securities available-for-sale	$ 873.7	$ 801.0
Other current assets	211.7	215.2
Total current assets	1,085.4	1,016.2
Deferred tax assets	325.6	319.4
Debt securities available-for-sale	249.6	227.1
Right-of-use assets	97.0	82.8
Equity securities	38.9	38.2
Property and equipment, net	45.3	44.6
Restricted cash and other long-term assets	4.6	6.4
Total assets	$ 1,846.4	$ 1,734.7
Total current liabilities	$ 190.0	$ 186.5
Convertible senior notes	322.0	317.9
Operating lease liabilities	107.5	94.4
Other long-term liabilities	21.3	9.7
Stockholders' equity	1,205.6	1,126.2
Total liabilities and stockholders' equity	$ 1,846.4	$ 1,734.7

NEUROCRINE BIOSCIENCES, INC.

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL RESULTS

(unaudited)

(in millions, except per share data)	Three Months Ended March 31, 2021	2020
GAAP net income	$ 32.1	$ 37.4
Adjustments:		
Non-cash collaboration revenue [A]	(1.1)	(1.3)
Share-based compensation expense - R&D	15.0	7.7
Share-based compensation expense - SG&A	17.9	15.1
Non-cash interest related to convertible senior notes	4.2	5.3
Changes in fair value of equity security investments [B]	(0.7)	16.5
Income tax effect related to reconciling items [C]	(19.5)	(1.6)
Non-GAAP net income	$ 47.9	$ 79.1
Net income per diluted common share:		
GAAP	$ 0.33	$ 0.39
Non-GAAP	$ 0.49	$ 0.82

[A] The Company recognized non-cash collaboration revenue under the collaboration and license agreement entered into with Mitsubishi Tanabe Pharma Corporation in 2015.

[B] The Company recognized an unrealized (gain) loss to adjust its equity security investments to fair value.

[C] Estimated income tax effect of non-GAAP reconciling items are calculated using applicable statutory tax rates, taking into consideration any valuation allowance. On December 31, 2020, the Company released substantially all of its valuation allowance against its net operating losses and other deferred tax assets. First quarter of 2021, also includes adjustment to exclude the excess tax benefits related to stock compensation.

NEUROCRINE BIOSCIENCES, INC.

RECONCILIATION OF GAAP TO NON-GAAP EXPENSES

(unaudited)

(in millions)	Three Months Ended March 31, 2021	2020
GAAP R&D	$ 73.2	$ 58.3
Adjustments:		
Share-based compensation expense	15.0	7.7
Non-GAAP R&D	$ 58.2	$ 50.6
GAAP SG&A	$ 129.0	$ 117.8
Adjustments:		
Share-based compensation expense	17.9	15.1
Non-GAAP SG&A	$ 111.1	$ 102.7

Advancing Life-Changing Discoveries in Neuroscience

Q1 2021
Corporate Presentation
May 5, 2021

neurocrine.com

Nasdaq: NBIX