NEUROCRINE BIOSCIENCES INC
Form 10-Q
October 31, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2011

OR

¨ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 0-22705

NEUROCRINE BIOSCIENCES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**33-0525145**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification No.)**
12780 El Camino Real, San Diego, California	**92130**
(Address of principal executive office)	**(Zip Code)**

(858) 617-7600

(Registrant s telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer ¨	Accelerated filer x
Non-accelerated filer ¨ (Do not check if a smaller reporting company)	Smaller reporting company ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No x

The number of outstanding shares of the registrant s common stock, par value $0.001 per share, was 55,256,681 as of October 26, 2011.

NEUROCRINE BIOSCIENCES, INC.

FORM 10-Q INDEX

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

NEUROCRINE BIOSCIENCES, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except share information)

(unaudited)

	September 30, 2011	December 31, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	$ 39,516	$ 54,051
Short-term investments, available for sale	72,115	72,814
Receivables under collaboration agreements	22,397	4,470
Other current assets	2,098	1,716
Total current assets	136,126	133,051
Property and equipment, net	1,687	1,532
Long-term investments	5,087	3,739
Restricted cash	6,128	6,102
Total assets	$ 149,028	$ 144,424
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	$ 766	$ 810
Accrued liabilities	7,562	8,603
Current portion of deferred revenues	35,493	37,026
Current portion of cease-use liability	1,604	3,385
Current portion of deferred gain on sale of real estate	3,019	2,953
Total current liabilities	48,444	52,777
Deferred revenues	10,907	37,162
Deferred gain on sale of real estate	24,771	27,046
Deferred rent	1,698	1,413
Cease-use liability	5,335	6,580
Other liabilities	124	101
Total liabilities	91,279	125,079
Commitments and contingencies		
Stockholders equity:		
Preferred stock, $0.001 par value; 5,000,000 shares authorized; no shares issued and outstanding		
Common stock, $0.001 par value; 110,000,000 shares authorized; issued and outstanding shares were 55,254,016 as of September 30, 2011 and 54,882,129 as of December 31, 2010	55	55
Additional paid-in capital	783,882	781,607
Accumulated other comprehensive loss	(159)	(48)
Accumulated deficit	(726,029)	(762,269)
Total stockholders equity	57,749	19,345

Total liabilities and stockholders equity	$ 149,028	$ 144,424

See accompanying notes to the condensed consolidated financial statements.

NEUROCRINE BIOSCIENCES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share data)

(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Revenues:				
Sponsored research and development	$ 2,396	$ 5,210	$ 8,589	$ 6,519
Milestones and license fees	39,238	9,238	57,714	13,325
Total revenues	41,634	14,448	66,303	19,844
Operating expenses:				
Research and development	7,456	8,227	22,949	23,086
General and administrative	3,825	3,635	9,790	9,950
Cease-use expense	(87)	120	89	401
Total operating expenses	11,194	11,982	32,828	33,437
Income (loss) from operations	30,440	2,466	33,475	(13,593)
Other income:				
Gain on sale/disposal of assets	86	34	184	202
Deferred gain on real estate	736	715	2,209	2,145
Investment income, net	102	118	341	732
Other income, net	18		31	59
Total other income	942	867	2,765	3,138
Net income (loss)	$ 31,382	$ 3,333	$ 36,240	$ (10,455)
Net income (loss) per common share:				
Basic	$ 0.57	$ 0.06	$ 0.66	$ (0.20)
Diluted	$ 0.56	$ 0.06	$ 0.64	$ (0.20)
Shares used in the calculation of net income (loss) per common share:				
Basic	55,248	54,844	55,148	52,130
Diluted	56,378	55,648	56,309	52,130

See accompanying notes to the condensed consolidated financial statements.

NEUROCRINE BIOSCIENCES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

(unaudited)

	Nine Months Ended September 30,	
	2011	**2010**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ 36,240	$ (10,455)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:		
Depreciation and amortization	552	1,131
Gain on sale of assets	(184)	(202)
Realized loss on sale of investments		186
Realized gain on sale of auction rate securities		(626)
Cease-use expense	89	401
Deferred revenues	(27,788)	71,662
Deferred gain on sale of real estate	(2,209)	(2,145)
Deferred rent	332	519
Amortization of premiums on investments	1,772	451
Non-cash share-based compensation expense	2,011	2,277
Change in operating assets and liabilities:		
Accounts receivable and other assets	(18,309)	(4,713)
Accounts payable and accrued liabilities	(1,085)	818
Cease-use liability	(3,162)	(3,397)
Other liabilities	23	(1,436)
Net cash (used in) provided by operating activities	(11,718)	54,471
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(104,186)	(58,592)
Sales and maturities of investments	101,654	22,807
Deposits and restricted cash	(26)	(8)
Proceeds from sales of property and equipment	187	242
Purchases of property and equipment	(710)	(303)
Net cash used in investing activities	(3,081)	(35,854)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of common stock	264	21,384
Net cash provided by financing activities	264	21,384
Net (decrease) increase in cash and cash equivalents	(14,535)	40,001
Cash and cash equivalents at beginning of the period	54,051	37,329
Cash and cash equivalents at end of the period	$ 39,516	$ 77,330

See accompanying notes to the condensed consolidated financial statements.

NEUROCRINE BIOSCIENCES, INC.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Description of Business. Neurocrine Biosciences, Inc. (the Company or Neurocrine) discovers, develops and intends to commercialize drugs for the treatment of neurological and endocrine-related diseases and disorders. The Company s product candidates address some of the largest pharmaceutical markets in the world, including endometriosis, stress-related disorders, pain, tardive dyskinesia, uterine fibroids, diabetes, insomnia and other neurological and endocrine-related diseases and disorders. While the Company independently develops many of its product candidates, Neurocrine has entered into collaborations for six of its programs. The Company s lead clinical development program, elagolix, is a drug candidate for the treatment of endometriosis and uterine fibroids.

Basis of Presentation. The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) for interim financial information and with the instructions of the Securities and Exchange Commission (SEC) on Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and disclosures required by GAAP for complete financial statements. In the opinion of management, the condensed consolidated financial statements include all adjustments necessary, which are of a normal and recurring nature, for the fair presentation of the Company s financial position and of the results of operations and cash flows for the periods presented. The accompanying unaudited condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries.

These financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2010 included in the Company s Annual Report on Form 10-K filed with the SEC. The results of operations for the interim period shown in this report are not necessarily indicative of the results that may be expected for any other interim period or for the full year. The balance sheet at December 31, 2010 has been derived from the audited financial statements at that date, but does not include all of the information and footnotes required by GAAP for complete financial statements.

Impact of Recently Issued Accounting Standards. In October 2009, the Financial Accounting Standards Board (the FASB) issued an Accounting Standard Update which replaced the concept of allocating revenue consideration amongst deliverables in a multiple-element revenue arrangement according to fair value with an allocation based on selling price. The amended guidance also establishes a hierarchy for determining the selling price of revenue deliverables sold in multiple element revenue arrangements. The selling price used for each deliverable will be based on vendor-specific objective evidence (VSOE) if available, third-party evidence if VSOE is not available, or management s estimate of an element s stand-alone selling price if neither VSOE nor third-party evidence is available. The amendments in this update also require an allocation of selling price amongst deliverables be performed based upon each deliverable s relative selling price to total revenue consideration, rather than on the residual method previously permitted. The updated guidance is effective for the first annual reporting period beginning on or after June 15, 2010, and may be applied retrospectively for all periods presented or prospectively to arrangements entered into or materially modified after the adoption date. The Company prospectively adopted the updated guidance on January 1, 2011 and will apply the amended guidance to revenue arrangements containing multiple deliverables that are entered into or significantly modified on or after January 1, 2011. The Company now allocates revenue consideration, excluding contingent consideration, based on the relative selling prices of the separate units of accounting contained within an arrangement containing multiple deliverables. Selling prices are determined using fair value, when available, or the Company s estimate of selling price when fair value is not available for a given unit of accounting. As the Company did not enter into any new collaborations or materially modify any existing collaborations during the first nine months of the year, adoption of this guidance had no impact on the Company s results of operations for the three and nine months ended September 30, 2011.

Effective January 1, 2011, the Company adopted the FASB s revised authoritative guidance for research and development milestone recognition. The revised guidance is not required and does not represent the only acceptable method of revenue recognition. Milestones, as defined per the revised guidance, are (1) events that can only be achieved in whole or in part on either the entity s performance or on the occurrence of a specific outcome resulting in the entity s performance (2) for which there is substantive uncertainty at the date the arrangement is entered into that the event will be achieved and (3) that would result in additional payments being due to the Company. The Company evaluates events under this guidance at the inception of an arrangement to determine the existence of milestones and if they are substantive. The adoption of the revised guidance has not had, and is not expected to have, a material impact on the Company s results of operations as it is consistent with its historical practice of milestone revenue recognition.

In May 2011, the FASB issued updated accounting guidance related to fair value measurements and disclosures that result in common fair value measurements and disclosures between GAAP and International Financial Reporting Standards. This guidance includes amendments that clarify the intent about the application of existing fair value measurements and disclosures, and change a principle or requirement for fair value measurements or disclosures. This guidance is effective for interim and annual periods

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beginning after December 15, 2011. The Company does not believe the adoption of this guidance will have a material impact on its consolidated financial statements.

Research and Development Expense. Research and development (R&D) expense consists primarily of salaries, payroll taxes, employee benefits, and share-based compensation charges for those individuals involved in ongoing R&D efforts; as well as scientific contractor fees, preclinical and clinical trial costs, R&D facilities costs, laboratory supply costs, and depreciation of scientific equipment. All such costs are charged to R&D expense as incurred. These expenses result from the Company s independent R&D efforts as well as efforts associated with collaborations and in-licensing arrangements. In addition, the Company funds R&D at other companies and research institutions under agreements which are generally cancelable. The Company reviews and accrues clinical trial expenses based on work performed, which relies on estimates of total costs incurred based on patient enrollment, completion of patient studies and other events. The Company follows this method since reasonably dependable estimates can be made of the costs applicable to various stages of a research agreement or clinical trial. Accrued clinical costs are subject to revisions as trials progress to completion. Revisions are charged to expense in the period in which the facts that give rise to the revision become known. Historically, revisions have not resulted in significant changes to the Company s results of operations.

Use of Estimates. The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and the accompanying notes. Actual results could differ from those estimates.

2. SIGNIFICANT COLLABORATIVE RESEARCH AND DEVELOPMENT AGREEMENTS

Revenue Recognition Policy. Revenues under collaborative agreements and grants are recognized as research costs are incurred over the period specified in the related agreement or as the services are performed. These agreements are on a best-efforts basis, do not require scientific achievement as a performance obligation and provide for payment to be made when costs are incurred or the services are performed. All fees are nonrefundable to the collaborators. Prior to the revised multiple element guidance adopted by the Company on January 1, 2011, upfront, nonrefundable payments for license fees, grants, and advance payments for sponsored research revenues received in excess of amounts earned are classified as deferred revenue and recognized as income over the contract or development period. Estimating the duration of the development period includes continual assessment of development stages and regulatory requirements. If and when the Company enters into a new collaboration or materially modifies an existing collaboration, the Company will be required to apply the new multiple element guidance. Milestone payments are recognized as revenue upon achievement of pre-defined scientific events, which require substantive effort, and for which achievement of the milestone was not readily assured at the inception of the agreement.

Abbott International Luxembourg S.à r.l. In June 2010, the Company announced an exclusive worldwide collaboration with Abbott International Luxembourg S.à r.l. (Abbott) to develop and commercialize elagolix and all next-generation gonadotropin-releasing hormone (GnRH) antagonists (collectively GnRH Compounds) for women s and men s health. Under the terms of the Company s agreement with Abbott, the Company and Abbott will work jointly to advance GnRH Compounds towards commercialization. Abbott made an upfront payment of $75 million and agreed to make additional development and regulatory milestone payments of up to $480 million and up to an additional $50 million in commercial milestone payments. The Company has assessed milestones under the revised authoritative guidance for research and development milestones and determined that the milestone payments prior to commencement of a Phase III clinical study, as defined per the agreement, meet the definition of a milestone as they are 1) events that can only be achieved in part on the Company s past performance (2) there is substantive uncertainty at the date the arrangement is entered into that the event will be achieved and (3) they result in additional payments being due to the Company. Development and regulatory milestones subsequent to the commencement of a Phase III clinical study, however, currently do not meet this criteria as their achievement is based on the performance of Abbott.

Under the terms of the agreement, Abbott is responsible for all third-party development, marketing and commercialization costs. The Company will receive funding for certain internal collaboration expenses which includes reimbursement from Abbott for internal and external expenses related to the GnRH Compounds, which reimbursement includes up to approximately $24 million in personnel funding through the end of 2012. The Company will be entitled to a percentage of worldwide sales of GnRH Compounds for the longer of ten years or the life of the related patent rights. Under the terms of the Company s agreement with Abbott, the collaboration effort between the parties to advance GnRH Compounds towards commercialization is governed by a joint development committee with representatives from both the Company and Abbott; provided, however, that final decision making authority rests with Abbott. Abbott may terminate the collaboration at its discretion upon 180 days written notice to the Company. In such event, the Company would be entitled to specified payments for ongoing clinical development and related activities and all GnRH Compound product rights would revert to the Company. The Company s participation in the joint development committee has been determined to be a substantive deliverable under the contract, and therefore, the upfront payment has been deferred and is being recognized over the estimated term of the joint development committee, which is expected to be through the end of 2012. During the three and nine months ended September 30, 2011, the Company recorded revenues of $7.3 million and $21.8 million in amortization of up-front license fees, respectively. The Company also recorded $2.1 million and $7.5 million in sponsored research and development related to the Abbott agreement during the three and nine months ended September 30, 2011, respectively. For the three and nine months ended September 30, 2011, the Company recognized $30.0 million in milestone revenue under the Abbott collaboration, $10.0 million of which was related to advancing elagolix into Phase II clinical trials in uterine fibroids and $20.0 million of which was related to the outcome of an elagolix pre- Phase

III meeting with the U.S. Food and Drug Administration (FDA) for endometriosis. There are no other milestones under the Abbott agreement that meet the definition of a milestone under the revised authoritative guidance for research and development milestones. At September 30, 2011 the Company had $36.3 million of deferred revenue related to the Abbott agreement, which is being amortized over the remaining collaborative development period.

Boehringer Ingelheim International GmbH. In June 2010, the Company announced a worldwide collaboration with Boehringer Ingelheim International GmbH (Boehringer Ingelheim) to research, develop and commercialize small molecule GPR119 agonists for the treatment of Type II diabetes and other indications. Under the terms of the Company s agreement with Boehringer Ingelheim, the Company and Boehringer Ingelheim are working jointly to identify and advance GPR119 agonist candidates into pre-clinical development. Boehringer Ingelheim will then be responsible for the global development and commercialization of potential GPR119 agonist products. The Company received a $10 million upfront payment, and is currently receiving research funding to support discovery efforts. Boehringer Ingelheim agreed to make additional preclinical milestone payments of up to approximately $3 million and clinical development and commercial milestone payments of up to approximately $223 million. The Company has assessed milestones under the revised authoritative guidance for research and development milestones and determined that the preclinical milestone payments, as defined per the agreement, meet the definition of a milestone as they are 1) events that can only be achieved in part on the Company s performance or upon the occurrence of a specific outcome resulting in the Company s performance (2) there is substantive uncertainty at the date the arrangement is entered into that the event will be achieved and (3) they result in additional payments being due to the Company. Clinical development and commercial milestone payments, however, currently do not meet this criteria as their achievement is solely based on the performance of Boehringer Ingelheim. No milestone payments were recognized during the periods presented. The Company will be entitled to a percentage of any future worldwide sales of GPR119 agonists. Under the terms of the agreement, the collaboration effort between the parties to identify and advance GPR119 agonist candidates into pre-clinical development is governed by a steering committee with representatives from both the Company and Boehringer Ingelheim; provided, however, that final decision making authority rests with Boehringer Ingelheim. Boehringer Ingelheim may terminate the agreement at its discretion upon prior written notice to the Company. In such event, the Company may be entitled to specified payments and product rights would revert to the Company. The Company s participation in the steering committee has been determined to be a substantive deliverable under the contract, and therefore, the upfront payment has been deferred and is being recognized over the estimated term of the steering committee, which is expected to be through June 2012. During the three and nine months ended September 30, 2011, the Company recorded revenues of $1.3 million and $3.8 million in amortization of up-front license fees, respectively. The Company also recorded $0.2 million and $1.0 million in sponsored research and development related to the Boehringer Ingelheim agreement during the three and nine months ended September 30, 2011, respectively. In addition, at September 30, 2011, the Company had $3.5 million of deferred license fees related to the Boehringer Ingelheim agreement, which is being amortized over the remaining collaborative research period of the agreement.

3. INVESTMENTS

Available-for-sale securities are carried at fair value, with the unrealized gains and losses reported in comprehensive income (loss). The amortized cost of debt securities in this category is adjusted for amortization of premiums and accretion of discounts to maturity. Such amortization is included in interest income. Realized gains and losses and declines in value judged to be other-than-temporary, if any, on available-for-sale securities are included in other income or expense. The cost of securities sold is based on the specific identification method. Interest and dividends on securities classified as available-for-sale are included in investment income.

Investments consist of the following (*in thousands*):

	September 30, 2011	December 31, 2010
Certificates of deposit	$ 2,400	$ 2,397
Commercial paper	13,447	27,650
Securities of government-sponsored entities		4,498
Corporate debt securities	61,355	42,008
Total investments	$ 77,202	$ 76,553

The following is a summary of investments classified as available-for-sale securities (*in thousands*):

	Contractual Maturity (in years)	Amortized Cost	Gross Unrealized Gains(1)	Gross Unrealized Losses(1)	Aggregate Estimated Fair Value
September 30, 2011:					
Classified as current assets:					
Certificates of deposit	Less than 1	$ 2,400	$ 1	$ (1)	$ 2,400
Commercial paper	Less than 1	13,465	2	(20)	13,447
Corporate debt securities	Less than 1	56,403	6	(141)	56,268
Total short-term available-for-sale securities		$ 72,268	$ 9	$ (162)	$ 72,115
Classified as non-current assets:					
Corporate debt securities	1 to 2	$ 5,093	$	$ (6)	$ 5,087
December 31, 2010:					
Classified as current assets:					
Certificates of deposit	Less than 1	$ 2,160	$	$ (3)	$ 2,157
Commercial paper	Less than 1	27,657	1	(8)	27,650
Securities of government-sponsored entities	Less than 1	2,000		(2)	1,998
Corporate debt securities	Less than 1	41,047	5	(43)	41,009
Total short-term available-for-sale securities		$ 72,864	$ 6	$ (56)	$ 72,814
Classified as non-current assets:					
Certificates of deposit	1 to 2	$ 240	$	$	$ 240
Securities of government-sponsored entities	1 to 2	2,500			2,500
Corporate debt securities	1 to 2	997	2		999
Total long-term available-for-sale securities		$ 3,737	$ 2	$	$ 3,739

(1) Unrealized gains and losses are included in other comprehensive income (loss).

The following table presents information about available-for-sale securities in an unrealized loss position (*in thousands*):

	Less Than 12 Months		12 Months or Greater		Total	
	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses
September 30, 2011:						
Certificates of deposit	$ 1,200	$ (1)	$	$	$ 1,200	$ (1)
Commercial paper	5,962	(20)			5,962	(20)
Corporate debt securities	57,866	(147)			57,866	(147)
Total	$ 65,028	$ (168)	$	$	$ 65,028	$ (168)

December 31, 2010:

Certificates of deposit	$ 2,157	$ (3)	$	$ 2,157	$ (3)
Commercial paper	25,150	(8)		25,150	(8)
Securities of government-sponsored entities	1,998	(2)		1,998	(2)
Corporate debt securities	35,166	(43)		35,166	(43)
Total	$ 64,471	$ (56)	$	$ 64,471	$ (56)

4. AUCTION RATE SECURITIES

During the nine months ended September 30, 2010, the Company sold or redeemed auction rate securities for approximately $16.4 million. As part of these sales, the Company recognized approximately $0.5 million in gains in the Company s condensed consolidated statement of operations for the nine months ended September 30, 2010.

5. FAIR VALUE MEASUREMENTS

Fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets;

Level 2: Inputs include quoted prices for similar instruments in active markets and/or quoted prices for identical or similar instruments in markets that are not active near the measurement date; and

Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company s assets which are measured at fair value on a recurring basis as of September 30, 2011 and December 31, 2010 were determined using the inputs described above (*in millions*):

		Fair Value Measurements Using		
	Carrying Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
September 30, 2011:				
Cash and money market funds	$ 40.2	$ 40.2	$	$
Certificates of deposit	2.5		2.5	
Commercial paper	13.4		13.4	
Corporate bonds	66.7		66.7	
Total	122.8	40.2	82.6	
Less cash, cash equivalents and restricted cash	(45.6)	(40.2)	(5.4)	
Total investments	$ 77.2	$	$ 77.2	$
December 31, 2010:				
Cash and money market funds	$ 56.4	$ 56.4	$	$
Certificates of deposit	2.4		2.4	
Commercial paper				