BIOGEN INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME

(In millions, except per share amounts)

		For the Years Ended December 31,				
		2018		2017		2016
Revenues:						
Product, net	\$	10,886.8	\$	10,354.7	\$	9,817.9
Revenues from anti-CD20 therapeutic programs		1,980.2		1,559.2		1,314.5
Other		585.9		360.0		316.4
Total revenues	—	13,452.9		12,273.9		11,448.8
Cost and expenses:						
Cost of sales, excluding amortization and impairment of acquired intangible assets		1,816.3		1,630.0		1,478.7
Research and development		2,597.2		2,253.6		1,973.3
Selling, general and administrative		2,106.3		1,933.9		1,946.6
Amortization and impairment of acquired intangible assets		747.3		814.7		385.6
Collaboration profit (loss) sharing		185.0		112.3		10.2
Acquired in-process research and development		112.5		120.0		_
Restructuring charges		12.0		0.9		33.1
(Gain) loss on fair value remeasurement of contingent consideration		(12.3)		62.7		14.8
TECFIDERA litigation settlement charge		_		_		454.8
Total cost and expenses	—	7,564.3		6,928.1		6,297.1
Income from operations	—	5,888.6		5,345.8		5,151.7
Other income (expense), net		11.0		(217.0)		(218.7)
Income before income tax expense and equity in loss of investee, net of tax	–	5,899.6		5,128.8		4,933.0
Income tax expense		1,425.6		2,458.7		1,237.3
Equity in loss of investee, net of tax		_		_		_
Net income	—	4,474.0		2,670.1		3,695.7
Net income (loss) attributable to noncontrolling interests, net of tax		43.3		131.0		(7.1)
Net income attributable to Biogen Inc.	\$	4,430.7	\$	2,539.1	\$	3,702.8
Net income per share:				-		
Basic earnings per share attributable to Biogen Inc	\$	21.63	\$	11.94	\$	16.96
Diluted earnings per share attributable to Biogen Inc	\$	21.58	\$	11.92	\$	16.93
Weighted-average shares used in calculating:	_					
Basic earnings per share attributable to Biogen Inc		204.9		212.6		218.4
Diluted earnings per share attributable to Biogen Inc	=	205.3		213.0		218.8

BIOGEN INC. AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

(In millions, except per share amounts)

NASSETS NASSETS NATIONAL PROPERTY NASSETS NASSETS NASSETS NASSETS NASSETS NATIONAL PROPERTY NASSETS NASS			As of December 31,		
Current assets: \$ 1,224.6 \$ 1,573.8 Cash and cash equivalents 2,313.4 2,115.2 Accounts receivable, net 1,958.5 1,787.0 Due from anti-CD20 therapeutic programs 526.9 532.6 Inventory 929.9 902.7 Other current assets 687.6 962.0 Total current assets 3,601.2 3,873.3 Marketable securities 1,375.9 3,057.3 Property, plant and equipment, net 3,601.2 3,879.6 Goodwill 5,706.4 4,632.5 Deferred tax asset 1,690.6 4,632.5 Investments and other assets 1,690.6 4,632.5 Investments and other assets 1,690.6 4,632.5 Investments and other assets 1,690.6 4,632.5 Investment liabilities 5,25,88.9 23,652.6 Current portion of notes payable 63.5 68.2 Current portion of notes payable 370.5 395.5 Accurued expenses and other 2,861.2 2,901.3 Total current liabilities <td< th=""><th></th><th></th><th>2018</th><th></th><th>2017</th></td<>			2018		2017
Cash and cash equivalents \$ 1,224.6 \$ 1,573.8 Marketable securities 2,313.4 2,115.2 Accounts receivable, net 1,958.5 5,787.0 Due from anti-CD20 therapeutic programs 526.9 532.6 Inventory 929.9 902.7 Other current assets 687.6 962.0 Total current assets 7,640.9 7,873.3 Marketable securities 1,375.9 3,057.3 Property, plant and equipment, net 3,601.2 3,879.6 Goodwill 5,706.4 4,632.5 Deferred tax asset 2,153.9 595.9 Investments and other assets 1,690.6 431.6 Total assets 1,690.6 431.6 Total assets 8 25,288.9 595.9 Investments and other assets 1,690.6 431.6 Total current liabilities 3,057.3 5,25.28 Current portion of notes payable 5,36.5 68.2 Accounts payable 5,30.5 68.2 Accounts payable 3,295.2 3,368.2	ASSETS				
Marketable securities 2,313.4 2,115.2 Accounts receivable, net 1,958.5 1,787.0 Due from anti-CD20 therapeutic programs 526.9 532.6 Inventory 929.9 902.7 Other current assets 687.6 962.0 Total current assets 7,640.9 7,873.3 Marketable securities 1,375.9 3,057.3 Property, plant and equipment, net 3,601.2 3,182.4 Intangible assets, net 3,120.0 3,879.6 Goodwill 5,706.4 4,632.5 Deferred tax asset 1,690.6 431.6 Total assets 2,252.88.9 23,652.6 Current portion of notes payable 5 5 3.2 Current payable 3,70.5 3,95.5 3,95.5 3,95.5 3,95.5 3,95.5 3,95.5 3,95.5					
Accounts receivable, net 1,958.5 1,787.0 Due from anti-CD20 therapeutic programs 526.9 532.6 Inventory 929.9 902.7 Other current assets 687.6 962.0 Total current assets 7,640.9 7,873.3 Marketable securities 1,375.9 3,057.3 Marketable securities 3,120.0 3,879.6 Goodwill 5,706.4 4,632.5 Deferred tax asset 1,690.6 431.6 Total assets 1,690.6 431.6 Total assets 1,690.6 431.6 Total assets 1,690.6 431.6 Total assets 1,690.6 431.6 Total current liabilities 5 5 2.28.0 Current portion of notes payable 5 5 3.95.5 Accounts payable 370.5 395.5 Accurued expenses and other 2,861.2 2,901.3 Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferr	Cash and cash equivalents	\$	1,224.6	\$	1,573.8
Due from anti-CD20 therapeutic programs 526.9 532.6 Inventory 929.9 902.7 Other current assets 7,640.9 7,873.3 Marketable securities 1,375.9 3,057.3 Property, plant and equipment, net 3,601.2 3,182.4 Intrangible assets, net 3,120.0 3,879.6 Goodwill 5,706.4 4,632.5 Deferred tax asset 2,153.9 595.9 Investments and other assets 1,690.6 431.6 Total assets 2,528.9 23,652.6 ILABILITIES AND EQUITY 2 25,288.9 23,652.6 Current liabilities: 5 5 2,288.9 23,652.6 Current portion of notes payable 63.5 68.2 2,261.2 2,901.3 Accounts payable 63.5 68.2 2,201.3 3,96.2 2,901.3 Accounts payable 5,936.5 5,936.5 5,935.0 5,936.5 5,935.0 5,936.5 5,935.0 5,935.0 5,936.5 5,935.0 5,936.5 5,935.0 5,935.0<	Marketable securities		2,313.4		2,115.2
Diventorry	Accounts receivable, net		1,958.5		1,787.0
Other current assets 687.6 962.0 Total current assets. 7,640.9 7,873.3 Marketable securities. 1,375.9 3,057.3 Property, plant and equipment, net 3,601.2 3,182.0 Intangible assets, net 3,120.0 3,879.6 Goodwill 5,706.4 4,632.5 Deferred tax asset 2,153.9 595.9 Investments and other assets 1,690.6 431.6 Total assets 2,25,288.9 23,652.6 Current liabilities: 1 4,632.5 Current portion of notes payable 63.5 68.2 Accounts payable 63.5 68.2 Accounts payable 370.5 395.5 Accoude expenses and other 2,861.2 2,901.3 Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,257.3 11,054.5 Total liabilities 1,257.3 11,054.5 <	Due from anti-CD20 therapeutic programs		526.9		532.6
Total current assets 7,640.9 7,873.3 Marketable securities 1,375.9 3,057.3 Property, plant and equipment, net 3,601.2 3,182.4 Intengible assets, net 3,120.0 3,879.6 Goodwill 5,706.4 4,632.5 Deferred tax asset 2,153.9 595.9 Investments and other assets 1,690.6 431.6 Total assets \$ 25,288.9 \$ 23,652.6 LIABILITIES AND EQUITY Current liabilities: Current portion of notes payable \$ 5.7 \$ 3.2 Taxes payable 63.5 68.2 Accounts payable 370.5 395.5 Accured expenses and other 2,861.2 2,901.3 Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 1,257.3 11,054.5 Commitments and contingencies	Inventory		929.9		902.7
Marketable securities 1,375.9 3,057.3 Property, plant and equipment, net 3,601.2 3,182.4 Intangible assets, net 3,120.0 3,879.6 Goodwill 5,706.4 4,632.5 Deferred tax asset 2,153.9 595.9 Investments and other assets 1,690.6 431.6 Total assets 25,288.9 23,652.6 LIABILITIES AND EQUITY Current liabilities: Current portion of notes payable 63.5 68.2 Accounts payable 370.5 395.5 Accoude expenses and other 2,861.2 2,901.3 Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,894.9 1,628.7 Total liabilities 1,257.3 11,054.5 Commitments and contingencies Equity: Biogen Inc. shareholders' equity - - - -	Other current assets		687.6		962.0
Property, plant and equipment, net 3,601.2 3,182.4 Intangible assets, net 3,120.0 3,879.6 Goodwill 5,706.4 4,632.5 Deferred tax asset 2,153.9 595.9 Investments and other assets 1,690.6 431.6 Total assets 25,288.9 23,652.6 LIABILITIES AND EQUITY Current portion of notes payable 5 6 8.2 Taxes payable 63.5 68.2 2 30.5 39.5 3.0 3.0 5.5 4.2 2.901.3 3.0 5.0 4.2 2.901.3 3.0 5.0 4.0 3.0 5.0 4.0 4.0 3.0 5.0 4.0	Total current assets		7,640.9		7,873.3
Intangible assets, net 3,120.0 3,879.6 Goodwill 5,706.4 4,632.5 Deferred tax asset 2,153.9 595.9 Investments and other assets \$25,288.9 \$23,652.6 LIABILITIES AND EQUITY Current liabilities: Current portion of notes payable \$3.2 Taxes payable 63.5 68.2 Accorust payable 370.5 395.5 Accrued expenses and other 2,861.2 2,901.3 Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferred tax iability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 1,389.4 1,628.7 Commitments and contingencies 2 1,054.5 Equity: 3 1,054.5 Commitments and contingencies 4 - Equity: 9 - - Preferred stock, par value \$0.0001 per share 0 - -	Marketable securities		1,375.9		3,057.3
Goodwill 5,706.4 4,632.5 Deferred tax asset 2,153.9 595.9 Investments and other assets 1,690.6 431.6 Total assets 25,288.9 23,652.6 LIABILITIES AND EQUITY Current liabilities: Current portion of notes payable 63.5 68.2 Accounts payable 370.5 395.5 Accrued expenses and other 2,861.2 2,901.3 Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 1,389.4 1,628.7 Total liabilities 1,389.4 1,628.7 Commitments and contingencies 2 12.57.3 11,054.5 Equity: Preferred stock, par value \$0.001 per share — — — Common stock, par value \$0.0005 per share 0.1 0.1 0.1 0.1 0.1 0.1 0.1 0	Property, plant and equipment, net		3,601.2		3,182.4
Deferred tax asset 2,153.9 595.9 Investments and other assets 1,690.6 431.6 Total assets 25,288.9 23,652.6 Current liabilities: Current portion of notes payable \$ \$ 3.2 Taxes payable 63.5 68.2 Accounts payable 370.5 395.5 Accrued expenses and other 2,861.2 2,901.3 Total current liabilities 5,935.0 5,935.0 Notes payable 5,935.0 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 1,389.4 1,628.7 Total liabilities 1,389.4 1,628.7 Commitments and contingencies 2 1,105.4 Equity: 5 - - Preferred stock, par value \$0.001 per share - - Common stock, par value \$0.0005 per share 0.1 0.1 Acditional paid-in capital (318.4) Retained earnings	Intangible assets, net		3,120.0		3,879.6
Newstments and other assets 1,690.6 431.6 1,690.6 23,652.6 1,690.6 23,652.6 1,690.6 2,697.1 1,690.6 1,69	Goodwill		5,706.4		4,632.5
Total assets	Deferred tax asset		2,153.9		595.9
Total assets	Investments and other assets				431.6
LIABILITIES AND EQUITY Current liabilities: \$ — \$ 3.2 Current portion of notes payable 63.5 68.2 Taxes payable 370.5 395.5 Accrued expenses and other 2,861.2 2,901.3 Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 12,257.3 11,054.5 Commitments and contingencies Equity: Biogen Inc. shareholders' equity — — — Preferred stock, par value \$0.001 per share — — — — Common stock, par value \$0.0005 per share 0.1 0.1 Additional paid-in capital — — 97.8 Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6	Total assets	\$	· · · · · · · · · · · · · · · · · · ·	\$	23,652.6
Current portion of notes payable \$ \$ 3.2 Taxes payable 63.5 68.2 Accounts payable 370.5 395.5 Accrued expenses and other 2,861.2 2,901.3 Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 12,257.3 11,054.5 Commitments and contingencies Equity: Equity: Sigen Inc. shareholders' equity — Preferred stock, par value \$0.001 per share — — Common stock, par value \$0.0005 per share 0.1 0.1 Additional paid-in capital — 97.8 Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,031.6 12,612.8		_		_	
Taxes payable 63.5 68.2 Accounts payable 370.5 395.5 Accrued expenses and other 2,861.2 2,901.3 Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 12,257.3 11,054.5 Commitments and contingencies 2 2 Equity: 3 12,257.3 11,054.5 Commitments and contingencies 2 2 Equity: 3 11,054.5 3 Commitments and contingencies 2 2 Equity: 3 11,054.5 3 1 Commitments and contingencies 2 2 1 1 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1					
Taxes payable 63.5 68.2 Accounts payable 370.5 395.5 Accrued expenses and other 2,861.2 2,901.3 Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 12,257.3 11,054.5 Commitments and contingencies 2 2 Equity: 3 12,257.3 11,054.5 Commitments and contingencies 2 2 Equity: 3 11,054.5 3 Commitments and contingencies 2 2 Equity: 3 11,054.5 3 1 Commitments and contingencies 2 2 1 1 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1	Current portion of notes payable	\$	_	\$	3.2
Accounts payable 370.5 395.5 Accrued expenses and other 2,861.2 2,901.3 Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 12,257.3 11,054.5 Commitments and contingencies 2 2 Equity: 3 6 3 4 3 4 3 4 3 4 3 4 3 4 3 4 3 4 3 4 3 4 3 4 3 4 3 4 3 4 3 4	· · · · · · · · · · · · · · · · · · ·		63.5	Ċ	68.2
Accrued expenses and other 2,861.2 2,901.3 Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 12,257.3 11,054.5 Commitments and contingencies 2 Equity: 3 3,295.2 3,368.2 Commitments and contingencies 1,389.4 1,628.7 11,054.5 Commitments and contingencies 2 2 2 11,054.5 11,054.5 Common stock, par value \$0.001 per share —	• •				395.5
Total current liabilities 3,295.2 3,368.2 Notes payable 5,936.5 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 12,257.3 11,054.5 Commitments and contingencies Equity: Biogen Inc. shareholders' equity — — Preferred stock, par value \$0.001 per share — — — Common stock, par value \$0.0005 per share 0.1 0.1 Additional paid-in capital — 97.8 Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1	···				
Notes payable 5,936.5 5,935.0 Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 12,257.3 11,054.5 Commitments and contingencies Equity: Biogen Inc. shareholders' equity — — Preferred stock, par value \$0.001 per share — — Common stock, par value \$0.0005 per share 0.1 0.1 Additional paid-in capital — 97.8 Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1	·		·	_	
Deferred tax liability 1,636.2 122.6 Other long-term liabilities 1,389.4 1,628.7 Total liabilities 12,257.3 11,054.5 Commitments and contingencies Equity: Biogen Inc. shareholders' equity — — Preferred stock, par value \$0.001 per share 0.1 0.1 Additional paid-in capital — 97.8 Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1					
Other long-term liabilities 1,389.4 1,628.7 Total liabilities 12,257.3 11,054.5 Commitments and contingencies Equity: Biogen Inc. shareholders' equity - - Preferred stock, par value \$0.001 per share - - Common stock, par value \$0.0005 per share 0.1 0.1 Additional paid-in capital - 97.8 Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1	• •				
Total liabilities. 12,257.3 11,054.5 Commitments and contingencies Equity: Biogen Inc. shareholders' equity — — Preferred stock, par value \$0.001 per share — — Common stock, par value \$0.0005 per share 0.1 0.1 Additional paid-in capital — 97.8 Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1	•				
Commitments and contingencies Equity: Biogen Inc. shareholders' equity Preferred stock, par value \$0.001 per share — — Common stock, par value \$0.0005 per share 0.1 0.1 Additional paid-in capital — 97.8 Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1			·	_	
Equity: Biogen Inc. shareholders' equity Preferred stock, par value \$0.001 per share — — Common stock, par value \$0.0005 per share 0.1 0.1 Additional paid-in capital — 97.8 Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1			12,201.0	_	11,004.0
Biogen Inc. shareholders' equity Preferred stock, par value \$0.001 per share — — Common stock, par value \$0.0005 per share 0.1 0.1 Additional paid-in capital — 97.8 Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1	_				
Preferred stock, par value \$0.001 per share — — Common stock, par value \$0.0005 per share 0.1 0.1 Additional paid-in capital — 97.8 Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1					
Common stock, par value \$0.0005 per share. 0.1 0.1 Additional paid-in capital. — 97.8 Accumulated other comprehensive loss. (240.4) (318.4) Retained earnings. 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively. (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity. 13,039.6 12,612.8 Noncontrolling interests. (8.0) (14.7) Total equity. 13,031.6 12,598.1					
Additional paid-in capital — 97.8 Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1			0.1		0.1
Accumulated other comprehensive loss (240.4) (318.4) Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1	·		0.1		
Retained earnings 16,257.0 15,810.4 Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1	·		(240.4)		
Treasury stock, at cost; 23.8 million and 23.8 million shares, respectively (2,977.1) (2,977.1) Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1			,		
Total Biogen Inc. shareholders' equity 13,039.6 12,612.8 Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1	_		,		
Noncontrolling interests (8.0) (14.7) Total equity 13,031.6 12,598.1				_	
Total equity					
	_		, ,	_	
				_	
State Stat	Total liabilities and equity	<u></u>	25,288.9	\$	23,652.6

BIOGEN INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS (In millions)

	For the Years Ended December 31,			
	2018	2017	2016	
Cash flows from operating activities:				
Net income	\$ 4,474.0	\$ 2,670.1	\$ 3,695.7	
Adjustments to reconcile net income to net cash flows from operating activities:				
Depreciation, amortization and impairments	1,016.6	1,081.0	682.7	
Acquired in-process research and development	112.5	120.0	_	
Share-based compensation	157.5	128.0	154.8	
Deferred income taxes	108.3	91.7	(175.0)	
Contingent consideration	(12.3)		14.8	
Other	(69.1)	162.1	89.0	
Changes in operating assets and liabilities, net:				
Accounts receivable	(205.2)	, ,	(241.4)	
Due from anti-CD20 therapeutic programs	5.7	(232.0)	13.9	
Inventory	(52.1)	(94.5)	(165.6)	
Other assets	(119.1)	(76.6)	59.1	
Accrued expenses and other current liabilities	465.5	(227.4)	622.3	
Income tax assets and liabilities	321.7	1,303.9	(232.6)	
Other liabilities	(16.3)	(2.4)	69.5	
Net cash flows provided by operating activities	6,187.7	4,551.0	4,587.2	
Cash flows from investing activities:				
Proceeds from sales and maturities of marketable securities	9,173.7	5,565.9	7,378.9	
Purchases of marketable securities	(7,694.8)	(5,355.2)	(7,913.2)	
Contingent consideration related to Fumapharm AG acquisition	(1,500.0)	(1,200.0)	(1,200.0)	
Acquired in-process research and development	(112.5)	(120.0)	_	
Purchases of property, plant and equipment	(770.6)	(867.4)	(616.1)	
Acquisitions of intangible assets	(3.0)	(975.4)	(111.6)	
Purchase of Ionis Pharmaceuticals, Inc. stock	(462.9)	_	_	
Investment in Samsung Bioepis	(676.6)	_	_	
Other	0.4	(11.0)	(22.8)	
Net cash flows used in investing activities	(2,046.3)	(2,963.1)	(2,484.8)	
Cash flows from financing activities:				
Purchases of treasury stock	(4,352.6)	(1,365.4)	(1,000.0)	
Payments related to issuance of stock for share-based compensation	(0.4)	(F. 2)	(0.5)	
arrangements, net	(2.1)	(5.3)	(8.5)	
Net distribution to noncontrolling interest	(36.4)	(134.1)		
Repayments of borrowings	(3.2)	(560.9)	(2.7)	
Net cash contribution to Bioverativ, Inc		(302.7)	_	
Contingent consideration payments	(58.2)	(3.0)	(38.6)	
Other	(19.5)	(8.6)	(2.8)	
Net cash flows used in financing activities	(4,472.0)	(2,380.0)	(1,052.6)	
Net increase (decrease) in cash and cash equivalents	(330.6)	(792.1)	1,049.8	
Effect of exchange rate changes on cash and cash equivalents	(18.6)	39.4	(31.3)	
Cash and cash equivalents, beginning of the year	1,573.8	2,326.5	1,308.0	
Cash and cash equivalents, end of the year	\$ 1,224.6	\$ 1,573.8	\$ 2,326.5	