

Vision. For life.



Advanced Medical Optics, Inc. (AMO) is a global vision care leader. Our product lines serve three markets: eye care, laser vision correction and cataract/implants. Our eye care products include contact lens cleaning and disinfection solutions, contact lens rewetting drops and contact lenses. Our laser vision correction products include excimer lasers, wavefront diagnostic systems and microkeratomes used in corneal refractive surgery. Our cataract/implant products include primarily intraocular lenses, phacoemulsification systems and viscoelastics used in lenticular refractive and cataract surgery. Based in Santa Ana, California, we employ approximately 3,440 people worldwide. We have operations in 24 countries and a presence in more than 60 countries. For more information, visit www.amo-inc.com.

Sales Highlights

(in millions, except percentages)

	2005	2004	2003
SALES BY PRODUCT LINE			
Ophthalmic surgical	\$619.8	\$413.4	\$306.5
Cataract/Implants ^A	496.4	404.0	297.7
Laser vision correction ^B	123.4	9.4	8.8
Eye care	300.9	328.7	295.0
Total sales	\$920.7	\$742.1	\$601.5

SALES MIX BY REGION

Americas	38%	29%	30%
Europe/Africa/Middle East	32%	36%	35%
Japan	19%	26%	27%
Asia Pacific	11%	9%	8%

^A Includes acquired Pfizer ophthalmic surgical product sales of \$168.4 million and \$75.8 million in the years ended December 31, 2005 and 2004, respectively.

^B Includes acquired VISX laser vision correction sales of \$111.1 million in the year ended December 31, 2005.

For additional financial information, see the company's Annual Report on Form 10-K, as filed with the Securities and Exchange Commission.

It inspires, informs, thrills, surprises, enlightens, comforts. It creates memories, confidence, convenience, joy and more. The human eye is **extraordinary.**

A tiny organ weighing about a quarter of an ounce and measuring about an inch in diameter, it is a complex system that translates light into images and instantly connects us to the world around us. It is so small yet so vital. Across each generation, clear vision enriches our everyday lives. But eyes don't always work perfectly. The eye's shape and age affect how well it refracts light, keeps images focused and allows clear vision. At AMO, we discover and deliver innovations designed to improve the quality of vision — and the quality of life — for people of all ages.

The Vision Care Life Cycle

Virtually everyone will require some form of vision care during their lives. The needs change with age and are usually related to a refractive condition — the ability of the body’s optical system to bend light and allow clear vision.

Young people may first seek vision care because the eye’s shape inhibits its ability to properly focus light rays on the retina. In other words, they are nearsighted

AGE 10 20 30 40

LASER VISION CORRECTION

Improves vision through use of a laser to change the shape of the cornea.

AMO Brands
STAR S4 IR®
CustomVue®
WaveScan Wavefront®
Amadeus®

Excimer Lasers
An ultraviolet laser used in refractive surgery to remove corneal tissue. LASIK surgery is the most common of all excimer laser procedures.

Wavefront Diagnostics
An individualized (custom) LASIK technology that measures unique imperfections and produces a detailed map of the eye, which is digitally transferred to the laser and provides high levels of precision and accuracy.

CATARACT/IMPLANTS

Improves vision through surgical insertion of an intraocular lens (IOL) into the eye.

AMO Brands
Verisyse®
ReZoom®
Tecnis®
Tecnis® Multifocal
Sovereign®
WhiteStar®
Healon®

Phakic IOLs
An implant placed inside the eye in front of the iris. Unlike IOLs used for cataract surgery, a phakic IOL works in conjunction with the eye’s natural lens to treat extreme nearsightedness.

Multifocal IOLs
An implant used in cataract surgery to replace the natural lens with one intended to provide near, intermediate and distance vision with reduced dependence on eyeglasses or contact lenses.

EYE CARE

Improves vision through lenses worn on the eye’s surface; solutions used to enhance comfort and cleanliness.

AMO Brands
COMPLETE®
Oxysept 1 Step™
blink™

Contact Lenses
Corrective lenses worn on the surface of the eye and used to correct myopia, hyperopia, presbyopia and astigmatism.

Contact Lens Care Solutions
Products used to clean and disinfect contact lenses. Single-bottle multipurpose solutions are the most commonly used regimen, followed by multi-bottle hydrogen peroxide systems.

SERVICE & EXPERTISE

Assists eye care practitioners with global manufacturing, service, support and expertise.

AMO Brands
AMO Academy
VISX University®

Global Reach
Approximately 3,500 employees skilled in a range of disciplines. Operations in 24 countries and a presence in more than 60 countries.

Manufacturing & Distribution
State-of-the-art manufacturing on three continents. Sophisticated information technology systems. Efficient commercialization, quality assurance and supply chain management processes.

(myopic), farsighted (hyperopic) or astigmatic. At around age 40, most people begin to experience presbyopia, which occurs because the natural lens is losing its elasticity and, therefore, its ability to focus light rays on near objects. By age 60, many people also begin to experience cataracts, which further degrade visual function because the natural lens is becoming hard and opaque, blocking the transmission of light rays altogether.

AMO's core strategy and competitive advantage are illustrated in the Vision Care Life Cycle, which depicts the full spectrum of technologies we provide along this continuum of refractive vision care. By combining these technologies with extensive service and expertise, we deliver a complete refractive solution to practitioners and patients.

50

60

70

80+

Iris Registration

Technology that compensates for the eye's rotation during the custom LASIK procedure and aligns the treatment precisely on the cornea, enhancing visual outcomes.

Microkeratomes

Mechanical cutting device used for creating a flap of corneal tissue as part of a LASIK procedure.

Monofocal IOLs

An implant used in cataract surgery to replace the natural lens with one that greatly improves vision at a single focal point. Generally requires the use of reading glasses or bifocals for near- and intermediate-range vision. Aspheric monofocal IOLs are designed to reduce spherical aberrations and allow sharper vision.

Phacoemulsification

A cataract surgical procedure that uses ultrasonic vibration to emulsify the hard, cloudy lens and make it easier to remove through a small incision.

Viscoelastics

A protective gel that is injected into the eye for enhanced stability and control during surgery.

Contact Lens Rewetters

Eye drops used by contact lens wearers to revitalize, freshen and soothe dry eyes.

Artificial Tears

Eye drops designed to mimic the natural constituents of tear film and provide other benefits that alleviate the symptoms of dry eyes.

Professional Education & Training

Practitioner workshops, educational sessions and online training courses. Comprehensive product and usage information, clinical studies, peer-to-peer research and other resources.

Practice Management Tools

Patient education materials, practitioner and staff training on effective patient selection, consumer marketing programs and other practice-building techniques.

Customer Support & Service

Efficient order entry and fulfillment, customer support, technical service and field service capabilities.

To AMO Stockholders, Customers and Friends



Sales Performance (in millions)

Annual sales have risen more than 70% since 2002, reflecting primarily growth in sales of the company's core brands and the benefits of strategic acquisitions.

Leonardo da Vinci observed, "The eye is the window of the human body through which it feels its way and enjoys the beauty of the world." Indeed, few gifts contribute more to the quality of our lives than the ability to see. To maintain or improve our sight, virtually all of us will require some form of vision care during our lifetime. The needs change with age and typically revolve around addressing a refractive condition — from teenagers being fitted for contact lenses, to young adults and baby boomers seeking independence from glasses, to seniors hindered by the effects of cataracts.

At AMO, our goal is to discover and deliver innovative refractive vision technologies that optimize the quality of life for people of all ages. We encapsulate this pursuit in a simple phrase: *Vision. For life.* Our strategy for achieving this goal is illustrated in the AMO Vision Care Life Cycle, which depicts the full range of technologies and expertise we bring to bear to help practitioners treat patients at every stage along the continuum of refractive vision care.

We set our strategy in motion nearly four years ago when we spun off from a specialty pharmaceutical company and became an independent medical device company. By maximizing our core strengths and completing several strategic transactions — including the 2004 acquisition of the Pfizer ophthalmic surgical business and the 2005 acquisition of VISX, Incorporated — we have populated our Vision Care Life Cycle with a comprehensive suite of technologically superior products. We have also doubled our annualized

revenue to \$1 billion, filled our pipeline with promising new innovations, expanded the talent and skill of our worldwide team and increased the efficiency and productivity of our global distribution capability.

With the major components of our strategy now in place, we are transforming AMO into a highly competitive industry leader at a time when new innovations are fueling significant growth in our markets. Around the world we believe:

- ▶ New materials and modalities are increasing contact lens use,
- ▶ Excellent visual outcomes and high safety profiles are increasing demand for laser vision correction, and
- ▶ New intraocular lens (IOL) technologies are expanding treatment options for presbyopia and cataracts.

We are also poised to benefit from macro socioeconomic and demographic trends. Broad economic expansion, especially in China and other emerging markets, is fueling strong demand for vision-related products. And, growth in key demographic segments around the world is expected to enlarge the potential patient base for our products and services for years to come. Consider that:

- ▶ Most people are introduced to contact lenses in their teens, with new fits becoming increasingly common in children as young as 10. In the U.S. alone, the number of people 18 and younger is forecast to grow 11% between 2000 and 2020.¹

¹ U.S. Census Bureau 2000.

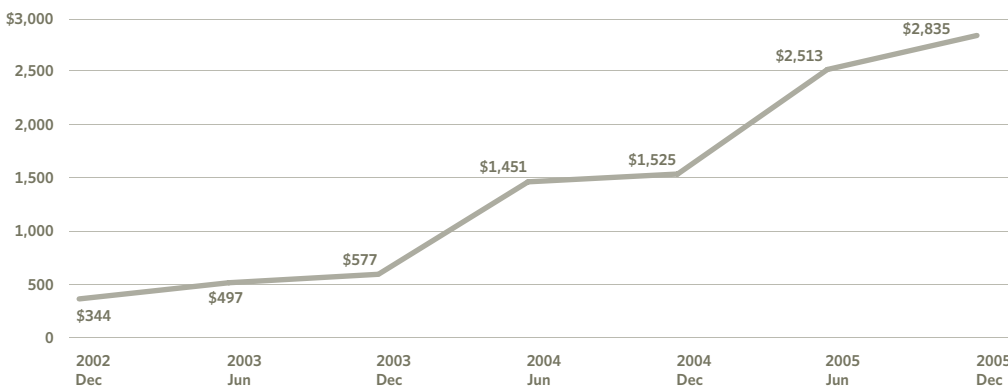
With the major components of our strategy now in place, we are transforming AMO into a highly competitive industry leader at a time when new innovations are fueling significant growth in our markets.

► The populous and influential baby boom generation is now between the ages of 42 and 60, the period in life when presbyopia and/or cataracts begin to alter visual function. To appreciate the power of this demographic force, consider that in the U.S., someone turns 50 every seven seconds.² Baby boomers see age as a lifestyle choice rather than a chronological imperative, and they have money to spend to maintain their vitality, youthfulness and vision. The 50-and-older group currently earns almost \$2 trillion in annual income, controls more than \$7 trillion in wealth, owns 77% of all financial assets in America and represents 50% of all discretionary spending power.³

► Across the globe, people are living longer and senior population totals continue to swell. In 1950, the average life expectancy for Japanese women was 61 years, and for men 58. Since then, it has vaulted to one of the highest in the world: 83 for women and 76 for men.³ In

Europe, the median age of the population is expected to rise to 49 by 2050, from 38 in 2000. When the 21st century began, the world population included approximately 600 million people aged 60 and older. By mid-century, this age group is expected to total more than 2 billion — a number equal to the current combined populations of North America, Europe and India.⁴

Across each of our product lines — eye care, laser vision correction and cataract/implants — we are on the upswing of major technology cycles and global market forces are moving in our favor. By dedicating ourselves to meeting the needs of our customers — thousands of opticians, optometrists and ophthalmologists who treat millions of patients in more than 60 countries — we expect to take full advantage of these conditions to deliver sustained, profitable growth to stockholders. We believe no company is better positioned than AMO.



Market Capitalization (in millions)

AMO finished 2005 with a market capitalization of more than \$2.8 billion, representing a four-fold increase since the end of 2003.

² Leslie Harris "After Fifty: How the Baby Boom Will Redefine The Mature Market" 2003.

³ Ken Dychtwald "Age Power: How the 21st Century Will Be Ruled By The New Old" 2000.

⁴ "World Population Ageing: 1950-2050" United Nations 2001.



Riding goofy-footed on eight inches of fresh powder. Nailing an indy grab like the pros. It's epic! Snowboarding and a ton of other things are easier since I got my contact lenses. Like watching my favorite movies, shooting hoops after school and text messaging my friends :-). Oh yeah, and seeing those algebra equations on the blackboard.

Historically, the average contact lens wearer was between the ages of 18 and 34. Today, however, the increasing ease-of-use and safety profiles of contact lenses are making new fits more common in a wider range of patients, especially young teens. Technological advancements are also making contact lenses a viable refractive option for people well into their 40s and 50s.

EYE CARE

More and more people are becoming contact lens wearers. In fact, in recent years, contact lens sales have grown twice as fast as sales of glasses. This positive trend — which translates into increased demand for AMO’s contact lens solutions — is being fueled by expanding patient demographics, new lens materials and improvements in specialty lenses. Historically, the average contact lens wearer was between the ages of 18 and 34. Today, however, the increasing ease-of-use and safety profiles of contact lenses are making new fits more common in a wider range of patients, especially young teens. New specialty designs such as torics and multifocals are making contact lenses a viable refractive option for a greater number of people and extending their contact lens wear well into their 40s and 50s.

Stemming the rate of dropouts by keeping patients satisfied with the contact lens wearing experience also contributes to growth. At AMO, we’re constantly working to make sure eye care practitioners receive a positive response to that all-important question: “How do your contacts feel?” Our success is apparent in annual sales of our flagship eye care brands, COMPLETE® multipurpose solution and blink™ eye drops, which have risen 23% and 157%, respectively, since 2003.

Designed to alleviate contact lens discomfort and dryness, our patented COMPLETE MoisturePLUS™ multipurpose formulation contains two artificial tear ingredients, as well as electrolytes and taurine, an amino acid found naturally in tears and ocular tissue. To provide added comfort and relief from dryness, our proprietary blink Contacts™ rewetting drops contain sodium hyaluronate, a naturally occurring substance in the eye’s aqueous and vitreous humors shown to increase tear film stability and promote corneal healing.

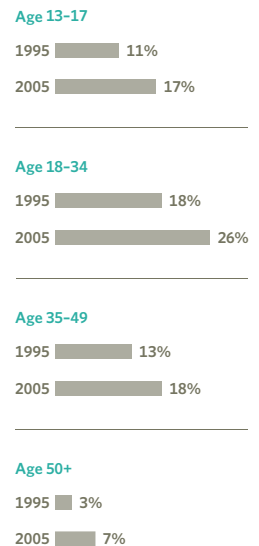
LASER VISION CORRECTION

In 2005, there were approximately 3.7 million laser vision correction procedures performed throughout the world, and industry sources project that annual figure to rise to approximately 4.9 million by the end of the decade. As the global LASIK leader, we are using our superior technologies, extensive market know-how and global infrastructure to seize this significant growth opportunity.

Many individuals over the age of 21 with hyperopia, myopia or astigmatism can benefit from LASIK. Using AMO’s wavefront-guided CustomVue® treatment, surgeons are able to improve their patients’ vision, often beyond the correction possible with contact lenses or glasses. We provide our customers the widest range of FDA-approved custom LASIK indications, which means surgeons may be able to offer this more advanced procedure to the vast majority of eligible patients. In certain international markets, our CustomVue® treatment range includes presbyopia as well. Moreover, our customers are the

Incidence of Contact Lens Use by Age

Over the past 10 years, contact lens usage has grown in all age groups, driven primarily by demographics and new specialty lenses. More than 80% of contact lens wearers use a multipurpose solution. Nearly 50% use rewetting drops to lubricate lenses during daily wear.



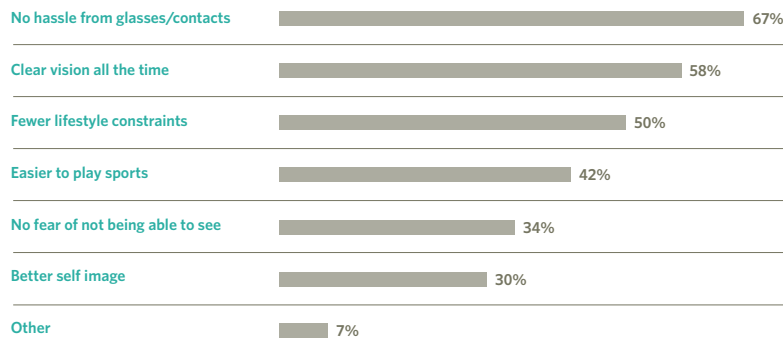
Source: Gallup Target Market Report on Contact Lens Cleaning & Care, 2005

Last year, there were approximately 3.7 million laser procedures performed to correct myopia, hyperopia or astigmatism. The average age of a U.S. laser vision correction patient was 39. Almost 63% of the laser vision correction patients were between the ages of 30 and 50.⁵

Benefits of Laser Vision Correction Surgery

Eliminating the hassles associated with glasses or contacts ranked as the No. 1 benefit of laser vision correction patients cited in a recent U.S. survey, followed closely by the benefit of having clear vision all the time.

Source: VisionWatch, 2005



only surgeons with access to our proprietary Iris Registration technology, which precisely aligns the CustomVue® treatment on the patient's cornea to achieve optimal visual outcomes.

LASIK is an elective procedure with the cost typically borne by the patient who, in turn, expects not only an excellent visual outcome but a high-quality, high-touch experience as well. We've attained our 60% share of the U.S. LASIK market by providing doctors an unparalleled level of service and support that helps them build a thriving practice around our technologies and succeed in this private-pay arena.

We are expanding our growth potential by leveraging our global infrastructure and market-leading LASIK technologies to replicate this service-oriented business model in Canada and specific European and Asian markets. We launched our international growth initiative in June 2005 with the completion of the VISX acquisition, and we are already experiencing success. In the second half of 2005, our new custom-capable

laser placements and upgrades outside the U.S. rose approximately 24%, compared to the same period last year. These positive placement trends are critical because the custom-capable laser is the fundamental building block that, when surrounded by the proper level of support, creates a profitable revenue stream for practices and AMO.

For patients with higher amounts of myopia or who are not appropriate LASIK candidates, AMO offers the Verisyse® phakic IOL, which a surgeon implants behind the cornea and in front of the iris. We were the first company to bring a phakic IOL to U.S. surgeons with the FDA approval of the Verisyse® lens in 2004. The Verisyse® lens design has a long safety record in Europe, where it has been used for more than 15 years. To date, more than 160,000 lenses with the Verisyse® design have been implanted around the world.

⁵ Market Scope Comprehensive Report on the Refractive Market, 2005.



Arriving in London on the red-eye to deal with a major client crisis. Sorting through the 42 new e-mail messages that arrived while I was in the air. Punching my PIN into the airport ATM machine. Setting my watch to the local time. Getting from one continent to another is infinitely more efficient now that I have hassle-free 20/20 vision. I never realized what I'd been missing: more time, convenience and confidence.



Getting up in the wee hours of the morning and being able to see my bedside clock. Reading the dosing instructions on a box of antihistamines. Giving myself a close shave. Enjoying the sports section of the morning newspaper. It's the ease of doing millions of everyday things without first reaching for a pair of glasses that I now appreciate most. With clear vision, I also feel younger, more energetic and ready to take on the day.

Baby boomers are now between the ages of 42 and 60, the period in life when presbyopia and/or cataracts begin to alter visual function. Baby boomers see age as a lifestyle choice rather than a chronological imperative, and they have the money to spend to maintain their vitality, youthfulness and vision.

CATARACT/IMPLANTS

Presbyopia and cataracts are the most common age-related vision disorders. As we get older, most of us also experience increased spherical aberration, which diminishes the crispness of our vision and makes it more difficult to see clearly in low light. In the past, surgeons had one way to treat cataracts: implanting conventional IOLs that restored vision loss and corrected distance vision. There were no meaningful solutions for addressing presbyopia or reducing spherical aberration. Recently, however, new IOL technologies and health care reimbursement changes have created a paradigm shift — from simply treating every cataract patient the same way to optimizing each patient’s visual function based on his or her individual needs. AMO has powerful IOL technologies that are leading the way, including:

► **Tecnis®:** The only wavefront-designed IOL approved by the FDA to reduce spherical aberration and improve functional vision as demonstrated via night driving simulator performance when compared to a conventional IOL. For cataract patients who don’t object to wearing glasses but desire sharp vision for performing daily activities, particularly in low light, the Tecnis® IOL is an excellent choice. Recognizing the Tecnis® IOL’s proven clinical advantages and superiority, the Centers for Medicare and Medicaid Services (CMS) recently deemed it a “new technology IOL,” which qualifies it for an additional Medicare reimbursement in ambulatory surgery centers.

► **ReZoom®:** A multifocal IOL designed to provide near, intermediate and distance vision. In clinical studies, ReZoom® IOL patients were able to function comfortably without glasses in most situations. The ReZoom® IOL, approved by the FDA in 2005, is particularly well suited for cataract patients whose lifestyles favor intermediate (using a computer) and distance (driving, playing sports) vision needs. The ReZoom® IOL is covered under the landmark 2005 CMS ruling, which provides Medicare beneficiaries access to presbyopia-correcting IOLs through patient-shared billing. Under this rule, Medicare pays for the standard cataract portion of the lens and procedure, and the patient pays an additional amount to upgrade to a ReZoom® lens.

► **Tecnis® Multifocal:** A multifocal IOL design that builds on the unique Tecnis® monofocal technology for improved functional vision. The Tecnis® Multifocal IOL uses a diffractive interference pattern to create multiple focal points on the retina and reduce patients’ dependency on glasses across far and near distances. The Tecnis® Multifocal IOL, currently available in certain international markets, has proven superior to competing lenses in terms of reading acuity and reading speed.⁶ The Tecnis® Multifocal IOL, which is slated for launch in the U.S. in late 2007, is also expected to qualify for Medicare patient-shared billing.

Surgeon Outlook for Multifocal IOL Usage

Increasing demand for multifocal IOLs was illustrated in a recent 600-surgeon survey at an American Academy of Ophthalmology meeting. Asked “In 2006, what percent of your lenticular implants will be multifocal IOLs?” nearly 70% said they expected multifocal IOLs to represent between 5% and 50% of their total implants.



Source: AAO Lenticular Refractive CME Symposium, 2005

⁶ Prospective, randomized study by Dr. Werner Hütz, 2005.

Poor vision from cataracts affects more than half of all adults over age 60. Cataract surgery is the most common procedure performed in the world today. New advancements in lens technologies have shifted the focus from simply treating cataracts to providing vision that optimizes the patient’s quality of life.

Cataract surgery is evolving to become an effective form of refractive correction and is creating new opportunities for patients, practices and AMO. For this new paradigm to succeed, surgeons must be able to satisfy a full range of patient needs, which vary depending on lifestyle, physiology and refractive condition.

Our diverse suite of technologically advanced products means that we have more to offer surgeons than any competitor. Moreover, we pioneered the presbyopia-correcting IOL market (introducing the first-ever multifocal IOL in the late 1990s) and we are the global LASIK market leader. As such, we have the extensive knowledge and experience to help surgeons effectively combine cataract and refractive disciplines, and integrate these new IOL technologies into their practices.

Finally, we provide the other vital technologies that optimize surgical outcomes. Our proprietary Sovereign® phacoemulsification system with WhiteStar® software technology — an ultrasonic device that emulsifies and extracts the patient’s cloudy lens — is clinically proven to produce a clearer cornea the first day following surgery. The breadth

of our Healon® line of viscoelastics — used to create space, move tissue and protect delicate ocular surfaces during surgery — is unmatched in the industry. Providing exceptional clarity, reliability and performance, our Healon® viscoelastic offerings combine to meet a full range of surgeon preferences and techniques.

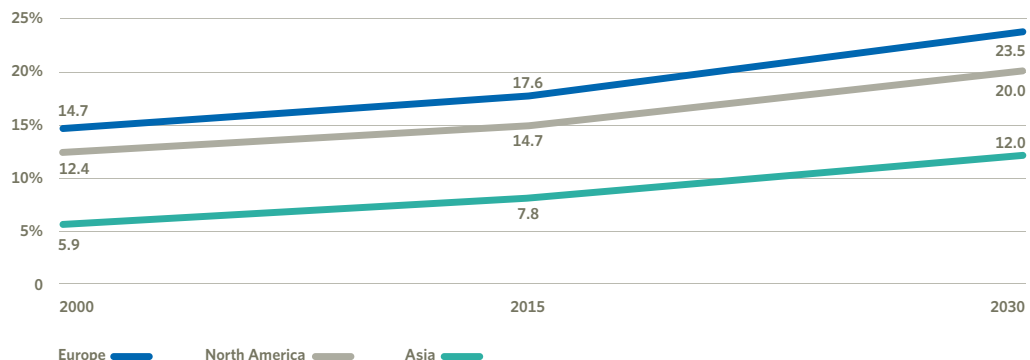
LOOKING AHEAD

The pace of innovation within our industry requires a constant commitment to the development of new technologies. Ours is apparent in the AMO “firsts” that continue to shape and grow the markets we serve. For example, we were responsible for the market’s first contact lens care product to remove protein deposits and the first multipurpose solution designed to alleviate contact lens discomfort and dryness. Our team introduced the first ophthalmic viscoelastic, FDA-approved foldable IOL, multifocal IOL and micropulse phacoemulsification technology, among other things. And, we’ve led the development of the laser vision correction market, with the first FDA-approved treatment for astigmatism and hyperopia, the first and only FDA approval for variable

Trends in Older Population Totals (percent of total population)

The aging of the population, especially in Europe, North America and parts of Asia, is expected to spur significant demand for technologies that address common age-related vision disorders such as cataracts and presbyopia.

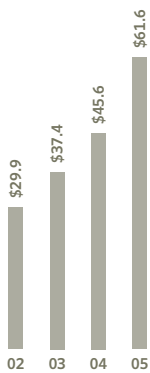
Source: U.S. Census Bureau, International Data Base, 2004





Watching silvery needle-fish dart about in perfect unison. Getting face-to-face with a clown fish. Admiring the intricacies of ancient coral reefs. I've always been enchanted by the spectacular carnival of marine life just below the water's surface. Whether I'm snorkeling in the Great Barrier Reef or exploring the local tide pools with my grandchildren, the experience is all the richer now that I have clear, crisp vision.

AMO is focused on large and growing markets, our products are technologically competitive and our pipeline includes new innovations across each of our three product lines — eye care, laser vision correction and cataract/implants.



R&D Investment (in millions)

R&D spending has risen more than 100% since 2002, reflecting AMO's increased investment in new technologies with market-changing potential across each of its product lines.

spot scanning, the industry's broadest range of FDA-approved custom, wavefront-guided treatment indications and the first FDA-approved, fully automated Iris Registration technology.

We continue to build upon this rich heritage of innovation. Our investment in R&D is up more than 100% since 2002 and we are focused on breakthrough technologies with market-changing potential. For example, we are preparing to enter the over-the-counter dry eye market soon with an artificial tear product. A chronic, under-diagnosed condition that intensifies with age, dry eye fits perfectly within our growth strategy. It builds on our core competencies in formulation chemistry and eye care manufacturing, leverages our practitioner-focused approach to the market and addresses multiple generations within our Vision Care Life Cycle. We expect to ultimately provide practitioners and patients a full suite of dry eye products to treat a broad range of needs — from moderate to severe.

In addition, we are dedicating significant R&D resources to identify corneal and intraocular advancements for the correction of presbyopia. For example, we are working on a CustomVue® procedure for hyperopic presbyopes. In the next several years, we expect to launch Presby-LASIK™, another wavefront-guided treatment for presbyopia. Already approved for use in Europe, this procedure has the potential to address the enormous and largely unmet needs of younger, pre-cataract presbyopes.

Intraocular innovations we're pursuing include the U.S. introduction of the Tecnis® Multifocal IOL, which is already a leading presbyopia-correcting IOL in Europe and parts of Asia Pacific. In the next three to four years, we expect to introduce an accommodating IOL, which mimics the natural movement of a youthful, pre-presbyopic human lens. Beyond core IOL technologies, we are also working on our next-generation phaco-emulsification system that builds on our proprietary WhiteStar® technology. And, we are preparing to launch Healon® D viscoelastic, a unique dispersive viscoelastic that expands our already broad offering.

In summary, AMO is focused on large and growing markets, our products are technologically competitive and our pipeline includes new innovations across each of our three product lines: eye care, laser vision correction and cataract/implants. We know these strengths will fortify our leadership positions in the markets we serve and allow us to expand the breadth and depth of our Vision Care Life Cycle.

We are fortunate to have an outstanding team of professionals around the globe who are committed to taking AMO to new heights. We wish to thank our 3,500 employees for the enthusiasm, talent and commitment they exhibit every day and for the contributions they make to AMO's success. We also wish to express our gratitude to our customers for the loyalty and trust they place in us. Finally, we thank our stockholders for their continued interest in AMO.

Sincerely,

William R. Grant
Chairman

James V. Mazzo
President and
Chief Executive Officer

Leadership

Board of Directors

William R. Grant, Chairman

Committees: Audit & Finance; Organization, Compensation & Corporate Governance
Mr. Grant is co-founder and vice chairman of Galen Associates, Inc., a venture capital firm in the health care industry.

Christopher G. Chavez

Committees: Organization, Compensation & Corporate Governance; Science & Technology
Mr. Chavez is president and chief executive officer of Advanced Neuromodulation Systems, a division of St. Jude Medical, Inc.

Elizabeth H. Dávila

Committee: Science & Technology
Before her retirement, Ms. Dávila was chairman and chief executive officer of VISX, Incorporated, which AMO acquired in May 2005.

William J. Link, Ph.D.

Committees: Audit & Finance; Science & Technology
Dr. Link is managing director and co-founder of Versant Ventures, a venture capital firm focused on early-stage health care companies.

James V. Mazzo

Committee: Science & Technology
Mr. Mazzo is president and chief executive officer of AMO.

Michael A. Mussallem

Committees: Organization, Compensation & Corporate Governance; Science & Technology
Mr. Mussallem is chairman and chief executive officer of Edwards Lifesciences Corporation.

Deborah J. Neff

Committees: Audit & Finance; Science & Technology
Ms. Neff is president and chief executive officer of Predicant Biosciences, Inc. (formerly Biospect, Inc.).

James O. Rollans

Committees: Audit & Finance; Organization, Compensation & Corporate Governance
Before his retirement, Mr. Rollans served as a director and executive of Fluor Corporation.

Executive Officers

James V. Mazzo

President and Chief Executive Officer

Sheree L. Aronson

Vice President, Corporate Communications & Investor Relations

Leonard R. Borrmann

Senior Vice President, Research & Development

Robert F. Gallagher

Senior Vice President and Chief Accounting Officer

Holger Heidrich, Ph.D.

Corporate Vice President and President, Cataract/Implants Group

Richard A. Meier

Executive Vice President, Operations, President, Eye Care Group and Chief Financial Officer

Francine D. Meza

Senior Vice President, Human Resources

Peter P. Nolan

Senior Vice President, Manufacturing

Douglas H. Post

Corporate Vice President and President, Laser Vision Correction Group

Jane E. Rady

Corporate Vice President, Strategic & Corporate Development

C. Russell Trenary III

Corporate Vice President and Chief Marketing Officer

Aimee S. Weisner

Corporate Vice President, General Counsel and Secretary

Corporate Data

Corporate Headquarters

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E-mail: investors@amo-inc.com
Internet: www.amo-inc.com

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Jersey City, NJ 07310
(800) 852-2179 Domestic
(201) 329-8660 International
Internet: www.melloninvestor.com

Form 10-K

A copy of AMO's Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, is attached or available through our Web site at www.amo-inc.com or without charge by contacting:

Investor Relations

Erika Richmond
Phone: (714) 247-8348
E-mail: investors@amo-inc.com

Annual Meeting of Stockholders

The Annual Meeting of Stockholders of Advanced Medical Optics, Inc. will be held at its corporate headquarters, 1700 E. St. Andrew Place, Santa Ana, CA 92705, on May 25, 2006, at 10:00 a.m.

Corporate Governance

For more information on AMO's Corporate Governance Guidelines, Code of Ethics, Committee Charters and other key information, please visit our Web site at www.amo-inc.com.

Market Prices of Common Stock and Dividends

The following table shows the quarterly price range of the common stock during the periods listed. AMO declared no dividends in 2003-2005.

Calendar Quarter	2005		2004		2003	
	High	Low	High	Low	High	Low
First	\$44.53	\$35.91	\$24.73	\$20.04	\$13.65	\$11.30
Second	40.90	35.00	42.89	23.90	17.65	12.90
Third	43.30	37.25	42.67	34.84	18.91	15.26
Fourth	44.00	32.04	43.69	35.77	20.67	17.21

AMO common stock is listed on the New York Stock Exchange and is traded under the symbol "EYE."

The approximate number of stockholders of record was 4,722 as of February 28, 2006.

Advanced Medical Optics, Inc. has a continuing policy to ensure that fair and equal employment opportunities are extended to all persons without regard to race, color, religion, sex, age, marital status, sexual orientation, national origin, disability or veteran's status. AA/EEO M/F/D/V

Trademarks

Except as set forth below, all product names appearing in this report are trademarks or service marks that are owned by, licensed to or promoted by Advanced Medical Optics, Inc., its subsidiaries or affiliates in the United States and other jurisdictions. The following AMO trademarks appear in this report: *The AMO® Logo*, *COMPLETE®*, *CUSTOMVUE®*, *HEALON®*, *OXYSEPT®*, *REZOOM®*, *SOVEREIGN®*, *STAR S4 IR®*, *TECNIS®*, *VERISYSE®*, *VISX®*, *VISX UNIVERSITY®*, *WAVESCAN®*, *WAVESCAN WAVEFRONT®*, *WHITESTAR®*, *BLINK™*, *BLINK CONTACTS™*, *COMPLETE MOISTUREPLUS™*, *OXYSEPT 1 STEP™* and *PRESBY-LASIK™*. *AMADEUS* is a registered trademark of SIS AG, Surgical Instruments Systems.

Certifications

In 2005, our CEO submitted the required certification to the New York Stock Exchange. In 2005, we filed all CEO/CFO certifications required under the Sarbanes-Oxley Act as exhibits to our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Any statements in this report that refer to AMO's estimated or anticipated future results, including, by way of example only, statements regarding aspirations for growth and expected markets and demographics; discussions of the R&D pipeline, discussions of potential uses for the Company's technology and products, future products, future product approvals, or future approvals for indications regarding previously approved products; and plans for clinical trials and regulatory filings are forward-looking statements.

All forward-looking statements in this report reflect the Company's current analysis of existing trends and information and represent the Company's judgment only as of the date of this report. Actual results may differ from current expectations based on a number of factors affecting AMO's businesses, including changing competitive, regulatory and market conditions; the timing and uncertainty of the results of both the research and development and regulatory processes; domestic and foreign health care and cost containment reforms; technological advances and patents obtained by competitors; the performance, including the approval, introduction and consumer acceptance of new products and continuing acceptance of currently marketed products; the effectiveness of consumer advertising and promotional campaigns; the timely and successful implementation of strategic initiatives; the uncertainty associated with the identification of and successful consummation and integration of external corporate development transactions; and AMO's ability to obtain and maintain a sufficient supply of its products to meet market demand in a timely manner. In addition, matters generally affecting the economy, such as changes in interest and currency exchange rates, consumer confidence and the state of the economy worldwide, can affect the Company's results. Therefore, the reader is cautioned not to rely on these forward-looking statements. The Company disclaims any intent or obligation to update these forward-looking statements. Additional information concerning the factors that affect AMO's businesses can be found in AMO press releases as well as its periodic public filings with the Securities and Exchange Commission. In particular, the discussion under the heading "Risk Factors" in AMO's 2005 Form 10-K provides additional information.



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