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

SCHEDULE 13G

(Rule 13d-102)

Information Statement Pursuant to Rules 13d-1 and 13d-2 $\,$ **Under the Securities Exchange Act of 1934** (Amendment No. 1)*

NUMBER OF **SHARES BENEFICIALLY** OWNED BY **EACH** REPORTING

> **PERSON** WITH

7.

SOLE DISPOSITIVE POWER

| | | | Don't Do't Like I | | | | | |
|----------|---|--|--|------------------|---|------------------|--|--|
| | | | Protein Design Labs, In (Name of Issuer) | ic. | | | | |
| | | | Common Stock | | | | | |
| | | | (Title of Class of Securit | ies) | | | | |
| | | | | | | | | |
| | | | 74369L103 (CUSIP Number) | | | | | |
| | | | (Geom Humber) | | | | | |
| | | | December 31, 2005 | | | | | |
| | | Date of | Event Which Requires Filing | of the Stateme | nt | | | |
| Check t | the appropriate box to designate the r | ule pursuant to | which this Schedule is filed: | | | | | |
| [] | Rule 13d-1(b) | | | | | | | |
| [X] | Rule 13d-1(c) Rule 13d-1(d) | | | | | | | |
| | | | | | | | | |
| | emainder of this cover page shall be b osequent amendment containing infor | | | | with respect to the subject class of secuer page. | irities, and for | | |
| The info | Formation required on the remainder of | of this cover na | ge shall not be deemed to be ' | filed" for the i | ourpose of Section 18 of the Securities | Exchange Act | | |
| | | | | | other provisions of the Act (however, se | | | |
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| | | | | | | | | |
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| | | | | | | | | |
| 1. | NAME OF REPORTING PE | | ABOVE PERSON | | | | | |
| | Citadel Limited Partnershi | S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Citadel Limited Partnership | | | | | | |
| 2. | | | MEMBER OF A GROUP | | | | | |
| | | | | (a) | \boxtimes | | | |
| | | | | (b) | 0 | | | |
| 3. | SEC USE ONLY | | | (-) | | | | |
| 3. | SEC USE ONLY | | | | | | | |
| 4. | . CITIZENSHIP OR PLACE (Illinois limited par | | ATION | | | | | |
| | NUMBER OF | 5. | SOLE VOTING POWER | | | | | |
| | SHARES | 6. | SHARED VOTING POW | ER | | | | |
| | BENEFICIALLY OWNED BY | j. | 8,761,826 shares | | | | | |

| | | 8. | SHARED DISPOSITIVE POWER See Row 6 above. | |
|-----|--|--------------------|---|--|
| 9. | AGGREGATE AMOUNT BEN See Row 6 above. | EFICIALLY (| DWNED BY EACH REPORTING PERSON | |
| 10. | 10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES | | | |
| 11. | PERCENT OF CLASS REPRES Approximately 7.2% as of Dec | | `, | |
| 12. | TYPE OF REPORTING PERSO | N PN; HC | | |

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CUSIP NO. 74369L103 13G Page 3 of 15 Pages 1. NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Citadel Investment Group, L.L.C. 2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP X (a) (b) 0 3. SEC USE ONLY CITIZENSHIP OR PLACE OF ORGANIZATION 4. **Delaware limited liability company** 5. SOLE VOTING POWER NUMBER OF 0 **SHARES** SHARED VOTING POWER 6. BENEFICIALLY OWNED BY 8,761,826 shares **EACH** REPORTING SOLE DISPOSITIVE POWER 7. PERSON WITH 8. SHARED DISPOSITIVE POWER See Row 6 above. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 9. See Row 6 above. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES 10. **CERTAIN SHARES** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) 11. Approximately 7.2% as of December 31, 2005. 12. TYPE OF REPORTING PERSON 00; HC

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| - | 1. | NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON |
|---|----|---|
| | 1 | NAME OF REPORTING REPON |

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| 2. | CHECK THE APPROPRIATE | DOV IE A MI | EMDED OF A CDOUD | | | | |
|-----|---|---|---|--|--|--|--|
| 2. | CHECK THE APPROPRIATE | DOA IF A WIE | (a) ⊠ | | | | |
| | | | (b) o | | | | |
| 3. | SEC USE ONLY | | | | | | |
| 4. | CITIZENSHIP OR PLACE OF U.S. Citizen | ORGANIZAT | ΓΙΟΝ | | | | |
| | NUMBER OF | 5. | SOLE VOTING POWER 0 | | | | |
| | SHARES BENEFICIALLY OWNED BY EACH | 6. | SHARED VOTING POWER | | | | |
| | | | 8,761,826 shares | | | | |
| | REPORTING PERSON WITH | 7. | SOLE DISPOSITIVE POWER 0 | | | | |
| | 11222 | 8. | SHARED DISPOSITIVE POWER See Row 6 above. | | | | |
| 9. | AGGREGATE AMOUNT BEN See Row 6 above. | NEFICIALLY (| OWNED BY EACH REPORTING PERSON | | | | |
| 10. | CHECK BOX IF THE AGGRE | GATE AMOU | | | | | |
| 11. | CERTAIN SHARES PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) | | | | | | |
| 111 | | Approximately 7.2% as of December 31, 2005. | | | | | |
| 12. | TYPE OF REPORTING PERSO | _ | | | | | |
| | | IN; HC | | | | | |

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| 1. | NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON | | | | | | | |
|-----|---|----------------|---|--|--|--|--|--|
| | Citadel Wellington LLC | | | | | | | |
| 2. | CHECK THE APPROPRI | ATE BOX IF A M | MEMBER OF A GROUP | | | | | |
| | | | (a) ⊠ | | | | | |
| | | | (b) o | | | | | |
| 3. | SEC USE ONLY | SEC USE ONLY | | | | | | |
| 4. | CITIZENSHIP OR PLACE OF ORGANIZATION Delaware limited liability company | | | | | | | |
| | NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 5. | SOLE VOTING POWER 0 | | | | | |
| | | 6. | SHARED VOTING POWER | | | | | |
| | | | 8,761,826 shares | | | | | |
| | | 7. | SOLE DISPOSITIVE POWER 0 | | | | | |
| | | 8. | SHARED DISPOSITIVE POWER See Row 6 above. | | | | | |
| 9. | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON See Row 6 above. | | | | | | | |
| 10. | CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES | | | | | | | |

| | CERTAIN SHARES | O |
|-----|---|---|
| 11. | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) | |
| | Approximately 7.2% as of December 31, 2005. | |
| 12. | TYPE OF REPORTING PERSON OO; HC | |

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| CUSIP NO. 74369L103 | 13G | Page 6 of 15 Pages |
|---------------------|-----|--------------------|
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| 1. | NAME OF REPORTING PERSONAL SECTION OF THE PROPERTY OF THE PROP | | ABOVE PERSON | | | |
|-----|--|----------------|---|--|--|--|
| | Citadel Kensington Global S | Strategies Fun | ıd Ltd. | | | |
| 2. | CHECK THE APPROPRIAT | E BOX IF A M | MEMBER OF A GROUP | | | |
| | | | (a) 🗵 | | | |
| | | | (b) o | | | |
| 3. | SEC USE ONLY | | | | | |
| 4. | CITIZENSHIP OR PLACE C Bermuda company | F ORGANIZA | ATION | | | |
| | NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 5. | SOLE VOTING POWER 0 | | | |
| | | 6. | SHARED VOTING POWER | | | |
| | | | 8,761,826 shares | | | |
| | | 7. | SOLE DISPOSITIVE POWER 0 | | | |
| | | 8. | SHARED DISPOSITIVE POWER See Row 6 above. | | | |
| 9. | AGGREGATE AMOUNT BE See Row 6 above. | ENEFICIALLY | OWNED BY EACH REPORTING PERSON | | | |
| 10. | CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES | | | | | |
| | CERTAIN SHARES 0 | | | | | |
| 11. | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) | | | | | |
| | Approximately 7.2% as of December 31, 2005. | | | | | |
| 12. | TYPE OF REPORTING PERSON CO; HC | | | | | |

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|---------------------|-----|--------------------|
|---------------------|-----|--------------------|

| 1. | NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON |
|----|---|
| | Citadel Equity Fund Ltd. |
| 2. | CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP |
| | (a) ⊠ |
| | (b) o |

| 3. | SEC USE ONLY | | | | | |
|-----|---|---------------|---|--|--|--|
| 4. | CITIZENSHIP OR PLACE OF Cayman Islands com | | TION | | | |
| | NUMBER OF | 5. | SOLE VOTING POWER 0 | | | |
| | SHARES BENEFICIALLY OWNED BY EACH | 6. | SHARED VOTING POWER 8,761,826 shares | | | |
| | REPORTING PERSON WITH | 7. | SOLE DISPOSITIVE POWER 0 | | | |
| | ,,,,,, | 8. | SHARED DISPOSITIVE POWER See Row 6 above. | | | |
| 9. | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON See Row 6 above. | | | | | |
| 10. | CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES 0 | | | | | |
| 11. | PERCENT OF CLASS REPRE | SENTED BY | AMOUNT IN ROW (9) | | | |
| | Approximately 7.2% as of Dec | cember 31, 20 | 005. | | | |
| 12. | TYPE OF REPORTING PERSON CO | | | | | |

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CUSIP NO. 74369L103

Approximately 7.2% as of December 31, 2005.

TYPE OF REPORTING PERSON

| 1. | NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON | | | | | | | | | |
|-----|---|------------------------------|---|-----|-------------|---|--|--|--|--|
| | Citadel Trading Group L. | Citadel Trading Group L.L.C. | | | | | | | | |
| 2. | CHECK THE APPROPRIA | ATE BOX IF A M | IEMBER OF A GROUP | | | | | | | |
| | | | | (a) | \boxtimes | | | | | |
| | | | | (b) | 0 | | | | | |
| 3. | SEC USE ONLY | | | | | | | | | |
| 4. | CITIZENSHIP OR PLACE Delaware limited | | | | | | | | | |
| | NUMBER OF | 5. | SOLE VOTING POWER 0 | | | | | | | |
| | SHARES BENEFICIALLY | 6. | SHARED VOTING POWER | | | | | | | |
| | OWNED BY EACH REPORTING PERSON WITH | | 8,761,826 shares | | | | | | | |
| | | 7. | SOLE DISPOSITIVE POWER 0 | R | | | | | | |
| | | 8. | SHARED DISPOSITIVE POWER See Row 6 above. | | | | | | | |
| 9. | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON See Row 6 above. | | | | | | | | | |
| 10. | CHECK BOX IF THE AGO | GREGATE AMO | UNT IN ROW (9) EXCLUDES | | | | | | | |
| | CERTAIN SHARES | | | | | 0 | | | | |
| 11. | PERCENT OF CLASS RE | PRESENTED BY | AMOUNT IN ROW (9) | | | | | | | |
| | 1 | | | | | | | | | |

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| 1. | NAME OF REPORTING PE S.S. OR I.R.S. IDENTIFICA | | ABOVE PERSON | |
|-----|---|-----------------------|---|---|
| | Citadel Derivatives Group I | LLC | | |
| 2. | CHECK THE APPROPRIAT | E BOX IF A M | MEMBER OF A GROUP | |
| | | | (a) ⊠ | |
| | | | (b) o | |
| 3. | SEC USE ONLY | | | |
| 4. | CITIZENSHIP OR PLACE O | | | |
| | NUMBER OF | 5. | SOLE VOTING POWER 0 | |
| | SHARES BENEFICIALLY | 6. | SHARED VOTING POWER | |
| | OWNED BY EACH | | 8,761,826 shares | |
| | REPORTING PERSON WITH | 7. | SOLE DISPOSITIVE POWER 0 | |
| | | 8. | SHARED DISPOSITIVE POWER See Row 6 above. | |
| 9. | AGGREGATE AMOUNT BI See Row 6 above. | ENEFICIALLY | OWNED BY EACH REPORTING PERSON | |
| 10. | CHECK BOX IF THE AGGI | REGATE AMO | OUNT IN ROW (9) EXCLUDES | |
| | CERTAIN SHARES | | | 0 |
| 11. | PERCENT OF CLASS REPF | RESENTED BY | Y AMOUNT IN ROW (9) | |
| | Approximately 7.2% as of I | December 31, 2 | 2005. | |
| 12. | TYPE OF REPORTING PER | RSON OO; BD | | |

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Item 1(a) Name of Issuer: **PROTEIN DESIGN LABS, INC.**

Item 1(b) Address of Issuer's Principal Executive Offices:

34801 Campus Drive Fremont, CA 94555

Item 2(a) Name of Person Filing

Item 2(b) Address of Principal Business Office

Item 2(c) Citizenship

Citadel Limited Partnership 131 S. Dearborn Street 32nd Floor Chicago, Illinois 60603 Illinois limited partnership Citadel Investment Group, L.L.C. 131 S. Dearborn Street 32nd Floor Chicago, Illinois 60603 Delaware limited liability company

Kenneth Griffin 131 S. Dearborn Street 32nd Floor Chicago, Illinois 60603 U.S. Citizen

Citadel Wellington LLC c/o Citadel Investment Group, L.L.C. 131 S. Dearborn Street 32nd Floor Chicago, Illinois 60603 Delaware limited liability company

Citadel Kensington Global Strategies Fund Ltd. c/o Citadel Investment Group, L.L.C. 131 S. Dearborn Street 32nd Floor Chicago, Illinois 60603 Bermuda company

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Citadel Equity Fund Ltd. c/o Citadel Investment Group, L.L.C. 131 S. Dearborn Street 32nd Floor Chicago, Illinois 60603 Cayman Islands company

Citadel Trading Group L.L.C. c/o Citadel Investment Group, L.L.C. 131 S. Dearborn Street 32nd Floor Chicago, Illinois 60603 Delaware limited liability company

Citadel Derivatives Group LLC c/o Citadel Investment Group, L.L.C. 131 S. Dearborn Street 32nd Floor Chicago, Illinois 60603 Delaware limited liability company

2(d) Title of Class of Securities:

Common Stock, par value \$0.01 per share

| 2(e) | CUSIP | Number: | 74369L103 |
|--------|-----------|----------------|--|
| Item 3 | If this s | statement is f | iled pursuant to Rules 13d-1(b), or 13d-2(b) or (c), check whether the person filing is a: |
| | (a) | [_] | Broker or dealer registered under Section 15 of the Exchange Act; |
| | (b) | [_] | Bank as defined in Section 3(a)(6) of the Exchange Act; |
| | (c) | [_] | Insurance company as defined in Section 3(a)(19) of the Exchange Act; |
| | (d) | [_] | Investment company registered under Section 8 of the Investment Company Act; |
| | (e) | [_] | An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E); |
| | (f) | [] | An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F): |

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|---|--|--|--|--|
| COSIP N | IO. 74369L1 | 103 | 13G | Page 12 of 15 Pages |
| | (g) | [_] | A parent holding company or control person in acc | cordance with Rule 13d-1(b)(1)(ii)(G); |
| | (h) | [_] | A savings association as defined in Section 3(b) of | f the Federal Deposit Insurance Act; |
| | (i) | [_] | A church plan that is excluded from the definition Section 3(c)(14) of the Investment Company Act; | of an investment company under |
| | (j) | [_] | Group, in accordance with Rule 13d-1(b)(1)(ii)(J). | |
| If this st | atement is f | iled pursuaı | t to Rule 13d-1(c), check this box. \boxtimes | |
| Item 4 | Owners | ship: | | |
| CITADEL LIM CITADEL INVI KENNETH GR CITADEL WEI CITADEL KEN CITADEL EQU CITADEL TRA CITADEL DER | ESTMENT IFFIN LLINGTON ISINGTON ITTY FUND DING GRO | GROUP, I I LLC GLOBAL LTD. DUP L.L.C | .L.C. STRATEGIES FUND LTD. | |
| (a) | Amoun | t beneficial | y owned: | |
| 3,761,826 shares | | | | |
| (b) | Percent | of Class: | | |
| Approximately 7 | .2% as of D | ecember 31 | 2005. | |
| (c) | Numbe | r of shares a | s to which such person has: | |
| | (i) | sole pow | er to vote or to direct the vote: | |
| | | 0 | | |
| | (ii) | shared p | ower to vote or to direct the vote: | |
| | | S | ee Item 4(a) above. | |
| | (iii) | sole pow | er to dispose or to direct the disposition of: | |
| | | 0 | | |
| | (iv) | shared p | ower to dispose or to direct the disposition of: | |
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| CUSIP N | IO. 74369L2 | 103 | 13G | Page 13 of 15 Pages |
| | | See Item | 4(a) above. | |
| item 5 | Owners | ship of Five | Percent or Less of a Class: | |
| | | N | ot Applicable. | |
| tem 6 | Owners | ship of Mor | than Five Percent on Behalf of Another Person: | |
| | | N | ot Applicable. | |
| item 7 | Identifi | cation and (| Classification of the Subsidiary which Acquired the Se | curity Being Reported on by the Parent Holding Con |
| | | S | ee Item 2 above. | |

Item 8

Identification and Classification of Members of the Group:

Not Applicable.

Item 9 Notice of Dissolution of Group:

Not Applicable.

Item 10 Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

* Mathew B. Hinerfeld is signing on behalf of Kenneth Griffin as attorney-in-fact pursuant to a power of attorney previously filed with the Securities and Exchange Commission on February 4, 2005, and hereby incorporated by reference herein. The power of attorney was filed as an attachment to a filing by Citadel Limited Partnership on Schedule 13G/A for Komag, Incorporated.

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After reasonable inquiry and to the best of its knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated this 13th day of February, 2006

| KENNETH GRIFFIN | CITADEL KENSINGTON GLOBAL | | |
|---|---------------------------------------|--|--|
| | STRATEGIES FUND LTD. | | |
| By: /s/ Matthew B. Hinerfeld | | | |
| Matthew B. Hinerfeld, attorney-in-fact* | By: Citadel Limited Partnership, | | |
| | its Portfolio Manager | | |
| CITADEL INVESTMENT GROUP, L.L.C. | | | |
| | By: Citadel Investment Group, L.L.C., | | |
| By: /s/ Matthew B. Hinerfeld | its General Partner | | |
| Matthew B. Hinerfeld, Managing | | | |
| Director and Deputy General Counsel | By: /s/ Matthew B. Hinerfeld | | |
| | Matthew B. Hinerfeld, Managing | | |
| CITADEL LIMITED PARTNERSHIP | Director and Deputy General Counsel | | |
| By: Citadel Investment Group, L.L.C., | CITADEL EQUITY FUND LTD. | | |
| its General Partner | | | |
| | By: Citadel Limited Partnership, | | |
| By: /s/ Matthew B. Hinerfeld | its Portfolio Manager | | |
| Matthew B. Hinerfeld, Managing | | | |
| Director and Deputy General Counsel | By: Citadel Investment Group, L.L.C., | | |
| | its General Partner | | |
| CITADEL WELLINGTON LLC | D //M vl D III 611 | | |
| D. Challisted D. Cook! | By: /s/ Matthew B. Hinerfeld | | |
| By: Citadel Limited Partnership, | Matthew B. Hinerfeld, Managing | | |
| its Managing Member | Director and Deputy General Counsel | | |
| By: Citadel Investment Group, L.L.C., | CITADEL TRADING GROUP L.L.C. | | |
| its General Partner | | | |
| | By: Citadel Limited Partnership, | | |
| By: /s/ Matthew B. Hinerfeld | its Managing Member | | |
| Matthew B. Hinerfeld, Managing | | | |
| Director and Deputy General Counsel | By: Citadel Investment Group, L.L.C., | | |
| | its General Partner | | |
| | By: /s/ Matthew B. Hinerfeld | | |
| | Matthew B. Hinerfeld, Managing | | |
| | Director and Deputy General Counsel | | |
| | | | |
| | | | |

| (| CITADEL DERIVATIVES GROUP LLC |
|---|---|
| I | By: Citadel Limited Partnership, its Managing Member |
| I | By: Citadel Investment Group, L.L.C., its General Partner |
| I | By: /s/ Matthew B. Hinerfeld |
| | Matthew B. Hinerfeld, Managing |
| | Director and Deputy General Counsel |
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| | |

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