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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): August 8, 2013

PDL BIOPHARMA, INC.

(Exact name of Company as specified in its charter)

000-19756
(Commission File Number)

Delaware	94-3023969
(State or Other Jurisdiction of Incorporation)	(I.R.S. Employer Identification No.)

932 Southwood Boulevard
Incline Village, Nevada 89451
(Address of principal executive offices, with zip code)

(775) 832-8500
(Company's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Company under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On August 8, 2013, PDL BioPharma, Inc. (the Company) issued a press release announcing the financial results for the second quarter ended June 30, 2013. A copy of this earnings release is attached hereto as Exhibit 99.1. The Company will host an earnings call and webcast on August 8, 2013, during which the Company will discuss its financial results for the second quarter ended June 30, 2013.

Item 7.01 Regulation FD Disclosure.

Presentation Materials

On August 8, 2013, the Company posted to its website a set of presentation materials that it will use during its earnings call and webcast to assist participants with understanding the Company's financial results. A copy of this presentation is attached hereto at Exhibit 99.2

Information Sheet

On August 8, 2013, the Company distributed to analysts covering the Company's securities a summary of certain information regarding the Company's net income, dividends and licensed product development and sales (the Information Sheet) to assist those analysts in valuing the Company's securities. The Information Sheet and its associated tables are attached hereto as Exhibit 99.3.

Limitation of Incorporation by Reference

In accordance with General Instruction B.2. of Form 8-K, the information in this report, including the exhibits, is furnished pursuant to Items 2.02 and 7.01 and shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section.

Cautionary Statements

This filing and its exhibits include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Important factors that could impair the Company's royalty assets or business are disclosed in the "Risk Factors" contained in the Company's Annual Report on Form 10-K, as updated by subsequent quarterly reports, filed with the Securities and Exchange Commission. All forward-looking statements are expressly qualified in their entirety by such factors. We do not undertake any duty to update any forward-looking statement except as required by law.

Item 9.01 Financial Statements and Exhibits.

Exhibit No.	Description
99.1	Press Release
99.2	Presentation
99.3	Information Sheet

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PDL BioPharma, inc.
(Company)

By: /s/ Peter S. Garcia
Peter S. Garcia
Vice President and
Chief Financial Officer

Dated: August 8, 2013

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release
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99.3	Information Sheet

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jennifer@cwcomm.org

PDL BioPharma Announces Second Quarter 2013 Financial Results

INCLINE VILLAGE, NV, August 8, 2013 – PDL BioPharma, Inc. (PDL) (NASDAQ: PDLI) today reported financial results for the second quarter and six months ended June 30, 2013.

Royalty revenues for the second quarter of 2013 increased 14 percent to $143.6 million from $125.9 million reported in the second quarter of 2012. For the first six months of 2013, royalty revenues increased 16 percent to $235.5 million from $203.2 million reported in the comparable period of 2012.

Royalty revenues for the second quarter of 2013 are based on first quarter 2013 product sales by PDL's licensees. The royalty revenue growth year to date is driven by increased sales by PDL's licensees in the fourth quarter of 2012 and first quarter of 2013 of Avastin®, Herceptin®, Lucentis®, Perjeta®, Kadcyla®, Tysabri®, and Actemra®. Net sales of Avastin, Herceptin, Lucentis, Xolair, Perjeta, and Kadcyla are subject to a tiered royalty rate except in the case when the product is ex-U.S. Manufactured and Sold, in which case it is subject to a flat three percent royalty rate.

General and administrative expenses for the second quarter of 2013 were $6.8 million, compared with $5.1 million in the same quarter of 2012. For the six months ended June 30, 2013, general and administrative expenses were $14.0 million compared to $12.1 million in the comparable period of 2012. The increase in expenses for both the quarter and six months ended June 30, 2013, was a result of increased legal expenses related to litigation.

Net income for the second quarter of 2013 was $93.7 million, or $0.62 per diluted share, as compared with net income of $73.5 million, or $0.52 per diluted share, in the same quarter of 2012. The increase in net income in the second quarter is primarily due to the 14 percent increase in royalty revenues, and the release of a tax liability of $5.7 million which reduced the effective tax rate for the quarter. Net income for the first six months of 2013 was $147.2 million, or $0.96 per diluted share, as compared with net income of $113.7 million, or $0.80 per diluted share, in the same period of 2012.

Net cash provided by operating activities in the first six months of 2013 was $163.9 million, compared with $122.8 million for the first six months of 2012. At June 30, 2013, PDL had cash, cash equivalents and investments of $258.9 million, compared with $148.7 million at December 31, 2012. The increase was primarily attributable to net cash provided by operating activities of $163.9 million and repayment of notes receivable of $15.6 million, offset in part by payment of dividends of $42.0 million and cash advanced on the issuance of notes receivable of $27.3 million.

Recent Developments

Significant Additions to the PDL Team
PDL announced the addition of two key members to the Company's finance team—Peter Garcia as vice president and chief financial officer and David Montez as controller and chief accounting officer. Mr. Garcia spent his previous 16 years in various CFO positions for biotechnology companies. He joins PDL from BioTime, Inc. (NYSE MKT: BTX) where he served as CFO since 2011. Mr. Montez, who is a licensed certified public accountant, brings more than 13 years of experience overseeing accounting and financial functions and most recently served as director of finance at GlassPoint Solar, Inc.

PDL also announced the addition of an external advisor, Glenn Reicin, who was retained by PDL to assist the company in acquiring income generating assets. He brings many years of experience in the medical device space, 15 years of which were spent as a ranked, medical device analyst at Morgan Stanley.

2013 Dividends

On January 30, 2013, PDL's Board of Directors declared regular quarterly dividends of $0.15 per share of common stock, payable on March 12, June 12, September 12 and December 12 of 2013 to all stockholders who own shares of PDL on March 5, June 5, September 5 and December 5 of 2013, the record dates for each of the dividend payments, respectively. On June 12, 2013, PDL paid the second quarterly dividend to stockholders of record totaling $21.0 million using earnings generated in the second quarter of 2013.

Revenue Guidance for 2013

As previously announced, PDL will continue to provide revenue guidance for each quarter in the third month of that quarter. Third quarter 2013 revenue guidance will be provided in September.

Conference Call Details

PDL will hold a conference call to discuss financial results at 4:30 p.m. ET today, August 8, 2013.

To access the live conference call via phone, please dial (800) 668-4132 from the United States and Canada or (224) 357-2196 internationally. The conference ID is 25578899. Please dial in approximately 10 minutes prior to the start of the call. A telephone replay will be available beginning approximately one hour after the call through August 14, 2013, and may be accessed by dialing (855) 859-2056 from the United States and Canada or (404) 537-3406 internationally. The replay passcode is 25578899

To access the live and subsequently archived webcast of the conference call, go to the Company's website at http://www.pdl.com and go to "Events & Presentations." Please connect to the website at least 15 minutes prior to the call to allow for any software download that may be necessary.

About PDL BioPharma

PDL pioneered the humanization of monoclonal antibodies and, by doing so, enabled the discovery of a new generation of targeted treatments for cancer and immunologic diseases. Today, PDL is focused on intellectual property asset management, investing in new income generating assets and maximizing value for its shareholders. For more information, please visit www.pdl.com.

Forward-looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Each of these forward-looking statements involves risks and uncertainties. Actual results may differ materially from those, express or implied, in these forward-looking statements. Important factors that could impair the value of the Company's royalty assets, restrict or impede the ability of the Company to invest in new royalty bearing assets and limit the Company's ability to pay dividends are disclosed in the risk factors contained in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission and updated by subsequent Quarterly Reports on Form 10-Q. All forward-looking statements are expressly qualified in their entirety by such factors. We do not undertake any duty to update any forward-looking statement except as required by law.

PDL BIOPHARMA, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME DATA
(Unaudited)
(In thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,			
	2013	2012	2013		2012	
Revenues						
Royalties	$ 143,617	$ 125,904	$ 235,464	#	$ 203,248	
Total revenues	143,617	125,904	235,464		203,248	
Operating Expenses						
General and administrative expenses	6,783	5,145	13,969		12,090	
Operating income	136,834	120,759	221,495		191,158	
Non-operating expense, net						
Interest and other income, net	4,963	428	8,801	#	518	
Interest expense	(6,051)	(7,872)	(12,051)	#	(16,573)	
Total non-operating expense, net	(1,088)	(7,444)	(3,250)		(16,055)	
Income before income taxes	135,746	113,315	218,245		175,103	
Income tax expense	42,004	39,813	71,032	#	61,417	
Net income	$ 93,742	$ 73,502	$ 147,213		$ 113,686	
Net income per share						
Basic	$ 0.67	$ 0.53	$ 1.05	#	$ 0.81	
Diluted	$ 0.62	$ 0.52	$ 0.96	#	$ 0.80	
Shares used to compute income per basic share	139,825	139,683	139,821		139,681	
Shares used to compute income per diluted share	152,224	142,213	152,784		142,890	
Cash dividends declared per common share	$ -	$ -	$ 0.60		$ 0.60	

PDL BIOPHARMA, INC.
CONDENSED CONSOLIDATED BALANCE SHEET DATA
(Unaudited)
(In thousands)

	June 30, 2013	December 31, 2012
Cash, cash equivalents and investments	$ 258,850	$ 148,689
Total notes receivable	$ 110,633	$ 93,208
Total assets	$ 401,424	$ 279,966
Convertible notes payable	$ 315,320	$ 309,952
Total stockholders' deficit	$ (1,261)	$ (68,122)

PDL BIOPHARMA, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW DATA
(Unaudited)
(In thousands)

	Six Months Ended June 30,	
	2013	**2012**
Net income	$ 147,213	$ 113,686
Adjustments to reconcile net income to net cash provided by operating activities	6,145	12,779
Changes in assets and liabilities	10,496	(3,672)
Net cash provided by operating activities	$ 163,854	$ 122,793

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	**2012**	**2013**	**2012**
Avastin				
% Ex-U.S. Sold	56%	54%	58%	55%
% Ex-U.S.-based Manufactured and Sold	46%	20%	48%	23%
Herceptin				
% Ex-U.S. Sold	67%	69%	68%	70%
% Ex-U.S.-based Manufactured and Sold	34%	41%	37%	38%
Kadcyla				
% Ex-U.S. Sold	0%	0%	0%	0%
% Ex-U.S.-based Manufactured and Sold	0%	0%	0%	0%
Lucentis				
% Ex-U.S. Sold	64%	62%	66%	61%
% Ex-U.S.-based Manufactured and Sold	0%	0%	0%	0%
Perjeta				
% Ex-U.S. Sold	11%	0%	9%	0%
% Ex-U.S.-based Manufactured and Sold	0%	0%	0%	0%
Xolair				
% Ex-U.S. Sold	40%	38%	40%	39%
% Ex-U.S.-based Manufactured and Sold	40%	38%	40%	39%

PDL BioPharma®

Second Quarter 2013 Financial Results Conference Call

August 8, 2013

Forward Looking Statements

This presentation contains forward-looking statements, including PDL's expectations with respect to its future royalty revenues, expenses, net income, and cash provided by operating activities. Each of these forward-looking statements involves risks and uncertainties. Actual results may differ materially from those, express or implied, in these forward-looking statements. Factors that may cause differences between current expectations and actual results include, but are not limited to, the following:

- The expected rate of growth in royalty-bearing product sales by PDL's existing licensees;
- The relative mix of royalty-bearing Genentech products manufactured and sold outside the U.S. versus manufactured or sold in the U.S.;
- The ability of PDL's licensees to receive regulatory approvals to market and launch new royalty-bearing products and whether such products, if launched, will be commercially successful;
- The productivity of acquired income generating assets may not fulfill our revenue forecasts and, if secured by collateral, we may be undersecured and unable to recuperate our capital expenditures in the transaction;
- Changes in any of the assumptions on which PDL's projected revenues are based;
- Changes in foreign currency rates;
- Positive or negative results in PDL's attempt to acquire income generating assets;
- The outcome of pending litigation or disputes, including PDL's current dispute with Genentech related to ex-U.S. sales of Genentech licensed products; and
- The failure of licensees to comply with existing license agreements, including any failure to pay royalties due.

Other factors that may cause PDL's actual results to differ materially from those expressed or implied in the forward-looking statements in this presentation are discussed in PDL's filings with the SEC, including the "Risk Factors" sections of its annual and quarterly reports filed with the SEC. Copies of PDL's filings with the SEC may be obtained at the "Investors" section of PDL's website at www.pdl.com. PDL expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in PDL's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based for any reason, except as required by law, even as new information becomes available or other events occur in the future. All forward-looking statements in this presentation are qualified in their entirety by this cautionary statement.

PDL BioPharma

Top Priority: Acquiring Income Generating Assets

- **Continued focus on bringing in income generating assets**
- **Closed three significant transactions in 2012 and one so far in 2013**
- **Credit Agreement / Royalty Transaction with Avinger, Inc.**
  - Completed April 18, 2013
  - PDL financing Avinger for $40 million, including $20 million cash funded on April 18 and up to $20 million more upon completion of certain revenue milestones
  - PDL to receive interest on the principal and a low single-digit royalty on Avinger's revenues from product sales through April 2018
  - Avinger develops therapeutic devices to treat vascular diseases and has products on the market as well as others in development
- **Bolstered our asset acquisition team in Q2,13**
  - Glenn Reicin joined as a senior advisor to the company. Glenn is a medical device expert, including 15 years as medical device analyst at Morgan Stanley.
- **Focus is on the quality of the assets and the ROI for the benefit of our shareholders**

Potential Royalty Product - Obinutuzumab

- **On May 15, 2013, Genentech/Roche announced Phase 3 data from the CLL11 study to be presented at ASCO for the treatment of chronic lymphocytic leukemia (CLL).**
  - Announced marketing applications had been submitted to regulatory authorities including the European Medicines Association (EMA) and the FDA.
  - Also, FDA designated it as a breakthrough therapy for CLL.
  - Previously, Genentech/Roche announced that results from Stage 1 of a Phase 3 trial showed CLL patients treated with obinutuzumab + chlorambucil had a progression free survival (PFS) of 23 months compared to 10.9 months for patients treated with chlorambucil only.
- **On July 2, 2013, Genentech/Roche announced that FDA accepted their Biologics License Application (BLA) and it had been granted priority review by FDA with a PDUFA date of December 20, 2013.**
- **On July 23, 2013, Genentech/Roche announced that results from planned interim analysis of Stage 2 of same Phase 3 trial showed CLL patients treated with obinutuzumab + chlorambucil lived significantly longer without disease worsening (PFS) than patients receiving Rituxan + chlorambucil.**
  - While the differences in PFS will not be disclosed until ASH in early December 2013, Genentech/Roche stated that the endpoint was achieved sooner than the target date of 2014 because of the magnitude of the difference between the two arms in Stage 2.

Potential Royalty Product - Solanezumab

- **On July 12, 2013, Lilly announced details regarding its new Phase 3 trial.**
  - 2,100 patients with mild Alzheimer's Disease with amyloid pathology confirmed by either PET or cerebrospinal fluid instead of 1,322 mild Alzheimer's Disease patients in previous Phase 3s.
  - Co-primary endpoints of ADAS-Cog14 (cognition) and ADCS-iADL (function) instead of ADAS-Cog11 and ADCS-ADL used in previous Phase 3s.
  - 22 months for patient enrollment beginning in September 2013 plus 18 month for patient follow up equals 40 months, or late 2016, to data.
- **If solanezumab were to receive marketing authorization, PDL would receive a patent royalty of 3% through the expiration of Queen et al. patents in addition to a 12.5 year know-how royalty of 2% from date of first sale.**

Two Key Additions to Finance Team

- **Peter Garcia, Vice President and CFO**
  - More than 16 years in various biotech CFO positions
  - Most recently CFO of public biotech company, BioTime
  - Extensive experience in financial management and reporting as well as deal negotiations
- **David Montez, CPA, Controller and Chief Accounting Officer**
  - More than 13 years in overseeing accounting and financial functions
  - Most recently director of finance and corporate controller at GlassPoint Solar, Inc.
  - Extensive knowledge of accounting and financial reporting procedures for public and private companies

Second Quarter 2013 Overview

(In thousands, except per share amounts)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012
Revenues	$ 143,617	$ 125,904	$ 235,464	$ 203,248
G&A expenses	6,783	5,145	13,969	12,090
Operating income	136,834	120,759	221,495	191,158
Interest and other income, net	4,963	428	8,801	518
Interest expense	(6,051)	(7,872)	(12,051)	(16,573)
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Income tax expense	42,004	39,813	71,032	61,417
Net income	$ 93,742	$ 73,502	$ 147,213	$ 113,686
Net income per share - Basic	$ 0.67	$ 0.53	$ 1.05	$ 0.81
Net income per share - Diluted	$ 0.62	$ 0.52	$ 0.96	$ 0.80

	June 30, 2013	December 31, 2012
Cash, cash equivalents and investments	$ 258,850	$ 148,689
Total notes receivable	$ 110,633	$ 93,208
Total assets	$ 401,424	$ 279,966
Convertible notes payable	$ 315,320	$ 309,952
Total stockholders' deficit	$ (1,261)	$ (68,122)

PDL BioPharma

Return to Stockholders – PDL Dividends

- **Regular quarterly dividend program will total 60 cents per share in 2013**
- **Highest dividend yield among biotech / pharma companies**
  - 2012: paid regular, quarterly dividends totaling $0.60/share
  - 2013: paid regular, quarterly dividend of $0.15/share on March 12 and June 12, and will pay the same amount in dividends on September 12 and December 12
- **Paid second of four regular dividends on June 12th to all stockholders of record as of June 5th for a total of $21 million**

Question and Answer Session

PDL BioPharma, Inc.
Q2-2013
August 8, 2013

Following are some of the key points regarding PDL's second quarter 2013 financial and business results.

Net Income

- Net income for the second quarter of 2013 was $93.7 million, or $0.62 per diluted share, as compared with net income of $73.5 million, or $0.52 per diluted share, in the same quarter of 2012. The increase in net income in the second quarter is primarily due to the 14 percent increase in royalty revenues and the release of a tax liability of $5.7 million, which reduced the effective tax rate for the quarter.

2013 Dividends

- On June 12, 2013, PDL paid its second quarterly dividend in 2013 to stockholders of record, totaling $21 million and using earnings generated in the second quarter of 2013. The Board of Directors previously declared two remaining dividends for 2013, each of $0.15 per share of common stock, payable on September 12 and December 12 of 2013 to all stockholders who own shares of PDL on September 5 and December 5 of 2013, the record dates for each of the dividend payments, respectively.

Updates on Approved Royalty Bearing Products

Avastin® (bevacizumab):

- On July 25, 2013, Genentech/Roche reported that 1H13 worldwide sales increased by 12%.
    - There was significant increase in US sales in colorectal cancer due to label expansion through multiple lines of therapy.
    - Strong sales in EU were driven by ovarian and colorectal cancers, with the latter due to the label expansion through multiple lines of therapy.
    - In Japan, sales increase was driven by steady growth in non-small cell lung cancer.
- Also on July 25, 2013, Genentech/Roche stated that it intends to file for approval for treatment of cervical cancer in US and EU in 2014.
- On December 12, 2012, and January 24, 2013, Genentech/Roche announced EU and US approval, respectively, for second-line metastatic colorectal cancer.

Herceptin® (trastuzumab):

- On July 25, 2013, Genentech/Roche reported that 1H13 worldwide sales increased by 5%.
- On June 28, 2013, Genentech/Roche said EMA's CHMP issued a positive opinion recommending approval of a subcutaneous formulation of Herceptin to treat HER2-positive breast cancer.
    - Subcutaneous administration takes 2-5 minutes instead of 30-90 minutes with the approved IV administration.

Lucentis® (ranibizumab):

- On July 25, 2013, Genentech/Roche reported that 1H13 US sales increased by 9%.
    - Less frequent than monthly dosing regimen is stabilizing market share in AMD.
    - RVO market share is stable and DME increased market share contributing to majority of Lucentis growth.
- On July 17, 2013, Novartis reported that 2Q13 ex-US sales decreased by 3%.
    - Double digit volume growth offset by one-time price reductions required to secure reimbursement for new indications.
    - Eylea launched in key EU countries.
- On July 5, 2013, Novartis announced that EU had expanded the label to include treatment for visual impairment due to choroidal neovascularization.
    - Lucentis is first therapy to be approved for this indication in EU.

Xolair® (omalizumab)

- On July 25, 2013, Genentech/Roche reported that 1H13 US sales increased by 11%.
- On July 17, 2013, Novartis reported that 2Q13 ex-US sales increased by 20%.
- On June 26, 2013, Novartis announced that the second Phase 3 trial in 335 patients ages 12-75 with moderate to severe refractory chronic idiopathic urticaria (CIU) treated with 300 mg subcutaneous Xolair given every 4 weeks for 24 weeks as an add-on to antihistamine therapy met the primary efficacy endpoint with a similar incidence and severity of adverse events between treated and placebo patients.
    - In February 2013, Novartis reported data from the first Phase 3 in 323 patients ages 12-75 with moderate to severe refractory CIU showing that 150 and 300 mg doses of Xolair as an add-on to antihistamine therapy each met the primary efficacy endpoint.
- On July 17, 2013, Novartis disclosed that it had filed for EU approval for CIU.
    - Genentech/Roche is expected to file for approval of this indication in 2H13.

Actemra® (tocilizumab):

- On July 25, 2013, Genentech/Roche reported that 1H13 worldwide sales increased by 33%.
  - Sales growth was driven by monotherapy use with US being the biggest contributor to growth.

- On April 30, 2013, Genentech/Roche announced that FDA had approved its use for the treatment of a rare, debilitating condition in children known as polyarticular juvenile idiopathic arthritis.

Perjeta™ (pertuzumab):

- On July 25, 2013, Genentech/Roche reported 1H13 sales of CHF 108 million.
- Genentech/Roche announced EMA approval in March 2013.
- On July 1, 2013, Genentech/Roche announced that it had been granted priority review by FDA for use in neo-adjuvant setting for HER2+ breast cancer with PDUFA date of October 31, 2013.

Kadcyla™ (TDM-1 or ado-trastuzumab emtansine):

- On July 25, 2013, Genentech/Roche reported 1H13 sales of CHF 83 million.
- [Not Q2 but may be relevant to understand first bullet] On February 22, 2013, Genentech/Roche announced that FDA approval for second line treatment of HER2+ metastatic breast cancer and first line treatment for patients who relapse within 6 months following adjuvant therapy.
- Also on July 25, 2013, Genentech/Roche announced that a Phase 3 trial comparing Kadcyla to the physician's choice of treatment in patients with HER2-positive breast cancer who have already been treated with a HER2-targeted therapy, met its co-primary endpoint of progression free survival. The other endpoint is overall survival, but these data are not yet mature.

Updates on Select Development Stage Potential Royalty Bearing Products

Obinutuzumab:

- On May 15, 2013, Genentech/Roche announced Phase 3 data from the CLL11 study to be presented at ASCO for the treatment of chronic lymphocytic leukemia (CLL).
  - Announced marketing applications had been submitted to regulatory authorities including the European Medicines Association (EMA) and the FDA.
  - Also announced, FDA designated it as a breakthrough therapy for CLL.
  - Previously, Genentech/Roche announced that results from Stage 1 of a Phase 3 trial showed CLL patients treated with obinutuzumab + chlorambucil had a progression free survival (PFS) of 23 months compared to 10.9 months for patients treated with chlorambucil only.
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Solanezumab:

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PDL BioPharma, Inc.
Q2-2013
August 8, 2013
Royalty Revenue by Product ($ in 000's) *

Avastin	Q1	Q2	Q3	Q4	Total
2013	33,234	46,720	-	-	79,953
2012	23,215	41,670	25,955	30,041	120,882
2011	22,283	41,967	23,870	22,886	111,006
2010	16,870	44,765	29,989	24,922	116,547
2009	13,605	35,161	21,060	15,141	84,966
2008	9,957	30,480	19,574	12,394	72,405
2007	8,990	21,842	17,478	9,549	57,859
2006	10,438	15,572	15,405	12,536	53,952

Herceptin	Q1	Q2	Q3	Q4	Total
2013	30,287	47,353	-	-	77,640
2012	25,702	44,628	30,433	28,307	129,070
2011	25,089	42,209	31,933	21,812	121,042
2010	23,402	38,555	27,952	25,441	115,350
2009	16,003	32,331	26,830	18,615	93,779
2008	14,092	34,383	28,122	20,282	96,880
2007	19,035	28,188	22,582	14,802	84,608
2006	15,142	19,716	21,557	20,354	76,769

Lucentis	Q1	Q2	Q3	Q4	Total
2013	12,032	30,066	-	-	42,097
2012	10,791	27,938	12,552	11,097	62,377
2011	8,878	24,313	12,157	10,750	56,099
2010	7,220	19,091	10,841	8,047	45,198
2009	4,621	12,863	8,123	6,152	31,759
2008	3,636	11,060	7,631	4,549	26,876
2007	2,931	6,543	6,579	3,517	19,570
2006	-	-	289	3,335	3,624

Xolair	Q1	Q2	Q3	Q4	Total
2013	5,930	10,025	-	-	15,955
2012	5,447	8,609	6,504	6,145	26,705
2011	4,590	7,621	5,916	5,823	23,949
2010	3,723	6,386	4,980	4,652	19,741
2009	2,665	5,082	4,085	3,722	15,553
2008	1,488	4,866	3,569	2,927	12,850
2007	1,684	3,942	3,332	2,184	11,142
2006	2,263	2,969	3,041	2,495	10,768

Perjeta	Q1	Q2	Q3	Q4	Total
2013	340	1,414	-	-	1,754
2012	-	-	58	250	308
2011	-	-	-	-	-
2010	-	-	-	-	-
2009	-	-	-	-	-
2008	-	-	-	-	-
2007	-	-	-	-	-
2006	-	-	-	-	-

Kadcyla	Q1	Q2	Q3	Q4	Total
2013	-	551	-	-	551
2012	-	-	-	-	-
2011	-	-	-	-	-
2010	-	-	-	-	-
2009	-	-	-	-	-
2008	-	-	-	-	-
2007	-	-	-	-	-
2006	-	-	-	-	-

Tysabri	Q1	Q2	Q3	Q4	Total
2013	12,965	13,616	-	-	26,581
2012	11,233	12,202	11,749	12,255	47,439
2011	9,891	10,796	11,588	11,450	43,725
2010	8,791	8,788	8,735	9,440	35,754
2009	6,656	7,050	7,642	8,564	29,912
2008	3,883	5,042	5,949	6,992	21,866
2007	839	1,611	2,084	2,836	7,370
2006	-	-	-	237	237

Actemra	Q1	Q2	Q3	Q4	Total

2013	2,631	2,816	-	-	5,447
2012	1,705	2,074	2,145	2,462	8,385
2011	913	1,136	1,401	1,460	4,910
2010	1,587	237	315	688	2,827
2009	585	537	909	1,197	3,228
2008	44	-	146	369	559
2007	32	-	-	17	49
2006	-	-	-	-	-

*** As reported to PDL by its licensees**

Totals may not sum due to rounding

PDL BioPharma, Inc.
Q2-2013
August 8, 2013

Reported Net Sales Revenue by Product ($ in 000's) *

Avastin	Q1	Q2	Q3	Q4	Total
2013	1,653,108	1,694,678	-	-	3,347,786
2012	1,502,757	1,573,727	1,551,327	1,662,977	6,290,788
2011	1,597,461	1,582,705	1,581,095	1,469,994	6,231,255
2010	1,506,788	1,596,892	1,594,707	1,646,218	6,344,605
2009	1,345,487	1,295,536	1,439,730	1,514,053	5,594,806
2008	980,715	1,084,930	1,180,427	1,239,382	4,485,454
2007	678,068	746,587	797,013	875,084	3,096,752
2006	439,318	516,052	570,551	592,897	2,118,817

Herceptin	Q1	Q2	Q3	Q4	Total
2013	1,681,574	1,744,145	-	-	3,425,718
2012	1,515,255	1,625,313	1,663,695	1,650,495	6,454,759
2011	1,391,568	1,559,975	1,642,898	1,432,771	6,027,211
2010	1,270,846	1,349,512	1,300,934	1,409,310	5,330,602
2009	1,210,268	1,133,993	1,226,435	1,278,626	4,849,323
2008	1,105,426	1,195,215	1,211,982	1,186,806	4,699,428
2007	891,761	949,556	979,602	1,015,033	3,835,952
2006	529,585	659,719	761,099	803,576	2,753,979

Lucentis	Q1	Q2	Q3	Q4	Total
2013	1,203,179	1,171,423	-	-	2,374,602
2012	1,079,092	1,086,543	1,097,541	1,109,695	4,372,871
2011	887,757	943,418	1,052,809	1,075,015	3,958,999
2010	721,967	698,890	745,376	804,684	2,970,917
2009	462,103	469,736	555,296	615,212	2,102,347
2008	363,615	393,682	460,167	454,922	1,672,386
2007	224,820	219,579	299,995	322,300	1,066,695
2006	-	-	10,689	157,742	168,431

Xolair	Q1	Q2	Q3	Q4	Total
2013	341,309	365,778	-	-	707,088
2012	310,234	314,638	347,796	340,431	1,313,100
2011	267,754	277,642	310,874	314,911	1,171,182
2010	228,859	225,878	251,055	263,389	969,179
2009	184,669	181,086	211,006	219,693	796,454
2008	137,875	169,521	177,179	183,753	668,329
2007	129,172	130,700	144,250	147,754	551,876
2006	95,241	99,354	112,608	118,002	425,204

Perjeta	Q1	Q2	Q3	Q4	Total
2013	34,008	55,076	-	-	89,084
2012	-	-	5,080	25,000	30,079
2011	-	-	-	-	-
2010	-	-	-	-	-
2009	-	-	-	-	-
2008	-	-	-	-	-
2007	-	-	-	-	-
2006	-	-	-	-	-

Kadcyla	Q1	Q2	Q3	Q4	Total
2013	-	21,459	-	-	21,459
2012	-	-	-	-	-
2011	-	-	-	-	-
2010	-	-	-	-	-
2009	-	-	-	-	-
2008	-	-	-	-	-
2007	-	-	-	-	-
2006	-	-	-	-	-

Tysabri	Q1	Q2	Q3	Q4	Total
2013	434,677	451,358	-	-	886,035
2012	374,430	401,743	391,623	408,711	1,576,508
2011	329,696	356,876	388,758	381,618	1,456,948
2010	293,047	287,925	293,664	316,657	1,191,292
2009	221,854	229,993	257,240	285,481	994,569
2008	129,430	163,076	200,783	233,070	726,359
2007	30,468	48,715	71,972	94,521	245,675
2006	-	-	-	7,890	7,890

Actemra	Q1	Q2	Q3	Q4	Total
2013	87,703	91,374	-	-	179,077
2012	56,662	66,624	71,505	82,053	276,843
2011	30,433	35,370	46,709	48,671	161,183
2010	52,908	5,405	10,493	22,919	91,725
2009	19,504	17,920	30,313	39,888	107,625
2008	1,452	1,377	5,981	12,305	21,115
2007	-	-	-	1,137	1,137
2006	-	-	-	-	-

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PDL BioPharma, Inc.
Q2-2013
August 8, 2013

Manufacturing Location & Sales - Genentech / Roche & Novartis ($ in 000's) *

Avastin Sales	2012 - Q1	2012 - Q2	2012 - Q3	2012 - Q4	2013 - Q1	2013 - Q2
US Made & Sold	652,824	724,483	679,914	710,501	664,109	750,491
US Made & ex-US Sold	448,037	532,979	428,976	281,905	161,369	165,651
ex-US Made & Sold	401,896	316,265	442,437	670,572	827,629	778,536
Total	1,502,757	1,573,727	1,551,327	1,662,977	1,653,108	1,694,678
US Made & Sold	43%	46%	44%	43%	40%	44%
US Made & ex-US Sold	30%	34%	28%	17%	10%	10%
ex-US Made & Sold	27%	20%	29%	40%	50%	46%

Herceptin Sales	2012 - Q1	2012 - Q2	2012 - Q3	2012 - Q4	2013 - Q1	2013 - Q2
US Made & Sold	456,920	497,109	503,612	515,790	514,113	583,677
US Made & ex-US Sold	523,353	466,477	545,625	552,127	486,400	563,243
ex-US Made & Sold	534,982	661,727	614,459	582,578	681,060	597,225
Total	1,515,255	1,625,313	1,663,695	1,650,495	1,681,574	1,744,145
US Made & Sold	30%	31%	30%	31%	31%	33%
US Made & ex-US Sold	35%	29%	33%	33%	29%	32%
ex-US Made & Sold	35%	41%	37%	35%	41%	34%

Lucentis Sales	2012 - Q1	2012 - Q2	2012 - Q3	2012 - Q4	2013 - Q1	2013 - Q2
US Made & Sold	433,428	412,131	385,746	381,592	392,207	419,030
US Made & ex-US Sold	645,665	674,411	711,795	728,103	810,972	752,393
ex-US Made & Sold	-	-	-	-	-	-
Total	1,079,092	1,086,543	1,097,541	1,109,695	1,203,179	1,171,423
US Made & Sold	40%	38%	35%	34%	33%	36%
US Made & ex-US Sold	60%	62%	65%	66%	67%	64%
ex-US Made & Sold	0%	0%	0%	0%	0%	0%

Xolair Sales	2012 - Q1	2012 - Q2	2012 - Q3	2012 - Q4	2013 - Q1	2013 - Q2
US Made & Sold	185,505	193,600	211,702	210,892	207,976	218,860
US Made & ex-US Sold	-	-	-	-	-	-
ex-US Made & Sold	124,729	121,039	136,094	129,540	133,333	146,918
Total	310,234	314,638	347,796	340,431	341,309	365,778
US Made & Sold	60%	62%	61%	62%	61%	60%
US Made & ex-US Sold	0%	0%	0%	0%	0%	0%
ex-US Made & Sold	40%	38%	39%	38%	39%	40%

Perjeta Sales	2012 - Q1	2012 - Q2	2012 - Q3	2012 - Q4	2013 - Q1	2013 - Q2
US Made & Sold	-	-	5,080	24,571	32,377	48,979
US Made & ex-US Sold	-	-	-	428	1,632	6,096
ex-US Made & Sold	-	-	-	-	-	-
Total	-	-	5,080	25,000	34,008	55,076
US Made & Sold	0%	0%	100%	98%	95%	89%
US Made & ex-US Sold	0%	0%	0%	2%	5%	11%
ex-US Made & Sold	0%	0%	0%	0%	0%	0%

Kadcyla Sales	2012 - Q1	2012 - Q2	2012 - Q3	2012 - Q4	2013 - Q1	2013 - Q2
US Made & Sold	-	-	-	-	-	21,459
US Made & ex-US Sold	-	-	-	-	-	-
ex-US Made & Sold	-	-	-	-	-	-
Total	-	-	-	-	-	21,459
US Made & Sold	0%	0%	0%	0%	0%	100%
US Made & ex-US Sold	0%	0%	0%	0%	0%	0%
ex-US Made & Sold	0%	0%	0%	0%	0%	0%

Total Sales	2012 - Q1	2012 - Q2	2012 - Q3	2012 - Q4	2013 - Q1	2013 - Q2
US Made & Sold	1,728,678	1,827,323	1,786,053	1,843,345	1,810,783	2,042,496
US Made & ex-US Sold	1,617,054	1,673,867	1,686,395	1,562,564	1,460,373	1,487,383
ex-US Made & Sold	1,061,607	1,099,031	1,192,990	1,382,690	1,642,023	1,522,679
Total	4,407,339	4,600,221	4,665,438	4,788,598	4,913,178	5,052,559
US Made & Sold	39%	40%	38%	38%	37%	40%
US Made & ex-US Sold	37%	36%	36%	33%	30%	29%
ex-US Made & Sold	24%	24%	26%	29%	33%	30%

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