

## PROSPECTUS SUPPLEMENT

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\$150,000,000

PROTEIN DESIGN LABS, INC.

5.50% CONVERTIBLE SUBORDINATED NOTES DUE FEBRUARY 15, 2007  
993,377 SHARES OF COMMON STOCK ISSUABLE ON CONVERSION OF THE NOTES  
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This prospectus supplement ("Prospectus Supplement") supplements the Prospectus dated June 7, 2000 (the "Prospectus") of Protein Design Labs, Inc., a Delaware corporation (the "Company"), as amended by a prospectus supplement dated September 15, 2000, and relates to the Company's 5.50% Convertible Subordinated Notes due February 15, 2007, held by certain security holders who may offer for sale the notes and shares of the Company's common stock into which the notes are convertible at any time, at market prices prevailing at the time of sale or at privately negotiated prices. The selling security holders may sell the notes or the common stock directly to purchasers or through underwriters, broker-dealers or agents, that may receive compensation in the form of discounts, concessions or commissions. The Company will not receive any proceeds from this offering. This Prospectus Supplement should be read in conjunction with the Prospectus and this Prospectus Supplement is qualified by reference to the Prospectus, except to the extent that the information herein contained supersedes the information contained in the Prospectus. Capitalized terms used in this Prospectus Supplement and not otherwise defined herein have the meanings specified in the Prospectus.

The date of this Prospectus Supplement is January 4, 2001.

## SELLING SECURITY HOLDERS

The Selling Security Holders table is hereby amended (as amended, the "Amended Table") to reflect changes in the selling security holders and in the selling security holders' principal amounts of notes. The Amended Table sets forth, as of the date of this Prospectus Supplement, information with respect to the selling security holders and the respective principal amounts of notes beneficially owned by each selling security holder that may be offered pursuant to this prospectus. Such information has been obtained from the selling security holders. None of the selling security holders has, or within the past three years has had, any position, office or other material relationship with us or any of our predecessors or affiliates. Because the selling security holders may offer all or some portion of the notes or the common stock issuable upon conversion of the notes pursuant to this prospectus, no estimate can be given as to the amount of the notes or the common stock issuable upon conversion of the notes that will be held by the selling security holders upon termination of any such sales. In addition, the selling security holders identified below may have sold, transferred or otherwise disposed of all or a portion of their notes since the date on which they provided the information regarding their notes in transactions exempt from the registration requirements of the Securities Act.

Selling Security Holder (1)	Principal Amount of Notes	Number of Shares of Common Stock		
	Beneficially Owned and Offered Hereby (1)	Beneficially Owned(1)(2)	Offered Hereby	Owned After the Offering
Allstate Insurance Company	\$500,000	11,911	3,311	8,600
Aloha Airlines Non-Pilots Pension Trust	\$75,000	496	496	--
Aloha Airlines Pilots Retirement Trust	\$45,000	298	298	--
Alta Partners Holdings, LDC	\$2,500,000	16,556	16,556	--
Argent Classic Convertible Arbitrage Fund (Bermuda) L.P.	\$7,000,000	46,357	46,357	--
Associated Electric & Gas Insurance Services Limited	\$370,000	2,450	2,450	--
Baird, Patrick & Co., Inc.	\$2,520,000	16,688	16,688	--
BNP Arbitrage SNC	\$10,000,000	66,225	66,225	--
BNP Cooper Neff Convertible Strategies Fund, L.P.	\$688,000	4,556	4,556	--
C&H Sugar Company, Inc.	\$120,000	794	794	--
CIBC World Markets	\$17,293,000	114,523	114,523	--
Coastal Convertibles Ltd.	\$400,000	2,649	2,649	--
Deephaven Domestic Convertible Trading Ltd.	\$6,500,000	43,046	43,046	--
Deutsche Bank Securities, Inc.	\$30,740,000	203,576	203,576	--
Fidelity Financial Trust: Fidelity Convertible Securities Fund	\$3,640,000	24,105	24,105	--
First Republic Bank	\$100,000	662	662	--
Grace Brothers, Ltd.	\$2,000,000	13,245	13,245	--
Hawaiian Airlines Employees Pension Plan-IAM	\$65,000	430	430	--
Hawaiian Airlines Pension Plan for Salaried Employees	\$15,000	99	99	--
Hawaiian Airlines Pilots Retirement Plan	\$100,000	662	662	--
Helix Convertible Opportunities Fund Ltd.	\$1,445,000	9,569	9,569	--
Helix Convertible Opportunities, L.P.	\$2,560,000	16,953	16,953	--
Highbridge International LLC	\$11,000,000	72,847	72,847	--
Janus Capital Corporation	\$2,069,000	13,701	13,701	--
Jefferies & Co.	\$210,000	1,390	1,390	--
J.P. Morgan Securities, Inc.	\$1,370,000	9,072	9,072	--
KBC Financial Products USA	\$6,000,000	39,735	39,735	--
Lincoln National Convertible Securities Fund	\$3,000,000	19,867	19,867	--
Lord Abbett Bond Debenture Fund	\$3,000,000	19,867	19,867	--
Museum of Fine Arts, Boston	\$26,000	172	172	--
New Hampshire Retirement System	\$155,000	1,026	1,026	--

Selling Security Holder (1)	Principal Amount of Notes	Number of Shares of Common Stock		
	Beneficially Owned and Offered Hereby (1)	Beneficially Owned(1)(2)	Offered Hereby	Owned After the Offering
Onex Industrial Partners Limited	\$1,000,000	6,622	6,622	--
Onyx Capital Management	\$5,090,000	33,708	33,708	--
Parker-Hannifin Corporation	\$45,000	298	298	--
Pebble Capital Inc.	\$500,000	3,311	3,311	--
ProMutual	\$96,000	635	635	--
Putnam Asset Allocation Funds - Balanced Portfolio	\$170,000	1,125	1,125	--
Putnam Asset Allocation Funds - Conservative Portfolio	\$112,000	741	741	--
Putnam Balanced Retirement Fund	\$52,000	344	344	--
Putnam Convertible Income - Growth Trust	\$455,000	3,013	3,013	--
Putnam Convertible Opportunities and Income Trust	\$69,000	456	456	--
Queen's Health Plan	\$25,000	165	165	--
Rhone-Poulenc Rohrer Pension Plan	\$33,000	218	218	--
Riga 8 Cie	\$595,000	3,940	3,940	--
R2 Investments, LDC	\$21,000,000	139,072	139,072	--
Silver Creek Limited	\$1,000,000	6,622	6,622	--
State of Oregon/SAIF Corporation	\$3,550,000	23,509	23,509	--
The Common Fund FA0 Absolute Returns Fund	\$495,000	3,278	3,278	--
Tucker Anthony Inc.	\$42,000	278	278	--
University of Rochester	\$25,000	165	165	--
UBS Warburg LLC	\$140,000	927	927	--
Total:	\$150,000,000 =====	1,001,954 =====	993,354 =====	8,600 =====

(1) Information concerning the selling security holders may change from time to time and any such changed information will be set forth in supplements to this prospectus if and when necessary. In addition, the per share conversion price, and therefore the number of shares issuable upon conversion of the notes, is subject to adjustment under certain circumstances. Accordingly, the aggregate principal amount of notes and the number of shares of common stock issuable upon conversion of the notes offered hereby may increase or decrease.

(2) Assumes a conversion price of \$151.00 per share, and a cash payment in lieu of any fractional share interest.