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): March 14, 2019

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.☐

Item 2.02 Results of Operations and Financial Condition.

On March 14, 2019, PDL BioPharma, Inc. (the Company) issued a press release announcing its financial results for the fourth quarter ended December 31, 2018. A copy of this earnings release is furnished hereto as Exhibit 99.1. The Company will host an earnings call and webcast on March 14, 2019, during which the Company will discuss its financial results for the fourth quarter ended December 31, 2018.

Item 7.01 Regulation FD Disclosure.

Presentation Materials

On March 14, 2019, 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 for the quarter ended December 31, 2018. A copy of this presentation is attached hereto as Exhibit 99.2.

Information Sheet

On March 14, 2019, the Company distributed to analysts covering the Company's securities a summary of certain information regarding the Company's financial results and business (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 Items 2.02, 7.01 and 9.01 of this report, including the exhibits, 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 and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.

The following exhibits are furnished with this report:

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

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 assets or business are disclosed in the "Risk Factors" contained in the Company's Annual Report on Form 10-K, filed with the Securities and Exchange Commission on March 16, 2018. 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.

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: March 14, 2019

Exhibit Index

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

Exhibit 99.1

Contacts:

Peter Garcia
PDL BioPharma, Inc.
775-832-8500
Peter.Garcia@pdl.com

Jody Cain
LHA Investor Relations
310-691-7100
jcain@lhai.com

PDL BioPharma Reports 2018 Fourth Quarter and Full Year Financial Results

INCLINE VILLAGE, Nev. (March 14, 2019) – PDL BioPharma, Inc. ("PDL" or "the Company") (NASDAQ: PDLI) reports financial results for the three and 12 months ended December 31, 2018:

Financial Highlights

- Total revenues of $45.1 million for the 2018 fourth quarter and $198.1 million for the full year.
- GAAP net income of $16.3 million or $0.11 per diluted share for the 2018 fourth quarter and a GAAP net loss of $68.9 million or $0.47 per share for the full year. The full year loss was a result of a non-cash accounting charge related to the impairment of an intangible asset from Noden Pharma DAC, due to the expected launch of a generic version of aliskiren in the United States.
- Non-GAAP net income attributable to PDL's shareholders of $15.1 million and $56.7 million for the 2018 fourth quarter and full year, respectively. A reconciliation of GAAP to non-GAAP financial results can be found in Table 3 at the end of this news release.
- Cash and cash equivalents of $394.6 million as of December 31, 2018.
- Repurchased 8.7 million shares of common stock in the open market during the fourth quarter of 2018 at an average price of $2.94 per share, or $25.5 million.

"We are pursuing a strategy of acquiring pharmaceutical products and companies to secure assets with good growth prospects," said Dominique Monnet, president and CEO of PDL. "Our focus is on commercial-stage assets with multi-year sales growth potential, or pharmaceutical products in late-stage clinical development. Our strong, liquid balance sheet allows for the quick deployment of funds to secure transactions that meet our stringent investment parameters. Our goal is to build growing and profitable revenue streams from a balanced portfolio of operating company cash flow and, when appropriate, capture further market value through optimally timed exit strategies.

"The commercial launch of an authorized generic of Tekturna® now underway in the U.S., gives us and our partner Prasco laboratories a first-to-market competitive advantage," he added. "With the expectation of a generic entry, we do not expect to pay any additional milestone payments to Novartis, and eliminated our remaining contingent liability of $19.2 million related to future milestones, which is reflected in our fourth quarter financial results."

"We are reporting progress in the $100 million share repurchase program we announced in late September 2018, which we believe reflects a balanced approach to capital allocation and an appropriate means of creating shareholder value," said Peter Garcia, vice president and CFO of PDL. "Since initiating this current program, we have repurchased a total of 19.4 million shares at a cost of $61.0 million."

Revenue Highlights

- Total revenues of $45.1 million for the fourth quarter of 2018 included:
  - Product revenue of $26.0 million, which consisted of $18.8 million from sales of Tekturna® and Tekturna HCT® in the U.S. and Rasilez® and Rasilez HCT® in the rest of the world (collectively, the Noden Products), and $7.2 million of product revenue from the LENSAR® Laser System.
    - Product revenue from the Noden Products for the fourth quarter of 2018 was $9.8 million in the U.S. and $9.0 million in the rest of the world.
  - Net royalty payments from acquired royalty rights and a change in fair value of the royalty rights assets of $19.1 million, primarily related to the Assertio royalty asset.

- Total revenues for the fourth quarter of 2018 of $45.1 million, compared with $68.0 million for the fourth quarter of 2017.
  - Product revenue of $26.0 million for the fourth quarter of 2018, compared with $32.6 million for the prior-year period. The decrease is primarily due to lower Noden unit sales in the U.S.
  - PDL recognized $19.1 million in revenue from royalty rights - change in fair value in the fourth quarter of 2018, compared with $30.1 million in the prior-year period. The decrease is mainly due to higher royalties in 2017 as a result of the launch of the authorized generic for Glumetza® in February 2017 sold by a subsidiary of Bausch Health Companies Inc. (“Bausch,” formerly known as Valeant Pharmaceuticals International, Inc.).
    - PDL received $20.9 million in net cash royalties from its royalty rights in the fourth quarter of 2018, compared with $32.8 million in the fourth quarter of 2017. The decrease is mainly due to a one-time settlement payment in 2017 from Bausch related to the royalty audit of Glumetza.
  - Royalties from PDL’s licensees to the Queen et al. patents were less than $0.1 million in the fourth quarter of 2018, compared with $4.5 million for the fourth quarter of 2017 as product supply of Tysabri® manufactured prior to patent expiry in the U.S. has been extinguished and ex-U.S. product supplies are depleted.
  - Interest revenue was less than $0.1 million in the fourth quarter of 2018, a decrease from $0.8 million in the prior-year period due to CareView not making its interest payment on their note receivable in the fourth quarter of 2018.

- Total revenues for 2018 were $198.1 million, compared with $320.1 million for 2017.
  - Product revenue was $105.4 million in 2018, a 25% increase from $84.1 million for 2017. Product revenue for 2018 consisted of $80.7 million from sales of the Noden Products and $24.7 million from sales and leasing of the LENSAR® Laser System. Product revenue for 2017 consisted of $69.0 million from sales of the Noden Products and $15.1 million from sales and leasing of the LENSAR® Laser System. PDL recognized $85.3 million in revenue from royalty rights - change in fair value in 2018, compared with $162.3 million in 2017.
    - PDL received $78.0 million in net cash royalties from its royalty rights in 2018, compared with $107.3 million in 2017.
  - Royalties from PDL’s licensees to the Queen et al. patents were $4.5 million in 2018, compared with $36.4 million in 2017.
  - Interest revenue from note receivable investment in 2018 of $2.3 million was comprised entirely of interest from the CareView note receivable. Interest revenue decreased by $15.4 million from 2017 due to the sale of the kaléo, Inc. note receivable in September 2017 and a missed CareView interest payment in 2018.
  - License and other revenue of $0.5 million in 2018 decreased by $18.9 million from 2017 primarily due to a $19.5 million payment received from Merck in 2017 as part of the previously announced patent-infringement settlement related to Keytruda®.

Operating Expense Highlights

- Operating expenses for the fourth quarter of 2018 were $11.6 million, a $26.6 million decrease from $38.2 million for the fourth quarter of 2017. The decrease was a result of the elimination of the $19.2 million contingent liability related to changes in the probabilities in the generic entry milestones, a $6.5 million aggregate decrease in the Noden Products and LENSAR cost of sales, lower intangible asset amortization expense due to the second quarter 2018 impairment of the intangible assets related to the Noden Products, lower general and administrative expenses primarily due to a decrease in compensation costs, as well as lower sales and marketing expenses related to the change in marketing

strategy of the Noden Products from a direct sales force model to a more cost-efficient non-personal promotion program, partially offset by an $8.2 million impairment loss on our notes receivables from CareView.

- Operating expenses for 2018 were $248.7 million, a $122.4 million increase from $126.3 million for 2017. The increase was primarily a result of the impairment of the Noden intangible asset of $152.3 million, additional cost of product revenues of the Noden Products of $16.6 million and LENSAR of $1.4 million, respectively, the $8.2 million impairment loss on our notes receivable from CareView, partially offset by the decrease in the contingent liability of $41.6 million. Increased cost of product revenue for the Noden Products reflects both increased revenue from the Noden Products and the recognition in 2018 of costs of product revenue for ex-U.S. revenue. Additionally, PDL did not begin to recognize revenue from LENSAR until May 2017, which is the primary reason for the increase in LENSAR cost of revenue from 2017 to 2018.

Stock Repurchase Programs

- In November 2018, PDL began repurchasing shares of its common stock pursuant to the $100.0 million share repurchase program. Through December 31, 2018, the Company repurchased 8.7 million shares for an aggregate purchase price of $25.5 million, or an average cost of $2.94 per share, including trading commission.
- From January 1, 2019 to March 13, 2019, the Company repurchased 10.7 million shares of its common stock at an average cost of $3.32 per share, for a total of $35.5 million.
- Since initiating its first stock repurchase program in March 2017, the Company has used $116.0 million to repurchase a total of 41.5 million shares of its common stock.

Other Financial Highlights

- PDL had cash and cash equivalents of $394.6 million as of December 31, 2018, compared with cash, cash equivalents and short-term investments of $532.1 million as of December 31, 2017.
- The reduction in cash and cash equivalents was primarily a result of retiring the remaining $126.4 million of principal from PDL's 4.0% Convertible Senior Notes due February 2018, plus $2.6 million of accrued interest, common stock repurchases of $49.1 million and the $20.0 million purchase of Assertio's remaining interest in royalty and milestone payments payable on sales of type 2 diabetes products licensed by Assertio, partially offset by the proceeds from royalty rights of $78.0 million.

Conference Call and Webcast Details

PDL will hold a conference call to discuss financial results and provide a business update at 4:30 p.m. Eastern time today. Slides to accompany the conference call will be available in the Investor Relations section of www.pdl.com.

To access the live conference call via phone, please dial 844-535-4071 from the U.S. and Canada or 706-679-2458 internationally. The conference ID is 5577359. A telephone replay will be available beginning approximately one hour after the call through one week following the call and may be accessed by dialing 855-859-2056 from the U.S. and Canada or 404-537-3406 internationally. The replay passcode is 5577359.

To access the live and subsequently archived webcast of the conference call, go to the Investor Relations section of www.pdl.com and select "Events & Presentations."

About PDL BioPharma, Inc.

PDL BioPharma seeks to provide a significant return for its stockholders by acquiring commercial stage pharmaceutical assets with multiple year revenue growth potential as well as late clinical stage pharmaceutical products. 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 assets and business are disclosed in the risk factors contained in the Company’s Annual Report on Form 10-K, filed with the Securities and Exchange Commission on March 16, 2018 and subsequent filings, including risks relating to our ability to realize the anticipated benefits of an authorized generic of Tekturna and the potential for other generic competition for Tekturna; and potential price erosion for Tekturna, whether due to competing products or governmental pricing pressures. 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.

TABLE 1
PDL BIOPHARMA, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS DATA
(In thousands, except per share amounts)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2018	**2017**	**2018**	**2017**
Revenues				
Royalties from Queen et al. patents	$ 2	$ 4,531	$ 4,536	$ 36,415
Royalty rights - change in fair value	19,139	30,103	85,256	162,327
Interest revenue	83	776	2,337	17,744
Product revenue, net	25,976	32,646	105,448	84,123
License and other	(81)	(20)	533	19,451
Total revenues	45,119	68,036	198,110	320,060
Operating Expenses				
Cost of product revenue (excluding amortization and impairment of intangible assets)	11,444	17,905	48,460	30,537
Amortization of intangible assets	1,577	6,251	15,831	24,689
General and administrative expenses	6,019	9,788	45,420	45,641
Sales and marketing	2,772	6,489	17,139	17,683
Research and development	806	729	2,955	7,381
Impairment of intangible assets	—	—	152,330	—
Asset impairment loss	8,200	—	8,200	—
Change in fair value of anniversary payment and contingent consideration	(19,198)	(3,000)	(41,631)	349
Total operating expenses	11,620	38,162	248,704	126,280
Operating income (loss)	33,499	29,874	(50,594)	193,780
Non-operating expense, net				
Interest and other income, net	1,958	933	6,065	1,659
Interest expense	(2,895)	(5,139)	(12,157)	(20,221)
Gain on bargain purchase	—	5,314	—	9,309
Gain on investments	—	—	764	—
Total non-operating expense, net	(937)	1,108	(5,328)	(9,253)
Income (loss) before income taxes	32,562	30,982	(55,922)	184,527
Income tax expense	16,283	8,646	12,937	73,826
Net income (loss)	16,279	22,336	(68,859)	110,701
Less: Net loss attributable to noncontrolling interests	—	—	—	(47)
Net income (loss) attributable to PDL's shareholders	$ 16,279	$ 22,336	$ (68,859)	$ 110,748
Net income (loss) per share				
Basic	$ 0.12	$ 0.15	$ (0.47)	$ 0.71
Diluted	$ 0.11	$ 0.15	$ (0.47)	$ 0.71
Shares used to compute income per basic share	141,247	151,217	145,669	155,394
Shares used to compute income per diluted share	142,608	152,592	145,669	156,257

TABLE 2
PDL BIOPHARMA, INC.
CONDENSED CONSOLIDATED BALANCE SHEET DATA
(Unaudited)
(In thousands)

	December 31, 2018	December 31, 2017
Cash, cash equivalents and short-term investments	$ 394,590	$ 532,114
Total notes receivable	$ 63,813	$ 70,737
Total royalty rights - at fair value	$ 376,510	$ 349,223
Total assets	$ 963,736	$ 1,243,123
Total convertible notes payable	$ 124,644	$ 243,481
Total stockholders’ equity	$ 729,779	$ 845,890

TABLE 3
PDL BIOPHARMA, INC.
GAAP to NON-GAAP RECONCILIATION:
NET INCOME (LOSS)
(Unaudited)
(In thousands)

A reconciliation between net income (loss) on a GAAP basis and on a non-GAAP basis is as follows:

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2018	**2017**	**2018**	**2017**
GAAP net income (loss) attributed to PDL's stockholders as reported	$ 16,279	$ 22,336	$ (68,859)	$ 110,748
Adjustments to Non-GAAP net income (loss) (as detailed below)	(1,208)	2,445	125,559	(10,040)
Non-GAAP net income attributed to PDL's stockholders	$ 15,071	$ 24,781	$ 56,700	$ 100,708

An itemized reconciliation between net income (loss) on a GAAP basis and on a non-GAAP basis is as follows:

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2018	**2017**	**2018**	**2017**
GAAP net income (loss) attributed to PDL's stockholders as reported	$ 16,279	$ 22,336	$ (68,859)	$ 110,748
Adjustments:				
Mark-to-market adjustment to fair value assets	1,781	(2,746)	(7,287)	(55,074)
Non-cash interest revenues	(83)	(101)	(312)	(924)
Non-cash stock-based compensation expense	(56)	124	4,758	3,138
Non-cash debt offering costs	1,864	2,843	7,609	11,038
Mark-to-market adjustment on warrants held	81	20	(33)	49
Impairment of intangible assets	—	—	152,330	—
Amortization of intangible assets	1,577	6,251	15,831	24,689
Mark-to-market adjustment of anniversary payment and contingent consideration	(19,198)	(3,000)	(41,631)	349
Valuation allowance on deferred tax assets	11,384	—	11,226	—
Income tax effect related to above items	1,442	(946)	(16,932)	6,695
Total adjustments	(1,208)	2,445	125,559	(10,040)
Non-GAAP net income	$ 15,071	$ 24,781	$ 56,700	$ 100,708

Use of Non-GAAP Financial Measures

We supplement our consolidated financial statements presented on a GAAP basis by providing an additional measure which may be considered a "non-GAAP" financial measure under applicable rules of the Securities and Exchange Commission. We believe that the disclosure of this non-GAAP financial measures provides our investors with additional information that reflects the amounts and financial basis upon which our management assesses and operates our business. This non-GAAP financial measures is not in accordance with generally accepted accounting principles and should not be viewed in isolation or as a substitute for reported, or GAAP, net income, and is not a substitute for, or superior to, measures of financial performance performed in conformity with GAAP.

"Non-GAAP net income" is not based on any standardized methodology prescribed by GAAP and represent GAAP net income (loss) adjusted to exclude (1) mark-to-market adjustments related to the fair value election for our investments in royalty rights

presented in our earnings, which include the fair value re-measurement of future discounted cash flows for each of the royalty rights assets we have acquired, (2) non-cash interest revenue from notes receivable (3) stock-based compensation expense, (4) non-cash interest expense related to PDL debt offering costs, (5) mark-to-market adjustments related to warrants held, (6) impairment of intangible assets, (7) amortization of intangible assets, (8) mark-to-market adjustment related to acquisition-related contingent considerations, and to adjust (9) the related tax effect of all reconciling items within our reconciliation of our GAAP to Non-GAAP net income (loss). Non-GAAP financial measures used by PDL may be calculated differently from, and therefore may not be comparable to, non-GAAP measures used by other companies.

# # #

Exhibit 99.2

PDL

2018 Fourth Quarter and Full Year Financial Results Conference Call

March 14, 2019

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:

- Our ability to realize the benefits of our investment in Noden Pharma DAC and LENSAR, Inc. and other income generating assets;
- Risks related to the commercialization of our products, including but not limited to, competition from other products (including generic products), compliance with laws and regulatory requirements, pricing, intellectual property rights, reliance on a third party for commercialization of our authorized generic product, standards of care as they apply to the use of our products, unexpected changes to tax, import or export rules;
- Our reliance on third party manufacturers who may not perform as expected;
- The productivity of acquired income-generating assets may not fulfill our revenue forecasts and, if secured by collateral, we may be under-secured and unable to recuperate our capital expenditures in the transaction;
- Failure to maintain regulatory approvals relating to our products;
- Failure to acquire additional products or other sources of revenues sufficient to continue operations;
- Competitive or market pressures on our products, licensees, borrowers and royalty counterparties;
- Changes in any of the assumptions on which PDL's projected revenues are based;
- Changes in foreign currency exchange rates;
- Positive or negative results in PDL's attempt to acquire income-generating assets;
- Our ability to utilize our net operating loss carryforwards and certain other tax attributes;
- The outcome of litigation or disputes, including potential product liability; 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 "Investor Relations" 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

Financial Highlights: 4th Quarter and FY 2018

- **Fourth Quarter 2018:**
  - Revenues - $45 million
    - Product revenues - $26 million
      - Noden product sales - $19 million
      - LENSAR product revenues - $7 million
  - Consolidated GAAP net income - $16 million, or $0.11 per diluted share.
- **Full Year 2018:**
  - Revenues - $198 million
    - Product revenues - $105 million
      - Noden product sales - $81 million
      - LENSAR product revenues - $24 million
  - Consolidated GAAP net loss - $69 million
  - Non-GAAP net income - $57 million
- **Year End Cash and cash equivalents - $395 million**

PDL

Strategy For Shareholder Value Creation

PDL strategy: Build through acquisitions, partnerships or licensing transactions, a portfolio of actively managed biopharma companies that will generate profitable revenue growth.

What we are looking for:

- Commercial-stage products and/or companies with multi-year sales growth potential and which performance may be improved through access to PDL's capital and expertise.
- Late development stage assets or pre-commercialization products.
- Products or companies that present synergies with existing operating structures or offer attractive returns as standalone companies.

Why we are in a strong position:

- Strong, liquid balance sheet that can be quickly deployed.
- Expertise in evaluating opportunities, consummating deals and managing businesses on the path to growth and profitability.

Our endgame:

- Build growing, profitable revenues from operating companies' cash flows.
- Potentially capture market value through IPOs or divestiture.

PDL

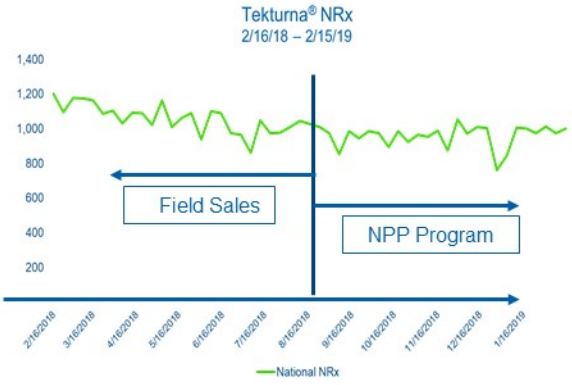
What Do We Have To Offer?

- Fulfill the full product potential or technology promise:
  - Through adequate and secured funding
  - Build on the existing team or establish a specifically tailored organization dedicated to the success of the asset
  - Opportunity for continued involvement, leveraging PDL expertise
- Flexibility:
  - PDL can be flexible with regard to structure: open to acquisitions, partnerships, joint ventures and traditional licenses
- Focus and priority:
  - The success of our operating companies will define our success; they will get our full engagement
  - Nimbleness and speed in decision making, as well as a collaborative approach

PDL

Noden: Focus on Profitability

- Actions to increase the profitability of Tekturna® and mitigate the impact of potential generic competition include:
  - Discontinued contract sales force in August 2018 resulting in savings of $3.5 to $4 million per quarter.
  - Transitioned to a comprehensive, cost efficient program of non-personal promotion;
  - Preparing to compete effectively both with the Tekturna® brand as well as through Prasco Laboratories's authorized generic (AG) of Tekturna®.
- Noden net income of $10.5 million in Q4 2018.



IMS Xponent Weekly NRx 2/16/18 – 2/15/19

PDL

LENSAR: Continued Innovation

- LENSAR reported revenues of $7.2 million in Q4 2018.
  - 8 percent increase over Q3 2018.
- Q4 2018 GAAP net loss of approx. $1.7 million.
  - Break-even on an EBITDA basis.
- Utilized NOLs resulting in cash savings of $2.8 million in 2018.
- Substantial growth opportunities through continued innovation

PDL

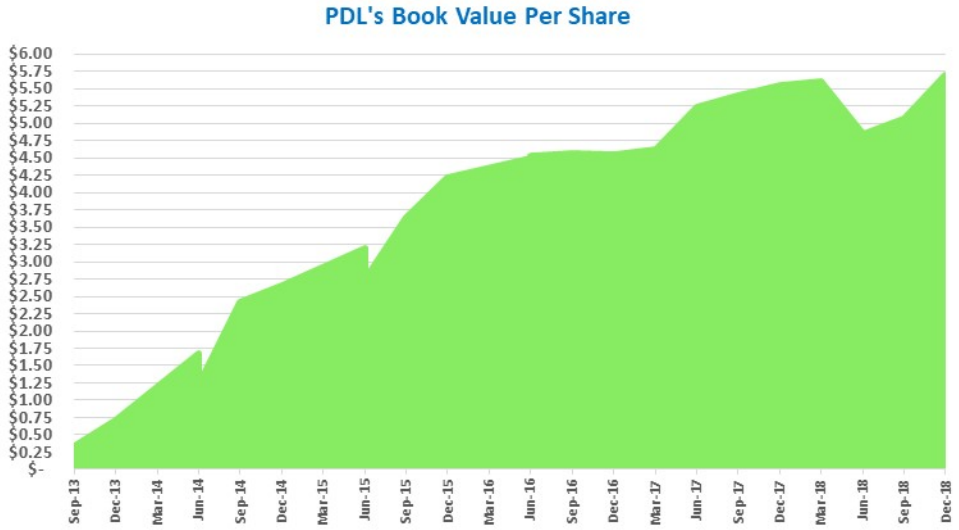
Share Repurchase Programs

- While our focus is on the strategic acquisition of biopharma assets, given the significant discount of PDL's stock price to its book value, we have implemented share repurchase programs to return value to shareholders.
- Completed $55 million in two initial stock repurchase programs
  - 22.1 million shares at an average repurchase share price of $2.49.
- Announced a new $100 million share repurchase program on September 24, 2018.
  - Completed $25.5 million in Q4 2018
  - Repurchased 8.7 million shares at average share price of $2.94
- To date we have used $61 million to repurchase 19.4 million shares at an average price of $3.15 per share.

PDL

Book Value Increased $0.63 in Q4 18 as a Result of Stock Repurchase Program.

PDL's book value for the period ending December 31, 2018 was $5.70



Does not include asset value of royalties from Queen et al patents.

PDL

Fourth Quarter 2018 Financials

(In thousands, except per share amounts)	Three Months Ended December 31, 2018	2017	Twelve Months Ended December 31, 2018	2017
Royalties from Queen et al. patents	$ 2	$ 4,531	$ 4,536	$ 36,415
Royalty rights - change in fair value	19,139	30,103	85,256	162,327
Interest revenue	83	776	2,337	17,744
Product revenue, net	25,976	32,646	105,448	84,123
License and other	(81)	(20)	533	19,451
Total revenues	45,119	68,036	198,110	320,060
Cost of product revenue	11,444	17,905	48,460	30,537
Amortization of intangible assets	1,577	6,251	15,831	24,689
General and administrative expenses	6,019	9,788	45,420	45,641
Sales and marketing	2,772	6,489	17,139	17,683
Research and development	806	729	2,955	7,381
Impairment of intangible assets	-	-	152,330	-
Asset impairment loss	8,200	-	8,200	-
Change in fair value of anniversary payment and contingent consideration	(19,198)	(3,000)	(41,631)	349
Total operating expenses	11,620	38,162	248,704	126,280
Operating income (loss)	33,499	29,874	(50,594)	193,780
Interest and other income, net	1,958	933	6,065	1,659
Interest expense	(2,895)	(5,139)	(12,157)	(20,221)
Gain on bargain purchase	-	5,314	-	9,309
Gain on investment	-	-	764	-
Income (loss) before income taxes	32,562	30,982	(55,922)	184,527
Income tax expense	16,283	8,646	12,937	73,826
Net income (loss)	16,279	22,336	(68,859)	110,701
Less: Net loss attributable to noncontrolling interests	-	-	-	(47)
Net income (loss) attributable to PDL's shareholders	$ 16,279	$ 22,336	$ (68,859)	$ 110,748
Net income (loss) per share - Basic	$ 0.12	$ 0.15	$ (0.47)	$ 0.71
Net income (loss) per share - Diluted	$ 0.11	$ 0.15	$ (0.47)	$ 0.71

PDL

Fourth Quarter 2018 Financials

(in thousands)	Three Months Ended December 31, 2018	2017	Twelve Months Ended December 31, 2018	2017
GAAP net income (loss) attributed to PDL's shareholders as reported	$ 16,279	$ 22,336	$ (68,859)	$ 110,748
Adjustments:				
Mark-to-market adjustment to fair value assets	1,781	(2,746)	(7,287)	(55,074)
Non-cash interest revenues	(83)	(101)	(312)	(924)
Non-cash stock-based compensation expense	(56)	124	4,758	3,138
Non-cash debt offering costs	1,864	2,843	7,609	11,038
Mark-to-market adjustment on warrants held	81	20	(33)	49
Impairment of intangible assets	-	-	152,330	-
Amortization of the intangible assets	1,577	6,251	15,831	24,689
Mark-to-market adjustment of anniversary payment and contingent consideration	(19,198)	(3,000)	(41,631)	349
Valuation allowance on deferred tax assets	11,384	-	11,226	-
Income tax effect related to above items	1,442	(946)	(16,932)	6,695
Total adjustments	(1,208)	2,445	125,559	(10,040)
Non-GAAP net income	$ 15,071	$ 24,781	$ 56,700	$ 100,708

PDL

Fourth Quarter 2018 Financials

Consolidated balance sheet data (unaudited) *(in thousands)*	December 31, 2018	September 30, 2018	December 31, 2017
Cash, cash equivalents and investments	$ 394,590	$ 400,984	$ 532,114
Total notes receivable	$ 63,813	$ 70,966	$ 70,737
Royalty rights - at fair value	$ 376,510	$ 378,291	$ 349,223
Intangible assets, net	$ 51,319	$ 52,895	$ 215,823
Total assets	$ 963,736	$ 984,427	$ 1,243,123
Convertible notes payable	$ 124,644	$ 122,780	$ 243,481
Total stockholders' equity	$ 729,779	$ 739,387	$ 845,890

PDL

Exhibit 99.3

PDL BioPharma, Inc.
Q4 2018
March 14, 2019

Following are some of the key points regarding the fourth quarter 2018 financial and business results for PDL BioPharma, Inc. ("PDL" or "the Company").

Highlighted Financial Results from Q4 2018

- Total revenues of $45.1 million.
- GAAP net income attributable to PDL's shareholders of $16.3 million or $0.11 per diluted share.
- Non-GAAP net income attributable to PDL's shareholders of $15.1 million.
- Cash and cash equivalents of $394.6 million as of December 31, 2018.
- As authorized in September 2018, PDL initiated a $100.0 million share repurchase program. The Company purchased 8.7 million shares of common stock in the open market during the fourth quarter for 2018 of $25.5 million.

Recent Developments

- Authorized Generic

  On March 4, 2019, the Company announced the U.S. commercial launch of an authorized generic of Tekturna®, aliskiren hemifumarate 150 mg and 300 mg tablets, with the same drug formulation as Tekturna. The launch is being carried out by Prasco, LLC, under an agreement with the Company's wholly-owned subsidiary, Noden Pharma USA, Inc.

- Stock Repurchase Programs

  On September 21, 2018, the PDL's board of directors authorized the repurchase of issued and outstanding shares of the Company's common stock having an aggregate value of up to $100.0 million pursuant to a new share repurchase program. As of December 31, 2018, the Company had repurchased 8.7 million shares of its common stock under the $100.0 million share repurchase program for an aggregate purchase price of $25.5 million, or an average cost of $2.94 per share, including trading commissions.
- Since initiating its first stock repurchase program in March 2017 through March 14, 2019, the Company has used $116.0 million to repurchase a total of 41.5 million shares of its common stock.

Noden Pharma

- Beginning in November 2017, Noden Pharma US assumed commercialization of Tekturna and Tekturna HCT® in the United States and Noden Pharma DAC, an Ireland based company, assumed commercialization responsibilities for Rasilez® and Rasilez HCT® in the rest of the world. The products are indicated for the treatment of hypertension.
- Noden and PDL are evaluating additional pharma products to acquire for Noden.
- Noden net revenue for the quarter ended December 31, 2018 was $18.8 million, with revenue of $9.8 million in U.S. and $9.0 million in the rest of world, compared with $25.1 million for the same period in 2017.
  - Noden product revenues decreased 25 percent and accounted for approximately 42 percent of total revenues compared with approximately 37 percent in the fourth quarter of 2017.
  - Gross margins on revenue in the fourth quarter were 57 percent, 89 percent in the U.S. on Tekturna and Tekturna HCT and 21 percent ex-U.S. on Rasilez and Rasilez HCT.
  - In June 2018, Noden Pharma DAC entered into a settlement agreement with Anchen Pharmaceuticals, Inc. ("Anchen") and its affiliates to resolve the patent litigation relating to Anchen's Abbreviated New Drug Application ("ANDA") seeking approval from the U.S. Food and Drug Administration ("FDA") to market a generic version of aliskiren. Under the settlement agreement, Anchen agreed to not commercialize its generic version of aliskiren prior to March 1, 2019. Anchen not permitted to commercialize a copy of Tekturna. PDL is not aware of Anchen's plans for, or the timing of a launch of, a generic version of aliskiren or of any other ANDA applications referencing Tekturna.

- Due to the increased probability of a generic version of aliskiren being launched in the U.S. in 2019, Noden determined that long-lived assets with a carrying amount of $192.5 million were impaired and wrote them down to their estimated fair value of $40.1 million, resulting in a non-cash pre-tax impairment charge of $152.3 million in the second quarter of 2018. This write-down is included in “Impairment of intangible assets” on the Consolidated Statement of Operations for the year ended December 31, 2018. Offsetting the impairment was a $41.6 million decrease in fair value of the contingent liability primarily related to the reduced estimate in the probability in paying milestones to Novartis for Tekturna, including $19.2 million recognized in the fourth quarter of 2018.
- As of December 31, 2018, the remaining balance of Noden Products intangible assets is $37.6 million and is being amortized straight-line over a remaining life of 8 years.

LENSAR

- LENSAR Laser System revenue for the quarter ended December 31, 2018 was $7.2 million, compared with $7.5 million for the quarter ended December 31, 2017.
- Gross margins on LENSAR revenue in the fourth quarter were 53 percent.

Income Generating Assets

Royalty Rights Assets

PDL received $20.9 million in net cash royalties from its royalty rights in the fourth quarter of 2018, compared with $32.8 million for the prior year period.

Assertio (formerly Depomed, Inc.)

- To date (through December 31, 2018), we have received cash royalty payments of approximately $380 million from the $240.5 million investment.
- Glumetza (and authorized generic version) royalty: 50 percent of net sales less COGS continue so long as the products are being commercialized.
- Low- to mid-single digit royalties to PDL on new product approvals expected to continue to 2023 for Invokamet XR® U.S., 2026 for Jentadueto XR® and Synjardy XR®, and 2027 for Invokamet XR® ex-US.

The following table provides additional details with respect to the fair value of the PDL royalty rights assets as of December 31, 2018 and with changes from December 31, 2017 as reflected in our Balance Sheet:

(in thousands)	**Fair Value as of December 31, 2017**	**Purchase of Royalty Assets**	**Royalty Rights - Change in Fair Value**	**Fair Value as of December 31, 2018**
Assertio (formerly Depomed)	$ 232,038	$ 20,000	$ 12,333	$ 264,371
VB	14,380	—	(272)	14,108
U-M	26,769	—	(1,174)	25,595
AcelRx	72,894	—	(2,514)	70,380
Avinger	396	—	(396)	—
KYBELLA	2,746	—	(690)	2,056
	$ 349,223	$ 20,000	$ 7,287	$ 376,510

The following table provides a summary of activity with respect to our royalty rights - change in fair value for the three and twelve months ended December 31, 2018:

	Three Months Ended December 31, 2018		
(in thousands)	**Cash Royalties**	**Change in Fair Value**	**Total**
Assertio (formerly Depomed)	$ 19,425	$ (1,331)	$ 18,094
VB	242	222	464
U-M	1,194	(1,929)	(735)
AcelRx	59	2,105	2,164
KYBELLA	—	(847)	(847)
	$ 20,920	$ (1,780)	$ 19,140

	Twelve Months Ended December 31, 2018		
(in thousands)	**Cash Royalties**	**Change in Fair Value**	**Total**
Assertio (formerly Depomed)	$ 71,502	$ 12,333	$ 83,835
VB	1,062	(272)	790
U-M	4,631	(1,174)	3,457
AcelRx	249	(2,514)	(2,265)
Avinger	366	(396)	(30)
KYBELLA	159	(690)	(531)
	$ 77,969	$ 7,287	$ 85,256

Notes Receivable

CareView Communications, Inc.

- In December 2018, the Company modified the loan by agreeing that (i) lower liquidity covenant would be applicable, (ii) the first principal payment would be deferred until January 31, 2019, and (iii) the scheduled interest payment due December 31, 2018 would be deferred until January 31, 2019.
- The principal repayment and interest payment were subsequently deferred until March 31, 2019 under additional amendments.
- In December 2018, and in consideration of the further modification to the credit agreement, the Company completed an impairment analysis and determined that the note was impaired and recorded an impairment loss of $8.2 million.

The following table presents the carrying value and the fair value of our notes receivable investments by level within the valuation hierarchy:

	December 31, 2018		December 31, 2017	
(In thousands)	**Carrying Value**	**Fair Value Level 3**	**Carrying Value**	**Fair Value Level 3**
Wellstat Diagnostics note receivable	$ 50,191	$ 57,322	$ 50,191	$ 51,308
Hyperion note receivable	1,200	1,200	1,200	1,200
CareView note receivable	11,458	11,458	19,346	18,750
	$ 62,849	$ 69,980	$ 70,737	$ 71,258

Royalty-bearing products relating to Queen et al. Patents

Tysabri®

- The Queen et al. patents have expired, and the resulting royalty revenue has dropped substantially since the first quarter of 2016.
- PDL recorded revenue of $2 thousand from Tysabri in the fourth quarter of 2018.
- Royalties from PDL's licensees to the Queen et al. patents were significantly lower than in the fourth quarter of 2017 as product supply of Tysabri manufactured prior to patent expiry in the U.S. have been extinguished and ex-U.S. product supplies were rapidly being exhausted. As a result, we do not expect any further royalties from product sales of Tysabri after the fourth quarter of 2018.

Forward-looking Statements

This document 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 risks and uncertainties with respect to the Company's business are disclosed in the risk factors contained in the Company's Annual Report on Form 10-K, as updated by subsequent 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.

Queen et al. Royalties

Royalty Revenue by Product ($ in 000's) *

Tysabri	Q1	Q2	Q3	Q4	Total
2018	2,783	1,218	533	2	4,536
2017	14,156	16,284	1,443	4,531	36,414
2016	13,970	14,232	14,958	15,513	58,673
2015	14,385	13,614	13,557	14,031	55,587
2014	12,857	13,350	16,048	15,015	57,270
2013	12,965	13,616	11,622	12,100	50,304
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

*** As reported to PDL by its licensees. Totals may not sum due to rounding.**

Queen et al. Sales Revenue

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

Tysabri	Q1	Q2	Q3	Q4	Total
2018	92,769	40,602	17,738	80	151,189
2017	471,877	398,382	194,563	177,379	1,242,201
2016	465,647	474,379	498,618	517,099	1,955,743
2015	479,526	453,786	451,898	467,735	1,852,945
2014	428,561	442,492	534,946	500,511	1,906,510
2013	434,677	451,358	387,407	403,334	1,676,776
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

*** As reported to PDL by its licensee. Dates in above charts reflect when PDL receives royalties on sales. Sales occurred in the quarter prior to the dates in the above charts.**

Totals may not sum due to rounding.