#### 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): November 13, 2013

## PDL BioPharma, Inc.

(Exact name of Company as specified in its charter)

000-19756 (Commission File Number)

Delaware (State or Other Jurisdiction of Incorporation) 94-3023969 (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 7.01 Regulation FD Disclosure.

On November 13, 2013, PDL BioPharma, Inc. (the Company) will make a presentation at the Credit Suisse 2013 Healthcare Conference in Phoenix, Arizona. A copy of the Company's presentation materials has been posted to the Company's website and is attached hereto as Exhibit 99.1.

#### Limitation of Incorporation by Reference

In accordance with General Instruction B.2. of Form 8-K, this information, including the Exhibit, is furnished pursuant to Item 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. The information in this Item 7.01 of this Current Report on Form 8-K will not be deemed an admission as to the materiality of any information that is required to be disclosed solely by Regulation FD.

### Cautionary Statements

This Current Report on Form 8-K and the presentations 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 2012 Annual Report on Form 10-K and other periodic 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.

(d) Exhibits.

Exhibit No.

99.1

Presentation

Description

### 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/ John P. McLaughlin

John P. McLaughlin President and Chief Executive Officer

Dated: November 13, 2013

### EXHIBIT INDEX

Exhibit No.

99.1

Presentation

Description



# PDL BIOPHARMA CREDIT SUISSE 2013 HEALTHCARE CONFERENCE

NOVEMBER 13, 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 <u>www.pdl.com</u>. 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.



KEY INFORMATION

Ticker	PDLI (NASDAQ)
Location	Incline Village, Nevada
Employees	Less than 10
2012 Revenues	\$375 million
2012 Expenses	\$25 million
2013 Regular Dividends (Pay Date)	\$0.15 /share paid on March 12, June 12, September 12, and to be paid December 12
2013 Regular Dividends (Record Date)	March 5, June 5, September 5, and December 5
Total Deployed Capital	\$496 million (\$368 million in 2013)
Q3-2013 Cash Position <sup>1</sup>	\$326 million
Shares O/S <sup>2</sup>	~ 140 million
Average Daily Volume	~ 1.7 million shares

1.Does not reflect subsequent transactions with LENSAR, Depomed, Durata and Direct Flow Medical. 2. Not fully diluted.

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## Optimize return for shareholders

• Dividends

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## Queen et al. Patents

- Manage patent portfolio
- Manage license agreements

## Acquire new income generating assets to support payment of dividends

- · Assets that improve shareholder return
- · Preferably backed by commercial stage products
- · Drug or medical devices with differentiated profile
- · Indifferent as to therapeutic field
- · Debt, royalty or hybrid deal structures



# MANAGEMENT, BOARD AND SENIOR ADVISORS



## Management

John McLaughlin President & CEO

**Christopher Stone** VP, General Counsel & Secretary

Peter Garcia **VP & Chief Financial** Officer

**Danny Hart Deputy General Counsel** 

## **David Montez Controller & CAO**

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## **Board of Directors**

Jody Lindell John McLaughlin Paul Sandman Harold E. Selick Lead Director

## **Senior Advisors**

Fred Frank Board Evan Bedil PDL **Glenn Reicin** PDL

PDL BioPharma



# INCOME GENERATING ASSETS



# APPROVED QUEEN LICENSED PRODUCTS

Product	Licensee	2012 WW Sales	Approved Indications
	Genentech (US) and Roche (ex-US)	\$6.2 billion	Metastatic colorectal cancer Advanced non-small cell lung cancer Renal cancer Metastatic HER2 – breast cancer Glioblastoma Ovarian cancer
Herceptin <sup>.</sup>	Genentech (US) and Roche (ex-US)	\$6.3 billion	Metastatic HER2+ breast cancer Metastatic HER2+ stomach cancer
	Genentech (US) and Novartis (ex-US)	\$3.99 billion	Wet age-related macular degeneration (AMD) Macular edema or swelling following retinal vein occlusion Diabetic macular edema
<b>Solair</b> Omaficamed	Genentech (US) and Novartis (ex-US)	\$1.3 billion	Moderate to severe persistent allergic asthma First approved therapy designed to target the antibody IgE, a key underlying cause of the symptoms of allergy related asthma
Tysabri (natalizumab)	Biogen Idec	\$1.6 billion	Multiple Sclerosis (MS) in adult patients with relapsing forms of the disease Crohn's disease in adult patients with moderate-to-severe forms of the disease who have had an inadequate response to or are unable to tolerate conventional therapies
C. ACTEMRA tocilizumab	Roche and Chugai	\$0.9 billion	Moderate to severe rheumatoid arthritis (RA), including patients who have had an inadequate response to one or more DMARDS
PERJETA	Genentech (US) and Roche (ex-US)	\$60 million (approved on June 8, 2012)	Previously untreated HER2+ metastatic breast cancer Neoadjuvant treatment of HER2+ metastatic breast cancer
<b>)</b> Kadcyla	Genentech (US) and Roche (ex-US)	Approved in US on February 22, 2013	Second line metastatic HER2+ breast cancer First line in patients with metastatic HER2+ breast cancer with disease recurrence within 6 months of adjuvant treatment
GAZYVA	Genentech (US) and Roche (ex-US)	Approved in US on November 1, 2013	First line in combination with chlorambucil chemotherapy for the treatment of people with previously untreated chronic lymphocytic leukemia (CLL)
		Roche sales assumes 1.07403	I CHF/USD BioPharma

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# OTHER INCOME GENERATING ASSETS



Partner	Product	Transaction	Brief Description					
DIRECT FLOW MEDICAL INC.	Transcatheter Aortic Valve System	Up to \$50 million in Tranched Senior Secured Credit Facility	Direct Flow Medical is a private medical device company focused on developing and commercializing novel transcatheter heart valve technologies. Its Transcatheter Aortic Valve System is designed to treat aortic stenosis with minimal risk of aortic regurgitation, a significant clinical complication with current transcatheter aortic heart valve replacement systems. The device was approved in January 2013 in the EU and is being investigated in the US. PDL will provide a total of up to \$50 million to Direct Flow Medical to be used to refinance its existing credit facility and fund the commercialization of its transcatheter aortic valve system. An initial \$35 million was provided at the close of the transaction, with the remaining \$15 million to be funded upon the achievement of a specified revenue milestone. The interest rate on tranche 1 is 15.5% which declines to 13.5% on all amounts after the second tranche is funded. The loans mature on November 5, 2018.					
DURATA THERAPEUTICS	Dalbavancin	Up to \$70 million in Tranched Senior Secured Credit Facility	Durata (DRTX) is a publicly-traded biotech company focused on development and commercialization of a novel antibiotic, dalbavancin. Dosed twice for 30 minutes, initially and on day 8, it is an intravenous antibiotic. Durata has filed for approval with FDA for the treatment of patients with acute bacterial skin and skin structure infections. An initial \$25 million was provided at the close of the transaction. The agreement provides up to \$45 million in additional funds to Durata, with \$15 million of funding upon regulatory approval of dalbavancin, and the remaining \$30 million to be funded within nine months after regulatory approval of dalbavancin at Durata's election. The interest rate on tranche 1 is 14% which declines to 12.75% on all amounts after the second tranche is funded. The loans mature on October 31, 2018.					
Depomed-	Five drugs for type 2 diabetes	\$240.5 million Royalty Monetization	Depomed (DEPO) is a publicly-traded specialty pharma company which developed drug- delivery technology, Acuform, that allows for targeted, extended release of pharmaceutical compounds into upper GI tract, and was out-licensed to various partners. PDL acquired the rights to receive royalties and milestones payable on sales of Type 2 diabetes products licensed by Depomed in exchange for a \$240.5 million cash payment. The products are Glumetza@, Janumet@XR, Invokana@, Boehringer Ingelheim's fixed-dose combinations of drugs and extended-release metformin, LG Life Sciences' and Valeant Pharmaceuticals' extended-release metformin in Korea and Canada. PDL will receive all royalty and milestone payments due under the agreements until it has received payments equal to two times the cash payment made to Depomed, after which all payments received will be shared evenly between PDL and Depomed. The agreement terminates on the later of October 2024 or when royalty payments are no longer due.					

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# OTHER INCOME GENERATING ASSETS (2)



Partner Product Transaction Bri		Transaction	Brief Description					
<b>#</b>	LENSAR	LENSAR Laser System	Up to \$60 million in Tranched Senior Secured Credit Facility	LENSAR is a private medical device company that is commercializing laser technology for cataract treatment. LENSAR's femtosecond laser was approved in the US in March 2013 and in the EU in April 2013. The differentiating feature of LENSAR system is its use of 3-D imaging and liquid interface preventing accidental incision and allowing more accurate corneal incisions with more precise and uniform depth of incision. PDL will provide LENSAR with up to \$60 million of debt financing to be used to refinance its existing credit facility and fund the commercialization of its currently marketed LENSAR Laser System. An initial \$40 million was provided at close of the transaction, with the remaining \$20 million to be funded upon the attainment of a specified sales milestone. The interest rate on the loans is 15.5% and they mature on October 1, 2018.				
	VINGER	Ocelot Lightbox KittyCat WildCat Pantheris	Up to \$40 million Hybrid Debt/Royalty Financing	Founded and led by the visionary cardiologist and medical device entrepreneur, Dr. John Simpson, Avinger is a designer of therapeutic devices incorporating intravascular imaging. This financing assists Avinger in the commercialization of its currently marketed Ocelot and Lightbox next-generation lumivascular catheter devices used to open totally occluded arteries in the legs, and in the development of Pantheris, Avinger's next-generation lumivascular atherectomy device. The agreement included \$20 million in cash funded to Avinger on closing and another \$20 million in additional funds to Avinger upon accomplishment of certain specified revenue milestones. In exchange, PDL will receive interest on the principal amount outstanding and a low, single-digit royalty on Avinger's revenues from the sale of Avinger's suite of products through April 2018.				
Wellstat	Diagnostics, LLC	Small, fast, sensitive point of care diagnostic system and tests	\$40 million Senior Secured Credit Facility and Royalty Interest	Wellstat Diagnostics is a private company dedicated to development, manufacture, sale and distribution of small point of care diagnostic systems that can perform a wide variety of tests. Deal is structured as a hybrid loan and royalty whereby Wellstat is required to repay outstanding principal and a specific target internal rate of return at maturity or upon the occurrence of certain key events. Target internal rates of return depend on whether date of repayment is on or after December 31, 2014, and is higher after this date. Upon commercialization of Wellstat's diagnostic systems or assay, PDL will receive a low double digit royalty on Wellstat Diagnostics' net revenues. Term can be as long as 2021.				



# OTHER INCOME GENERATING ASSETS (3)



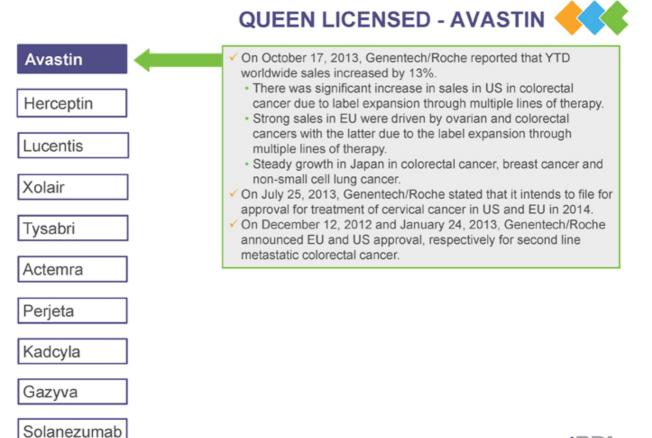
Partner	Product	Transaction	Brief Description
AxoGen <sup>.</sup>	Avance AxoGuard Nerve Connector AxoGuard Nerve Protector	\$20.8 million Revenue Rights Purchase	AxoGen (AXGN) is a publicly-traded regenerative medicine company. Avance® Nerve Graft is the only commercially available processed nerve allograft for bridging severed nerves. AxoGuard® Nerve Connector is a coaptation aid allowing for close approximation of severed nerves. AxoGuard® Nerve Protector is a bioscaffol used to reinforce a coaptation site, wrap a partially severed nerve or isolate and protect nerve tissue. It is an eight-year revenue interest subject to certain minimum payment requirements. PDL has a call option at end of year four and AxoGen has been granted certain rights to call the revenue contract in years five through eight. Term is 2020.
			Concluded Deal
MERUS LABS	Enablex Vancocin	\$55 million Senior Secured Credit Facility	Merus Labs is a Toronto- and Nasdaq-listed specialty pharma company. PDL entered into a \$55 million credit agreement with Merus in connection with Merus' acquisition of Enablex from Novartis. The payment obligations under the credit agreement were secured by a pledge of substantially all of the assets of Merus. In September 2013 Merus refinanced its debt obligation subject to a pre-payment penalty.



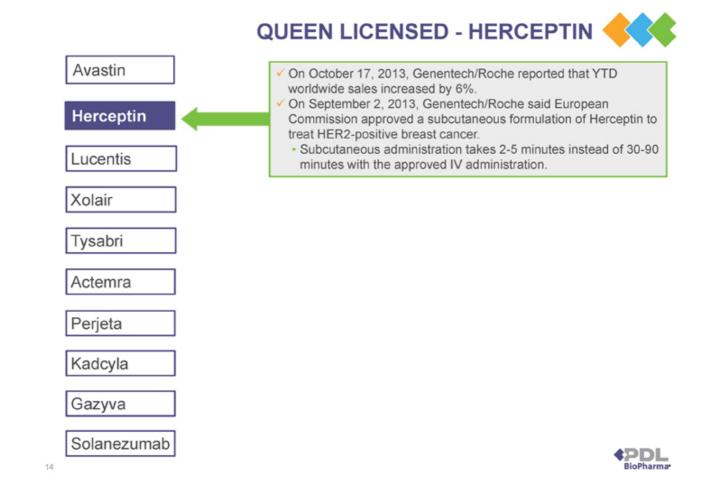


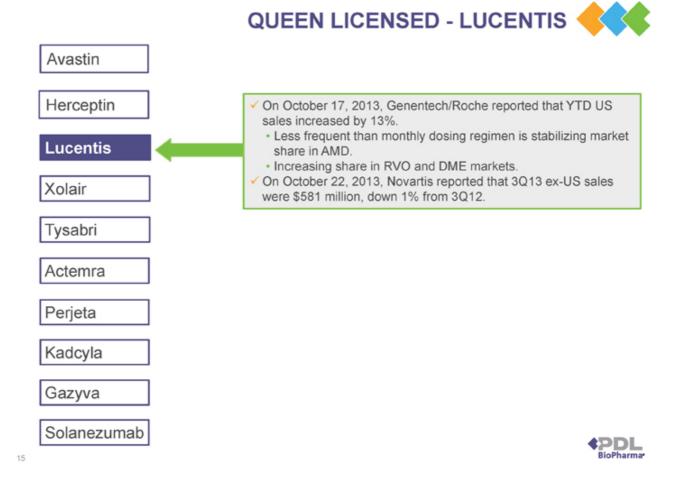
## **INCOME GENERATING ASSETS: CURRENT AND POTENTIAL**





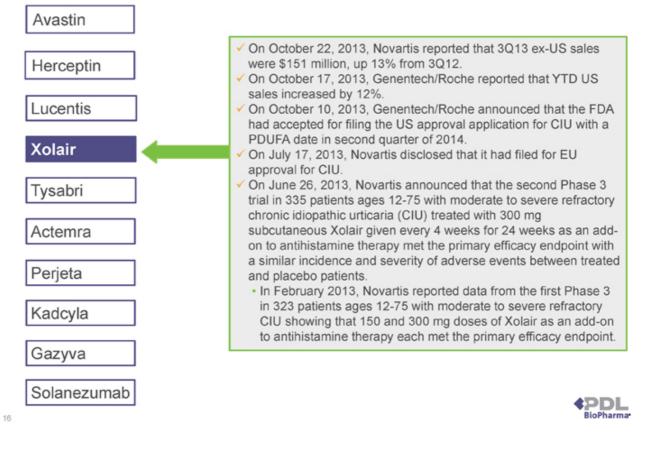


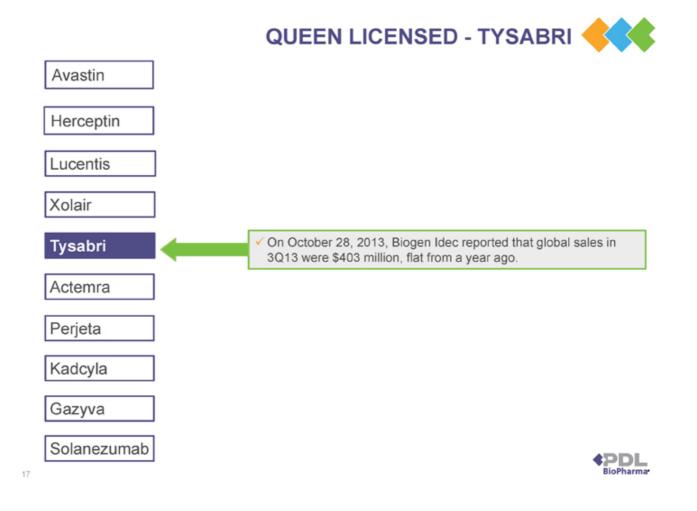


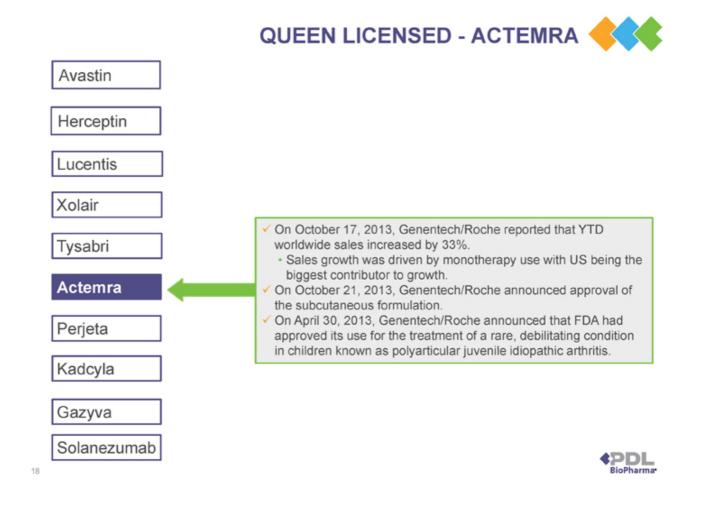


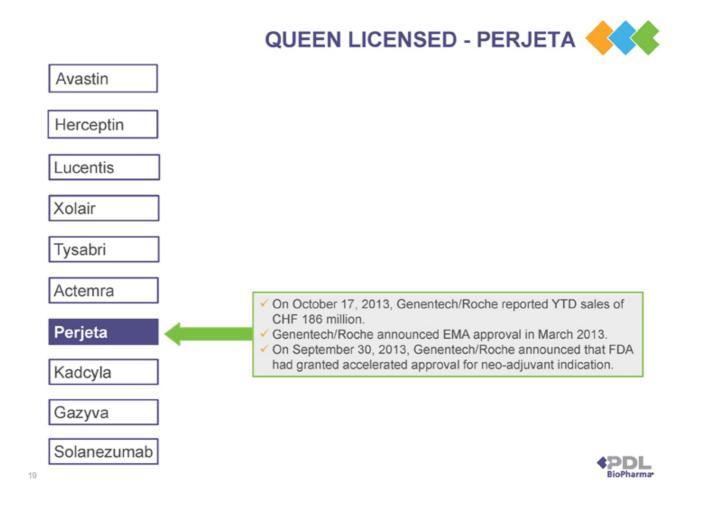
# QUEEN LICENSED - XOLAIR





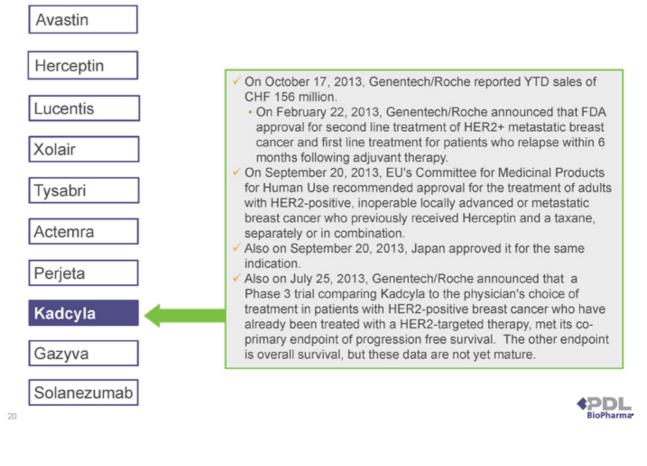




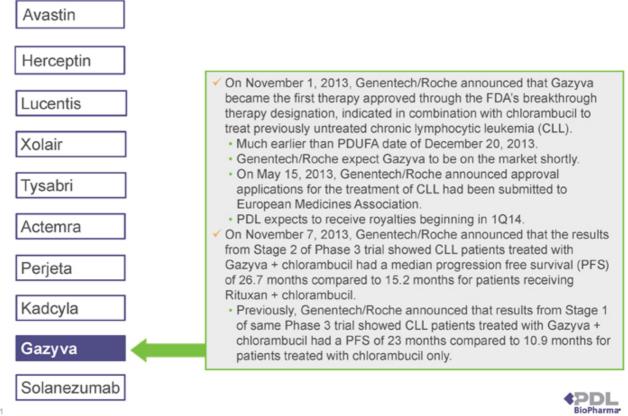


# QUEEN LICENSED - KADCYLA

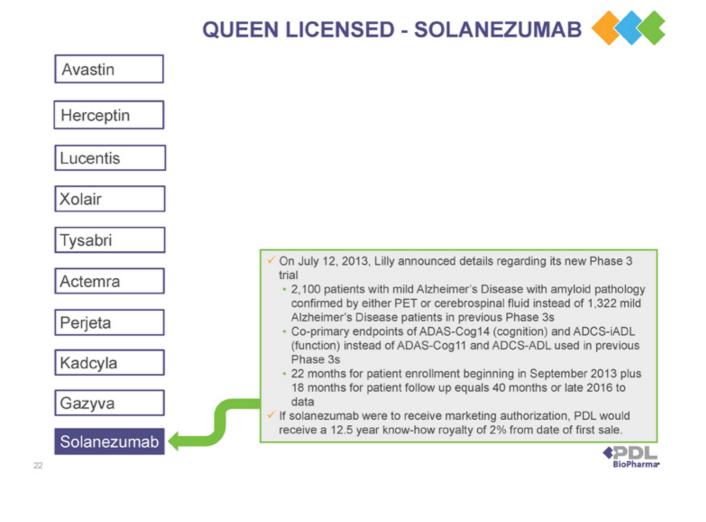




# QUEEN LICENSED - GAZYVA



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# Third Quarter 2013 Overview



		Three Months Ended September 30,				Nine Months Ended September 30,			
(In thousands, except per share amounts)		2013		2012		2013		2012	
Revenues	\$	97,314	\$	85,231	\$	332,778	\$	288,479	
G&A expenses		7,925		5,647		21,894		17,737	
Operating income		89,389		79,584		310,884		270,742	
Interest and other income, net		2,917		1,867		11,718		2,385	
Interest expense		(6,118)		(6,514)		(18,169)	_	(23,087	
Income before income taxes		86,188		74,937		304,433		250,040	
Income tax expense		29,963		26,362		100,995		87,779	
Net income	\$	56,225	\$	48,575	\$	203,438	\$	162,261	
Net income per share - Basic	\$	0.40	\$	0.35	\$	1.45	\$	1.16	
Net income per share - Diluted	\$	0.36	\$	0.32	\$	1.31	\$	1.08	
	Sep	tember 30, 2013	Dec	ember 31, 2012					
Cash, cash equivalents and investments	\$	326,458	\$	148,689					
Total notes receivable	\$	90,815	\$	93,208					
Total assets	\$	429,672	\$	279,966					
Total convertible notes payable	\$	318,081	\$	309,952					
	s	52,887	\$	(68,122)					

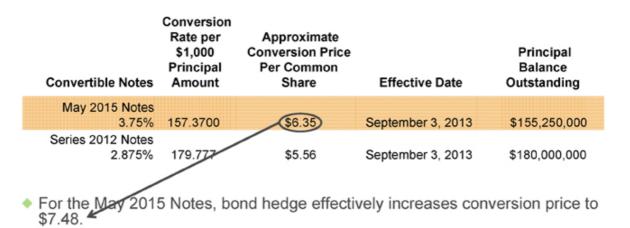








**CURRENT AND LONG-TERM LIABILITIES** 



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In October 2013, we entered into a \$75 million 12 month term loan.

PDL BioPharmar



## LEGAL MATTERS





- In August 2010, Genentech sent a fax on behalf of Roche and Novartis asserting its products do not infringe PDL's SPCs
  - · Products include Avastin, Herceptin, Lucentis and Xolair.
  - Supplementary protection certificates (SPCs) are patent extensions in Europe that are issued on a country-by-country and product-by-product basis.

### PDL Response

- Genentech's assertions are without merit and PDL disagrees with Genentech's assertions of non-infringement.
- Genentech had waived its rights to challenge our patents, including SPCs in its 2003 Settlement Agreement with PDL.

### 2003 Settlement Agreement

- · Resolved intellectual property disputes between the two companies at that time.
- Limits Genentech's ability to challenge infringement of PDL's patent rights, including SPCs, and waives Genentech's right to challenge or assist others in challenging the validity of PDL's patent rights.
- PDL filed a lawsuit against Genentech and Roche in Nevada state court
  - Lawsuit states that the fax constitutes a breach of the 2003 Settlement Agreement because Genentech assisted Roche in challenging PDL's patents and SPCs.
  - Complaint seeks compensatory damages, including liquidated damages and other monetary remedies set forth in the 2003 Settlement Agreement, punitive damages and attorney's fees.



# DISPUTE WITH GENENTECH AND ROCHE (2)

### PDL Performed an Audit of Genentech's Royalty Payments

- In 2009, PDL retained KPMG LLP to conduct an audit of the books and records of Genentech and its sublicensees from January 1, 2007 to December 31, 2009 as permitted under license agreements.
- KPMG reported to PDL that, due to limitations on its inspection imposed by Genentech, it was unable to assess the completeness or accuracy of Genentech's reporting of royalties. KPMG concluded that, based on the limited information it was able to review, Genentech appears to have underpaid PDL in an amount that, if substantiated, PDL believes would be material.
- Genentech has informed PDL that it disagrees with KPMG's conclusions and that it believes that it has correctly calculated royalties due.

### PDL Filed an Arbitration on June 7, 2013

PDL: (i) requests a declaration of the parties' rights with respect to reporting and payment of
royalties; (ii) alleges that Genentech has breached the license agreements due to its obstruction
of KPMG's inspection and underpayment of royalties; and (iii) alleges that Genentech breached
the implied covenant of good faith and fair dealing by depriving PDL of the benefits of the
license agreements through its obstruction of the inspection, which concealed the nature and
extent of its underpayment.

### Updated Status as of November 6, 2013

- PDL and Genentech/Roche have mutually agreed to stay the arbitration proceeding and to delay the time for certain responses related to the Nevada litigation to allow time for discussions to determine if a settlement is possible.
- The parties may not reach agreement regarding settlement terms and PDL expects that it will renew its litigation efforts if settlement is unsuccessful.





## **OPTIMIZING SHAREHOLDER RETURN**







## PDL is paid royalties by licensees of its Queen et al patents

- · Last of Queen et al patents expire in December 2014.
- · PDL will continue to be paid royalties thereafter on product made before patent expiration and sold after patent expiration.
- · At some point thereafter, obligation of PDL's current licensees to pay royalties will cease.
- · PDL shareholders have expressed interest in identifying additional revenue generating assets.

<ul> <li>Obtain new income generating</li></ul>	<ul> <li>If unable to acquire income generating</li></ul>
assets	assets on attractive terms
<ul> <li>Invest in new assets to be able to continue to pay dividends.</li> <li>Company continues as long as it can generate satisfactory return.</li> </ul>	<ul> <li>Repay debt.</li> <li>Use all excess cash to pay dividends and/or buy shares to enhance shareholder return.</li> <li>Wind-up company in 2016 timeframe.</li> </ul>





## CONCLUSION



INVESTMENT HIGHLIGHTS



- Strong historic revenue growth from Queen licensed products
  - Potential for additional indications from existing products and new product approvals, such as Kadcyla and Gazyva.
- Nine income generating deals in 2012 and 2013 deploying \$496 million in capital with potential for additional deals
- No R&D burn
- Liquidity volume averages 1.7 million shares/day
- Return to shareholders
  - Since 2009, paid special or regular dividends totaling \$5.32/share.
  - In 2013, paid regular, quarterly dividends of \$0.15/share on March 12, June 12, and September 12, and will pay regular, quarterly dividend of \$0.15/share on December 12.

