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): June 6, 2012

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 7.01 Regulation FD Disclosure.

On June 6, 2012, PDL BioPharma, Inc. (the Company) will make a presentation at the Jefferies 2012 Global Healthcare Conference in New York City. 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, the information in this report, 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. This Current Report will not be deemed an admission as to the materiality of any information in the report that is required to be disclosed solely by Regulation FD.

Cautionary Statements

This filing and the presentation 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 2011 Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 23, 2012. 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.	Description
99.1	Presentation

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, Chief Executive Officer and Acting
Chief Financial Officer

Dated: June 6, 2012

EXHIBIT INDEX

Exhibit No.	Description
99.1	Presentation

PDL BioPharma™

Jefferies 2012 Global Healthcare Conference

June 6, 2012

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;
- Changes in any of the other assumptions on which PDL's projected royalty revenues are based;
- Changes in foreign currency rates;
- Positive or negative results in PDL's attempt to acquire royalty-related 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

Key Information

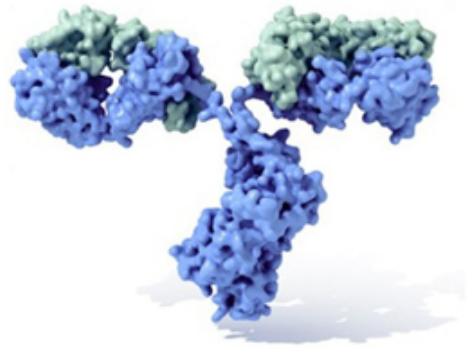
Ticker	PDLI (NASDAQ)
Location	Incline Village, Nevada
Employees	Less than 10
2011 Revenues	$362 million
2011 Expenses	$18.3 million
2012 Regular Dividends (Payable Date)	$0.15 /share paid on March 14 and to be paid on June 14, September 14 and December 14
2012 Regular Dividends (Record Date)	March 7, June 7, September 7 and December 7
Q1-2012 Cash Position[1]	$192.5 million
Shares O/S[2]	~ 140 million
Average Daily Volume	~ 1.5 million shares

1. As of March 31, 2012; 2. Not fully diluted

PDL BioPharma

Overview of PDL BioPharma

Antibody Humanization Technology



- Antibodies are naturally produced by humans to fight foreign substances, such as bacteria and viruses
- In the 1980's, scientists began creating antibodies in non-human immune systems, such as those of mice, that could target specific sites on cells to fight various human diseases
- However, mouse derived antibodies are recognized by the human body as foreign substances and may be rejected by the human immune system
- PDL's technology allows for the "humanization" of mouse derived antibodies by moving the important binding regions from the mouse antibody onto a human framework
- PDL's humanization technology is important because the humanized antibodies retain the binding and activity levels from the original mouse antibody
- PDL's technology has been incorporated into antibodies to treat cancer, eye diseases, arthritis, multiple sclerosis and other health conditions with aggregate annual sales of over $17 billion

Mission Statement

- **Queen et al. Patents**
  - Manage patent portfolio
  - Manage license agreements
- **Optimize return for shareholders**
- **Obtain new revenue generating assets**
  - Assets that improve shareholder return
  - Backed by commercial stage products
  - Differentiated product profile
  - Indifferent as to therapeutic field
  - Target value of $75-150 million

PDL BioPharma

Corporate Governance

Management	Board of Directors
John McLaughlin President & CEO	**Fred Frank** Lead Director
Bruce Tomlinson[1] VP & CFO	**Jody Lindell**
Christopher Stone VP, General Counsel & Secretary	**John McLaughlin**
Caroline Krumel VP of Finance	**Paul Sandman**
Danny Hart Deputy General Counsel	**Harold Selick**

1. As of June 11, 2012

Licensed Products and Royalty Revenue

Approved Licensed Products: Overview

Product	Licensee	2011 WW Sales	Approved Indications
AVASTIN bevacizumab	Genentech (US) and Roche (ex-US)	$5.7 billion	Metastatic colorectal cancer Advanced non-small cell lung cancer Renal cancer Metastatic HER2 – breast cancer Glioblastoma Ovarian cancer
Herceptin trastuzumab	Genentech (US) and Roche (ex-US)	$5.7 billion	Metastatic HER2+ breast cancer Metastatic HER2+ stomach cancer
LUCENTIS RANIBIZUMAB INJECTION	Genentech (US) and Novartis (ex-US)	$3.6 billion	Wet age-related macular degenerative (AMD) Macular edema or swelling following retinal vein occlusion Diabetic macular edema
Xolair Omalizumab	Genentech (US) and Novartis (ex-US)	$1.1 billion	Moderate to sever persistent allergic asthma Fist approved therapy designed to target the antibody IgE, a key underlying cause of the symptoms of allergy related asthma
TYSABRI (natalizumab)	Biogen Idec and Elan	$1.1 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
ACTEMRA tocilizumab	Roche and Chugai	$0.7 billion	Rheumatoid arthritis (RA)

Roche sales assumes 1.08775 CHF/USD

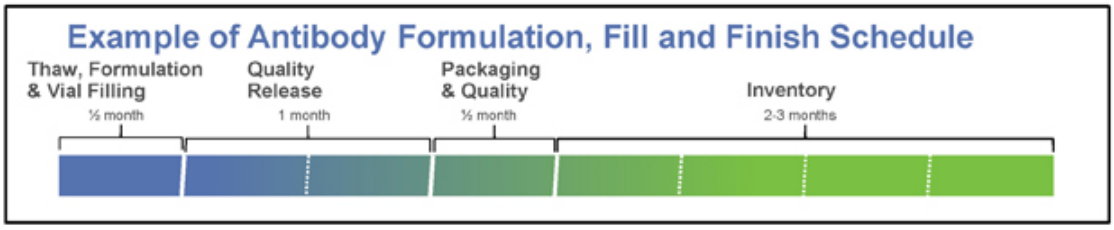
PDL BioPharma

How Long Will PDL Receive Royalties from Queen et al. Patents?

- **PDL's revenues consist of royalties generated on sales of licensed products**
  - Sold in a patented jurisdiction before the expiration of the Queen et al. patents in mid-2013 through end of 2014

    or

    Made prior to the expiration of the Queen et al. patents in a patented jurisdiction and sold anytime thereafter



Queen et al Patents - Royalty Rates

- **Tysabri and Actemra**
  - Flat, low single-digit royalty
- **Genentech Products (Avastin, Herceptin, Lucentis[1] and Xolair)**
  - Tiered royalties on product made or sold in US
  - Flat, 3% royalty on product made and sold outside US
  - Blended global royalty rate on Genentech Products in 2011 was 1.8%
  - Blended royalty rate on Genentech Products in 2011 made or sold in US was 1.4%

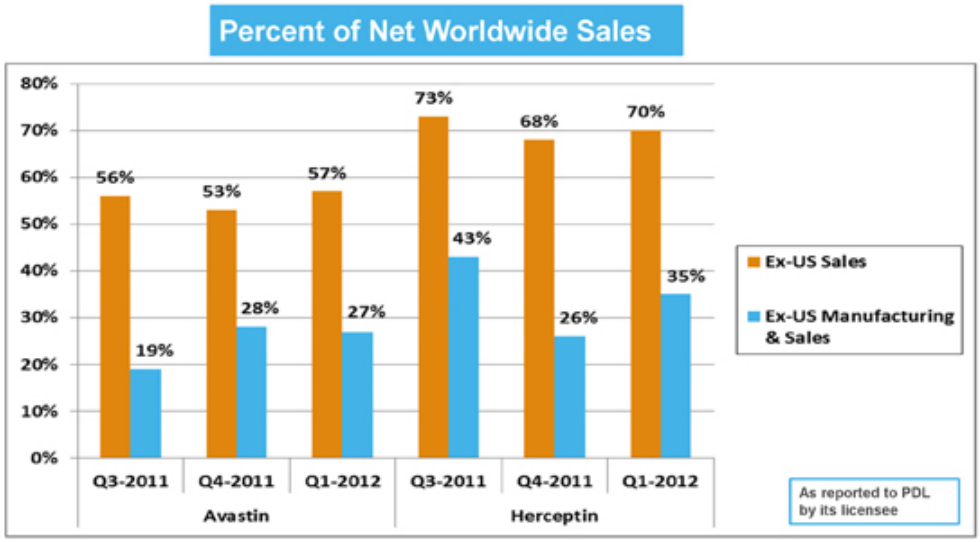
Genentech Product Made or Sold in U.S.	
Net Sales up to $1.5 Billion	***3.0%***
Net Sales Between $1.5 Billion and $2.5 Billion	***2.5%***
Net Sales Between $2.5 Billion and $4.0 Billion	***2.0%***
Net Sales Over $4.0 Billion	***1.0%***
Genentech Product Made and Sold Ex-U.S.	
Net Sales	***3.0%***

1. As part of a settlement with Novartis, which commercializes Lucentis outside US, PDL agreed to pay to Novartis certain amounts based on net sales of Lucentis made by Novartis during calendar year 2011 and beyond. The amounts to be paid are less than we receive in royalties on such sales and we do not currently expect such amount to materially impact our total annual revenues in 2012.

PDL BioPharma

Ex-US Manufacturing & Sales

- **Roche is moving some manufacturing ex-US which may result in higher royalties to PDL due to the flat 3% royalty for Genentech Products made and sold ex-US**
  - Current production at Penzburg (Herceptin) and Basel (Avastin) plants
    - In June 2011, Roche completed 191 million SFr upgrade and expansion of Penzberg facility
  - Two new plants in Singapore (CHO = Avastin and e. coli = Lucentis)



Royalty Products – Approved

Royalty Products - Avastin

- Avastin
- Herceptin
- Lucentis
- Xolair
- Tysabri
- Actemra

- ✓ On December 23, 2011, Roche announced that EU approved its use in combination with standard chemotherapy for treatment of newly diagnosed ovarian cancer.
- ✓ On December 28, 2011, data from Phase 3 trial in patients with advanced, previously untreated ovarian cancer was published in *NEJM* showing an improvement in primary endpoint of progression-free survival but not secondary endpoint of overall survival.
  - Roche said that it is unlikely to seek approval in the US, but will not make final decision until overall survival data is available in 2013.
- ✓ In its April 12, 2012 conference call with the financial community, Roche reported:
  - Growth of 1% in global sales in 1Q12;
  - Market share in 1st line metastatic colorectal and non-small cell lung cancers stable in EU, US and Japan in 4Q11, 1Q12 and 1Q12, respectively; and
  - Market share in 1st line metastatic breast cancer had stabilized in EU as of 4Q11 and bottomed out in US as of 1Q12.
- ✓ On June 2, 2012, Genentech and Roche reported that Phase 3 trial in patients with metastatic colorectal cancer who received Avastin plus chemotherapy as initial treatment and then Avastin plus a different chemotherapeutic after disease progression met its primary endpoint of overall survival when compared to patients who received only chemotherapy when the disease progressed:
  - Overall survival was 11.2 months compared to 9.8 months; and
  - Median PFS was 5.7 months compared to 4.1 months.
  - Genentech and Roche expect to make a global filing in 2012.

PDL BioPharma

Royalty Products - Herceptin

- Avastin
- **Herceptin**
- Lucentis
- Xolair
- Tysabri
- Actemra

✓ In its April 12, 2012 conference call with the financial community, Roche reported:

- Growth of 7% in global sales in 1Q12;
- HER2 adjuvant use strong in US with market penetration of ~94% and 1st line in metastatic breast cancer at 87%;
- 1st line use in metastatic breast cancer at 73% in EU; and
- HER2 testing in metastatic gastric cancer at ~95% in EU and US.

Royalty Products - Lucentis

- Avastin
- Herceptin
- **Lucentis**
- Xolair
- Tysabri
- Actemra

✓ In its April 12, 2012 call with the financial community, Roche reported:
- Lucentis market share in US in AMD moderately declined with Lucentis taking 36% of new patient share, Eylea taking 12% and Avastin taking 51%.
- In US, new patient share in retinal vein occlusion was stable at 26%.
- PDUFA date for visual impairment due to diabetic macular edema (DME) is August 2012 – Lucentis is already approved for DME in EU.
- Application for approval of Lucentis in 0.5 mg dose used PRN filed in US.

✓ On April 30, 2012, two year results from the CATT study comparing Lucentis and Avastin in the treatment of AMD were released.
- Monthly injections of both drugs improved visual acuity more than dosing as needed.
- Monthly injections of Lucentis and Avastin improved visual acuity at two years by 8.8 and 7.8 letters, respectively.
- As needed injections of Lucentis and Avastin improved visual acuity at two years by 6.7 and 5.0 letters, respectively.
- Higher rate of serious adverse events (other than death and arteriothrombotic events) in the Avastin treated patients persisted at two years.

PDL BioPharma

Royalty Products - Tysabri

- Avastin
- Herceptin
- Lucentis
- Xolair
- **Tysabri**
- Actemra

- ✓ On January 20, 2012, Biogen Idec and Elan announced that FDA approved a label change that identifies anti-JCV antibody status as a risk factor for developing an infrequent but serious brain infection known as progressive multifocal leukoencephalopathy.
- ✓ As of the end of March 2012, Biogen Idec estimates that approximately 66,600 patients were on commercial and clinical therapy worldwide.

PDL BioPharma

Royalty Products - Actemra

- Avastin
- Herceptin
- Lucentis
- Xolair
- Tysabri
- **Actemra**

- ✓ On March 1, 2012, Genentech announced positive preliminary results showing that patients who received Actemra as monotherapy achieved a significantly greater reduction in disease activity (assessed by the mean change of DAS28) after 24 weeks than those given Humira monotherapy.
  - Statistical significance was also achieved on key secondary endpoints including DAS28 remission and low disease activity, ACR20, 50 and 70.
- ✓ Application for approval for Juvenile Idiopathic Arthritis expected in 1H2012 based on positive Phase 3 results.
- ✓ In its April 12, 2012 call with the financial community, Roche reported that global sales increased 46%.
- ✓ On May 2, 2012, Roche announced clinical trial results showing comparable efficacy of subcutaneous formulation of Actemra weekly compared to Actemra intravenous (formulation every four weeks.
- ✓ Regulatory filings for approval expected in 2012.

PDL BioPharma

Potential Royalty Products – Development Stage

Potential Royalty Products – T-DM1

T-DM1
Breast HER2+ Cancer

Ocrelizumab
Multiple Sclerosis

Pertuzumab
Breast HER2+ Cancer

Afutuzumab
Chronic Lymphocytic Leukemia

Bapineuzumab
Alzheimer's Disease

Solanezumab
Alzheimer's Disease

Datoluzumab
Colorectal Cancer

Daclizumab
Multiple Sclerosis

Farletuzumab
Ovarian Cancer

- ✓ In its February 1, 2012 call with the financial community, Roche estimated annual sales in excess of $1 billion when approved.
- ✓ On June 2, 2012, Roche/Genentech said that the Phase 3 trial of second line therapy in patients with metastatic HER2+ breast cancer comparing treatment with T-DM1 versus treatment with Tykerb and Xeloda showed:
  - Significant improvement in PFS of 35% (9.6 months v. 6.4 months);
  - One-year survival of 84.7% compared to 77.0%;
  - Response rate of 43.6% compared to 30.8%; and
  - Grade 3 or higher AE's of 40.8% compared to 57.0%
- ✓ Roche/Genentech expect to file for second line approval in 2012 and first line in 2014.

PDL BioPharma

Potential Royalty Products – Pertuzumab

T-DM1
Breast HER2+ Cancer

Ocrelizumab
Multiple Sclerosis

Pertuzumab
Breast HER2+ Cancer

Afutuzumab
Chronic Lymphocytic Leukemia

Bapineuzumab
Alzheimer's Disease

Solanezumab
Alzheimer's Disease

Datoluzumab
Colorectal Cancer

Daclizumab
Multiple Sclerosis

Farletuzumab
Ovarian Cancer

- ✓ Pertuzumab + Herceptin + docetaxel improved PFS by 6.1 months in first line treatment of HER2+ breast cancer patients compared to placebo + Herceptin + docetaxel (18.5 months v. 12.4 months, respectively).
- ✓ On December 7, 2011, Genentech and Roche announced that they had filed applications for approval in US and EU for treatment of patients with previously untreated, HER2-positive metastatic breast cancer.
- ✓ In its February 1, 2012 call with the financial community, Roche estimated annual sales in excess of $1 billion when approved.
- ✓ On February 7, 2012, Genentech and Roche announced that the FDA had granted priority review of this application with a PDUFA date of June 8, 2012.

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Potential Royalty Products – Afutuzumab

T-DM1
Breast HER2+ Cancer

Ocrelizumab
Multiple Sclerosis

Pertuzumab
Breast HER2+ Cancer

Afutuzumab
Chronic Lymphocytic Leukemia

- ✓ Data from Phase 3 in front line treatment of CLL compared to chemotherapy due in 2012.

Bapineuzumab
Alzheimer's Disease

Solanezumab
Alzheimer's Disease

Datoluzumab
Colorectal Cancer

Daclizumab
Multiple Sclerosis

Farletuzumab
Ovarian Cancer

PDL BioPharma

Potential Royalty Products – Bapineuzumab

T-DM1
Breast HER2+ Cancer

Ocrelizumab
Multiple Sclerosis

Pertuzumab
Breast HER2+ Cancer

Afutuzumab
Chronic Lymphocytic Leukemia

Bapineuzumab
Alzheimer's Disease

Solanezumab
Alzheimer's Disease

Datoluzumab
Colorectal Cancer

Daclizumab
Multiple Sclerosis

Farletuzumab
Ovarian Cancer

- ✓ 4 Phase 3 trials with more than 4,000 patients stratified by apoE4 carrier status and three Phase 3 extension studies.
- ✓ In its May 1, 2012 call with the financial community, Pfizer stated:
  - US Phase 3 trial of apoE4 carriers is completed and database is being locked;
  - US Phase 3 trial of non-apoE4 carrier is expected to be complete in the summer; and
  - Top line results from both trials will be released at the same time in 3Q12 and presented at an unspecified medical conference.

PDL BioPharma

Potential Royalty Products – Solanezumab

T-DM1
Breast HER2+ Cancer

Ocrelizumab
Multiple Sclerosis

Pertuzumab
Breast HER2+ Cancer

Afutuzumab
Chronic Lymphocytic Leukemia

Bapineuzumab
Alzheimer's Disease

Solanezumab
Alzheimer's Disease

Datoluzumab
Colorectal Cancer

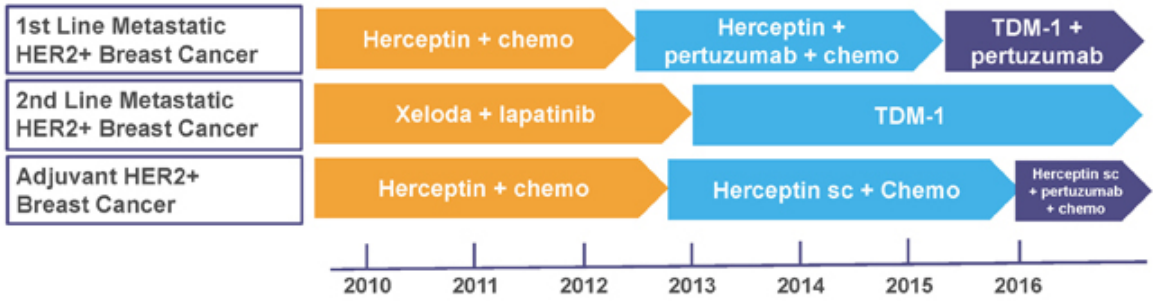
Daclizumab
Multiple Sclerosis

Farletuzumab
Ovarian Cancer

- ✓ 2 Phase 3 trials with approximately 2,000 patients and 1 Phase 3 extension study.
- ✓ In its 2011 earnings call, Lilly reported that an independent monitoring committee conducted interim safety and futility analyses and recommended that the trials continue.
- ✓ Lilly confirmed that Phase 3 data expected in second half of 2012.
- ✓ PDL receives 12.5 year know-how royalty of 2% from date of first sale in addition to patent royalty.

PDL BioPharma

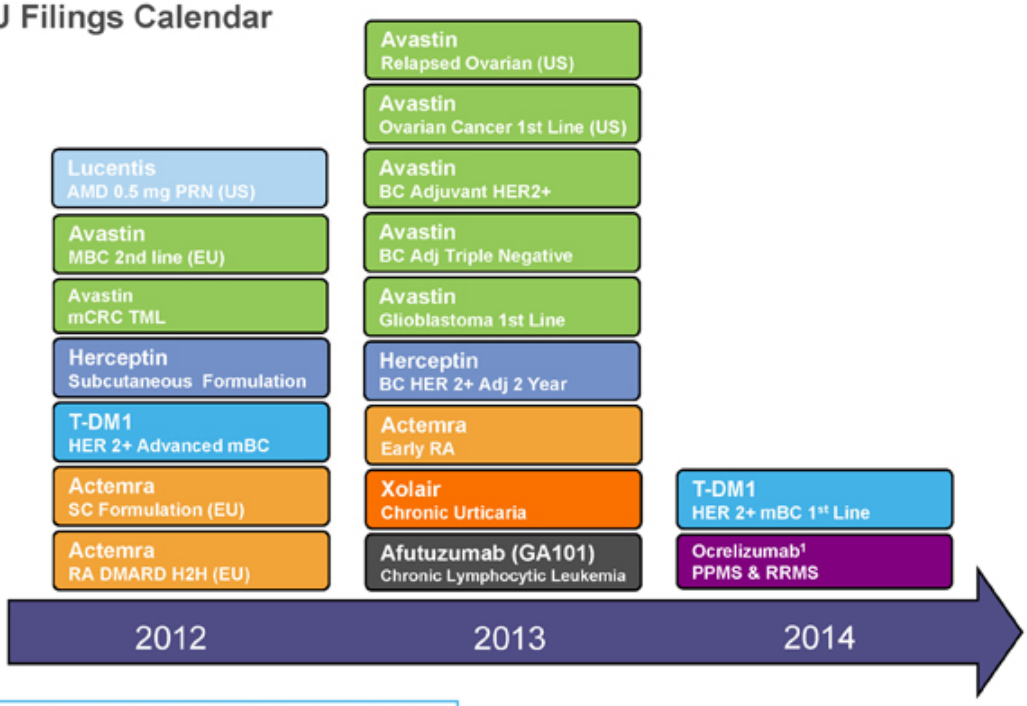
Potential Roles of Herceptin, TDM-1 and Pertuzumab in Breast Cancer



PDL BioPharma

Genentech / Roche – Product Pipeline

US & EU Filings Calendar



1. Not a licensed product Source: Roche investor update, February 1, 2012

PDL BioPharma

Financials

First Quarter 2012 Overview

	Quarter Ended March 31 (In thousands, except per share amounts)	
	2012	2011
Royalty revenues	$ 77,344	$ 73,336
G&A Expenses	6,945	5,779
Operating income	70,399	77,557
Interest expense	(8,700)	(9,154)
Income before income taxes	61,789	68,578
Income tax expense	21,605	24,033
Net income	40,184	44,545
Net income per share - Basic	$0.29	$0.32
Net income per share - Diluted	$0.29	$0.25

	March 31, 2012	Dec. 31, 2011
Cash, cash equivalents and investments	$192,512	$227,946
Total assets	$234,963	$269,471
Total debt carrying value	$371,772	$409,985

PDL BioPharma

Debt

Current and Long-Term Liabilities

Convertible Notes	Conversion Rate per $1,000 Principal Amount	Approximate Conversion Price Per Common Share	Effective Date	Principal Balance Outstanding
May 2015 Notes	139.2165	$ 7.18	March 5, 2012	$ 155,250,000
Series 2012 Notes	159.098	$ 6.29	March 5, 2012	$ 179,000,000
February 2015 Notes	159.098	$ 6.29	March 8, 2012	$ 1,000,000
Secured Non-Recourse Notes	N/A	N/A	N/A	$ 69,531,000

- Bond hedge effectively increases conversion price in May 2015 Notes to $8.45.
- In 2011 and 2012, we restructured two convertible notes to "net-share" settled and eliminated 44.8 million dilutive shares from the diluted earnings per share calculation in the first quarter of 2012 when compared to the first quarter of 2011.
- In 3Q12, we expect to retire the Secured Non-Recourse Note returning to PDL approximately 40% of the Genentech royalties currently dedicated to payment of the Notes quarterly principal and interest.

PDL BioPharma

Legal Matters

Pending Dispute with Genentech and Roche

- **In August 2010, Genentech sent a fax on behalf of Roche and Novartis asserting its products do not infringe PDL's supplementary protection certificates (SPCs)**
  - Products include Avastin, Herceptin, Lucentis and Xolair
  - 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
  - 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 other in challenging the validity of our patent rights

PDL BioPharma

Nevada Lawsuit Against Genentech/Roche

- **PDL filed a lawsuit against Genentech and Roche in Nevada state court**
  - Lawsuit states that fax constitutes a breach of 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
- **In November 2010, Genentech and Roche filed two motions to dismiss**
  - They contend that 2003 Settlement Agreement applies only to PDL's U.S. patents
  - They asserted that the Nevada court lacks personal jurisdiction over Roche
- **On July 11, 2011, court denied Genentech and Roche's motion to dismiss four of PDL's five claims for relief and denied Roche's separate motion to dismiss for lack of personal jurisdiction**
  - The court dismissed one of PDL's claims that Genentech committed a bad-faith breach of the covenant of good faith and fair dealing
  - Subsequent to the ruling, Roche has waived its defense that the Nevada court lacks personal jurisdiction for the purposes of this lawsuit
- **The court ruling allows PDL to continue to pursue its claims that**
  - Genentech is obligated to pay royalties to PDL on international sales of the Genentech Products
  - Genentech, by challenging, at the behest of Roche and Novartis, whether PDL's SPCs cover the Genentech Products breached its contractual obligations to PDL under the 2003 settlement agreement
  - Genentech breached the implied covenant of good faith and fair dealing with respect to the 2003 settlement agreement
  - Roche intentionally and knowingly interfered with PDL's contractual relationship with Genentech in conscious disregard of PDL's rights
- **Parties are currently in discovery and trial is re-scheduled for October 2013**

Optimizing Stockholder Return

Business Strategy

- **Queen et al. patents expire in mid-2013 to December 2014; we anticipate royalties will likely continue thereafter based on inventory**
- **PDL has two possible future pathways**

- **Obtain new revenue generating assets**
  - Invest in new assets to be able to continue to pay dividends
    - Backed by commercial stage products
    - Target range of $75MM to $150MM
  - Company continues as long as it can generate satisfactory return

- **If unable to acquire revenue generating assets on attractive terms**
  - Repay debt
  - Use all excess cash to pay dividends and/or buy shares to enhance shareholder return
  - Wind-up company in 2016 timeframe

PDL BioPharma

Investment Highlights

- **Strong historic revenue growth from approved products**
- **Potential for additional indications from existing products, new product approvals and purchase of new revenue generating assets**
- **Potential to grow and diversify revenues with the addition of new revenue generating assets**
- **Significantly reduced expenses with no R&D burn**
- **Liquidity – volume averages 1.5 million shares/day**
- **Return to stockholders**
  - In 2011, paid regular, quarterly dividends totaling $0.60/share
  - In 2012, paid regular, quarterly dividends of $0.15/share on March 14 and will pay on June 14, September 14 and December 14