
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 8, 2018

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))

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 7.01 Regulation FD Disclosure.

On June 8, 2018, PDL BioPharma, Inc. (the Company) will make a presentation at its Annual Meeting of Shareholders at the Hyatt Regency Hotel in Incline Village, Nevada. 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.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Presentation

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 2017 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 16, 2018 and in any subsequent filings. 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/ John P. McLaughlin
John P. McLaughlin
Chief Executive Officer

Dated: June 8, 2018

Exhibit Index

Exhibit No.	Description
99.1	Presentation



Annual Meeting of Stockholders

June 8, 2018

PDL BioPharma, Inc.

Nasdaq: PDLI

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, 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.



Governance Recommendations

Proposal	ISS	Glass Lewis
Re-elect Jody Lindell	For	For
Re-elect John McLaughlin	For	For
Elect Shlomo Yanai	For	For
Ratify appointment of PWC as PDL's auditors	For	For
Approve on an advisory basis executive officers' compensation	For	For
Approve Amended and Restated Equity Plan	For	For

PDL

Corporate Governance Scores

- Periodically, ISS Corporate Solutions assesses each public company with an overall “Quality Score” based on corporate governance metrics.

	Score 5/1/18	Score 6/1/18
ISS Governance Quality Score	5	3
Board Structure	4	5
Compensation	8	2
Shareholder Rights	4	4
Audit	2	2

Lower score is better.

PDL

PDL's Strategy

Maximize shareholder value through the acquisition, nurturing and monetization of a portfolio of healthcare companies.

Strategic focus on developing and capturing the value of a growing portfolio of operating companies:

- Noden Pharma DAC, a specialty pharma company domiciled in Ireland.
 - Tekturma® (U.S.) and Rasilez® (OUS) for the management of hypertension.
- LENSAR, a leader in next-generation femtosecond cataract laser surgery.
 - Focus on strengthening operations to maximize value and exit at appropriate time.

Actively seeking potential new product and company acquisitions.

The returns from legacy royalty and debt deals fund new strategy:

- Completed deals average IRR of 15.9% and total cash returned of \$587 million. ⁽¹⁾
- Current royalty transactions and debt deals represent deployed capital of \$396 million and \$20 million, respectively.
- Current cash as well as further potential monetization and future cash flows from royalty and debt portfolio will fund biopharma acquisitions.

(1) DirectFlow Medical is not included because monetization is ongoing.

Investment Highlights

- Noden Pharma has built an efficient, global commercial structure for the commercialization of cardiovascular and primary care products.
 - Generating profitable cash flows with Tekturna[®]/Rasilez[®], leveraging recently stabilized U.S. Rx trends and well-targeted international market opportunities.
- LENSAR serves the world's highest-volume surgical procedure with market leading, augmented reality technology.
 - Only 7% of U.S. cataract surgery market and <2% ex-U.S. have been captured by femtosecond laser technology.
- Operations and growth strategy largely funded by success with prior business model, nine active royalty and debt deals and strong balance sheet.
- Commitment to creating shareholder value through strategic M&A and share buyback program.
 - Significant purchasing power with \$405 million of cash on balance sheet.
- Experienced leadership team with proven ability to identify assets, consummate transactions and commercialize products.

PDL[®]

Leadership with Proven Track Record

Each member of the executive team brings to PDL 20-35 years of relevant biopharma and/or medtech experience.

Executive Management

John McLaughlin, CEO

Dominique Monnet, President

Peter Garcia, CFO

Chris Stone - General Counsel

Jill Jene, Ph.D., VP, Business Dev.

Alan Markey, CEO, Noden Pharma

Nick Curtis, CEO, LENSAR

Capabilities & Accomplishments

- \$1 billion in completed transactions
- Multiple successful IPOs
- Commercial product launches and growth in the US and internationally
- Business creation and turnarounds
- Strong corporate governance
- Deep cross-functional expertise
- Entrepreneurial, value-creation culture

PDL

PDL[®]

NODEN  PHARMA

The Noden Transaction

- Noden Pharma and Tekturna[®]/Rasilez[®] were PDL's first operational acquisitions under its new business strategy.
- Total Tekturna[®]/Rasilez[®] potential purchase price from Novartis is up to \$294 million.
 - \$110 million paid at closing in July 2016 and \$89 million paid at first anniversary.
 - Milestones of up to \$95 million based on sales levels and no generic competition.
- Financing was a combination of equity and debt.
- Strategic rationale.
 - Build a global, nimble commercial platform around a differentiated but neglected, niche cardiovascular product.
 - The transaction terms were hedged to protect PDL against a generic entrant.

This transaction was immediately cash flow accretive.

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Current Noden Products



- **Tekturna® (U.S.), Rasilez® (ex-U.S.) – contain aliskiren, the first and only approved direct renin inhibitor for the management of hypertension.**
 - Not for use with ACE inhibitors or ARBs in patients with diabetes or renal impairment, pregnant women and pediatric patients below age 6.
 - Approved in the U.S. and E.U. in 2007.
- **Tekturna® HCT and Rasilez HCT® (aliskiren and hydrochlorothiazide, a thiazide diuretic) for hypertension in patients not controlled by monotherapy and as initial therapy in patients likely to need multiple drugs to achieve blood pressure goals.**
 - Not for use with ACE inhibitors and ARBs in patients with diabetes or renal impairment, in patients with known anuria or hypersensitivity to sulfonamide-derived drugs, in pregnant women and pediatric patients.
 - Approved in the U.S. and E.U. in 2009.

Please visit www.tekturna.com for full Prescribing Information, including BOXED WARNING, Contraindications, and Warnings and Precautions, for TEKTURNA® and TEKTURNA HCT®.

PDL®

The Tekturna® Opportunity

- Hypertension is a chronic condition with serious long-term health implications, affecting nearly 50% of all adults in the U.S.¹
- Angiotensin Converting Enzyme Inhibitors (ACEIs) and Angiotensin II Receptor Blockers (ARBs) are typically first- and second-line therapies.
- Tekturna® has a unique mode of action and may be an alternative to ACEIs and ARBs, especially for intolerant patients.
 - 17% of ACEI patients and 11% of ARB patients discontinue therapy due to Adverse Events², representing ~ 6 million patients in the U.S.
- Tekturna® has been shown to provide incremental blood pressure lowering when added to a calcium channel blocker (CCB).³
 - 55% of U.S. patients on CCB monotherapy are not at goal; HCPs add another antihypertensive agent in 35% of cases, or 3.3 million U.S. patients.

1) Source: AHA's Heart Disease and Stroke Statistics – 2018 Update. Circulation, Jan. 31, 2018

2) Source: Thomopoulos et al., J Hypertension 2016; 34:1921-1932

3) Source: U.S. Prescribing Information, Tekturna®



Executing Well Targeted Promotion

**ACE / ARB
Intolerant:
SWITCH**

In treating hypertension, Adherence and goal attainment can be impacted by adverse events¹

**Drug-related
AE discontinuations¹**
ACE Inhibitor n=1,476
17%

Patient Profile²

- Patient prescribed an ACE inhibitor but still has uncontrolled BP
- Compliance of usage
- May not be taking medication as directed
- May require an alternative therapy

1. Data source: A study of adherence and goal attainment in patients with hypertension. 2. Data source: A study of adherence and goal attainment in patients with hypertension.

In treating hypertension, Adherence and goal attainment can be impacted by adverse events¹

**Drug-related
AE discontinuations¹**
Angiotensin Receptor Blocker n=75,165
11%

Patient Profile²

- Patient prescribed an ARB but still has uncontrolled BP
- Compliance of usage
- May not be taking medication as directed
- May require an alternative therapy

1. Data source: A study of adherence and goal attainment in patients with hypertension. 2. Data source: A study of adherence and goal attainment in patients with hypertension.

**Estimated
6 million
patients**

**CCB Not at
Goal:
ADD**

**Your Patients
on Hypertension
Monotherapy
May Have
Uncontrolled BP^{1,2}**

And as many as 50%
will require a change
in medication or an
additional therapy³

Patient Profile²

- Patient currently taking a calcium channel blocker (CCB) at maximum dose
- CCB has not been discontinued
- May require an additional therapy

1. Data source: A study of adherence and goal attainment in patients with hypertension. 2. Data source: A study of adherence and goal attainment in patients with hypertension. 3. Data source: A study of adherence and goal attainment in patients with hypertension.

For patients with uncontrolled BP, evidence-based guidelines recommend dose titration or adding an agent from a different class⁴

**Estimated
3.3 million
patients**

**Targeting patients
who may most
benefit from
Tektura®**

PDL®

Tekturna[®]/Rasilez[®] Intellectual Property

- **United States**

- Composition-of-matter protection to 2018 for Tekturna[®]; listed in the Orange Book;
 - Plus 6-month extension from successful completion of pediatric testing requirements.
- Composition-of-matter protection until 2022 for Tekturna[®] HCT.
- Formulation protection until 2026 for Tekturna[®]; listed in the Orange Book.
- Formulation protection until 2028 for Tekturna[®] HCT; listed in the Orange Book.
- Methods-of-manufacture protection until at least 2021.
- Paragraph IV filing in April 2017 by Anchen regarding Tekturna[®] directed to the formulation patent expiring in 2026, but not to the API based patents that expire in January 2019 (Tekturna[®], with pediatric extension) and March 2022 (Tekturna HCT[®]).
- Noden filed its responsive suit against Anchen and Par within the statutory deadline of 45 days and may obtain a stay of approval for up to 30 months.

- **Europe and ROW**

- Composition-of-matter protection until 2020 in Europe.
- Formulation protection until 2025 for Rasilez[®] and 2027 for Rasilez HCT[®], where granted.
- Method-of-manufacture protection at least until 2021 where granted.

- **Know-How**

- Noden also acquired Novartis' know-how related to Tekturna[®], including that which is necessary for the manufacture of the products.

PDL[®]

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LENSAR

CATARACT LASER WITH AUGMENTED REALITY





- Converted debt to equity in May 2017.
 - \$119 million in NOLs available.
 - To consider an exit when shareholder value is maximized.
- Leading global developer and manufacturer of femtosecond cataract lasers (FLS) for cataract surgery.
- Cataract surgery is the No. 1 surgical procedure globally by volume.
 - FLS procedures to grow ~15% per year through 2021.
- Leads the market in innovation with Streamline III.
- 58 employees primarily in Orlando headquarters.
- Recently appointed ophthalmic William Link, Ph.D. and Richard Lindstrom, M.D. to LENSAR board.
- Good company and capable team in need of capital and targeted execution to deliver the potential of its market leading technology and systems.





Royalty and Debt Portfolio

Concluded Royalty and Debt Investments Generated 15.9% IRR

9 Current Deals

7 Concluded Deals

**Royalty Transaction/
Senior Secured
Financing**


Wellstat Diagnostics, LLC

\$44,000,000
November 2012

Royalty Acquisition


Depomed

\$240,500,000
October 2013

**Senior Secured
Financing**


LENSAR

\$60,000,000
October 2013

Converted to
equity in Q2 2017

**Senior Secured
Financing**


DURATA
THERAPEUTICS

\$70,000,000
October 2013

**Royalty Transaction/
Senior Secured
Financing**


AxoGen

\$20,800,000
October 2012

**Senior Secured
Financing**


MERUS LABS

\$55,000,000
July 2012

**Senior Secured
Financing**


DIRECT FLOW
MEDICAL INC.

\$60,000,000
November 2013

Written down to
~\$10 MM in 4Q16

Royalty Acquisition


VB
VISCOGLIOL BROS., LLC

\$15,500,000
June 2014

Royalty Acquisition


M
UNIVERSITY OF
MICHIGAN

\$65,600,000
November 2014

**Royalty Transaction/
Senior Secured
Financing**


AVINGER

\$40,000,000
April 2013

**Senior Secured
Financing**


PARADIGM SPINE
the advancement of spine care

\$75,000,000
February 2014

Royalty Acquisition


ARIAD

Up to \$140,000,000
July 2015

**Senior Secured
Financing**


CAREVIEW

\$40,000,000
June 2015

Royalty Acquisition


AcelRx
Pharmaceuticals, Inc.

\$65,000,000
September 2015

Royalty Acquisition


kybella

\$9,500,000
July 2016







**Senior Secured Note
Purchase**


kaleo

\$150,000,000
April 2014

PDL

Cash Flow Funds the New Business Strategy: \$19.3 million in Q1-2018

Product	Licensee	Counterparty	Royalties Until ¹	Investment	Cash Received to date ²
 Glumetza metformin HCl	 Depomed	 VALEANT Pharmaceuticals International, Inc.	indefinite	\$240.5M	\$325.4M
 Janumet XR sitagliptin and metformin HCl extended-release tablets	 Depomed	 MERCK <i>Be well</i>	6/2018		
 Jentaduetto XR pioglitazone/metformin HCl extended-release tablets	 Depomed	 Boehringer Ingelheim <i>Lilly</i>	5/2026		
 Invokamet XR canagliflozin/metformin HCl extended-release tablets	 Depomed	 Janssen	9/2023		
 Synjardy XR empagliflozin/metformin HCl tablets	 Depomed	 Boehringer Ingelheim <i>Lilly</i>	12/2026		
 ICLUSIG (ponatinib) tablets 45 mg, 15 mg	 ARIAD	 ARIAD	Payoff	\$100.0M	\$120.0M ³
 Cerdelga (eliglustat) capsules	 MICHIGAN	 SANOFI GENZYME	4/2022	\$65.6M	\$9.2M
 ZALVISO [®] SUSTAINED SELF-MANAGED DELIVERY SYSTEM	 AcelRx Pharmaceuticals, Inc.	 GRUNENTHAL	1/2032 or 3X investment	\$65.0M	\$0.2M
 coflex	 VB VISCOSOLV BROS., LLC	 PARADIGM SPINE THE MANAGEMENT OF SPINE CARE	Until \$36.7MM	\$15.5M	\$5.0M
 kybella	Inventor	 Allergan	2/2025	\$9.5M	\$0.4M

- 1) Expected dates based upon current agreements and patent expiry estimates.
- 2) As of 03/31/18.
- 3) Paid off on 3/30/17.

PDL[®]



Financials

First Quarter 2018 Income Statement

<i>(In thousands, except per share amounts)</i>	Three Months Ended March 31,	
	2018	2017
Royalties from Queen et al. patents	\$ 2,783	\$ 14,156
Royalty rights - change in fair value	11,091	13,146
Interest revenue	749	5,457
Product revenue, net	23,324	12,581
License and other	571	100
Total revenues	38,518	45,440
Cost of product revenue	10,566	2,552
Amortization of intangible assets/Contingent consideration	5,693	7,457
General and administrative expenses	11,661	12,576
Sales and marketing	5,513	2,584
Research and development	793	1,766
Total operating expenses	34,226	26,935
Operating Income	4,292	18,505
Interest and other income, net	(1,671)	(4,759)
Income tax expense	(1,019)	(6,552)
Net loss attributable to noncontrolling interests	-	(47)
Net income attributable to PDL's shareholders	\$ 1,602	\$ 7,241
Net income per share - Basic	\$ 0.01	\$ 0.04
Net income per share - Diluted	\$ 0.01	\$ 0.04
Non-GAAP net income reconciliation:		
GAAP net income attributed to PDL's shareholders as reported	\$ 1,602	\$ 7,241
Adjustments:		
Mark-to-market adjustment to fair value assets	7,532	348
Non-cash stock-based compensation & debt offering expens	3,089	3,787
Amortization of the intangible assets	6,293	6,015
Other (detailed in Q1 2018 press release)	(745)	1,267
Income tax effect related to above items	(4,393)	(5,446)
Total adjustments	11,776	5,971
Non-GAAP net income	\$ 13,378	\$ 13,212

Key Points

- Queen et al. patent royalties expected to be fully extinguished by end 2018.
- Product revenues have increased to 61% of total revenues in 2018 from 28% in 2017.
- Maintained non-GAAP net income despite 15% revenue decline.
- Cash flow from royalty deals funds the new strategy.

PDL[®]

Strong Balance Sheet

PDL's strong balance sheet gives us flexibility to consider strategic opportunities that support our acquisition strategy and share repurchase programs.

(\$ in millions)	March 31, 2018
Cash, cash equivalents and short-term investments	\$405
Total Assets	\$1,100
Debt:	
2.75% Convertible Debt – due 12/2021 (\$3.81 conversion price) ²	\$150

1) PDL entered into a capped call transaction to offset potential dilution subject to a cap of \$4.88.

PDL

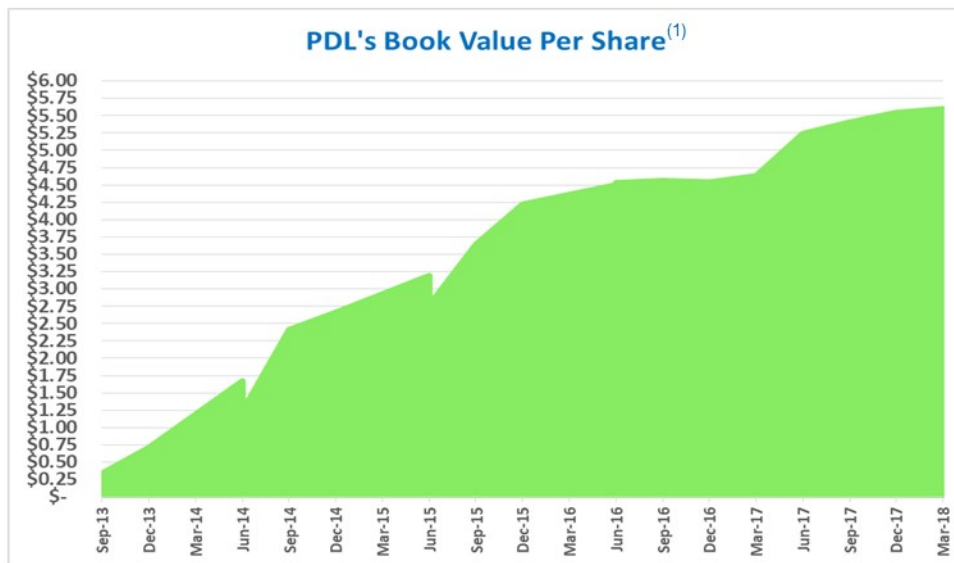
Share Repurchase Program

- 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.
- Current Program – \$25 Million
 - In September 2017 PDL's board authorized the repurchase of PDL common stock having an aggregate value of up to \$25 million through September 2018.
 - We have repurchased 4.2 million shares for a total of \$12.6 million through May 8, 2018.
- Previous Program – \$30 Million
 - Between March and June 2017, the company repurchased approximately 13.3 million shares at an average price of \$2.25 per share.

PDL

A History of Value Creation

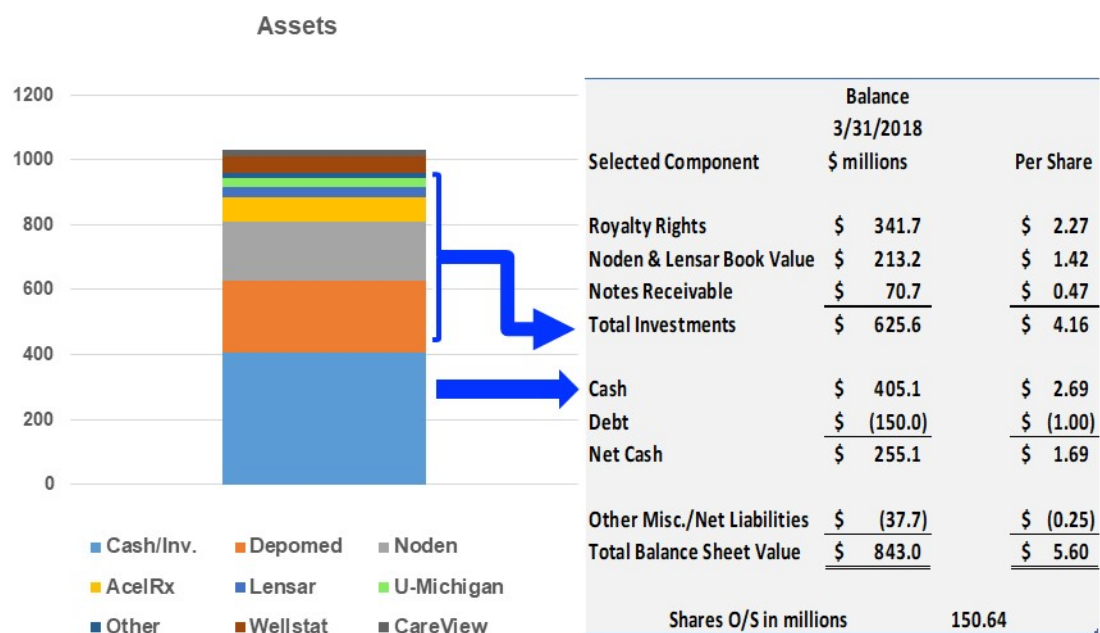
Book value per share reached \$5.60 as of March 31, 2018.



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



High-Quality Asset Value



PDL

Why Invest in PDLI?

Highlights

Tekturna[®] and Rasilez[®] are important products for treating hypertension and Noden investment was immediately cash flow accretive to PDL

Lensar is a smart investment in a leading technology in a large and growing market with \$119 million in NOLs available.

Nine active royalty and debt deals generate cash flow.

Significant purchasing power with \$405 million in cash on the balance sheet.

Track record of identifying assets, consummating deals, operating businesses and completing exits.

2018 Priorities

Optimization of Noden and Lensar.

Acquisition of additional pharmaceutical products and/or companies.

Continuation of diverse capital allocation, including share and convertible debt repurchases.

Closing the gap between share price and book value per share.

PDL