

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL | |
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| 1. Name and Address of Reporting Person* <u>Iwanicki David</u> (Last) (First) (Middle) <u>C/O PDL BIOPHARMA, INC.</u> <u>34801 CAMPUS DRIVE</u> (Street) <u>FREMONT CA 94555</u> (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>PDL BIOPHARMA, INC. [PDLI]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>VP, Sales & Sales Operations</u> |
| | 3. Date of Earliest Transaction (Month/Day/Year) <u>04/20/2007</u> | |
| 4. If Amendment, Date of Original Filed (Month/Day/Year) | | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|---------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 04/20/2007 | | M | | 645 | A | \$17.13 | 645 | D | |
| Common Stock | 04/20/2007 | | s ⁽¹⁾ | | 64 | D | \$23.87 | 581 | D | |
| Common Stock | 04/20/2007 | | s ⁽¹⁾ | | 64 | D | \$23.88 | 517 | D | |
| Common Stock | 04/20/2007 | | s ⁽¹⁾ | | 133 | D | \$23.98 | 384 | D | |
| Common Stock | 04/20/2007 | | s ⁽¹⁾ | | 64 | D | \$23.76 | 320 | D | |
| Common Stock | 04/20/2007 | | s ⁽¹⁾ | | 64 | D | \$23.82 | 256 | D | |
| Common Stock | 04/20/2007 | | s ⁽¹⁾ | | 64 | D | \$23.87 | 192 | D | |
| Common Stock | 04/20/2007 | | s ⁽¹⁾ | | 64 | D | \$23.94 | 128 | D | |
| Common Stock | 04/20/2007 | | s ⁽¹⁾ | | 64 | D | \$23.95 | 64 | D | |
| Common Stock | 04/20/2007 | | s ⁽¹⁾ | | 64 | D | \$24.16 | 0 | D | |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|----------------------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | | Amount or Number of Shares |
| Employee Stock Option (Right to Buy) | \$17.13 | 04/20/2007 | | M | | 645 | | (2) | 07/20/2013 | Common Stock | 645 | \$0 | 25,195 | D | |

Explanation of Responses:

- 1. Sale was made pursuant to a 10b5-1 plan established by the reporting person.
- 2. Option vests with respect to approximately 645 shares per month and 7 shares remained exercisable immediately after this transaction. Only vested options are exercisable

Remarks:

/s/ Francis Sarena by Francis Sarena, Attorney in Fact for David Iwanicki 04/23/2007

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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