



May 24, 2011

PDL BioPharma Issues Redemption Notice for Its 2.00% Convertible Senior Notes Due February 15, 2012

INCLINE VILLAGE, Nev., May 24, 2011 /PRNewswire via COMTEX/ --

PDL BioPharma, Inc. (PDL) (NASDAQ: PDLI) today announced that on June 30, 2011, it will redeem all of the Company's outstanding 2.00% Convertible Senior Notes due February 15, 2012 (the Notes). Holders of the Notes have been provided notice of the redemption by The Bank of New York Mellon, the trustee for the Notes. In accordance with the terms of the Notes, the Notes will be redeemed at a redemption price of 100.29% of the outstanding principal amount of the Notes, together with accrued and unpaid interest up to, but excluding the redemption date of June 30, 2011. Note holders may elect to convert their Notes at a conversion rate of 144.474 shares of common stock per \$1,000 face amount of the Notes, subject to change upon certain events, or \$6.92 per share on or before June 29, 2011.

About PDL BioPharma

PDL pioneered the humanization of monoclonal antibodies and, by doing so, enabled the discovery of a new generation of targeted treatments for cancer and immunologic diseases. PDL is focused on maximizing the value of its antibody humanization patents and related assets. The Company receives royalties on sales of a number of humanized antibody products marketed by leading pharmaceutical and biotechnology companies today based on patents which expire in late 2014. For more information, please visit www.pdl.com.

NOTE: PDL BioPharma and the PDL BioPharma logo are considered trademarks of PDL BioPharma, Inc.

Forward-Looking Statements

This press release contains forward-looking statements. 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 our 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;
- | The outcome of pending litigation or disputes;
- | The change in foreign currency exchange rates; 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 press release are discussed in PDL's filings with the SEC, including the "Risk Factors" section 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 press release are qualified in their entirety by this cautionary statement.

SOURCE PDL BioPharma, Inc.