PDL BioPharma Reports Patient Enrollment Completed for Terlipressin Phase 3 Clinical Study

- U.S. Pivotal Trial Evaluates Treatment for Life-Threatening Complication of Liver Cirrhosis -

FREMONT, Calif., March 23, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- PDL BioPharma, Inc. (PDL) (Nasdaq: PDLI) today announced that its partner, Orphan Therapeutics LLC, has completed enrollment in the pivotal Phase 3 clinical research study of terlipressin for the treatment of type 1 hepatorenal syndrome (HRS), a life-threatening complication of liver cirrhosis characterized by rapidly progressive kidney failure. This is the first randomized, double-blind, placebo-controlled clinical trial of terlipressin in HRS in the United States and the largest clinical trial ever conducted in HRS.

The study, which is evaluating the safety and the potential effect of terlipressin on kidney function and patient survival in patients with type 1 HRS, has enrolled 112 patients at 30 liver disease centers in the United States and five centers outside the United States. Patients will continue to be followed during the six-month follow-up period. Results from this study are anticipated for release later this year.

Steven Benner, M.D., Senior Vice President and Chief Medical Officer, PDL, said, "With a median survival of less than two weeks, there is a clear unmet medical need for the treatment of type 1 HRS, and innovative therapies are needed. This Phase 3 study will determine if terlipressin may serve as a bridge to a liver transplant and may also alleviate the acute crisis of the disease in those who are ineligible for transplant. We look forward to the study results later this year."

Arun Sanyal, M.D., principal investigator of the study and Chairman, Division of Gastroenterology, Hepatology and Nutrition and Professor of Internal Medicine, Pharmacology, Pathology at Virginia Commonwealth University, said, "Reaching our enrollment goal ahead of schedule is a major clinical milestone in the development of terlipressin in the United States, and we are hopeful that, ultimately, this therapy will be able to improve outcomes for patients with this dire condition for which there are no other established treatment options. We are grateful to the terlipressin study investigators and medical institutions for their support and participation in this study."

Types 1 and 2 HRS result in approximately 14,000 U.S. hospitalizations annually, and there currently are no drugs approved for the treatment of HRS in the United States. The U.S. FDA has granted terlipressin Fast Track designation and Orphan Drug status for the treatment of type 1 HRS, as the drug has demonstrated the potential to address an unmet medical need for a serious or life-threatening condition. Orphan Therapeutics is responsible for the development of terlipressin in this orphan indication. PDL holds the exclusive marketing, sales and distribution rights to potentially commercialize terlipressin in the United States and Canada.

About Hepatorenal Syndrome (HRS)

Patients with end-stage liver cirrhosis often develop portal hypertension, or high blood pressure in the portal vein, the major vessel through which blood normally is carried to the liver. Clinicians believe that, through a complex interplay of mechanisms, blood unable to flow through the portal vein is forced through alternate vessels that are not meant to carry such significant blood flow. This, in turn, causes blood vessels to swell (vasodilation), leading to a drastic reduction in blood flow to the kidneys, resulting in life-threatening kidney or other organ failure.

HRS is an acute complication of liver cirrhosis. Replacing the diseased liver to restore normal liver and kidney function is the only therapeutic option that may aid in long-term survival. Results from the Phase 3 study will determine if terlipressin may act as a bridge to transplant by restoring kidney function until a liver transplant can be performed or help to alleviate the acute crisis of the disease in patients ineligible to receive a transplant.

About PDL BioPharma

PDL BioPharma, Inc. is a biopharmaceutical company focused on discovering, developing and commercializing innovative therapies for severe or life-threatening illnesses. The company currently markets and sells a portfolio of leading products in the acute-care hospital setting in the United States and Canada and generates royalties through licensing agreements with top-tier biotechnology and pharmaceutical companies based on its pioneering antibody humanization technology. Currently, PDL BioPharma's diverse late-stage product pipeline includes six investigational compounds in Phase 2 or Phase 3 clinical development for hepatorenal syndrome, autoimmune and inflammatory diseases, cardiovascular

disorders and cancer. Further information on PDL BioPharma is available at http://www.pdl.com.

SOURCE PDL BioPharma, Inc.

Jean Suzuki, Product Communications, +1-510-574-1550, jean.suzuki@pdl.com, or Jim Goff, Investor Relations, +1-510-574-1421, james.goff@pdl.com, both of PDL BioPharma, Inc.