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): FEBRUARY 2, 1999

IDEC PHARMACEUTICALS CORPORATION
(EXACT NAME OF REGISTRANT AS SPECIFIED IN CHARTER)

DELAWARE	0-19311	33-0112644
(STATE OR OTHER JURISDICTION OF INCORPORATION)	(COMMISSION FILE NUMBER)	(IRS EMPLOYER IDENTIFICATION NO.)

11011 TORREYANA ROAD, SAN DIEGO, CALIFORNIA	92121
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)	(ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (619) 550-8500

ITEM 5. OTHER EVENTS

On February 2, 1999, IDEC Pharmaceuticals Corporation (the "Company") issued a press release reporting its financial results for the fourth quarter ended December 31, 1998.

On February 2, 1999, the Company issued a press release announcing an offering of certain debt securities.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

A copy of the Company's press release reporting its financial results for the fourth quarter ended December 31, 1998 is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

A copy of the Company's press release announcing its offering of certain debt securities is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

IDEC PHARMACEUTICALS CORPORATION

Dated: February 2, 1999

By: /s/ PHILLIP M. SCHNEIDER

Phillip M. Schneider
Vice President and Chief Financial Officer

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION OF DOCUMENT
99.1	Press Release of the Company, dated February 2, 1999, reporting the Company's financial results for the fourth quarter ended December 31, 1998.
99.2	Press Release of the Company, dated February 2, 1999, announcing the Company's offering of certain debt securities.

EXHIBIT 99.1

COMPANY PRESS RELEASE

IDEC PHARMACEUTICALS REPORTS FIRST YEAR OF PROFITABILITY

SAN DIEGO -- (BW HealthWire) -- Feb. 2, 1999 -- IDEC Pharmaceuticals Corporation (Nasdaq: IDPH -- news) today announced its financial results for the fourth quarter and year ended December 31, 1998.

Total revenues were $87.0 million in 1998, a $42.4 million or 95% increase over 1997 revenues of $44.6 million. The company reported net income of $21.5 million, or $0.92 per share on a diluted basis, in 1998 versus a net loss of $15.5 million in 1997, or $0.83 loss per share on a diluted basis, in 1997. Revenues for 1998 increased primarily due to $53.8 million recorded from the commercialization of Rituxan(R) (Rituximab) through IDEC's joint business arrangement with Genentech, Inc.

Total revenues for the fourth quarter ended December 31, 1998 were $27.8 million compared to $26.1 million for the fourth quarter of 1997. Net income in the fourth quarter of 1998 was $5.7 million, or $0.24 per share on a diluted basis, compared to net income of $8.1 million, or $0.35 per share on a diluted basis, for the same period in 1997. Revenues for the fourth quarter of 1998 increased primarily due to the aforementioned revenue resulting from the commercialization of Rituxan, the recognition of $2.8 million in deferred contract revenue from Eisai Co, Ltd., payable upon the achievement of a product development event for IDEC's anti-gp39 antibody, offset by decreased license fee revenue in the fourth quarter of 1998. License fee revenues in the fourth quarter of 1997 reflected a $15.0 million milestone payment from Genentech for FDA approval of Rituxan. The timing of research and development payments and non-recurring licensing revenue and milestone payments may vary from quarter to quarter.

"Rituxan has made our transition to profitability possible," stated William H. Rastetter, chairman, chief executive officer and president. "It also serves as the cornerstone of our oncology franchise, providing the cash flows to fund the development of other cancer products such as our investigational radioimmunotherapy, IDEC-Y2B8." Rastetter continued, "We anticipate completing patient accrual in two pivotal clinical trials for IDEC-Y2B8 during 1999."

Revenues from unconsolidated joint business for the quarter and year ended December 31, 1998 reflect the financial results from the Rituxan collaboration and commercialization with Genentech. This line item includes various revenues associated with Rituxan commercialization such as IDEC's share of the pretax copromotion profits, reimbursement of IDEC's sales force and sales infrastructure costs, revenues from the sale of bulk Rituxan to Genentech and royalty income on sales of Rituxan outside the United States. For the fourth quarter of 1998, IDEC's share of the pretax copromotion profits amounted to approximately 26% of U.S. net sales of Rituxan before reimbursements to IDEC for certain manufacturing, sales and development expenses.

Under IDEC's agreement with Genentech, IDEC's share of the fourth quarter pretax copromotion profits rose to a higher percentage upon achievement of an annual fixed profit target by the Rituxan joint business arrangement during the latter part of the third quarter of 1998. IDEC's share of copromotion profits will return to the lower percentage beginning in January 1999 until such time that the annual fixed profit target is achieved again by the Rituxan joint business arrangement which is expected to occur in mid-1999.

IDEC is in the process of completing a modification to its collaborative agreement with Genentech that will allow IDEC to terminate early its obligations to supply Genentech with bulk Rituxan manufactured at IDEC's plant. Rather than supplying bulk Rituxan to Genentech through November 1999, IDEC now anticipates transferring all manufacturing responsibilities for bulk Rituxan to Genentech at the end of the third quarter of 1999. Genentech is licensed to manufacture Rituxan, has been manufacturing Rituxan in the U.S. and has sufficient capacity to supply worldwide demand. When completed this change will result in decreased bulk manufacturing reimbursements to IDEC and lower cost of goods for the collaboration. IDEC will then

use its manufacturing capacity for BLA-enabling lots/commercial supply of IDEC-Y2B8, production of clinical material and some third-party contract manufacturing.

As reported on January 21, 1999, the collaboration between IDEC and Genentech achieved U.S. net sales of Rituxan totaling $48.8 million in the fourth quarter of 1998, bringing total U.S. net sales to $152.1 million for the year ended December 31, 1998. Early in the fourth quarter, IDEC and Genentech completed the transition from drop-shipment of Rituxan directly to end users to the more standard practice of distribution via drug wholesalers.

Operating costs and expenses increased to $22.7 million for the fourth quarter of 1998 compared to $18.2 million for the fourth quarter of 1997. The increased operating expenses are mainly the result of increased sales and marketing expenses resulting from the commercial launch of Rituxan and contract manufacturing expenses for components of IDEC-Y2B8.

Annual operating costs and expenses increased by $5.5 million, from $62.6 million in 1997 to $68.1 million in 1998. This increase was primarily due to the expenses discussed above, plus increased personnel expenses, increased bulk Rituxan manufacturing costs and higher clinical trial expenses offset by lower technology acquisition expenses. Operating expenses in 1997 included a $3.0 million upfront licensing fee for the acquisition of technology rights related to 9-aminocamptothecin; there was no commensurate technology acquisition in 1998. Over the next year, the company expects to see a higher level of investment in research and development as its products move forward in the development pipeline.

IDEC ended 1998 with $73.5 million in cash, cash equivalents and marketable securities, an increase of $3.8 million from $69.7 million at the end of 1997. The increase in cash, cash equivalents and marketable securities is due to cash provided by operations and employee stock plans offset by repayment of debt obligations and investments in capital equipment.

Based on the emerging product profile from recently completed Phase I/II trials and the open label extension trial in rheumatoid arthritis, SmithKline Beecham (SB) and IDEC Pharmaceuticals have reconsidered the development strategy for IDEC-151. SB has elected to discontinue development of IDEC-151 in rheumatoid arthritis at this time and instead will conduct a pilot clinical study with IDEC-151 in psoriasis. SB and IDEC will continue their collaboration within this new clinical focus.

IDEC Pharmaceuticals focuses on the commercialization and development of targeted therapies for the treatment of cancer and autoimmune diseases. IDEC's antibody products act chiefly through immune system mechanisms, exerting their effect by binding to specific, readily targeted immune cells in the patient's blood or lymphatic systems.

IDEC Pharmaceuticals' news releases are available at no charge through Business Wire's News on Demand Plus. For a menu of IDEC's current press releases and quarterly reports or to retrieve a specific release, call 888/239-2309. On the Internet see http://www.businesswire.com/cnn/idph.htm and http://www.shareholdernews.com/idph.

The statements made in this press release contain certain forward-looking statements that involve a number of risks and uncertainties. Actual events or results may differ from IDEC's expectations. In addition to the matters described in this press release, achievement of product development milestone events and future product sales, the timing, success, and cost of product launches and clinical studies, and the level of manufacturing performance may result in period to period fluctuations in IDEC's revenues and earnings. In addition to these matters, the risk factors listed from time to time in IDEC's SEC filings, including but not limited to its Annual Report on Form 10-K/A for the year ended December 31, 1997, and Form 10-Q for the quarter ended September 30, 1998, may affect the actual results achieved by IDEC.

Formerly known as IDEC-C2B8, Rituxan (Rituximab) and IDEC Pharmaceuticals are registered U.S. trademarks of the company. IDEC's headquarters is located at 11011 Torreyana Road, San Diego, CA 92121.

IDEC PHARMACEUTICALS CORPORATION AND SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	THREE MONTHS ENDED DECEMBER 31,		YEARS ENDED DECEMBER 31,	
	1998	1997	1998	1997
	(UNAUDITED)			
Revenues:				
Revenues from unconsolidated joint business	$22,767	$5,056	$53,813	$ 9,266
Contract revenues	4,986	4,057	14,846	11,840
License fees	--	17,000	18,300	23,500
	27,753	26,113	86,959	44,606
Operating costs and expenses:				
Manufacturing costs	8,617	8,400	19,602	18,875
Research and development	9,298	6,653	31,485	32,407
Selling, general and administrative	4,743	3,137	16,968	11,320
	22,658	18,190	68,055	62,602
Income (loss) from operations	5,095	7,923	18,904	(17,996)
Interest income, net	758	332	2,996	2,572
Income tax provision	(140)	(114)	(422)	(114)
Net income (loss)	$ 5,713	$8,141	$21,478	$(15,538)
Earnings (loss) per share:				
Basic	$ 0.29	$ 0.43	$ 1.08	$ (0.83)
Diluted	$ 0.24	$ 0.35	$ 0.92	$ (0.83)
Shares used in calculation of earnings (loss) per share:				
Basic	20,015	19,151	19,838	18,739
Diluted	23,411	23,485	23,377	18,739

CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS)

ASSETS

	DECEMBER 31,	
	1998	1997
Current assets:		
Cash, cash equivalents and securities available-for-sale	$ 73,502	$ 69,657
Inventories	5,346	4,134
Other current assets	22,179	5,402
Total current assets	101,027	79,193
Property and equipment, net	20,897	23,449
Other non-current assets	3,349	3,371
Total assets	$125,273	$106,013

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	$ 14,483	$ 19,432
Non-current liabilities	4,362	5,902
Stockholders' equity	106,428	80,679
Total liabilities and stockholders' equity	$125,273	$106,013

EXHIBIT 99.2

COMPANY PRESS RELEASE

IDEC PHARMACEUTICALS ANNOUNCES OFFERING OF ZERO COUPON CONVERTIBLE NOTES

SAN DIEGO -- (BW HealthWire) -- Feb. 2, 1999 -- IDEC Pharmaceuticals Corporation (Nasdaq: IDPH -- news) today announced that it intends, subject to market and other conditions, to raise approximately $100 million (excluding proceeds of the over-allotment option, if any) through an offering of 20-year convertible zero coupon subordinated notes due 2019.

IDEC expects that the proceeds from the offering will be used for general corporate purposes, including, but not limited to funding U.S. licensing applications for IDEC-Y2B8 and, if approved, commercialization of IDEC-Y2B8 in the United States; financing strategic acquisitions of products, product candidates, technologies or other businesses; financing the expansion of our facilities, including but not limited to design and engineering costs for expansion of IDEC's manufacturing facility; potentially funding research and development activities through off-balance sheet transactions; and funding general working capital requirements.

This press release does not constitute an offer to sell or the solicitation of an offer to buy the notes, nor shall there be any sale of the notes in any state in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such states. Any offers of the securities will be made only by means of a private offering memorandum. The offered securities will not be registered under the Securities Act of 1933, as amended, or applicable state securities laws, and may not be offered or sold in the United States absent registration under the Securities Act and applicable state securities laws or available exemptions from such registration requirements.

IDEC Pharmaceuticals focuses on the commercialization and development of targeted therapies for the treatment of cancer and autoimmune diseases. IDEC's antibody products act chiefly through immune system mechanisms, exerting their effect by binding to specific, readily targeted immune cells in the patient's blood or lymphatic systems.

The statements made in this press release contain certain forward-looking statements that involve a number of risks and uncertainties. Actual events or results may differ from IDEC's expectations. For a more complete listing of risks involved, see the risk factors listed from time to time in IDEC's SEC filings, including but not limited to its Annual Report on Form 10-K/A for the year ended December 31, 1997, and Form 10-Q for the quarter ended September 30, 1998, which may affect the actual results achieved by IDEC.

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