**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): **July 23, 2014**

# Biogen Idec Inc.

(Exact name of registrant as specified in its charter)

| **Delaware** | **0-19311** | **33-0112644** |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

**225 Binney Street, Cambridge, Massachusetts 02142**
(Address of principal executive offices; Zip Code)

Registrant's telephone number, including area code: **(617) 679-2000**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant 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))

**Item 2.02 Results of Operations and Financial Condition.**

On July 23, 2014, Biogen Idec Inc. issued a press release announcing its results of operations and financial condition for the second quarter ended June 30, 2014. A copy of the press release is furnished as Exhibit 99 and is incorporated herein by reference.

The press release is being furnished pursuant to Item 2.02 of this Current Report on Form 8-K and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that Section, nor shall such document be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act.

**Item 9.01 Financial Statements and Exhibits.**

The exhibit listed on the Exhibit Index immediately preceding such exhibit is furnished as part of this Current Report on Form 8-K.

**SIGNATURES**

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

**BIOGEN IDEC INC.**

By: /s/ Robert A. Licht
Robert A. Licht
Senior Vice President

Date: July 23, 2014

**EXHIBIT INDEX**

| Exhibit Number | Description |
| --- | --- |
| 99 | Biogen Idec's press release dated July 23, 2014. |

biogen idec®

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# BIOGEN IDEC SECOND QUARTER 2014 REVENUES INCREASE 40% TO $2.4 BILLION; COMPANY RAISES FINANCIAL GUIDANCE FOR THE YEAR

*Growth Bolstered by Increased Adoption of TECFIDERA® in New Markets Worldwide*

*Quarter Highlights include Approval of ELOCTATE™ for Hemophilia A;*
*Positive Phase 3 Read Out for Multiple Sclerosis candidate Daclizumab HYP*

**Cambridge, Mass., July 23, 2014 --** Biogen Idec Inc. (NASDAQ: BIIB) today reported second quarter 2014 results, including revenue of $2.4 billion, a 40% increase compared to the second quarter of 2013. Second quarter 2014 non-GAAP diluted earnings per share (EPS) were $3.49, an increase of 52% over the second quarter of 2013. Non-GAAP net income attributable to Biogen Idec for the second quarter was $829 million, an increase of 51% over the second quarter of 2013.

On a reported basis, GAAP diluted EPS for the second quarter of 2014 were $3.01, an increase of 46% over the second quarter of 2013. GAAP net income attributable to Biogen Idec for the second quarter of 2014 was $715 million, an increase of 46% versus the same period in the prior year. (A reconciliation of GAAP to Non-GAAP quarterly financial results and 2014 full year guidance can be found in Table 3 at the end of this release).

Non-GAAP and GAAP diluted EPS benefited by approximately $0.15 and $0.13, respectively, following the approval of an agreement with the Italian National Medicines Agency (AIFA) relating to TYSABRI® sales in Italy from February 2013 through March 31, 2014.

“This past quarter highlighted significant accomplishments across our business, from the approval of ELOCTATE for hemophilia A, to the continued patient uptake of TECFIDERA in the U.S. and new markets worldwide, to strong clinical results for important emerging MS treatments,” said Chief Executive Officer George A. Scangos, Ph.D. “During this time we also announced our intent with Swedish Orphan Biovitrum AB to donate up to one billion international units of clotting factor to humanitarian organizations, which we hope will have a significant impact on the lives of patients in developing countries who may otherwise not have access to these therapies.”

“We remain focused on additional potential approvals and pivotal read-outs, and continue to look to increase investment in early-stage research to broaden and advance our neurology, immunology and hematology pipelines,” Dr. Scangos added.

**Second Quarter 2014 Performance Highlights**

- TECFIDERA revenues were $700 million, consisting of $585 million in U.S. sales and $115 million in sales outside the U.S.
- AVONEX® revenues were $774 million in the second quarter of 2014. The total was composed of $498 million in U.S. sales and $276 million in sales outside the U.S.
- TYSABRI revenues were $533 million, consisting of $250 million in U.S. sales and $284 million in sales outside the U.S.
    - TYSABRI sales outside the U.S. included $54 million of previously deferred revenue from February 2013 through March 31, 2014, which was recognized during the quarter following an agreement with AIFA. Beginning in the second quarter of 2014, sales of TYSABRI in Italy were recorded at the full reimbursed price. The Company continues to be in discussions with AIFA to resolve its dispute for the periods February 2009 through January 2013.
- Net revenues relating to RITUXAN® and GAZYVA® from our unconsolidated joint business arrangement were $303 million in the second quarter of 2014, compared to $289 million in the second quarter of 2013.
- ALPROLIX™ revenues were $10 million in the second quarter of 2014.

**Other Financial Results**

- Revenues for FAMPYRA® and FUMADERM™ were $38 million in the second quarter of 2014, compared to $33 million in the second quarter of 2013.
- Royalty revenues were $40 million in the second quarter of 2014, compared to $38 million in the second quarter of 2013.
- Corporate partner revenues were $22 million in the second quarter of 2014, compared to $11 million in the second quarter of 2013.
- As of June 30, 2014, Biogen Idec had cash, cash equivalents and marketable securities totaling approximately $2.6 billion.

**Updated 2014 Financial Guidance**

Biogen Idec increased its full year 2014 financial guidance. This change represents a meaningful increase from prior guidance owing primarily to the growth of TECFIDERA in the U.S. and the E.U., the strength of our other MS therapies, and clarity on the AIFA pricing matter.

This guidance consists of the following components:

- Revenue growth is expected to be approximately 38% to 41%.
- R&D expense is expected to be approximately 20% to 21% of total revenue.
    - For the balance of the year, full year guidance for R&D expense includes greater than $150 million intended for new early and mid-stage business development opportunities.
- SG&A expense is expected to be approximately 22% to 23% of total revenue.
- GAAP diluted EPS is expected to be between $11.26 and $11.46.
- Non-GAAP diluted EPS is expected to be between $12.90 and $13.10.

Biogen Idec may incur charges, realize gains or experience other events in 2014 that could cause actual results to vary from this guidance.

**Multiple Sclerosis (MS) Events**

- In May 2014, Biogen Idec received a positive recommendation from the Committee for Medicinal Products for Human Use of the European Medicines Agency for the marketing authorization of PLEGRIDY™ (Peginterferon Beta-1a), a pegylated interferon administered subcutaneously for adults with relapsing-remitting multiple sclerosis.

- In June 2014, Biogen Idec and AbbVie announced positive top-line results from the Phase 3 DECIDE clinical trial investigating Daclizumab High Yield Process (HYP) in MS, with Daclizumab HYP demonstrating superiority over interferon beta-1a in annual relapse rate.

- At the 66th American Academy of Neurology (AAN) annual meeting in April and May 2014, Biogen Idec presented new data on several of its MS programs, including:
    - Two-year data from its Phase 3 ADVANCE clinical trial for PLEGRIDY in people with relapsing MS.
    - Data that reinforces the efficacy of TECFIDERA (dimethyl fumarate) in a wide range of patients with relapsing MS, as well as support for its favorable safety and tolerability profile in the real-world setting.
    - Post hoc analysis of data from the AFFIRM study demonstrating improvement in walking speed for TYSABRI (natalizumab) relative to placebo at two years.
    - Additional data from observational registry studies showing the benefit of switching to TYSABRI after experiencing an MS relapse while taking interferon beta or glatiramer acetate.

**Hemophilia Events**

- In June 2014, the U.S. Food and Drug Administration approved ELOCTATE [Antihemophilic Factor (Recombinant), Fc Fusion Protein] for the control and prevention of bleeding episodes, surgical management and routine prophylaxis in adults and children with hemophilia A.

- In July 2014, ALPROLIX [Coagulation Factor IX (Recombinant), Fc Fusion Protein] for hemophilia B obtained marketing approval from Japan’s Ministry of Health, Labor and Welfare, while ELOCTATE for hemophilia A was approved by Australia’s Therapeutic Goods Administration.

- At the World Federation of Hemophilia 2014 World Congress in May 2014, Biogen Idec and Swedish Orphan Biovitrum AB announced their intent to donate up to one billion

international units of clotting factor therapy for humanitarian aid programs in the developing world.

**Other Events**

- In April 2014, Biogen Idec and Quintiles entered into a five-year strategic clinical development agreement to help optimize Biogen Idec's clinical development processes.

- In May 2014, Biogen Idec announced that Richard A. Rudick, M.D., has joined the Company as Vice President, Development Sciences, Value-Based Medicine. Dr. Rudick will lead Biogen Idec's newly created Value-Based Medicine Group, which will focus on using advanced technologies to develop innovative programs and tools to better understand, measure and manage the treatment of multiple sclerosis.

- During the second quarter of 2014, the Company made a $35 million donation to the Biogen Idec Foundation to support the Foundation's mission of providing grants to STEM (Science, Technology, Engineering, Math) education programs.

**Conference Call and Webcast**
The Company's earnings conference call for the second quarter will be broadcast via the internet at 9:00 a.m. EDT on July 23, 2014, and will be accessible through the Investors section of Biogen Idec's homepage, www.biogenidec.com. Supplemental information in the form of a slide presentation will also be accessible at the same location on the internet at the time of the conference call and will be subsequently available on the website for at least one month.

**About Biogen Idec**
Through cutting-edge science and medicine, Biogen Idec discovers, develops and delivers to patients worldwide innovative therapies for the treatment of neurodegenerative diseases, hematologic conditions and autoimmune disorders. Founded in 1978, Biogen Idec is the world's oldest independent biotechnology company and patients worldwide benefit from its leading multiple sclerosis and innovative hemophilia therapies. For product labeling, press releases and additional information about the Company, please visit www.biogenidec.com.

**Safe Harbor**
This press release contains forward-looking statements, including statements about 2014 financial guidance. These forward-looking statements may be accompanied by such words as "anticipate," "believe," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "project," "target," "will" and other words and terms of similar meaning. You should not place undue reliance on these statements.

These statements involve risks and uncertainties that could cause actual results to differ materially from those reflected in such statements, including: our dependence on sales from our principal products; uncertainty of success in execution of our commercialization of new products; failure to protect and enforce our data, intellectual property and other proprietary rights and the diminution of our ability to derive anticipated benefits from our products; difficulties in obtaining or changes in the availability of reimbursement for our products; uncertainty of success in developing other product candidates, including our ability to obtain product approvals in a timely manner or at all for new or current products; the occurrence of adverse safety events with our products; failure to compete effectively due to significant product competition in the markets for our products; dependence on collaborators and other third parties for the development and commercialization of products; problems with our manufacturing processes;

failure to manage our growth and execute our growth initiatives; failure to comply with legal and regulatory requirements; the risks of doing business internationally; charges and other costs relating to our properties; risks and uncertainties relating to the timing, outcome and impact of legal, administrative and other proceedings and disputes; fluctuations in our effective tax rate; our ability to attract and retain qualified personnel; uncertainty and potential liabilities relating to product liability and intellectual property claims; the market, interest and credit risks associated with our portfolio of marketable securities; environmental risks; and the other risks and uncertainties that are described in the Risk Factors section of our most recent annual or quarterly report and in other reports we have filed with the SEC.

These statements are based on our current beliefs and expectations and speak only as of the date of this press release. We do not undertake any obligation to publicly update any forward-looking statements.

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**TABLE 1**
**Biogen Idec Inc. and Subsidiaries**
**Condensed Consolidated Statements of Income**
***(unaudited, in thousands, except per share amounts)***

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|---|---|---|---|
| | **2014** | **2013** | **2014** | **2013** |
| **Revenues:** | | | | |
| Product, net | $ 2,056,292 | $ 1,385,918 | $ 3,799,057 | $ 2,481,697 |
| Unconsolidated joint business | 303,296 | 288,785 | 600,181 | 553,391 |
| Royalty | 40,344 | 38,111 | 78,200 | 70,931 |
| Corporate partner | 21,520 | 10,659 | 73,765 | 32,550 |
| Total revenues | 2,421,452 | 1,723,473 | 4,551,203 | 3,138,569 |
| **Cost and expenses:** | | | | |
| Cost of sales, excluding amortization of acquired intangible assets | 291,887 | 230,728 | 571,132 | 364,477 |
| Research and development | 447,273 | 327,463 | 976,157 | 611,803 |
| Selling, general and administrative | 576,622 | 431,012 | 1,088,296 | 783,610 |
| Amortization of acquired intangible assets | 116,826 | 82,225 | 260,084 | 133,526 |
| Collaboration profit sharing | — | — | — | 85,357 |
| (Gain) loss on fair value remeasurement of contingent consideration | 4,019 | (5,163) | 3,220 | (2,886) |
| Total cost and expenses | 1,436,627 | 1,066,265 | 2,898,889 | 1,975,887 |
| Gain on sale of rights | 3,900 | 5,319 | 7,759 | 10,370 |
| **Income from operations** | 988,725 | 662,527 | 1,660,073 | 1,173,052 |
| Other income (expense), net | 4,861 | (10,428) | (740) | (24,885) |
| **Income before income tax expense and equity in loss of investee, net of tax** | 993,586 | 652,099 | 1,659,333 | 1,148,167 |
| Income tax expense | 268,521 | 159,140 | 446,935 | 244,648 |
| Equity in loss of investee, net of tax | 1,933 | 2,289 | 9,538 | 6,100 |
| **Net income** | 723,132 | 490,670 | 1,202,860 | 917,419 |
| **Net income (loss) attributable to noncontrolling interests, net of tax** | 8,626 | — | 8,398 | — |
| **Net income attributable to Biogen Idec Inc.** | $ 714,506 | $ 490,670 | $ 1,194,462 | $ 917,419 |
| **Net income per share:** | | | | |
| Basic earnings per share attributable to Biogen Idec Inc. | $ 3.02 | $ 2.07 | $ 5.05 | $ 3.87 |
| Diluted earnings per share attributable to Biogen Idec Inc. | $ 3.01 | $ 2.06 | $ 5.03 | $ 3.85 |
| **Weighted-average shares used in calculating:** | | | | |
| Basic earnings per share attributable to Biogen Idec Inc. | 236,661 | 237,484 | 236,729 | 237,162 |
| Diluted earnings per share attributable to Biogen Idec Inc. | 237,401 | 238,743 | 237,634 | 238,543 |

**TABLE 2**
**Biogen Idec Inc. and Subsidiaries**
**Condensed Consolidated Balance Sheets**
***(unaudited, in thousands)***

| | As of June 30, 2014 | As of December 31, 2013 |
|---|---|---|
| **ASSETS** | | |
| Cash, cash equivalents and marketable securities | $ 1,573,066 | $ 1,222,729 |
| Accounts receivable, net | 1,002,328 | 824,406 |
| Inventory | 715,935 | 659,003 |
| Other current assets | 633,684 | 478,796 |
| Total current assets | 3,925,013 | 3,184,934 |
| Marketable securities | 1,010,837 | 625,772 |
| Property, plant and equipment, net | 1,756,164 | 1,750,710 |
| Intangible assets, net | 4,249,378 | 4,474,653 |
| Goodwill | 1,364,815 | 1,232,916 |
| Investments and other assets | 611,791 | 594,350 |
| TOTAL ASSETS | $ 12,917,998 | $ 11,863,335 |
| | | |
| **LIABILITIES AND EQUITY** | | |
| Current portion of notes payable and line of credit | $ 3,386 | $ 3,494 |
| Other current liabilities | 1,913,238 | 1,754,785 |
| Notes payable | 586,091 | 592,433 |
| Long-term deferred tax liability | 139,092 | 232,554 |
| Other long-term liabilities | 710,965 | 659,231 |
| Equity | 9,565,226 | 8,620,838 |
| TOTAL LIABILITIES AND EQUITY | $ 12,917,998 | $ 11,863,335 |

**TABLE 3**
**Biogen Idec Inc. and Subsidiaries**
**GAAP to Non-GAAP Reconciliation: Net Income and Net Income Per Share**
***(unaudited, in millions, except per share amounts)***

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|---|---|---|---|
| | **2014** | **2013** | **2014** | **2013** |
| **EARNINGS PER SHARE** | | | | |
| GAAP earnings per share - Diluted | $ 3.01 | $ 2.06 | $ 5.03 | $ 3.85 |
| Adjustments to net income attributable to Biogen Idec Inc. (as detailed below) | 0.48 | 0.24 | 0.93 | 0.42 |
| Non-GAAP earnings per share - Diluted | $ 3.49 | $ 2.30 | $ 5.96 | $ 4.27 |

An itemized reconciliation between net income attributable to Biogen Idec Inc. on a GAAP basis and net income attributable to Biogen Idec Inc. on a non-GAAP basis is as follows:

| | | | | |
|---|---|---|---|---|
| GAAP net income attributable to Biogen Idec Inc. | $ 714.5 | $ 490.7 | $ 1,194.5 | $ 917.4 |
| Adjustments: | | | | |
| Amortization of acquired intangible assets | 113.0 | 79.5 | 252.8 | 128.1 |
| (Gain) loss on fair value remeasurement of contingent consideration | 4.0 | (5.2) | 3.2 | (2.9) |
| SG&A: Stock option expense | 1.5 | 1.0 | 4.0 | 2.9 |
| R&D: Stock option expense | 1.2 | 0.8 | 3.5 | 2.4 |
| Donation to Biogen Idec Foundation | 35.0 | — | 35.0 | — |
| Income tax effect related to reconciling items | (40.1) | (18.0) | (77.1) | (29.7) |
| Non-GAAP net income attributable to Biogen Idec Inc. | $ 829.1 | $ 548.8 | $ 1,415.9 | $ 1,018.2 |

**2014 Full Year Guidance: GAAP to non-GAAP adjustments**

An itemized reconciliation between projected EPS on a GAAP basis and on a non-GAAP basis is as follows:

| | **$** | **Shares** | **Diluted EPS** |
|---|---|---|---|
| Projected GAAP net income attributable to Biogen Idec Inc. | 2,697 | 237 | $ 11.36 |
| Adjustments: | | | |
| Amortization of acquired intangible assets | 463 | | |
| (Gain) loss on fair value remeasurement of contingent consideration | 8 | | |
| Stock option expense | 13 | | |
| Donation to Biogen Idec Foundation | 35 | | |
| Income tax effect related to reconciling items | (131) | | |
| Projected Non-GAAP net income attributable to Biogen Idec Inc. | 3,085 | 237 | $ 13.00 |

Numbers may not foot due to rounding

## Use of Non-GAAP Financial Measures

We supplement our consolidated financial statements presented on a GAAP basis by providing additional measures which may be considered “non-GAAP” financial measures under applicable SEC rules. We believe that the disclosure of these non-GAAP financial measures provides additional insight into the ongoing economics of our business and reflects how we manage our business internally, set operational goals and forms the basis of our management incentive programs. These non-GAAP financial measures are not in accordance with generally accepted accounting principles in the United States and should not be

viewed in isolation or as a substitute for reported, or GAAP, net income attributable to Biogen Idec Inc. and diluted earnings per share.

Our “Non-GAAP net income attributable to Biogen Idec Inc.” and “Non-GAAP earnings per share - Diluted” financial measures exclude the following items from GAAP net income attributable to Biogen Idec Inc. and diluted earnings per share:

1. Purchase accounting and merger-related adjustments.

We exclude certain purchase accounting related items associated with the acquisition of businesses, assets and amounts in relation to the consolidation of variable interest entities for which we are the primary beneficiary. These adjustments include charges for in-process research and development, the amortization of certain acquired intangible assets and fair value remeasurements of our contingent consideration obligations. The exclusion of these charges provides management and investors with a supplemental measure of performance which the Company believes better reflects the underlying economics of the business.

2. Stock option expense recorded in accordance with the accounting standard for share-based payments.

We believe that excluding the impact of expensing stock options better reflects the recurring economic characteristics of our business.

3. Other items.

We evaluate other items on an individual basis, and consider both the quantitative and qualitative aspects of the item, including (i) its size and nature, (ii) whether or not it relates to our ongoing business operations, and (iii) whether or not we expect it to occur as part of our normal business on a regular basis. We also include an adjustment to reflect the related tax effect of all reconciling items within our reconciliation of our GAAP to Non-GAAP net income attributable to Biogen Idec Inc.

**TABLE 4**
**Biogen Idec Inc. and Subsidiaries**
**Product Revenues**
***(unaudited, in thousands)***

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|---|---|---|---|
| | **2014** | **2013** | **2014** | **2013** |
| **PRODUCT REVENUES** | | | | |
| AVONEX | $ 773,772 | $ 774,416 | $1,535,246 | $1,520,514 |
| TYSABRI | 533,440 | 386,741 | 974,485 | 698,911 |
| TECFIDERA | 700,380 | 192,134 | 1,206,090 | 192,134 |
| FAMPYRA | 22,316 | 16,811 | 41,277 | 40,014 |
| FUMADERM | 15,987 | 15,816 | 31,562 | 30,124 |
| ALPROLIX | 10,397 | — | 10,397 | — |
| Total product revenues, net | $2,056,292 | $1,385,918 | $3,799,057 | $2,481,697 |