

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2014

Commission File Number 0-23272

NPS PHARMACEUTICALS, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

87-0439579

(I.R.S. Employer Identification No.)

550 Hills Drive, 3rd Floor, Bedminster, NJ 07921

(Address of Principal Executive Offices including Zip Code)

(908) 450-5300

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title Of Each Class	Name Of Each Exchange On Which Registered
Common Stock, \$.001 Par Value Per Share	The NASDAQ Stock Market LLC (NASDAQ Global Market)

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES NO

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Exchange Act. YES NO

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for at least the past 90 days. YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," and large "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
 (Do not check if a smaller reporting company)

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES
 NO

The aggregate market value of the common stock held by non-affiliates of the Registrant was \$3,543,284,815 as of June 30, 2014, based upon the closing price for the shares of common stock reported on The NASDAQ Global Market on such date.

As of February 11, 2015, there were 108,581,155 shares of common stock, par value \$0.001 per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the Registrant's definitive Proxy Statement for its 2015 Annual Meeting of Stockholders are incorporated by reference into Part II - "Securities Authorized For Issuance Under Equity Compensation Plans" and Part III of this Form 10-K, or, in the event the Registrant does not prepare and file such Proxy Statement, will be provided instead by an amendment to this report containing the applicable disclosures within 120 days after the end of the fiscal year covered by this report. (With the exception of those portions which are specifically incorporated by reference in this report, any such Proxy Statement is not deemed to be filed or incorporated by reference as part of this report).

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PART I

Unless the context requires otherwise, references in this report to "NPS", the "Company", "we", "us", "our" and similar terms mean NPS Pharmaceuticals, Inc. and its subsidiaries.

This Annual Report on Form 10-K and the documents incorporated by reference into this report contain certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on our current expectations and are subject to uncertainty and changes in circumstances. We cannot guarantee the accuracy of such statements, and you should be aware that results and events could differ materially from those contained in such statements. You should consider carefully the statements set forth in Item 1A of this report entitled "Risk Factors" and Item 7 of this report entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations".

ITEM 1. Business**Merger Agreement**

On January 11, 2015, we entered into an Agreement and Plan of Merger (Merger Agreement) with Shire Pharmaceutical Holdings Ireland Limited (Parent), a company incorporated in Ireland and a wholly owned subsidiary of Shire plc (Shire), a company incorporated in Jersey; Knight Newco 2, Inc. (Purchaser), a Delaware corporation and wholly owned subsidiary of Parent; and, solely for purposes of Section 12.14 of the Merger Agreement, Shire. Pursuant to the Merger Agreement, Purchaser has commenced a cash tender offer for all of the outstanding shares of the Company's common stock, upon the terms and subject to the conditions of the Merger Agreement. Consummation of the tender offer is subject to customary closing conditions, as set forth in the Merger Agreement. As soon as practicable following the consummation of the tender offer, and subject to the satisfaction or waiver of certain conditions set forth in the Merger Agreement, Purchaser will merge with and into the Company pursuant to the provisions of section 251(h) of the Delaware General Corporation Law, with no stockholder vote required to consummate the merger, and the Company will survive as a wholly owned subsidiary of Parent.

The Merger Agreement contains representations, warranties and covenants of the parties customary for transactions of this type. Until the earlier of the termination of the Merger Agreement and the consummation of the merger, the Company has agreed to operate its business and the business of its subsidiaries in the ordinary course and has agreed to certain other operating covenants, as set forth more fully in the Merger Agreement. The Company has agreed not to solicit alternative acquisition proposals. However, the Company may, subject to the terms and conditions set forth in the Merger Agreement, furnish information to, and engage in discussions and negotiations with, a third party that makes an unsolicited acquisition proposal that the Board reasonably believes is or could reasonably be expected to lead to a superior proposal. Under certain circumstances and upon compliance with certain notice and other specified conditions set forth in the Merger Agreement, the Company may terminate the Merger Agreement to accept a superior proposal.

The Merger Agreement contains certain termination rights for both Parent and the Company and further provides that, upon termination of the Merger Agreement under certain circumstances relating to competing acquisition proposals, including if the Company terminates the Merger Agreement to accept a superior proposal, or where our Board of Directors changes its recommendation in favor of the transaction, the Company may be required to pay Parent a termination fee of \$155,939,696.

Shire has secured an \$850 million fully underwritten short-term bank facility, which in addition to Shire's cash and cash equivalents and its existing \$2.1 billion five-year revolving credit facility, is available to finance the transaction and pay related fees and expenses.

Additional information about the merger is set forth in our filings with the U.S. Securities and Exchange Commission (SEC).

Overview

We are a global biopharmaceutical company pioneering and delivering first-in- or best-in disease therapies that transform the lives of patients with rare diseases. Our vision is a world where every person living with a rare disease has a treatment option. We incorporated in Utah in 1986 and reincorporated in Delaware in 1992. Our current therapeutic areas of focus are rare gastrointestinal and endocrine disorders. These include Short Bowel Syndrome, a potentially fatal gastrointestinal disorder in which patients may have to rely on parenteral support for their survival; Hypoparathyroidism, a complex endocrine disorder in which the parathyroid glands are either absent or damaged and the body produces insufficient or no parathyroid hormone; and Autosomal Dominant Hypocalcemia (ADH), an ultra-rare genetic disorder of calcium homeostasis caused by mutations of the calcium-sensing receptor gene.

Our first marketed product, Gattex® 0.05 mg/kg/d (teduglutide [rDNA origin]) for injection, for subcutaneous use was approved by the U.S. Food and Drug Administration ("FDA") in December 2012 for the treatment of adult patients with Short Bowel Syndrome ("SBS") who are dependent on parenteral support. SBS is an ultra-rare potentially fatal disorder in which the body is unable to absorb enough nutrients and fluids through the gastrointestinal tract. In the European Union ("EU"), teduglutide (trade name: Revestive®) is approved for the treatment of adult patients with SBS; patients should be stable following a period of intestinal adaptation after surgery. We launched Revestive in Germany and Sweden in 2014 and plan to launch in other EU countries in 2015. We also have orphan drug designation in Japan and a small local study in Japanese SBS patients is underway. In addition, a global development program in pediatric SBS is advancing and we are currently evaluating the results from the first study.

Our second product, Natpara® (parathyroid hormone) for Injection was approved in January 2015 as an adjunct to calcium and vitamin D to control hypocalcemia in patients with hypoparathyroidism, a rare endocrine disorder characterized by insufficient levels of parathyroid hormone or PTH. Natpara, a bioengineered replica of human PTH, is expected to be available in the second quarter of 2015.

Because of the potential risk of osteosarcoma, Natpara is recommended only for patients who cannot be well-controlled on calcium supplements and active forms of vitamin D alone. Natpara was not studied in patients with hypoparathyroidism caused by calcium-sensing receptor mutations or in patients with acute post-surgical hypoparathyroidism.

In the EU, the European Medicines Agency is currently reviewing our Marketing Authorization Application for Natpara® which is the European brand name for Natpara, in hypoparathyroidism.

We have collaborations or royalty agreements with a number of pharmaceutical companies. In 2014, we recorded \$122.9 million of royalty revenue that was driven by (i) Amgen's sales of Sensipar® and Mimpara® (cinacalcet HCl), (ii) Kyowa Hakko Kirin's sales of REGPARA® (cinacalcet HCl) in Japan, and (iii) Janssen's sales of Nucynta® (tapentadol) in the U.S. As described further herein, we have partially monetized our royalty rights related to Sensipar and Mimpara under our agreement with Amgen through the issuance of non-recourse debt and we have sold certain of our rights to receive royalty payments arising from sales of REGPARA under our agreement with Kyowa Hakko Kirin.

We consider our operations to be a single reportable segment. Financial results of this reportable segment are presented in our audited consolidated financial statements.

Significant Developments

- In January 2015, we entered into a merger agreement with Shire pursuant to which Shire will acquire all of our outstanding shares for \$46 per share.
- In January 2015, the FDA approved our BLA for Natpara.

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.