
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES AND EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): **May 2, 2007**

**DYNAVAX TECHNOLOGIES
CORPORATION**

(Exact name of registrant as specified in charter)

Delaware
(State or other jurisdiction of
incorporation)

000-50577
(Commission File Number)

33-0728374
(I.R.S. Employer Identification
No.)

2929 Seventh Street, Suite 100
Berkeley, California 94710
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(510) 848-5100**

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

On May 2, 2007, Dynavax Technologies Corporation issued a press release announcing its fiscal 2007 first quarter financial results. A copy of the press release is attached as Exhibit 99.1 to this current report and is incorporated herein by reference.

The information in this current report and in the accompanying exhibit shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. The information contained in this current report and in the accompanying exhibit shall not be incorporated by reference into any filing with the U.S. Securities and Exchange Commission made by Dynavax Technologies Corporation, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.

On or about April 30, 2007, Dynavax exercised its existing program option to acquire the rights to the hepatitis B program by notice to Symphony Dynamo, Inc. and Symphony Dynamo Holdings LLC under the terms and conditions of the Amended and Restated Research and Development Agreement among the parties dated April 18, 2006. The exercise of the program option triggers a payment obligation of \$15 million to Symphony Dynamo Holdings LLC upon the expiration of the Symphony Dynamo collaboration if the purchase option for all programs is not exercised. Dynavax may exercise its purchase option for all programs at specified prices at any time prior to the fifth anniversary of the arrangement.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
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99.1	Press release, dated May 2, 2007 entitled “Dynavax Announces First Quarter 2007 Financial Results.”
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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.

DYNAVAX TECHNOLOGIES CORPORATION

Dated: May 2, 2007

By: /s/ Deborah A. Smeltzer

Deborah A. Smeltzer, Vice President,
Operations and Chief Financial Officer

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	Press release, dated May 2, 2007 entitled "Dynavax Announces First Quarter 2007 Financial Results."



2929 Seventh Street, Suite 100
Berkeley, CA 94710

Contact:
Dynavax Technologies Corporation
Deborah A. Smeltzer
VP Operations & Chief Financial Officer
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DYNVAVX ANNOUNCES FIRST QUARTER 2007 FINANCIAL RESULTS

BERKELEY, Calif. — May 2, 2007 — Dynavax Technologies Corporation (Nasdaq: DVAX) today reported financial results for the first quarter ended March 31, 2007.

As of March 31, 2007, Dynavax reported cash, cash equivalents, marketable securities and investments held by Symphony Dynamo, Inc. (SDI) totaling \$71.3 million. This compares to \$86.2 million at December 31, 2006.

Total revenues were \$2.0 million for the quarter ended March 31, 2007, compared to \$0.3 million for the same period in 2006. The reported revenues do not include collaboration funding from SDI of \$3.5 million for the first quarter of 2007. Including the collaboration funding from SDI, pro forma revenues were \$5.5 million for the first quarter 2007. The increase in revenues resulted from our collaboration with AstraZeneca, service and license revenue from customers of Dynavax Europe, and grant revenue primarily from the NIH.

Total operating expenses were \$18.1 million for the quarter ended March 31, 2007 compared to \$9.2 million for the same period in 2006. Operating expenses include non-cash charges for stock-based compensation and amortization of intangible assets resulting from the April 2006 acquisition of Rhein Biotech GmbH (Dynavax Europe). Excluding non-cash charges, pro forma operating expenses were \$17.0 million for the first quarter 2007. The increase in operating expenses resulted primarily from increased clinical development activities related to the Company's product candidates HEPLISAV™ and TOLAMBA™, the expansion of the Company's operations to include Dynavax Europe, and reimbursable expenses related to SDI programs.

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The tables included as part of this press release provide a reconciliation of GAAP revenues and operating expenses to pro forma revenues and operating expenses.

Net loss for the first quarter 2007 was \$13.1 million, or \$0.33 per share, compared to a net loss of \$8.2 million, or \$0.27 per share, for the same period in 2006. The increase in net loss for the first quarter 2007 was due primarily to increased clinical development expenditures on the Company's product candidates and overall organizational growth. The increase in shares used to compute net loss per share resulted from the Company's equity financing activities completed in the fourth quarter 2006.

Dynavax reported that following the end of the first quarter, the scheduled \$30 million in SDI funding was received and that the Company had subsequently provided notice of exercise of its program option according to the terms of its agreements with SDI to reacquire rights to the hepatitis B therapy program, currently in Phase 1. The funding originally budgeted for this program could be made available under the collaboration with SDI to fund the cancer programs in non-Hodgkin's lymphoma, metastatic colorectal cancer and future solid tumor clinical studies, and hepatitis C therapy. The Company plans to continue to develop the hepatitis B therapy outside the Symphony Dynamo program as it remains an important part of its antiviral franchise. The exercise of the program option triggers a payment obligation of \$15 million to Symphony Dynamo Holdings LLC upon the expiration of the SDI collaboration if the purchase option for all programs is not exercised.

"During the first quarter, enrollment in our pivotal Phase 3 study of HEPLISAV in Canada proceeded on track for an expected BLA submission in 2008. Initiation of the European arm of that study is expected shortly. Our earlier stage clinical programs evaluating our TLR9 approach in cancer and as a hepatitis B therapy are also moving forward as planned. Importantly, the AstraZeneca collaboration in asthma and COPD is progressing its efforts to identify clinical compounds for inhaled TLR9 therapeutic approaches," said Dino Dina, MD, president and chief executive officer.

"Partnership opportunities for our novel technology are actively being explored by our Business Development group with a goal of identifying the right partners to bring potential products to the market. Importantly, our cash position remains strong. With the added \$30 million from Symphony Dynamo available for our cancer and hepatitis C therapeutics programs, we have committed cash of over \$100 million," Dr. Dina noted.

The Company does not plan to hold a teleconference relating to this press release.

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About Dynavax

Dynavax Technologies Corporation discovers, develops, and intends to commercialize innovative TLR9 agonist-based products to treat and prevent infectious diseases, allergies, cancer, and chronic inflammatory diseases using versatile, proprietary approaches that alter immune system responses in highly specific ways. Our TLR9 agonists are based on immunostimulatory sequences, or ISS, which are short DNA sequences that enhance the ability of the immune system to fight disease and control chronic inflammation. Our product candidates include: HEPLISAV, a hepatitis B vaccine in Phase 3; TOLAMBA, a ragweed allergy immunotherapy; a therapy for non-Hodgkin's lymphoma (NHL) in Phase 2 and for metastatic colorectal cancer in Phase 1; and a therapy for hepatitis B also in Phase 1. Our preclinical asthma and COPD program is partnered with AstraZeneca. Our preclinical work on a vaccine for influenza is partially funded by the NIH. Our colorectal cancer trial and our preclinical hepatitis C therapeutic program are funded by Symphony Dynamo, Inc. While the NIH and SDI provide program support, Dynavax has retained rights to seek strategic partners for future development and commercialization. For more information, please visit <http://www.dynavax.com>.

This press release contains forward-looking statements that are subject to a number of risks and uncertainties, including statements about our product candidates and financial position. Actual results may differ materially from those set forth in this press release due to the risks and uncertainties inherent in our business, including difficulties or delays in development and achieving our related timelines; achieving the objectives of our collaborative and licensing agreements such as our SDI and AstraZeneca arrangements; and obtaining regulatory approval for our products; the scope and validity of patent protection for our products; possible claims against us based on the patent rights of others; our ability to obtain additional financing to support our operations; and other risks detailed in the "Risk Factors" section of our Quarterly Report on Form 10-Q. We undertake no obligation to revise or update information herein to reflect events or circumstances in the future, even if new information becomes available.

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DYNAVAX TECHNOLOGIES CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended	
	March 31,	
	<u>2007</u>	<u>2006</u>
Revenues:		
Collaboration revenue	\$ 747	\$ —
Service and license revenue	109	—
Grant revenue	1,128	288
Total revenues	1,984	288
Operating expenses:		
Research and development (2)	13,632	6,592
General and administrative (3)	4,180	2,603
Amortization of intangible assets	251	—
Total operating expenses (1)	18,063	9,195
Loss from operations	(16,079)	(8,907)
Interest and other income, net	973	735
Loss including noncontrolling interest in Symphony Dynamo, Inc.	(15,106)	(8,172)
Amount attributed to noncontrolling interest in Symphony Dynamo, Inc.	2,016	—
Net loss	\$ (13,090)	\$ (8,172)
Basic and diluted net loss per share	\$ (0.33)	\$ (0.27)
Shares used to compute basic and diluted net loss per share	39,727	30,487

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- (1) Total operating expenses excluding non-cash stock-based compensation charges are \$17.3 million and \$8.5 million for the quarters ended March 31, 2007 and 2006, respectively.
- (2) Research and development expenses included non-cash stock-based compensation charges of \$0.2 million and \$0.3 million for the quarters ended March 31, 2007 and 2006, respectively.
- (3) General and administrative expenses included non-cash stock-based compensation charges of \$0.6 million and \$0.4 million for the quarters ended March 31, 2007 and 2006, respectively.

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DYNAVAX TECHNOLOGIES CORPORATION
RECONCILIATION OF GAAP REVENUES TO PRO FORMA REVENUES
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2007	2006
GAAP revenues	\$ 1,984	\$ 288
ADD:		
Collaboration funding incurred under SDI programs	3,496	—
Pro forma revenues (1)	\$ 5,480	\$ 288

(1) These pro forma amounts are intended to illustrate the company's revenues to be inclusive of collaboration funding provided for the SDI programs. The collaboration funding is reflected in the amount attributed to the noncontrolling interest in SDI in the company's consolidated statement of operations, but would have been reported as revenue if SDI's results of operations were not consolidated with those of the company. Management of the company believes the pro forma results are a more useful measure of the company's revenues because it provides investors the ability to evaluate the company's operations in the manner that management uses to assess the continued progress of programs funded under the SDI arrangement. These pro forma results are not in accordance with, or an alternative for, generally accepted accounting principles and may be different from pro forma measures used by other companies.

DYNAVAX TECHNOLOGIES CORPORATION
RECONCILIATION OF GAAP OPERATING EXPENSES TO PRO FORMA OPERATING EXPENSES
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2007	2006
GAAP operating expenses	\$ 18,063	\$ 9,195
LESS:		
Stock-based compensation expense.	808	666
Amortization of intangible assets	251	—
Pro forma operating expenses (2).	\$ 17,004	\$ 8,529

(2) These pro forma amounts are intended to illustrate the company's operating expenses excluding certain non-cash charges in accordance with the financials that management uses to evaluate the company's operations. These pro forma results are not in accordance with, or an alternative for, generally accepted accounting principles and may be different from pro forma measures used by other companies.

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DYNAVAX TECHNOLOGIES CORPORATION
SELECTED BALANCE SHEET DATA
(In thousands)

	March 31,	December 31,
	2007	2006
Assets	(unaudited)	
Cash and cash equivalents and marketable securities (1)	\$ 71,332	\$ 86,194
Property and equipment, net	5,552	5,200
Goodwill	2,312	2,312
Other intangible assets, net	4,130	4,382
Other assets	3,707	4,802
Total assets	<u>\$ 87,033</u>	<u>\$ 102,890</u>
Liabilities, noncontrolling interest and stockholders' equity		
Current liabilities	\$ 12,100	\$ 13,701
Deferred revenue and other long-term liabilities	10,099	10,117
Noncontrolling interest in Symphony Dynamo, Inc.	—	2,016
Stockholders' equity	64,834	77,056
Total liabilities, noncontrolling interest and stockholders' equity	<u>\$ 87,033</u>	<u>\$ 102,890</u>

(1) These amounts also include investments held by Symphony Dynamo, Inc. of \$8.6 million as of March 31, 2007.

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