
**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): November 3, 2016

Vical Incorporated

(Exact Name of Registrant as Specified in Charter)

DELAWARE
(State or Other Jurisdiction of Incorporation)

000-21088
(Commission File Number)

93-0948554
(I.R.S. Employer Identification Number)

10390 Pacific Center Court, San Diego, California 92121-4340
(Address of Principal Executive Offices) (Zip Code)

(858) 646-1100
(Registrant's telephone number, including area code)

Not Applicable
(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))
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Item 2.02. Results of Operations and Financial Condition.

On November 3, 2016, Vical Incorporated issued a press release announcing, among other things, its unaudited financial results for the three and nine months ended September 30, 2016. A copy of the press release is attached as Exhibit 99.1 to this Current Report.

The information in this Item 2.02, and Exhibit 99.1 attached hereto, is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press release issued by Vical Incorporated on November 3, 2016.

SIGNATURE

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.

Vical Incorporated

Date: November 3, 2016

By: /s/ Vijay B. Samant
Vijay B. Samant
Chief Executive Officer

INDEX TO EXHIBITS

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 99.1 | Press release issued by Vical Incorporated on November 3, 2016. |

Vical Reports Third Quarter 2016 Financial Results

SAN DIEGO, Nov. 03, 2016 (GLOBE NEWSWIRE) -- Vical Incorporated (Nasdaq:VICL) today reported financial results for the three and nine months ended September 30, 2016. Net loss for the third quarter of 2016 was \$2.5 million, or \$0.24 per share, compared with a net loss of \$0.3 million, or \$0.03 per share, for the third quarter of 2015. Revenues for the third quarter of 2016 were \$2.6 million, compared with revenues of \$5.0 million for the third quarter of 2015, reflecting revenues from Astellas Pharma Inc. for manufacturing services performed under the ASP0113 collaborative agreements. ASP0113 is Vical's therapeutic vaccine designed to prevent cytomegalovirus (CMV) disease and associated complications in transplant recipients.

Vical had cash and investments of \$43.0 million at September 30, 2016. The Company's net cash use for the first nine months of 2016 was \$6.8 million, which was consistent with the Company's guidance for the full year. The Company is projecting net cash burn for 2016 between \$8 million and \$11 million.

Operational updates include:

ASP0113 CMV Vaccine

- Recruitment in the multinational Phase 3 registration trial in hematopoietic cell transplant (HCT) recipients met its target enrollment of 500 subjects in September and is now fully enrolled. The primary endpoint of the trial is a composite of overall mortality and CMV end organ disease which will be assessed one year after transplantation. Astellas now expects top-line data to be available in the first quarter of 2018. Vical and Astellas continue to make substantial progress in process validation activities for the manufacture of the bulk drug product in anticipation of a potential BLA filing in 2018.

HSV-2 Therapeutic Vaccine

- In September 2016, Vical announced the initiation of a Phase 2 trial of its bivalent HSV-2 therapeutic vaccine. The randomized, double-blind, placebo-controlled trial is being conducted at approximately 15 U.S. clinical sites and will evaluate the efficacy and safety of the vaccine in approximately 225 otherwise healthy adults aged 18 to 50 years with symptomatic genital HSV-2 infection. The primary endpoint of the study is annualized lesion recurrence rate and was selected following consultation with clinical experts and the FDA. This endpoint is clinically meaningful for both patients and treating physicians as it provides important information on both the number and spacing of recurrences over time in this chronic disease setting.

VL-2397 Antifungal

- Dosing has been completed in Vical's first-in-human Phase 1 trial of its novel antifungal, VL-2397. The randomized, double-blind, placebo-controlled trial is designed to evaluate safety, tolerability and pharmacokinetics of single and multiple ascending doses of intravenous VL-2397 in healthy volunteers. Safety follow-ups and pharmacokinetic sampling are expected to be completed by the end of 2016 with data to follow in 2017. Vical is working actively with its expert advisors and the FDA to design a Phase 2 efficacy study to evaluate VL-2397 in the treatment of patients with invasive aspergillosis. This fungal infection represents a sizeable unmet need given the high mortality rate in immunocompromised patients, despite available antifungal therapies.

Vical will conduct a conference call and webcast today, November 3, at noon Eastern Time, to discuss the Company's financial results and program updates with invited participants. The call and webcast are open on a listen-only basis to any interested parties. To listen to the conference call, dial in approximately ten minutes before the scheduled call to (785)830-7992 (preferred), or (800)768-6569 (toll-free), and reference confirmation code 1380572. A replay of the call will be available for 48 hours beginning about two hours after the call. To listen to the replay, dial (719) 457-0820 (preferred) or (888) 203-1112 (toll-free) and enter replay passcode 1380572. The call will also be available live and archived through the events page at www.vical.com. For further information, contact Vical's Investor Relations department by phone at (858) 646-1127 or by e-mail at ir@vical.com.

About Vical

Vical develops biopharmaceutical products for the prevention and treatment of chronic or life-threatening infectious diseases, based on its patented DNA delivery technologies and other therapeutic approaches. Additional information on Vical is available at www.vical.com.

Forward-Looking Statements

This press release contains forward-looking statements subject to risks and uncertainties that could cause actual results to differ materially from those projected. Forward-looking statements include net cash use guidance, as well as anticipated developments in independent and collaborative programs, including the plans, timing of initiation, enrollment and announcement of data for clinical trials, plans and timing of regulatory filings and potential markets for Vical's product candidates. Risks and uncertainties include whether Vical or others will continue development of ASP0113, Vical's HSV-2 vaccine, VL-2397 or any other independent or collaborative programs; whether Vical will achieve levels of revenues and control expenses to meet its financial projections; whether enrollment in on-going trials will continue at current rates; whether Vical or its collaboration partners will be able to obtain regulatory allowances or guidance necessary to proceed with proposed clinical trials or implement anticipated clinical trial designs; whether on-going or planned clinical trials will be initiated or completed on the timelines Vical currently expects; whether any product candidates will be shown to be safe and efficacious in clinical trials; whether Vical is able to continue its collaborative arrangements or enter into new ones; whether Vical will have access to sufficient capital to fund its planned development activities; whether Vical or its collaborative partners will seek or gain approval to market any product candidates; and additional

risks set forth in the Company's filings with the Securities and Exchange Commission. These forward-looking statements represent the Company's judgment as of the date of this release. The Company disclaims, however, any intent or obligation to update these forward-looking statements.

VICAL INCORPORATED
Selected Condensed Financial Information (Unaudited)

| Statements of Operations (in thousands, except per share amounts) | Three Months Ended | | Nine Months Ended | |
|--|--------------------|-----------|-------------------|------------|
| | September 30, | | September 30, | |
| | 2016 | 2015 | 2016 | 2015 |
| Revenues: | | | | |
| Contract revenue | \$ 2,310 | \$ 4,427 | \$ 10,028 | \$ 12,382 |
| License and royalty revenue | 332 | 590 | 1,340 | 1,755 |
| Total revenues | 2,642 | 5,017 | 11,368 | 14,137 |
| Operating expenses: | | | | |
| Research and development | 2,599 | 2,128 | 7,380 | 8,222 |
| Manufacturing and production | 993 | 1,306 | 5,060 | 6,626 |
| General and administrative | 1,621 | 1,916 | 5,330 | 6,271 |
| Total operating expenses | 5,213 | 5,350 | 17,770 | 21,119 |
| Loss from operations | (2,571) | (333) | (6,402) | (6,982) |
| Net investment and other income | 48 | 33 | 201 | 99 |
| Net loss | \$ (2,523) | \$ (300) | \$ (6,201) | \$ (6,883) |
| Basic and diluted net loss per share | \$ (0.24) | \$ (0.03) | \$ (0.64) | \$ (0.75) |
| Weighted average shares used in computing basic and diluted net loss per share | 10,453 | 9,196 | 9,647 | 9,160 |

| Balance Sheets (in thousands) | September 30, December 31, | |
|---|----------------------------|-----------|
| | 2016 | 2015 |
| Assets: | | |
| Cash, cash equivalents, and marketable securities, including restricted | \$ 40,761 | \$ 39,954 |
| Other current assets | 6,249 | 4,544 |
| Total current assets | 47,010 | 44,498 |
| Long-term investments | 2,217 | 2,052 |
| Property and equipment, net | 1,375 | 1,873 |
| Other assets | 1,226 | 1,491 |
| Total assets | \$ 51,828 | \$ 49,914 |
| Liabilities and stockholders' equity: | | |
| Current liabilities | \$ 3,965 | \$ 4,162 |
| Long-term liabilities | - | 359 |
| Stockholders' equity | 47,863 | 45,393 |
| Total liabilities and stockholders' equity | \$ 51,828 | \$ 49,914 |

Contacts:
Andrew Hopkins
(858) 646-1127
Website: www.vical.com

Anthony Ramos
Vice President and Chief Accounting Officer