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): January 5, 2012

VICAL INCORPORATED

(Exact name of registrant as specified in charter)

Delaware	**000-21088**	**93-0948554**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

10390 Pacific Center Court **San Diego, California** **(Address of principal executive offices)**	**92121-4340** **(Zip Code)**

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

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))

In this report, “Vical,” “we,” “us” and “our” refer to Vical Incorporated.

Item 2.02 Results of Operations and Financial Condition.

The disclosure contained under the heading “Program Updates and Recent Developments – Year-End Cash and Investments” on Exhibit 99.1 to this Form 8-K is incorporated herein by reference.

Item 8.01 Other Events.

We are filing certain information for the purpose of updating aspects of the description of our business contained in our other filings with the Securities and Exchange Commission. A copy of this additional disclosure is attached as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Additional Disclosure.
99.2	Letter agreement dated July 5, 2011, related to the License Agreement dated December 7, 2001, between the Company and CytRx Corporation.
99.3	Letter agreement dated July 7, 2011, related to the Exclusive License Agreement dated February 3, 2003, between the Company and City of Hope.
99.4	Letter agreement dated July 12, 2011, related to the U.S. License Agreement dated July 12, 2011, between the Company and Astellas Pharma Inc.

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.

VICAL INCORPORATED

Date: January 5, 2012

By: /s/ JILL M. BROADFOOT
Jill M. Broadfoot
Senior Vice President, Chief Financial Officer
and Secretary

Exhibit 99.1

Our Business

We research and develop biopharmaceutical products based on our patented DNA delivery technologies for the prevention and treatment of serious or life-threatening diseases. We believe the following areas of research offer us and our partners the greatest potential for near-term commercialization:

- Vaccines for use in high-risk populations for infectious disease targets for which there are significant needs;
- Vaccines for general pediatric, adolescent and adult populations for infectious disease applications;
- Cancer vaccines or immunotherapies that complement our existing programs and core expertise; and
- Gene-based delivery of therapeutic proteins, such as angiogenic growth factors, for treatment of cardiovascular diseases.

We currently have four active independent clinical and preclinical development programs in the areas of infectious disease and cancer:

- A fully enrolled ongoing Phase 3 clinical trial using our Allovectin® immunotherapeutic in patients with metastatic melanoma, which has been funded, up to certain limits, by AnGes MG, Inc., or AnGes, through cash payments and equity investments under a research and development agreement;
- A completed preclinical program, with an allowed investigational new drug application, using our CyMVectin™ prophylactic vaccine formulated with our proprietary Vaxfectin® adjuvant to prevent cytomegalovirus, or CMV, infection before and during pregnancy;
- A preclinical program with therapeutic and prophylactic vaccines for herpes simplex virus type 2, or HSV-2, formulated with our proprietary Vaxfectin® adjuvant; and
- A completed Phase 1 clinical trial using our H1N1 pandemic influenza DNA vaccine formulated with our proprietary Vaxfectin® adjuvant.

We have leveraged our patented technologies through licensing and collaboration arrangements, such as our licensing arrangements with Astellas Pharma Inc., or Astellas, Merck & Co., Inc., the sanofi-aventis Group, or sanofi-aventis, AnGes, Aqua Health Ltd. of Canada, or Aqua Health, an affiliate of Novartis Animal Health, and Merial Limited, or Merial, a subsidiary of sanofi-aventis, among other biopharmaceutical companies.

In July 2011, we licensed TransVax, our therapeutic vaccine designed to control CMV reactivation in transplant recipients, to Astellas:

- Prior to licensing TransVax to Astellas, we completed development of TransVax through a successful Phase 2 trial in patients receiving hematopoietic stem cell transplants.
- We received a $25 million upfront payment from Astellas and expect to receive a $10 million payment upon finalization of the Phase 3 trial design. Under the terms of the license agreements, we potentially will receive up to $130 million in total upfront and milestone payments through commercial launch and double-digit royalties on net sales.

In addition, we have licensed complementary technologies from leading research institutions and biopharmaceutical companies. We also have granted non-exclusive, academic licenses to our DNA delivery technology patent estate to 11 leading research institutions including Stanford, Harvard, Yale and the Massachusetts Institute of Technology. The non-exclusive academic licenses allow university researchers to use our technology free of charge for educational and internal, non-commercial research purposes. In exchange, we have the option to exclusively license from the universities potential commercial applications arising from their use of our technology on terms to be negotiated.

Program Updates and Recent Developments

Allovectin®

Enrollment in our Phase 3 registration trial of Allovectin® in patients with metastatic melanoma was completed in February 2010. The protocol allows a maximum two-year treatment and follow-up period for the primary endpoint (response rate at 24 weeks or more after randomization), so the last patients must complete treatment by February 2012. Data collection and independent adjudication for the primary endpoint are expected to require several months. The secondary endpoint (overall survival) will continue to be monitored during the primary endpoint adjudication process. Top-line data for both endpoints is expected in mid-2012.

TransVax™

During the third quarter of 2011, we entered into exclusive worldwide license agreements with Astellas to develop and commercialize TransVax™, our therapeutic vaccine designed to control CMV reactivation in transplant recipients. We and Astellas expect to begin a multinational Phase 3 registration trial of TransVax™ in hematopoietic stem cell transplant recipients as well as a Phase 2 trial in solid organ transplant recipients in the first half of 2012.

Herpes Simplex Virus Type 2 Vaccines

We presented data at an international vaccine conference showing that our Vaxfectin® -formulated plasmid DNA vaccines against HSV-2 provided complete protection in guinea pigs against both primary and recurrent HSV-2 disease. The vaccines also significantly reduced genital lesion recurrence and viral shedding as well as latent infection in the central nervous system. These data expanded on previous results from repeated studies in mice showing that the vaccines provided complete protection against lethal challenge, provided sterilizing immunity and inhibited viral counts at both the primary and latent infection sites. In the United States, HSV-2 infects some 1.6 million new people per year, with approximately 20% of those suffering from disease symptoms. We are currently preparing for a proof-of-concept Phase 1/2 trial to be conducted in subjects with pre-existing HSV-2 infection.

Year-End Cash and Investments

Although our financial statements for the year ended December 31, 2011 are not yet complete, we expect to end 2011 with cash and investments of $53 million to $56 million, consistent with our previous financial guidance. The audit of our consolidated financial statements for the year ended December 31, 2011 has not been completed and could result in changes to the anticipated financial results set forth above.

Other Matters

On December 21, 2011, we received a letter from the Securities and Exchange Commission, or SEC, regarding its review of our Annual Report on Form 10-K for the year ended December 31, 2010 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2011. The SEC has requested additional information regarding our Form 10-Q with respect to revenue recognized in the third quarter of 2011 under our July 2011 license agreements with Astellas. We do not believe that the SEC's inquiry will result in changes to the Form 10-Q, but we can provide no assurance that the SEC will agree with us.

Special Note Regarding Forward-Looking Statements

This Exhibit contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. These statements relate to future events and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. Forward-looking statements may include, but are not limited to, statements about:

- the progress, timing and results of clinical trials and research and development efforts involving our product candidates or the product candidates of our licensees;

- the submission of applications for and receipt of regulatory clearances and approvals;
- our and our licensees' plans to conduct future clinical trials or research and development efforts;
- our expectations about partnering, marketing and commercializing our product candidates;
- the benefits we expect to derive from relationships with our collaborators;
- our estimates regarding our year-end cash and investments; and
- our application of accounting guidance related to revenue recognition.

In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "could," "would," "expects," "plans," "anticipates," "believes," "estimates," "projects," "predicts," "potential" and similar expressions intended to identify forward-looking statements. These statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements. We discuss many of these risks in greater detail in our SEC filings. Also, these forward-looking statements represent our estimates and assumptions only as of the date of the document containing the applicable statement.

Exhibit 99.2

July 5, 2011

CytRx Corporation
154 Technology Parkway
Technology Park/Atlanta
Norcross, GA 30092
Attention: President and Chief Executive Officer

Re: License Agreement dated December 7, 2001 (the "Agreement") between Vical Incorporated ("Vical") and CytRx Corporation ("CytRx")

Ladies and Gentlemen:

This letter agreement (this "Letter Agreement") confirms the understanding of Vical, Astellas Pharma Inc. ("Partner") and CytRx regarding certain matters relating to the Agreement. Capitalized terms used but not otherwise defined in this Letter Agreement shall have the meanings provided in the Agreement.

The parties acknowledge that Vical intends to grant to Partner a sublicense under the licenses granted by CytRx to Vical under the Agreement (a "Sublicense"). The Sublicense will grant Partner exclusive worldwide rights to develop and commercialize certain products in a specified field.

The parties hereby agree that, during the term of the Sublicense, if CytRx terminates the Agreement pursuant to Section 7.3.1(a) or Section 7.3.1(b) thereof, the Sublicense (if such Sublicense is still in effect at the time of such termination) will survive such termination and will, automatically upon such termination, become a direct license from CytRx to Partner on the same terms and conditions as set forth in the Agreement. In the event a direct license from CytRx to Partner is formed, Partner will within ten (10) business days affirmatively, in writing, acknowledge its' obligations under the license that is being assumed with CytRx. Upon assumption of the Agreement, Partner will have thirty (30) days to cure any outstanding breach caused by Vical. In no event shall Vical be obligated to make any payments to CytRx following termination of the Agreement as a result of the practice by Partner or any sublicensee of Partner under such direct license from CytRx.

Partner shall provide to Vical and CytRx a copy of all sublicense agreements with any third party pertaining to CytRx Intellectual Property within 30 days of execution, with the financial terms redacted, but shall not be obligated to provide any such agreements with Partner's affiliates.

Except as specifically amended by this Letter Agreement, the terms and conditions of the Agreement shall remain in full force and effect. CytRx and Vical hereby agree that the Agreement, as amended by this Letter Agreement, constitutes the final, complete and exclusive agreement of the parties with respect to the subject matter thereof and hereof and supersedes all prior understandings and agreements relating to such subject matter. This Letter Agreement may be executed in three counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

If the foregoing is acceptable to you, please sign and date this Letter Agreement in the space provided below and return it to me.

Sincerely,

VICAL INCORPORATED

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

Agreed to and accepted this day of June, 2011:

CYTRX CORPORATION

By: /s/ Steven A. Kriegsman
Name: Steven A. Kriegsman
Title: President and CEO

Astellas Pharma Inc.

By: /s/ Yoshihiko Hatanaka
Name: Yoshihiko Hatanaka
Title: President and CEO

Address for notice:

Astellas Pharma Inc.
3-11, Nihonbashi-Honcho 2-chome
Chuo-Ku, Tokyo 103-8411
Japan
Attn: Vice President, Legal
Fax: +81-3-3244-5811

Exhibit 99.3

July 7, 2011

City of Hope
1500 East Duarte Road
Duarte, CA 91010-3000
Attention: Sr. Vice President for Technology Development

Re: Exclusive License Agreement dated February 3, 2003 concerning U.S. Patent No. 6,133,433 (the "Agreement") between Vical Incorporated ("Vical") and City of Hope ("COH")

Ladies and Gentlemen:

This letter agreement (this "Letter Agreement") confirms the understanding of Vical and COH regarding certain matters relating to the Agreement. Capitalized terms used but not otherwise defined in this Letter Agreement shall have the meanings provided in the Agreement.

The parties acknowledge that Vical intends to grant Astellas Pharma Inc. ("Partner") a sublicense under the license to Patent Rights granted by COH to Vical under the Agreement (the "Sublicense"). The Sublicense will grant Partner non-exclusive rights under the Patent Rights to develop and commercialize certain products in the field of therapeutic and prophylactic use to control or prevent cytomegalovirus infection in immunocompromised patients and human transplant donors in the United States.

The parties hereby agrees that, during the term of the Sublicense:

(1) Partner shall have the right to grant to its Affiliate(s) (for so long as each Affiliate sub-licensee remains an Affiliate) further sublicenses under the Sublicense without the consent of COH, provided that the terms of such further sublicenses are not inconsistent with the terms of the Agreement. Affiliate sub-licensees shall not have the right to grant further sub-licenses to any third party. Partner will not be required to provide a copy of any sublicense agreement with its Affiliate. However, within sixty (60) business days following the effective date of each such sublicense, Vical shall provide to COH notice that such sublicense has been granted, identifying the name and address of the sublicensee. For purposes of this provision, "Affiliate" means each and any subsidiary, parent, closely-held or other corporation, partnership, limited liability company, or other legal entity in which Partner owns or controls fifty percent (50%) or more of such entity's stock, voting securities or other right to elect or control management, or where such entity owns or controls, fifty percent (50%) or more of Partner's stock, voting securities or other right to elect or control management.

(2) If COH exercises the right under Section 2.2(e) to cause the license granted to Vical to become non-exclusive (the "Event"), COH shall not terminate the Sublicense, and, notwithstanding Section 2.3(c) of the Agreement, the Sublicense (if such Sublicense is still in effect at the time of such Event) will survive such Event.

Except as specifically amended by this Letter Agreement, the terms and conditions of the Agreement shall remain in full force and effect. The identity of Partner and proposed transaction between Vical and Partner is Confidential Information of Vical under the Agreement. The parties hereby agree that the Agreement, as amended by this Letter Agreement, constitutes the final, complete and exclusive agreement of the parties with respect to the subject matter thereof and hereof and supersedes all prior understandings and agreements relating to such subject matter. This Letter Agreement may be executed in two counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same instrument.

If the foregoing is acceptable to you, please sign and date this Letter Agreement in the space provided below and return it to me.

Sincerely,

VICAL INCORPORATED

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

Agreed to and accepted this 1st day of July, 2011:

CITY OF HOPE

By: /s/ Larry A. Couture
Name: Larry A. Couture Ph.D.
Title: Senior Vice President for Technology Development

Exhibit 99.4

July 12, 2011

Vical Incorporated
10390 Pacific Center Court, San Diego
California, 92121
USA

Dear Mesdames & Sirs,

Re: Notification to City of Hope

Reference is made to the U.S. License Agreement dated July 12, 2011 ("U.S. License Agreement") between Vical Incorporated ("Vical") and Astellas Pharma Inc. ("Astellas"), which provides for Vical's grant of the sublicense to Astellas under U.S. Patent No. 6,133,433 ("Subject Patent"), which has been licensed to Vical by City of Hope.

Unless otherwise defined in this letter agreement, the definitions of the U.S. License Agreement shall be also applicable to this letter agreement.

As the result of recent discussion between City of Hope and Vical, Vical has confirmed with City of Hope that (i) Astellas shall have the right to grant to its Affiliate(s) (for so long as each Affiliate sub-licensee remains an Affiliate) further sublicenses under the Subject Patent without the consent of City of Hope, provided that the terms of such further sublicenses are not inconsistent with the terms of the license agreement between Vical and City of Hope, (ii) Astellas' Affiliate sub-licensees shall not have the right to grant further sub-licenses to any third party and (iii) though Astellas will not be required to provide a copy of any sublicense agreement with its Affiliate, within sixty (60) business days following the effective date of each such sublicense, Vical shall provide to City of Hope notice that such sublicense has been granted, identifying the name and address of the sublicensee. (It is confirmed that "Affiliate" means each and any subsidiary, parent, closely-held or other corporation, partnership, limited liability company, or other legal entity in which Astellas owns or controls fifty percent (50%) or more of such entity's stock, voting securities or other right to elect or control management, or where such entity owns or controls, fifty percent (50%) or more of Astellas' stock, voting securities or other right to elect or control management.)

In order for Vical's due performance of notifying obligation mentioned above in case of Astellas' sublicense to its Affiliate(s) under the Subject Patent, Astellas agrees to provide to Vical a notice that such sublicense has been granted, identifying the name and address of the sublicensee within thirty (30) business days following the effective date of each such sublicense.

If the foregoing correctly reflects your understanding and our notifying obligation mentioned above is acceptable to you, please so indicate by signing at the space provided below and return to us one executed original of this letter agreement.

Yours faithfully,

Astellas Pharma Inc.

/s/ Chihiro Yokota

Chihiro Yokota
Corporate Officer
Vice President, Licensing & Alliances

Agreed and accepted by:

Vical Incorporated

/s/ Igor Bilinsky

Igor Bilinsky
Senior Vice President,
Corporate Development