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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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)
August 9, 2006

PAIN THERAPEUTICS, INC.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	000-29959 (Commission File Number)	91-1911336 (IRS Employer Identification No.)
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416 Browning Way
South San Francisco, California 94080
(Address of principal executive offices, including zip code)

(650) 624-8200
(Registrant's telephone number, including area code)

(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 (see General Instruction A.2. below):

- 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 August 9, 2006, Pain Therapeutics, Inc. (the "Company") issued a press release announcing the Company's financial results for the three and six months ended June 30, 2006. A copy of the press release has been furnished as an exhibit to this report and is incorporated by reference herein.

The information in this Current Report on Form 8-K and in Exhibit 99.1 shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference into any registration statement or other document filed or furnished pursuant to the Exchange Act or the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such document.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits.

The following exhibit is furnished as part of this Current Report on Form 8-K.

EXHIBIT
NUMBER DESCRIPTION

99.1 Press Release of Pain Therapeutics, Inc. dated August 9, 2006.

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.

PAIN THERAPEUTICS, INC.

/s/ Peter S. Roddy

Peter S. Roddy
Chief Financial Officer

Dated: August 9, 2006

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
99.1	Press Release of Pain Therapeutics, Inc. dated August 9, 2006.

PAIN THERAPEUTICS ANNOUNCES
SECOND QUARTER 2006 FINANCIAL RESULTS

SOUTH SAN FRANCISCO, CALIF. - AUGUST 9, 2006 - Pain Therapeutics, Inc. (Nasdaq: PTIE), a biopharmaceutical company, today reported financial results for the three and six months ended June 30, 2006. Net income for the quarter ended June 30, 2006 was \$1.4 million, or \$0.03 per share, compared to a net loss of \$10.2 million, or \$0.23 per share, in the second quarter of 2005. The net income for the six months ended June 30, 2006 was \$2.2 million, or \$0.05 per share, compared to a net loss of \$18.8 million, or \$0.43 per share, for the same period in 2005.

Cash, cash equivalents and marketable securities were \$205.3 million at June 30, 2006. Pain Therapeutics continues to expect its cash requirements for 2006 to be \$15 million, plus or minus 10%.

"We believe we're in strong financial shape and we continue to make solid progress across our business," said Remi Barbier, Pain Therapeutics' president and chief executive officer. "We are pleased with the continued advancement of our existing pipeline and we continue to uncover attractive and affordable potential in-licensing opportunities from top academic labs in the areas of pain management and hematology/oncology."

Pain Therapeutics recently received a \$5 million milestone payment from King Pharmaceuticals, Inc., its worldwide strategic partner for Remoxy(TM), PTI-202 and two other abuse-resistant opioids painkillers. This was the first milestone payment under the strategic alliance between the two companies. A total of up to \$150 million may be paid by King Pharmaceuticals to Pain Therapeutics, contingent upon the achievement of regulatory and clinical milestones over the course of the strategic alliance.

2006 FINANCIAL HIGHLIGHTS

- o We have a strategic alliance with King Pharmaceuticals, Inc. ("King") to develop Remoxy, PTI-202 and two other abuse-resistant opioid painkillers. Collaboration revenue of \$7.2 million reflects actual and expected reimbursement from King of our collaboration expenses incurred during the second quarter of 2006.
- o King gave us an upfront cash payment of \$150 million in December 2005. For accounting purposes, we plan to recognize a portion of this cash payment as "program fee revenue" each quarter through mid-2011. We recognized program fee revenue of \$6.6 million this quarter.
- o On January 1, 2006 we adopted Statement No. 123(R), Share-Based Payment, or FAS 123R, as required by the Financial Accounting Standards Board. In adopting FAS 123R, we began to recognize employee non-cash stock-based compensation related expenses in our financial statements.
- o Research and development expenses for the second quarter of 2006 increased to \$10.2 million from \$9.5 million for the second quarter of 2005. Research and development expenses for the six months ended June 30, 2006 increased to \$23.0 million from \$17.6 million for the same period in 2005. The increase in research and development expenses for the second quarter was primarily due to the timing of the Phase III clinical trials for Remoxy and increases in development activities with Remoxy and other abuse-resistant product candidates as well as increases in non-cash stock related compensation costs associated with the adoption of FAS 123R.
- o General and administrative expenses increased to \$2.0 million from \$1.1 million in the three months ended June 30, 2006 and 2005, respectively, and to \$4.0 million from \$2.2 million in the six months ended June 30, 2006 and 2005, respectively. The increases were primarily due to increases in non-cash stock related compensation costs associated with the adoption of FAS 123R.
- o We have an income tax expense of \$2.6 million for the three months ended June 30, 2006 that consists of the second quarter portion of currently estimated alternative minimum tax for 2006. Our income tax expense for alternative minimum taxes will fluctuate between quarters during 2006.

ABOUT PAIN THERAPEUTICS, INC.

Pain Therapeutics is a biopharmaceutical company that develops novel drugs. We have three investigational drug candidates in clinical programs. Remoxy and PTI-202 are proprietary, abuse-resistant forms of currently prescribed opioid drugs. Oxytrex(TM) is a novel, next-generation painkiller that potentially offers less physical dependence than currently marketed opioid painkillers. These three drugs target different segments of the multi-billion dollar market to treat severe chronic pain, such as persistent low-back pain or pain due to advanced stages of osteoarthritis. The FDA has not yet evaluated the merits, safety or efficacy of our drug candidates. For more information, please consult our website: www.paintrials.com.

OUR STRATEGIC ALLIANCE WITH KING PHARMACEUTICALS, INC.

We have a strategic alliance with King Pharmaceuticals for Remoxy, PTI-202 and two other abuse-resistant opioid painkillers. In December 2005, King paid us

\$150 million in cash as an up-front payment. King is also obligated to pay us up to \$150 million in cash based upon the successful achievement of additional clinical or regulatory milestones for Remoxy, PTI-202 and two other abuse-resistant opioid painkillers. King funds development expenses pursuant to the strategic alliance and is obligated to pay us a 20% royalty on net sales of drugs, except as to the first \$1 billion in cumulative net sales, for which the royalty is set at 15%. In exchange, King received worldwide commercial rights to Remoxy, PTI-202 and two other abuse-resistant drugs developed under the strategic alliance.

Note Regarding Forward-Looking Statements: This press release contains forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995 (the "Act"). Pain Therapeutics disclaims any intent or obligation to update these forward-looking statements, and claims the protection of the Safe Harbor for forward-looking statements contained in the Act. Examples of such statements include, but are not limited to, any statements relating to the timing, scope or expected outcome of the Company's clinical development of its drug candidates, the potential benefits of the Company's drug candidates, the Company's expected cash requirements and fluctuations in income tax expenses in 2006, and the size of the potential market for the Company's products. Such statements are based on management's current expectations, but actual results may differ materially due to various factors. Such statements involve risks and uncertainties, including, but not limited to, those risks and uncertainties relating to difficulties or delays in development and testing of the Company's drug candidates, unexpected adverse side effects or inadequate therapeutic efficacy of the Company's drug candidates (including the risk that current and past results of clinical trials are not necessarily indicative of future results of clinical trials), the uncertainty of patent protection for the Company's intellectual property or trade secrets and unanticipated research and development and other costs. For further information regarding these and other risks related to the Company's business, investors should consult the Company's filings with the Securities and Exchange Commission.

PAIN THERAPEUTICS, INC.
CONDENSED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
Revenue:				
Program fee revenue	\$ 6,550	\$ -	\$ 13,100	\$ -
Collaboration revenue	7,196	-	15,972	-
Total revenue	13,746	-	29,072	-
Operating expenses (1):				
Research and development	10,188	9,518	23,042	17,640
General and administrative	2,049	1,139	4,019	2,177
Total operating expenses	12,237	10,657	27,061	19,817
Operating income (loss)	1,509	(10,657)	2,011	(19,817)
Other income				
Interest income	2,468	475	4,556	1,046
Income (loss) before income tax	3,977	(10,182)	6,567	(18,771)
Income tax expense	2,610	-	4,323	-
Net income (loss)	\$ 1,367	\$ (10,182)	\$ 2,244	\$ (18,771)
Earnings per share				
Basic	\$ 0.03	\$ (0.23)	\$ 0.05	\$ (0.43)
Diluted	\$ 0.03	\$ (0.23)	\$ 0.05	\$ (0.43)
Weighted-average shares used to compute earnings per share				
Basic	44,138	43,744	44,067	43,704
Diluted	45,258	43,744	45,381	43,704

(1) Included in research and development and general and administrative expenses are non-cash stock-based compensation expenses of \$793 thousand and \$642 thousand, respectively, totaling \$1,435 thousand for the three months ended June 30, 2006 and \$1,750 thousand in research and development and \$1,370 thousand in general and administrative, totaling \$3,120 thousand for the six months ended June 30, 2006. The non-cash stock-based compensation expense included in our financial statements for the three and six months ended June 30, 2005 was immaterial.

PAIN THERAPEUTICS, INC.
CONDENSED BALANCE SHEETS
(in thousands)

	June 30, 2006 ----- (Unaudited)	December 31, 2005(2) -----
ASSETS		
Current assets:		
Cash, cash equivalents and marketable securities	\$ 205,341	\$ 212,652
Collaboration revenue receivable	6,305	889
Prepaid expenses	47	623
	-----	-----
Total current assets	211,693	214,164
Property and equipment, net	1,475	1,556
Other assets	75	75
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Total assets	\$ 213,243	\$ 215,795
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LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 596	\$ 998
Accrued development expense	5,641	4,461
Deferred program fee revenue - current portion	26,200	26,200
Accrued compensation and benefits	325	501
Accrued income tax	4,357	-
Other accrued liabilities	84	187
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Total current liabilities	37,203	32,347
Non-current liabilities:		
Deferred program fee revenue - non-current portion	106,988	120,088
	-----	-----
Total liabilities	144,191	152,435
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Stockholders' equity:		
Common stock	44	44
Additional paid-in-capital	210,588	206,489
Accumulated other comprehensive loss	(1,130)	(479)
Accumulated deficit	(140,450)	(142,694)
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Total stockholders' equity	69,052	63,360
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Total liabilities and stockholders' equity	\$ 213,243	\$ 215,795
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(2) Derived from audited financial statements.