

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

OCTOBER 9, 2000

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Date of Report (Date of earliest event reported)

INHALE THERAPEUTIC SYSTEMS, INC.

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(Exact name of registrant as specified in its charter)

Delaware

023556

94-3134940

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(State or other jurisdiction of  
incorporation)

(Commission  
File Number)

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

150 Industrial Road  
SAN CARLOS, CA 94070

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(Address of principal executive offices)

(650) 631-3100

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(Registrant's telephone number, including area code)

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(Former name, if changed since last report)

ITEM 5. OTHER EVENTS

On October 9, 2000, Inhale Therapeutic Systems, Inc. announced its intention to issue \$150 million aggregate principal amount of convertible subordinated notes (\$172.5 million if an over-allotment option is exercised in full). A press release relating to the issuance is attached hereto as Exhibit 99.1.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

(c) Exhibits

99.1 Press Release dated October 9, 2000

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.

INHALE THERAPEUTIC SYSTEMS, INC.

Dated: October 9, 2000

By: /s/ Brigid A. Makes

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Brigid A. Makes,  
Chief Financial Officer and  
Vice President, Finance and Administration

EXHIBIT 99.1

CONTACT: Joyce Strand (Inhale) (650) 631-3138

INHALE ANNOUNCES PROPOSED ISSUANCE OF CONVERTIBLE SUBORDINATED NOTES

SAN CARLOS, CALIF., OCTOBER 9, 2000 - Inhale Therapeutic Systems, Inc. (Nasdaq:INHL) today announced that it intends to issue \$150 million aggregate principal amount of convertible subordinated notes (\$172.5 million if an over-allotment option is exercised in full). It intends to sell the notes in a private offering to qualified institutional buyers under Rule 144A of the Securities Act of 1933, as amended. The notes will be convertible into shares of Inhale's common stock and will have a seven-year term.

The net proceeds of the offering will be used by Inhale to invest in various product development programs relating to the company's business strategy, to accelerate development of its next-generation technologies, and to provide resources for potential acquisition and development of complementary technologies, as well as for working capital and other general corporate purposes. A portion of the proceeds may also be used to make cash payments to certain holders of the 5% convertible subordinated notes due 2007 issued in February 2000 in exchange for their agreement to convert into common stock. The offering is subject to market conditions and other factors.

The notes to be offered will not be registered under the Securities Act or applicable state securities laws, and may not be offered or sold in the United States absent registration under the Securities Act and applicable state securities laws or available exemptions from the registration requirements.

This release contains forward-looking statements that reflect management's current views as to Inhale's business strategy, product and technology development plans and funding, collaborative arrangements, clinical trials, and other future events and operations. These forward-looking statements involve uncertainties and other risks that are detailed in Inhale's reports and other filings with the SEC, including its Form 10-Q for the fiscal quarter ended June 30, 2000. Actual results could differ materially from these forward-looking statements.

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