

ANTIGENICS INC /DE/
Form 424B3
August 09, 2010
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Filed Pursuant to Rule 424(b)(3) and Rule 424(c)
Registration No. 333-156556

August 9, 2010

PROSPECTUS SUPPLEMENT NO. 28

5,929,212 SHARES OF COMMON STOCK

ANTIGENICS INC.

This prospectus supplement amends the prospectus dated March 18, 2009 (as supplemented on April 15, 2009, April 17, 2009, April 22, 2009, April 27, 2009, May 4, 2009, May 11, 2009, May 27, 2009, June 4, 2009, June 8, 2009, June 9, 2009, June 11, 2009, June 15, 2009, July 7, 2009, July 15, 2009, August 3, 2009, August 5, 2009, September 11, 2009, September 18, 2009, November 12, 2009, January 5, 2010, March 1, 2010, March 25, 2010, April 26, 2010, May 11, 2010, May 18, 2010, and July 23, 2010) that relates to the issuance of up to 5,929,212 shares of our common stock, par value \$0.01 per share (common stock), issuable upon the conversion of 5,250 shares of Series B2 Convertible Preferred Stock, par value \$0.01 per share (Series B2 Convertible Preferred Stock). If the shares of Series B2 Convertible Preferred Stock are converted through payment of cash consideration, if at all, we will receive the cash from such conversion.

This prospectus supplement is being filed to include the information set forth in the Quarterly Report on Form 10-Q filed on August 6, 2010, which is set forth below. This prospectus supplement should be read in conjunction with the prospectus dated March 18, 2009, Prospectus Supplement No. 1 dated April 15, 2009, Prospectus Supplement No. 2 dated April 17, 2009, Prospectus Supplement No. 3 dated April 22, 2009, Prospectus Supplement No. 4 dated April 27, 2009, Prospectus Supplement No. 5 dated May 4, 2009, Prospectus Supplement No. 6 dated May 11, 2009, Prospectus Supplement No. 7 dated May 27, 2009, Prospectus Supplement No. 8 dated June 4, 2009, Prospectus Supplement No. 9 dated June 8, 2009, Prospectus Supplement No. 10 dated June 9, 2009, Prospectus Supplement No. 11 dated June 11, 2009, Prospectus Supplement No. 12 dated June 15, 2009, Prospectus Supplement No. 13 dated July 7, 2009, Prospectus Supplement No. 14 dated July 15, 2009, Prospectus Supplement No. 15 dated August 3, 2009, Prospectus Supplement No. 16 dated August 5, 2009, Prospectus Supplement No. 17 dated September 11, 2009, Prospectus Supplement No. 18 dated September 18, 2009, Prospectus Supplement No. 19 dated November 12, 2009, Prospectus Supplement No. 20 dated January 5, 2010, Prospectus Supplement No. 21 dated March 1, 2010, Prospectus Supplement No. 23 dated March 25, 2010, Prospectus Supplement No. 24 dated April 26, 2010, Prospectus Supplement No. 25 dated May 11, 2010, Prospectus Supplement No. 26 dated May 18, 2010, and Prospectus Supplement No. 27 dated July 23, 2010, which are to be delivered with this prospectus supplement.

Our common stock is quoted on The NASDAQ Capital Market (NASDAQ) under the ticker symbol AGEN. On August 6, 2010, the last reported closing price per share of our common stock was \$0.82 per share.

Investing in our securities involves a high degree of risk. Before investing in any of our securities, you should read the discussion of material risks in investing in our common stock. See Risk Factors on page 1 of the prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

THE DATE OF THIS PROSPECTUS SUPPLEMENT NO. 28 IS AUGUST 9, 2010

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Form 10-Q

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the Quarterly Period Ended June 30, 2010

OR

.. **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the transition period from to

Commission File Number: 000-29089

Antigenics Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

06-1562417
(I.R.S. Employer
Identification No.)

3 Forbes Road, Lexington, MA 02421

(Address of principal executive offices, including zip code)

(781) 674-4400

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Number of shares outstanding of the registrant's Common Stock as of August 3, 2010: 98,800,544 shares.

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Antigenics Inc.

Quarterly Period Ended June 30, 2010

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Table of Contents**PART I FINANCIAL INFORMATION****Item 1. Financial Statements****ANTIGENICS INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS****(Unaudited)**

	June 30, 2010	December 31, 2009
ASSETS		
Cash and cash equivalents	\$ 18,746,057	\$ 20,066,817
Short-term investments	9,995,892	9,998,294
Accounts receivable	17,500	
Inventories	90,831	324,035
Prepaid expenses	860,314	751,960
Other current assets	587,364	391,723
Total current assets	30,297,958	31,532,829
Plant and equipment, net of accumulated amortization and depreciation of \$29,510,118 and \$28,612,631 at June 30, 2010 and December 31, 2009, respectively	7,517,769	8,891,124
Goodwill	2,572,203	2,572,203
Core and developed technology, net of accumulated amortization of \$5,941,675 and \$9,753,106 at June 30, 2010 and December 31, 2009, respectively	258,325	1,319,523
Debt issuance costs, net	204,058	293,575
Other long-term assets	1,255,990	1,264,833
Total assets	\$ 42,106,303	\$ 45,874,087
LIABILITIES AND STOCKHOLDERS DEFICIT		
Current portion, long-term debt	\$ 146,061	\$ 146,061
Current portion, deferred revenue	1,447,698	1,501,902
Accounts payable	335,320	895,338
Accrued liabilities	2,399,678	2,597,056
Other current liabilities	517,964	214,591
Total current liabilities	4,846,721	5,354,948
Convertible senior notes	49,193,038	49,494,119
Deferred revenue	2,725,042	2,976,538
Derivative liability (Note G)	3,176,836	2,665,156
Other long-term liabilities	1,907,869	2,358,293
Commitments and contingencies (Note E)		
Stockholders' deficit:		
Preferred stock, par value \$0.01 per share; 25,000,000 shares authorized:		
Series A convertible preferred stock; 31,620 shares designated, issued, and outstanding at June 30, 2010 and December 31, 2009; liquidation value of \$31,817,625 at June 30, 2010	316	316
Series B2 convertible preferred stock; 3,105 shares designated, issued, and outstanding at June 30, 2010 and December 31, 2009	31	31
Common stock, par value \$0.01 per share; 250,000,000 shares authorized; 98,953,425 and 90,015,425 shares issued at June 30, 2010 and December 31, 2009, respectively	989,534	900,154

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Additional paid-in capital	555,886,628	544,961,442
Treasury stock, at cost; 260,944 shares of common stock at June 30, 2010 and December 31, 2009	(324,792)	(324,792)
Accumulated deficit	(576,294,920)	(562,512,118)
Total stockholders' deficit	(19,743,203)	(16,974,967)
Total liabilities and stockholders' deficit	\$ 42,106,303	\$ 45,874,087

See accompanying notes to unaudited condensed consolidated financial statements.

Table of Contents**ANTIGENICS INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS****(Unaudited)**

	Quarter Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Revenue:				
Product revenue	\$ 35,000	\$	\$ 35,000	\$
Research and development revenue	770,171	1,269,836	1,706,599	1,891,190
Total revenues	805,171	1,269,836	1,741,599	1,891,190
Operating expenses:				
Cost of goods sold	57,898		57,898	
Research and development	2,628,896	5,027,709	7,260,180	9,933,111
General and administrative	2,767,354	4,169,520	6,333,451	8,073,089
Operating loss	(4,648,977)	(7,927,393)	(11,909,930)	(16,115,010)
Other income (expense):				
Non-operating income (expense)	880,992	(2,798,406)	563,134	(2,640,396)
Interest expense	(1,214,412)	(1,398,366)	(2,454,739)	(2,912,607)
Interest income	10,635	36,372	18,733	103,802
Net loss	(4,971,762)	(12,087,793)	(13,782,802)	(21,564,211)
Dividends on series A convertible preferred stock	(197,625)	(197,625)	(395,250)	(395,250)
Net loss attributable to common stockholders	\$ (5,169,387)	\$ (12,285,418)	\$ (14,178,052)	\$ (21,959,461)
Per common share data, basic and diluted:				
Net loss attributable to common stockholders	\$ (0.05)	\$ (0.17)	\$ (0.15)	\$ (0.31)
Weighted average number of common shares outstanding, basic and diluted				
	95,754,625	73,121,917	93,381,452	70,013,898

See accompanying notes to unaudited condensed consolidated financial statements.

Table of Contents**ANTIGENICS INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS****(Unaudited)**

	Six Months Ended June 30,	
	2010	2009
Cash flows from operating activities:		
Net loss	\$ (13,782,802)	\$ (21,564,211)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	1,881,200	2,093,802
Intangible asset impairment	629,382	
Change in fair value of derivative liability	511,680	4,809,568
Share-based compensation	2,052,778	2,442,469
Net gain on extinguishment of debt	(1,063,746)	(2,486,563)
Non-cash interest expense	1,913,235	2,187,219
Loss on sale of property and equipment	24,378	
Loss on monetization of receivable		317,512
Changes in operating assets and liabilities:		
Accounts receivable	(17,500)	(443,434)
Inventories	233,204	8,897
Prepaid expenses	(108,354)	(410,993)
Accounts payable	(560,018)	158,837
Deferred revenue	(305,700)	(730,582)
Accrued liabilities and other current liabilities	(279,674)	(979,258)
Other operating assets and liabilities	(298,885)	(494,262)
Net cash used in operating activities	(9,170,822)	(15,090,999)
Cash flows from investing activities:		
Proceeds from maturities of available-for-sale securities	20,000,000	15,000,000
Collection of receivable from sale of patent applications		2,337,475
Proceeds from sale of property and equipment	35,800	
Purchases of available-for-sale securities	(19,993,238)	(9,995,071)
Purchases of plant and equipment	(69,217)	(27,064)
Net cash (used in) provided by investing activities	(26,655)	7,315,340
Cash flows from financing activities:		
Net proceeds from issuance of common stock	8,244,029	
Proceeds from exercise of stock options		54,000
Payment of long-term debt		(255,000)
Proceeds from employee stock purchases	27,938	16,933
Treasury stock received to satisfy minimum tax withholding requirements		(54,943)
Payment of series A convertible preferred stock dividends	(395,250)	(395,250)