

Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
THE SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): November 14, 2008

RXI PHARMACEUTICALS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
of incorporation or organization)

001-33958

(Commission
File Number)

20-8099512

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

60 Prescott Street, Worcester, MA 01605

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (508) 767-3861

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))
-
-

TABLE OF CONTENTS

Item 2.02 Results of Operations and Financial Condition.

Item 9.01 Financial Statements and Exhibits.

Signature

Index to Exhibits

Ex-99.1 Press Release issued on November 14, 2008

Table of Contents

Item 2.02 Results of Operations and Financial Condition.

On November 14, 2008, RXi Pharmaceuticals Corporation issued a press release announcing its financial results for its third quarter ended September 30, 2008, a copy of which is attached as Exhibit 99.1 to this Current Report and incorporated herein by reference.

The information being furnished under Item 2.02 in this Form 8-K, including the accompanying exhibits, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities and Exchange Act of 1934 (the “Exchange Act”), or otherwise subject to the liability of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, regardless of the general incorporation language of such filing, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Press Release issued by RXi Pharmaceuticals Corporation on November 14, 2008.

Table of Contents

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.

RXI PHARMACEUTICALS CORPORATION

Date: November 14, 2008

By: /s/ Stephen J. DiPalma
Name: Stephen J. DiPalma
Title: Chief Financial Officer

Index to Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release issued by RXi Pharmaceuticals Corporation on November 14, 2008.

RXi Pharmaceuticals Reports Financial Results for the Third Quarter of 2008

Worcester, MA, November 14, 2008 – RXi Pharmaceuticals Corporation (Nasdaq: RXII), a biopharmaceutical company pursuing the development and commercialization of proprietary therapeutics based on RNA interference (RNAi), today reported results for the quarter ended September 30, 2008.

Tod Woolf, Ph.D., President and Chief Executive Officer of RXi, commented, “We have continued to expand our research and development programs, further solidifying RXi’s position as one of the leading companies focused on a comprehensive RNAi technology platform. Of note, we recently licensed technology from the University of Massachusetts which may allow for the oral delivery of RNAi therapeutics. This is significant, since, if successful, it would represent a dramatic advance for the field of RNAi therapeutics and could open up significant market opportunities for RXi.”

Dr. Woolf continued, “We were also delighted to announce the recent appointment of Anastasia Khvorova, Ph.D. to the newly created position of Chief Scientific Officer. Dr. Khvorova, an expert in RNAi, has conducted ground-breaking research in the field. Her extensive experience includes manufacturing RNAi compounds targeting virtually all of the known human genes, as well as the development of potentially self-delivering RNAi compounds. As such, Dr. Khvorova represents a key addition to our team and we look forward to her many contributions.”

Quarterly Highlights*Investor Highlights:*

In an ongoing effort to expand awareness of the Company’s technology, on October 21, 2008, RXi held its First Annual Investor Event during which management presented the Company’s scientific programs, intellectual property and business development efforts. On October 13, 2008, management presented at the Natixis Bleichroeder Second Annual Hidden Gems conference, and in September, analyst coverage was initiated on the Company by Griffin Securities.

Building the Pipeline:

On October 14, 2008, after initiating an oral delivery collaboration with researchers at The University of Massachusetts Medical School earlier in the year, RXi announced that it licensed exclusive worldwide rights to potentially groundbreaking technology for the oral delivery of RNAi therapeutics from the University. This license represents a major step toward the Company’s goal of developing RNAi therapeutics as it will allow RXi to potentially target a new class of cells that cannot be accessed either by other potential RNAi delivery methods, local administration or injection. The oral delivery technology targets certain types of inflammatory cells called macrophages and may allow RXi to develop orally administered rxRNA™ compounds for the treatment of a variety of significant inflammatory diseases, including rheumatoid arthritis, asthma, Crohn’s disease, atherosclerosis, psoriasis and Type II diabetes.

Scientific Achievements:

Recently, Anastasia Khvorova, Ph.D. joined RXi as the Company’s Chief Scientific Officer. Dr. Khvorova is one of the leading scientists in the field of RNA and is one of the most cited authors of research articles in the area. In September, Victor Ambros, Ph.D., a member of RXi’s Scientific Advisory Board, was presented with one of America’s highest scientific honors, the 2008 Albert Lasker Award for Basic Medical Research. Additionally, RXi’s internal discovery team has created novel rxRNA compounds with the potential to reduce both manufacturing costs and enhance cellular delivery. During the third quarter, RXi also presented at several scientific meetings, including the 2nd Annual Oligonucleotides-based Therapeutics Conference, RNAi Based Therapeutics, RNAi Europe, and others.

Financial Highlights

The Company reported a net loss of \$3.4 million, or \$0.25 per share, for the three months ended September 30, 2008, compared with a net loss of \$2.2 million, or \$0.18 per share, for the same period in 2007. The Company had 13,757,731 common shares outstanding at September 30, 2008, as compared with 12,420,491 common shares outstanding at September 30, 2007.

Research and development expenses for the three months ended September 30, 2008 were \$1.2 million, including approximately \$0.2 million in stock based compensation, compared with \$0.7 million including \$0.1 million in stock based compensation, for the three months ended September 30, 2007. The increase of \$0.4 million, or 53.0%, was primarily due to higher staff and supplies costs. General and administrative expenses for the three months ended September 30, 2008 were \$2.3 million, including \$1.1 million in stock based compensation, compared with \$1.6 million, including \$0.4 million in stock based compensation, for the three months ended September 30, 2007. The increase of \$0.7 million or 43.0% was primarily due to non-cash costs associated with warrants issued for business advisory services.

As of September 30, 2008, cash, cash equivalents and short-term investments (consisting of U.S. Treasury securities and other U.S. government agency securities) totaled \$12.7 million, compared with cash, cash equivalents, and short term investments of \$11.7 million at December 31, 2007. This increase was due primarily to the issuance of common stock to institutional investors on June 24, 2008, which yielded net proceeds of approximately \$8.0 million, offset by net cash used in operations of \$6.7 million for the nine months ended September 30, 2008.

About RXi Pharmaceuticals Corporation

RXi Pharmaceuticals is a discovery-stage biopharmaceutical company pursuing the development and potential commercialization of proprietary therapeutics based on RNA interference (RNAi) for the treatment of human diseases. RXi Pharmaceuticals' rxRNA™ compounds are distinct from the siRNA compounds used by many other companies developing RNAi therapeutics and are very active and potent (10-100pM activity in cell culture) based on the company's internal research, in addition to being nuclease resistant and readily manufactured. RXi Pharmaceuticals believes it is well positioned to compete successfully in the RNAi-based therapeutics market with its accomplished scientific advisors, including Dr. Craig Mello, recipient of the 2006 Nobel Prize for his co-discovery of RNAi; a management team that is experienced in developing RNAi products; and a strong early intellectual property position in RNAi chemistry and delivery. www.rxipharma.com

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about future expectations, plan and future development of RXi Pharmaceutical Corporation's products and technologies. These forward-looking statements about future expectations, plans and prospects of the development of RXi Pharmaceutical Corporation's products and technologies involve significant risks, uncertainties and assumptions, including the risk that the development of our RNAi-based therapeutics may be delayed or may not proceed as planned and we may not be able to complete development of any RNAi-based product, the risk that the FDA approval process may be delayed for any drugs that we develop, risks related to development and commercialization of products by our competitors, risks related to our ability to control the timing and terms of collaborations with third parties and the possibility that other companies or organizations may assert patent rights that prevent us from developing our products and other risks described in our annual and quarterly reports filed with the Securities and Exchange Commission. Actual results may differ materially from those RXi Pharmaceuticals Corporation contemplated by these forward-looking statements. RXi Pharmaceuticals Corporation does not undertake to update any of these forward-looking statements to reflect a change in its views or events or circumstances that occur after the date of this release.

RXi Pharmaceuticals Corporation
Condensed Statements of Expenses
(A Development Stage Company)
(in thousands, except per share data)
(Unaudited)

	For the Three Months Ended September 30, 2008	For the Three Months Ended September 30, 2007	For the Nine Months Ended September 30, 2008	For the Nine Months Ended September 30, 2007
Research and development expense	\$ 1,200	\$ 786	\$ 5,054	\$ 5,380
General and administrative expense	2,264	1,581	5,469	3,291
Operating loss	(3,464)	(2,367)	(10,523)	(8,671)
Interest income	56	171	159	304
Other expense	—	—	(8)	—
Net loss	<u>\$ (3,408)</u>	<u>\$ (2,196)</u>	<u>\$ (10,372)</u>	<u>\$ (8,367)</u>
Net loss per common share:				
Basic and diluted loss per share	<u>(\$0.25)</u>	<u>(\$0.18)</u>	<u>(\$0.79)</u>	<u>(\$0.79)</u>
Weighted average common shares outstanding:				
Basic and diluted	<u>13,757,731</u>	<u>12,420,491</u>	<u>13,064,496</u>	<u>10,598,131</u>

RXi Pharmaceuticals Corporation
Balance Sheets
(A Development Stage Company)
(Unaudited)

	September 30, 2008	December 31, 2007
Cash and cash equivalents	\$ 3,664	\$ 1,763
Short term investments, at amortized cost	9,015	9,952
Prepaid expenses and other current assets	326	22
Equipment and furnishings, net	358	344
Deposits	16	66
Total assets	<u>\$ 13,379</u>	<u>\$ 12,147</u>
Accounts payable	\$ 264	\$ 55
Accrued expense and other current liabilities	899	1,062
Current maturities of capital lease obligations	17	—
Due to former parent company	—	207
Capital lease obligations, net of current maturities	9	—
Total liabilities	1,189	1,324
Total stockholders' equity	12,190	10,823
Total liabilities and stockholders' equity	<u>\$ 13,379</u>	<u>\$ 12,147</u>

CONTACT:

RXi Pharmaceuticals
Donna Falcetti
508-929-3615
ir@rxipharma.com

or

Investors
SAN Group
Susan Noonan
212-966-3650
susan@sanoonan.com

or

Media
Rx Communications Group
Eric Goldman
917-322-2563
egoldman@rxir.com