

**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) November 2, 2005 (October 28, 2005)

CYTOKINETICS, INCORPORATED

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-50633
(Commission
File Number)

94-3291317
(IRS Employer
Identification No.)

280 East Grand Avenue
South San Francisco, California 94080
(Address of principal executive offices, including zip code)

(650) 624-3000
(Registrant's telephone number, including area code)

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))
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ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On October 28, 2005, we entered into a committed Equity Financing Facility, or CEFF, with Kingsbridge Capital Ltd., or Kingsbridge. Pursuant to the CEFF, Kingsbridge committed to purchase, subject to certain conditions, shares of our newly-issued common stock with an aggregate purchase price of up to \$75 million. The CEFF allows us to raise capital to support our future corporate and clinical development activities. As part of the arrangement, we issued a warrant to Kingsbridge to purchase 244,000 shares of our common stock with an exercise price of \$9.13 per share. The warrant is exercisable beginning six months after the date of grant and for a period of five years after the date of grant. Subject to certain conditions and limitations, from time to time under the CEFF, we may require Kingsbridge to purchase newly-issued shares of our common stock at a price that is between 90% and 94% of the volume weighted average price on each trading day during an eight day, forward-looking pricing period. This allows us to raise capital as required, at the time and in the amounts we deem suitable. The maximum number of shares we may issue in any pricing period is the lesser of 2.5% of our market capitalization immediately prior to the commencement of the pricing period or \$15 million. The minimum acceptable volume weighted average price for determining the purchase price at which our stock may be sold in any pricing period is the greater of \$3.50 or 85% of the closing price for our Common Stock on the day prior to the commencement of the pricing period. The CEFF also requires us to file a registration statement with respect to the resale of shares issued pursuant to the CEFF and underlying the warrant within 60 days of entering into the CEFF, and to use commercially reasonable efforts to have such registration statement declared effective by the Securities and Exchange Commission within 180 days of our entry into the CEFF. Under the terms of the CEFF, the maximum number of shares we may sell is 5,703,488 shares (exclusive of the shares underlying the warrant) which, under the rules of the NASDAQ Stock Market, is approximately the maximum number of shares we may sell to Kingsbridge without approval of our stockholders. This limitation may further limit the amount of proceeds we are able to obtain from the CEFF.

Cytokinetics is not obligated to sell any of the \$75 million of common stock available under the CEFF, and there are no minimum commitments or minimum use penalties. The CEFF does not contain any restrictions on our operating activities, automatic pricing resets or minimum market volume restrictions.

We relied on the exemption from registration contained in Section 4(2) of the Securities Act, and Regulation D, Rule 506 thereunder, in connection with obtaining Kingsbridge's commitment under the CEFF, and for the issuance of the warrant in consideration of such commitment.

A complete copy of the Common Stock Purchase Agreement, the Registration Rights Agreement and the Warrant executed in connection with the CEFF will each be filed as an exhibit to our Annual Report on Form 10-K for the fiscal year ended December 31, 2005. The foregoing descriptions of the terms of these agreements do not purport to be complete, and are qualified in their entirety by reference to such exhibits.

On October 28, 2005, we also issued a press release announcing our entry into the CEFF. A copy of the press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

ITEM 3.02. UNREGISTERED SALES OF EQUITY SECURITIES.

The information under Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 3.02.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibit 99.1

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 99.1 | Committed Equity Financing Facility Press Release, dated October 28, 2005. |

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.

CYTOKINETICS, INCORPORATED

Date: November 2, 2005

By: /s/ James H. Sabry
James H. Sabry, M.D., Ph.D.
President and Chief Executive Officer

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Contacts:

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CYTOKINETICS SECURES \$75 MILLION COMMITTED EQUITY FINANCING FACILITY

South San Francisco, CA., October 28, 2005 - Cytokinetics, Incorporated (Nasdaq: CYTK) announced today that it has entered into a Committed Equity Financing Facility (CEFF) with Kingsbridge Capital Limited, a private investment group, in which Kingsbridge has committed to provide up to \$75 million of capital during the next three years through the purchase of newly-issued shares of Cytokinetics' common stock. Under the terms of the agreement, Cytokinetics will determine the exact timing and amount of any CEFF financings, subject to certain conditions. The CEFF allows Cytokinetics to raise capital, at its discretion, to support Cytokinetics' corporate, research and development activities.

Certain details of the CEFF are as follows:

- For a period of three years, Cytokinetics can access up to \$75 million dollars from Kingsbridge in exchange for newly-issued shares of Cytokinetics' common stock. Cytokinetics may access the capital after the SEC declares effective the registration statement to be filed by Cytokinetics covering the resale of the shares of common stock issuable in connection with the CEFF and the shares of common stock underlying the warrant discussed below.
- Cytokinetics may access capital under the CEFF in tranches of up to the lesser of \$15 million or 2.5% of Cytokinetics' market capitalization at the time of the draw down of such tranche, subject to certain conditions. Each tranche will be issued and priced over an eight-day pricing period. Kingsbridge will purchase shares of common stock pursuant to the CEFF at discounts ranging from 6% to 10% depending on the average market price of the common stock during the eight-day pricing period, provided that the minimum acceptable purchase price for any shares to be issued to Kingsbridge during the eight-day period is determined by the higher of \$3.50 or 85% of Cytokinetics' share price the day before the commencement of each draw down.
- Throughout the term of the agreement, Kingsbridge is restricted from engaging in any shorting transaction of Cytokinetics' common stock.
- Cytokinetics is not obligated to utilize any of the \$75 million available under the CEFF and there are no minimum commitments or minimum use penalties. The CEFF agreement does not contain any restrictions on Cytokinetics' operating activities, automatic pricing resets or minimum market volume restrictions.
- The agreement does not prohibit Cytokinetics from conducting additional debt or equity financing, other than financings similar to the CEFF.
- In connection with the CEFF, Cytokinetics issued a warrant to Kingsbridge to purchase up to 244,000 shares of common stock at an exercise price of \$9.13 per share which represents a 30% premium over the average of the closing bid prices of Cytokinetics' common stock during the 5 days preceding the signing of the agreement. The warrant will become exercisable after the six month anniversary of the date of the agreement. The warrant will remain exercisable, subject to certain exceptions, until five years after the date of the agreement.

The securities issuable in connection with the CEFF and upon the exercise of the warrant issued to Kingsbridge have not been registered under the Securities Act of 1933 and may not be offered or sold in the United States absent registration under the Securities Act of 1933 and applicable state securities laws or available exemptions from registration requirements. Cytokinetics has agreed to file a registration statement for the resale of the shares of common stock issuable in connection with the CEFF and the shares of common stock underlying the warrant within 60 days of the date of the agreement. This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state.

About Cytokinetics

Cytokinetics is a leading biopharmaceutical company focused on the discovery, development and commercialization of novel small molecule drugs that specifically target the cytoskeleton. The cytoskeleton is a complex biological infrastructure that plays a fundamental role within every human cell. Cytokinetics' focus on the cytoskeleton enables it to develop novel and potentially safer and more effective classes of drugs directed at treatments for cancer, cardiovascular disease and other diseases. Cytokinetics has developed a cell biology driven approach and proprietary technologies to evaluate the function of many interacting proteins in the complex environment of the intact human cell. Cytokinetics employs the PUMA™ system and Cytometrix™ technologies to enable early identification and automated prioritization of compounds that are highly selective for their intended protein targets without other cellular effects, and may therefore be less likely to give rise to clinical side effects. Cytokinetics and GlaxoSmithKline have entered into a strategic alliance to discover, develop and commercialize small molecule therapeutics targeting human mitotic kinesins for applications in the treatment of cancer and other diseases. GlaxoSmithKline is conducting Phase II and Phase Ib clinical trials for *ispinesib* (SB-715992) and a Phase I clinical trial for SB-743921, each a drug candidate that has emerged from the strategic alliance. Cytokinetics' heart failure program is the second program to leverage the company's expertise in cytoskeletal pharmacology. Cytokinetics recently initiated a Phase I clinical trial with CK-1827452, a novel small molecule cardiac myosin activator, for the treatment of heart failure. Additional information about Cytokinetics can be obtained at www.cytokinetics.com.

This press release contains forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995 (the "Act"). Cytokinetics 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, statements relating to the issuance of shares of Cytokinetics common stock under the CEFF, registration for resale of securities issued under, and in connection with, the CEFF, potential benefits of our drug candidates and potential drug candidates and the enabling capabilities of our proprietary technologies. 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 Cytokinetics' ability to timely file a registration statement permitting resale of securities to be issued by Cytokinetics under, and in connection with, the CEFF, Securities and Exchange Commission review of such registration statement, other regulatory review pertaining to Cytokinetics' entry into the CEFF, difficulties or delays in development, testing, regulatory approval, production and marketing of Cytokinetics' drug candidates that could slow or prevent clinical development or product approval (including the risks relating to uncertainty of patent protection for Cytokinetics' intellectual property or trade secrets, Cytokinetics' ability to obtain additional financing if necessary and unanticipated research and development and other costs). For further information regarding these and other risks related to Cytokinetics' business, investors should consult Cytokinetics' filings with the Securities and Exchange Commission.

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