

VAGELOS P ROY  
Form 4  
December 23, 2009

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
VAGELOS P ROY

(Last) (First) (Middle)

THERAVANCE, INC., 901  
GATEWAY BOULEVARD

(Street)

SOUTH SAN  
FRANCISCO, CA 94080

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
THERAVANCE INC [THRX]

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/23/2009

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
Common Stock	12/23/2009		M	200,000	A	\$ 8.53	404,802 <sup>(1)</sup>	D	
Common Stock							232,254	I	by trust for grandchildren <sup>(2)</sup>
Common Stock							935,673	I	by trust <sup>(3)</sup>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not

SEC 1474 (9-02)

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 8.53	12/23/2009		M	200,000	<u>(4)</u>	06/29/2012	Common Stock	200,000

## Reporting Owners

### Reporting Owner Name / Address

### Relationships

Director 10% Owner Officer Other

VAGELOS P ROY  
THERAVANCE, INC.  
901 GATEWAY BOULEVARD  
SOUTH SAN FRANCISCO, CA 94080

X

## Signatures

Bradford J Shafer as  
Attorney-in-Fact

12/23/2009

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- Reflects changes from indirect to direct ownership in transfers exempt under Rule 16a-13 of 283,495 previously held by the 2008 Theravance Annuity Trust I to the reporting person and 90,910 previously held by the 2008 Theravance Annuity Trust II to the reporting person and reflects change from direct to indirect ownership in transfer exempt under Rule 16a-13 of 415,000 previously held by the reporting person to the 2009 Theravance Annuity Trust I. Reporting person is the trustee of the trusts.
- (1) Shares held in trusts for the benefit of the reporting person's grandchildren. Reporting person is the trustee of the trusts. Reporting person disclaims beneficial ownership of these shares.
  - (2) Shares held by the 2008 Theravance Annuity Trust I, 2008 Theravance Annuity Trust II and 2009 Theravance Annuity Trust I. Reporting person is the trustee of the trusts.
  - (3) Immediately exercisable.
  - (4)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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