

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0287
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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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>PEQUOT CAPITAL MANAGEMENT INC</u> (Last) (First) (Middle) 500 NYALA FARM ROAD (Street) WESTPORT CT 06880 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>THRESHOLD PHARMACEUTICALS INC [THLD]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) See Footnote 1
	3. Date of Earliest Transaction (Month/Day/Year) 02/09/2005	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/09/2005		P		241,719	A	\$7	0	I ⁽²⁾	Investment Advisor ⁽¹⁾
Common Stock	02/09/2005		C		3,312,006	A	⁽³⁾	3,553,725	I ⁽²⁾	Investment Advisor ⁽¹⁾

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Series B Preferred Stock	\$0 ⁽³⁾	02/09/2005		C ⁽³⁾			3,312,006 ⁽³⁾	(4)	(5)	Common Stock ⁽³⁾	3,312,006	(3)	0	I ⁽²⁾	Investment Advisor ⁽¹⁾

1. Name and Address of Reporting Person* <u>PEQUOT CAPITAL MANAGEMENT INC</u> (Last) (First) (Middle) 500 NYALA FARM ROAD (Street) WESTPORT CT 06880 (City) (State) (Zip)		
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1. Name and Address of Reporting Person *

ENRIGHT PATRICK G

(Last) (First) (Middle)

500 NYALA FARM ROAD

(Street)

WESTPORT CT 06880

(City) (State) (Zip)

Explanation of Responses:

1. Pequot Capital Management, Inc. ("Pequot") is an investment advisor registered under Section 203 of the Investment Advisers Act of 1940 and has voting and investment power with respect to securities in its clients' accounts. Pequot disclaims any obligations to file this report, and this report shall not be deemed an admission that Pequot is subject to Section 16 with respect to the issuer of such securities. Patrick G. Enright is an employee of Pequot and became a director on the Board of Directors of the Issuer on November 17, 2003 and disclaims any beneficial ownership of these securities except to the extent of his pecuniary interest.
2. Pequot disclaims beneficial ownership of these securities, and this report shall not be deemed an admission that Pequot, for the purposes of Section 16 of the Exchange Act or otherwise, is the beneficial owner of such securities.
3. Each share of Series B Preferred Stock automatically converted into common stock upon the closing of the Issuer's initial public offering of common stock. The number of shares of Series B Preferred Stock reported gives effect to the conversion of shares of common stock, after giving effect to a 1 for 1.6469 reverse stock split of the Common Stock effective as of January 26, 2005.
4. Immediately.
5. Not applicable.

Aryeh Davis, General Counsel 02/09/2005
Pequot Capital Management

Patrick G. Enright, Director(1) 02/09/2005

** Signature of Reporting Person Date

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

* 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.