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

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2000

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)

OF THE EXCHANGE ACT

For the transition period from _____ to _____

Commission file number 0-22613

AVI BIOPHARMA, INC.

(Exact name of registrant as specified in its charter)

Oregon	93-0797222
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One SW Columbia Street, Suite 1105, Portland, Oregon (Address of principal executive offices)	97258 (Zip Code)

Issuer's telephone number, including area code: 503-227-0554

Check whether the issuer (1) 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 X No
--- ---

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

(Class)	(Outstanding at May 3, 2000)
Common Stock with $.0001 par value	16,709,616

AVI BIOPHARMA, INC.
FORM 10-Q
INDEX

PART I - FINANCIAL INFORMATION		PAGE
Item 1.	Financial Statements	
	Balance Sheets - March 31, 2000 and December 31, 1999	2
	Statements of Operations - Three Months Ended March 31, 2000 and 1999 and from July 22, 1980 (Inception) to March 31, 2000	3
	Statements of Cash Flows - Three Months Ended March 31, 2000 and 1999 and from July 22, 1980 (Inception) to March 31, 2000	4
	Notes to Financial Statements	5
Item 2.	Management's Discussion and Analysis	6
PART II - OTHER INFORMATION		
Item 6.	Exhibits and Reports on Form 8-K	8
Signatures		9

AVI BIOPHARMA, INC.
(A Development Stage Company)
BALANCE SHEETS

	March 31, 2000	December 31, 1999
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 9,580,282	$ 8,683,005
Short-term securities--available-for-sale	4,800,000	2,937,500
Other current assets	48,717	31,242
Total Current Assets	14,428,999	11,651,747
Property and Equipment, net of accumulated depreciation and amortization of $2,552,567 and $2,518,494	423,229	403,303
Patent Costs, net of accumulated amortization of $454,268 and $418,268	849,852	844,731
Other Assets	89,309	29,847
Total Assets	$ 15,791,389	$ 12,929,628
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 509,874	$ 727,673
Accrued liabilities	257,101	312,481
Total Current Liabilities	766,975	1,040,154
Shareholders' Equity:		
Preferred Stock, $.0001 par value, 2,000,000 shares authorized; none issued and outstanding	-	-
Common stock, $.0001 par value, 50,000,000 shares authorized; 16,658,784 and 16,236,428 issued and outstanding	1,666	1,624
Additional paid-in capital	65,313,507	62,901,227
Accumulated other comprehensive income	1,903,000	40,500
Deficit accumulated during the development stage	(52,193,759)	(51,053,877)
Total Shareholders' Equity	15,024,414	11,889,474
Total Liabilities and Shareholders' Equity	$ 15,791,389	$ 12,929,628

The accompanying notes are an integral part of these balance sheets.

AVI BIOPHARMA, INC.
(A Development Stage Company)
STATEMENTS OF OPERATIONS

	Three months ended March 31, 2000	Three months ended March 31, 1999	July 22, 1980 (Inception) to March 31, 2000
Revenues, from license fees, grants and research contracts	$ 1,131,873	$ 4,115	$ 1,973,090
Operating expenses:			
Research and development	1,936,473	1,342,650	26,664,106
General and administrative	436,063	417,624	9,634,731
Acquired in-process research and development	-	59,839	19,545,028
	2,372,536	1,820,113	55,843,865
Other Income:			
Interest income, net	100,781	76,539	1,580,266
Realized gain on sale of short-term investments	-	-	96,750
	100,781	76,539	1,677,016
Net loss	$ (1,139,882)	$ (1,739,459)	$ (52,193,759)
Net loss per share - basic and diluted	$ (0.07)	$ (0.13)	
Weighted average number of common shares outstanding for computing basic and diluted loss per share	16,359,671	13,349,358	

The accompanying notes are an integral part of these statements.

AVI BIOPHARMA, INC.
(A Development Stage Company)
STATEMENTS OF CASH FLOWS

	Three months ended March 31,		For the Period July 22, 1980 (Inception) to March 31, 2000
	2000	1999	
Cash flows from operating activities:			
Net loss	$ (1,139,882)	$ (1,739,459)	$ (52,193,759)
Adjustments to reconcile net loss to net cash flows used in operating activities:			
Depreciation and amortization	72,722	69,812	3,126,253
Realized gain on sale of short-term investments - available for sale	-	-	(96,750)
Compensation expense on issuance of common stock and partnership units	-	-	251,992
Compensation expense on issuance of options and warrants to purchase common stock or partnership units	-	-	562,353
Conversion of interest accrued to common stock	-	-	7,860
Acquired in-process research and development	-	59,839	19,545,028
(Increase) decrease in:			
Other current assets	(17,475)	466,115	(48,717)
Other assets	(59,462)	-	(89,309)
Net increase (decrease) in accounts payable and accrued liabilities	(273,179)	(478,068)	766,975
Net cash used in operating activities	(1,417,276)	(1,621,761)	(28,168,074)
Cash flows from investing activities:			
Proceeds from sale or redemption of short-term investments	-	-	247,750
Purchase of property and equipment	(56,648)	(101,707)	(3,038,534)
Patent costs	(41,121)	(50,519)	(1,360,800)
Acquisition costs	-	(59,839)	(2,377,616)
Net cash used in investing activities	(97,769)	(212,065)	(6,529,200)
Cash flows from financing activities:			
Proceeds from sale of common stock, warrants, and partnership units, net of offering costs, and exercise of options	2,412,322	15,000	44,662,993
Buyback of common stock pursuant to rescission offering	-	-	(288,795)
Withdrawal of partnership net assets	-	-	(176,642)
Issuance of convertible debt	-	-	80,000
Net cash provided by financing activities	2,412,322	15,000	44,277,556
Increase (decrease) in cash and cash equivalents	897,277	(1,818,826)	9,580,282
Cash and cash equivalents:			
Beginning of period	8,683,005	8,510,020	-
End of period	$ 9,580,282	$ 6,691,194	$ 9,580,282
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING ACTIVITIES AND FINANCING ACTIVITIES:			
Short-term securities--available-for-sale received in connection with the private offering	$ -	$ -	$ 2,897,000
Unrealized gain on short-term securities--available-for-sale	$ 1,862,500	$ -	$ 1,903,000

The accompanying notes are an integral part of these statements.

AVI BIOPHARMA, INC.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1. BASIS OF PRESENTATION

The financial information included herein for the three-month periods ended March 31, 2000 and 1999 and the financial information as of March 31, 2000 is unaudited; however, such information reflects all adjustments consisting only of normal recurring adjustments which are, in the opinion of management, necessary for a fair presentation of the financial position, results of operations and cash flows for the interim periods. The financial information as of December 31, 1999 is derived from AVI BioPharma, Inc.'s (the Company's) Form 10-K. The interim financial statements should be read in conjunction with the financial statements and the notes thereto included in the Company's Form 10-K. The results of operations for the interim periods presented are not necessarily indicative of the results to be expected for the full year.

NOTE 2. EARNINGS PER SHARE

Basic EPS is calculated using the weighted average number of common shares outstanding for the period and diluted EPS is computed using the weighted average number of common shares and dilutive common equivalent shares outstanding. Given that the Company is in a loss position, there is no difference between basic EPS and diluted EPS since the common stock equivalents would be antidilutive.

Three Months Ended March 31,	2000	1999
Net loss	$(1,139,882)	$(1,739,459)
Weighted average number of shares of common stock and common stock equivalents outstanding:		
Weighted average number of common shares outstanding for computing basic earnings per share	16,359,671	13,349,358
Dilutive effect of warrants and stock options after application of the treasury stock method	*	*
Weighted average number of common shares outstanding for computing diluted earnings per share	16,359,671	13,349,358
Net loss per share - basic and diluted	$(0.07)	$(0.13)

* The following common stock equivalents are excluded from earnings per share calculation as their effect would have been antidilutive:

Three Months Ended March 31,	2000	1999
Warrants and stock options	7,803,265	7,078,051

NOTE 3. SUBSEQUENT EVENT

In April 2000, we entered into an alliance with SuperGen, Inc. for shared development and marketing rights for Avicine. Under the terms of the agreement, AVI and SuperGen will equally share in future clinical development and FDA registration costs as well as in profits from product sales in the United States. It is anticipated upon closing the Company will receive from SuperGen, Inc. an initial payment of $20,000,000 in the form of cash and common stock. Closing of the transaction will occur upon satisfaction of the Hart-Scott-Rodino Act notification and review requirement.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS

FORWARD-LOOKING INFORMATION

The Financial Statements and Notes thereto should be read in conjunction with the following discussion. The discussion in this Form 10-Q contains certain forward-looking statements that involve risks and uncertainties, including, but not limited to, the results of research and development efforts, the results of pre-clinical and clinical testing, the effect of regulation by FDA and other agencies, the impact of competitive products, product development, commercialization and technological difficulties, and other risks detailed in the Company's Securities and Exchange Commission filings.

OVERVIEW

From its inception in July 1980, the Company has devoted its resources primarily to fund its research and development efforts. The Company has been unprofitable since inception and, other than limited interest, license fees and grants, has had no material revenues from the sale of products or other sources, and does not expect material revenues for at least the next 12 months. The Company expects to continue to incur losses for the foreseeable future as it expands its research and development efforts. As of March 31, 2000, the Company's accumulated deficit was $52,193,759.

RESULTS OF OPERATIONS

Revenues, from license fees, grants and research contracts, increased to $1,131,873 in the first quarter of 2000 from $4,115 in the first quarter of 1999 due to the receipt of a $1,000,000 fee for expansion of a license for diagnostic applications, and receipts under an existing grant of $131,873. During the first quarter of 2000, the Company modified their agreement with AGDG. Under the previous agreement between the Company and AGDG, AGDG had a non-exclusive, royalty bearing right to use certain technology in the development of diagnostics and an obligation to pay royalties to the Company on any sales resulting from this development. The agreement modification resulted in AGDG having an exclusive right to the technology and having no future royalty obligation to the Company. In consideration for this modification, the Company received a $1 million license fee and a reduction in future royalties to be paid to AGDG resulting from the sale of therapeutic products. The $1 million was recognized as license fee revenue during the period ended March 31, 2000.

Operating expenses increased to $2,372,536 in the first quarter of 2000 from $1,820,113 in the first quarter of 1999 due to increases in research and development staffing and increased expenses associated with outside collaborations and pre-clinical and clinical testing of the Company's technologies. Additionally, increased general and administrative costs were incurred to support the research expansion, and to continue to broaden the Company's investor and public relations efforts. Net interest income increased to $100,781 in the first quarter of 2000 from $76,539 in the first quarter of 1999 due to earnings on increased cash balances.

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash and cash equivalents were $9,580,282 at March 31, 2000, compared with $8,683,005 at December 31, 1999. The increase of $897,277 was due primarily to the exercise of options and warrants during the first quarter of 2000 and the $1,000,000 license fee, offset by increases in research and development staffing and increased expenses associated with outside collaborations and pre-clinical and clinical testing of our technologies. In addition the Company's short-term securities increased $1,862,500 to $4,800,000 at March 31, 2000 due to unrealized gains in the value of these securities.

The Company's future expenditures and capital requirements will depend on numerous factors, including without limitation, the progress of its research and development programs, the progress of its pre-clinical and clinical trials, the time and costs involved in obtaining regulatory approvals, the cost of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights, competing technological and market developments, the ability of the Company to establish collaborative arrangements and the terms of any such arrangements, and the costs associated with commercialization of its products. The Company's cash requirements are expected to continue to increase significantly each year as it expands its activities and operations. There can be no assurance, however, that the Company will ever be able to generate product revenues or achieve or sustain profitability.

The Company expects that its cash requirements over the next twelve months will be satisfied by existing cash resources.

YEAR 2000

The Year 2000 issue results from computer programs operating incorrectly when the calendar year changes to January 1, 2000. Computer programs that have date-sensitive software may recognize a two-digit date using "00" as calendar year 1900 rather than the year 2000. This could result in system failure or miscalculations and could cause disruptions of operations, including, among other things, a temporary inability to engage in normal business activities.

The Company has evaluated its technology and data, including imbedded non-informational technology, used in the creation and development of its products and services and in its internal operations and has experienced no significant Year 2000 issues. The core business systems are compliant. The Company has not incurred material costs and believes that future costs associated with addressing the Year 2000 issue will have an immaterial effect on our financial results.

Although the Company has inquired of certain of its significant vendors as to the status of their Year 2000 compliance initiatives, no binding assurances have been received. The Company believes that parts and services used in normal operations can be obtained from multiple sources and therefore is not overly reliant on any single vendor.

PART II - OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) The exhibit filed as a part of this report is listed below and this list constitutes the exhibit index.

EXHIBIT NO.	
27	Financial Data Schedule

(b) Reports on Form 8-K

The Company did not file any Reports on Form 8-K during the quarter ended March 31, 2000.

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 thereunto duly authorized.

Date: May 10, 2000 AVI BIOPHARMA, INC.

By: /s/ DENIS R. BURGER, Ph.D.

Denis R. Burger, Ph.D.
President, Chief Executive Officer
and Chairman (of the Board of Directors)
(Principal Executive Officer)

By: /s/ ALAN P. TIMMINS

Alan P. Timmins
Chief Operating Officer,
Chief Financial Officer and Director
(Principal Financial and Accounting Officer)

3-MOS	
DEC-31-2000	
JAN-01-2000	
MAR-31-2000	
	9,580,282
	0
	0
	0
	0
	14,428,999
	2,975,796
	2,552,567
	15,791,389
	766,975
	0
	0
	0
	1,666
	13,119,748
	15,791,389
	0
	1,131,873
	0
	0
	2,372,536
	0
	0
	(1,139,882)
	0
	(1,139,882)
	0
	0
	0
	(1,139,882)
	(0.07)
	(0.07)