



June 22, 2000

## **Arena Pharmaceuticals to offer 5 million shares in IPO**

WASHINGTON, June 22 (Reuters) - Arena Pharmaceuticals Inc., which says it has found a new way of finding new drug candidates more efficiently, on Thursday said it will offer five million shares in a projected price range of \$15-\$17 per share when it goes public.

It expects to raise about \$73.2 million from the initial public offering, the biotechnology company said in an amended prospectus filed with the Securities and Exchange Commission.

The San Diego-based firm said its new technology, called CART, can discover new drug candidates in the areas of obesity and schizophrenia more efficiently than the process traditionally used.

Arena, which has applied for a Nasdaq listing under the symbol "ARNA" (Nasdaq:[ARNA - news](#)), plans to use the net proceeds from the IPO for general corporate purposes, including working capital, research and development and clinical testing, according to the filing.

About 19.7 million shares will be outstanding in the company after the sale. At a median price of \$16 per share, the company would have initial capitalisation of \$315.2 million, according to the filing.

ING Barings, Prudential Vector Healthcare and SG Cowen, the underwriters managing the IPO, have been allotted 750,000 additional shares in the event of heavy demand.