



Eisai to Market Arena Pharmaceuticals' Lorcaserin for Obesity and Weight Management in U.S. Following FDA Approval

Companies Sign Marketing and Supply Agreement; Arena Eligible to Receive Over 30% of Eisai's Net Sales and \$1.37 Billion in Other Payments -

SAN DIEGO, July 1, 2010 /PRNewswire via COMTEX News Network/ -- Arena Pharmaceuticals, Inc. (Nasdaq: ARNA) today announced that Eisai Inc. will market lorcaserin for obesity and weight management in the United States following U.S. Food and Drug Administration (FDA) approval under the terms of a marketing and supply agreement between Arena Pharmaceuticals GmbH, a wholly owned subsidiary of Arena Pharmaceuticals, Inc., and Eisai. Lorcaserin, which Arena discovered and has developed for weight management, is intended for obese patients as well as overweight patients who have at least one weight-related co-morbid condition.

(Photo: <http://photos.prnewswire.com/prnh/20100701/LA29624>)

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As part of the marketing and supply agreement, Arena has granted Eisai exclusive U.S. rights to commercialize lorcaserin. Arena will manufacture lorcaserin at its facility in Switzerland and sell finished product to Eisai for marketing and distribution in the United States.

"Through this agreement, we believe Eisai has an opportunity to bring a new option to market to address the significant and growing need for obesity treatments," said Lonnel Coats, President and Chief Executive Officer of Eisai Inc. "Additionally, by building on our expertise and success in the primary care and specialty areas, with strong synergy in our gastrointestinal franchise, this arrangement for the marketing of lorcaserin will enable Eisai to establish a strong presence in the United States for the medical management of obesity."

Under the terms of the agreement, Arena will receive an upfront payment of \$50 million from Eisai and, upon regulatory approval and the delivery of product supply for launch, up to an additional \$90 million in milestone payments. Arena will sell lorcaserin to Eisai for a purchase price starting at 31.5% of Eisai's annual net product sales, and the purchase price will increase on a tiered basis to as high as 36.5% on the portion of annual net product sales exceeding \$750 million. Arena is also eligible to receive \$1.16 billion in one-time purchase price adjustment payments based on annual sales levels of lorcaserin and up to an additional \$70 million in regulatory and development milestone payments.

"Execution of this commercial agreement is a major milestone in our plans for lorcaserin," said Jack Lief, Arena's President and Chief Executive Officer. "We believe in Eisai's *human health care* mission to satisfy unmet medical needs and increase benefits to patients and their families. With Eisai, we have the right company to market lorcaserin in the United States, the right type of agreement to optimize lorcaserin's medical and commercial potential and the shared recognition that it is the right time to enter into this agreement to prepare for launch following FDA approval."

Conference Call & Webcast Scheduled for July 1, 2010, at 8:30 a.m. Eastern Time

Arena will host a conference call and webcast to discuss the agreement on Thursday, July 1, 2010, at 8:30 a.m. Eastern Time (5:30 a.m. Pacific Time). Jack Lief, Dominic P. Behan, Ph.D., Arena's Senior Vice President and Chief Scientific Officer, and William R. Shanahan, M.D., Arena's Senior Vice President and Chief Medical Officer, will host the conference call and webcast.

The conference call may be accessed by dialing 877.303.6132 for domestic callers and 678.809.1062 for international callers. Please specify to the operator that you would like to join the Arena Pharmaceuticals' conference call. The conference call will be webcast live under the investor relations section of Arena's website at www.arenapharm.com, and will be archived there for 30 days following the call. Please connect to Arena's website several minutes prior to the start of the broadcast to ensure adequate time for any software download that may be necessary.

About Lorcaserin

Lorcaserin is a novel single agent that represents the first in a new class of selective serotonin 2C receptor agonists. The serotonin 2C receptor is expressed in the brain, including the hypothalamus, an area involved in the control of appetite and metabolism. Stimulation of this receptor is strongly associated with feeding behavior and satiety. Arena has patents that cover lorcaserin in the United States and other jurisdictions, which in most cases are capable of continuing into 2023 without taking into account any patent term extensions or other exclusivity Arena might obtain.

Phase 3 Program Overview

The pivotal Phase 3 clinical trial program, BLOOM (Behavioral modification and Lorcaserin for Overweight and Obesity Management) and BLOSSOM (Behavioral modification and Lorcaserin Second Study for Obesity Management), evaluated nearly 7,200 patients treated for up to two years. In both trials, lorcaserin was well tolerated and produced statistically significant weight loss. These double-blind, randomized, placebo-controlled trials evaluated obese patients, BMI 30 to 45, with or without co-morbid conditions and overweight patients, BMI 27 to 29.9, with at least one co-morbid condition, such as hypertension, cardiovascular diseases or glucose intolerance.

In addition to the pivotal program, Arena is evaluating lorcaserin for weight management in obese and overweight patients with type 2 diabetes in its BLOOM-DM (Behavioral modification and Lorcaserin for Overweight and Obesity Management in Diabetes Mellitus) trial. Results of BLOOM-DM are expected late this year, and Arena plans to file the results as a supplement to the New Drug Application (NDA).

About Eisai Inc.

Eisai Inc. was established in 1995 and is ranked among the top-20 U.S. pharmaceutical companies (based on retail sales). The company began marketing its first product in the United States in 1997 and has rapidly grown to become a fully integrated pharmaceutical business with fiscal year 2009 (year ended March 31, 2010) sales of approximately \$3.9 billion. Eisai's areas of commercial focus include neurology, gastrointestinal disorders and oncology/critical care. The company serves as the U.S. pharmaceutical operation of Eisai Co., Ltd.

Eisai has a global product creation organization that includes U.S.-based R&D facilities in Maryland, Massachusetts, New Jersey, North Carolina and Pennsylvania as well as manufacturing facilities in Maryland and North Carolina. The company's areas of R&D focus include neuroscience; oncology; vascular, inflammatory and immunological reaction; and antibody-based programs. For more information about Eisai, please visit www.eisai.com.

About Eisai Co., Ltd.

Eisai Co., Ltd. is a research-based *human health care (hhc)* company that discovers, develops and markets products throughout the world. Through a global network of research facilities, manufacturing sites and marketing subsidiaries, Eisai actively participates in all aspects of the worldwide health care system. Eisai employs approximately 11,000 employees worldwide.

About Arena Pharmaceuticals

Arena is a clinical-stage biopharmaceutical company focused on discovering, developing and commercializing oral drugs that target G protein-coupled receptors, an important class of validated drug targets, in four major therapeutic areas: cardiovascular, central nervous system, inflammatory and metabolic diseases. Arena's most advanced drug candidate, lorcaserin, is intended for weight management and has completed a pivotal Phase 3 clinical trial program. Arena has filed an NDA for lorcaserin with the FDA, and the FDA has assigned a PDUFA date of October 22, 2010, for the review of the application. Arena Pharmaceuticals GmbH, a wholly owned subsidiary of Arena Pharmaceuticals, Inc., has granted Eisai Inc. exclusive rights to market and distribute lorcaserin in the United States.

Arena Pharmaceuticals(R) and Arena(R) are registered service marks of the company.

Forward-Looking Statements

Certain statements in this press release are forward-looking statements that involve a number of risks and uncertainties. Such forward-looking statements include statements about rights and obligations under the marketing and supply agreement; expectations, goals and future activities related to such agreement, including the potential commercialization of lorcaserin, manufacture of lorcaserin, sale of finished product and future development; upfront, milestone, purchase price and other payments that may be received or paid in connection with such agreement; the need for obesity treatments; the potential of lorcaserin; the significance of the execution of the marketing and supply agreement with Eisai; the advancement, therapeutic indication and use, safety, efficacy and tolerability of lorcaserin; regulatory review and potential regulatory approval and commercial launch of lorcaserin; lorcaserin's patent coverage; the BLOOM-DM trial, including the results of such trial; and

Arena's focus, goals, strategy, research and development programs, and ability to develop compounds and commercialize drugs. For such statements, Arena claims the protection of the Private Securities Litigation Reform Act of 1995. Actual events or results may differ materially from Arena's expectations. Factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, risks related to the implementation and continuation of the marketing and supply agreement with Eisai and dependence on Eisai; regulatory authorities or advisors may not find data from Arena's clinical trials and other studies sufficient for regulatory approval; the timing and ability of Arena to receive regulatory approval for its drug candidates; the ability to enter into agreements to develop or commercialize lorcaserin and other of Arena's compounds or programs; Eisai's and Arena's ability to commercialize lorcaserin; the timing, success and cost of the lorcaserin program and other of Arena's research and development programs; results of clinical trials and other studies are subject to different interpretations and may not be predictive of future results; clinical trials and other studies may not proceed at the time or in the manner Arena or others expect or at all; Arena's ability to obtain adequate funds; Arena's ability to obtain and defend its patents; and the timing and receipt of payments and fees, if any, from Eisai and Arena's collaborators. Additional factors that could cause actual results to differ materially from those stated or implied by Arena's forward-looking statements are disclosed in Arena's filings with the Securities and Exchange Commission. These forward-looking statements represent Arena's judgment as of the time of this release. Arena disclaims any intent or obligation to update these forward-looking statements, other than as may be required under applicable law.

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