



Arena Pharmaceuticals, Inc.





ARNA NASDAQ

Pharmaceuticals - Diversified

Market Capitalization USD:

\$210.19 mm

CONCERN LEVEL: AVERAGE

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance. 
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years. 
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less. 
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Jack Lief

Age: 66

CEO Since: 1997

	2009	2010	2011
Base Salary	\$688,788	\$690,000	\$690,000
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$343,922	\$190,000	\$227,700
Benefits and Perquisites	\$15,150	\$15,150	\$15,315
TOTAL ANNUAL COMPENSATION	\$1,047,860	\$895,150	\$933,015
Increase in Post-Retirement Benefits	\$0	\$0	\$0
Stock Option Awards	\$516,132	\$298,301	\$321,570
Stock Awards	\$0	\$0	\$0
TOTAL COMPENSATION	\$1,563,992	\$1,193,451	\$1,254,585
Median of Other Named Executive Officers Total Compensation	\$649,396	\$655,565	\$712,833
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$39,600	\$0	\$0
TOTAL REALIZED EQUITY COMPENSATION	\$39,600	\$0	\$0

Proxy Date: 27 Apr 2012

Annual Meeting Date: 15 Jun 2012

Equity Reserves: 19.66%

Stock Option Run Rate: 1.96%

Arena Pharmaceuticals, Inc.

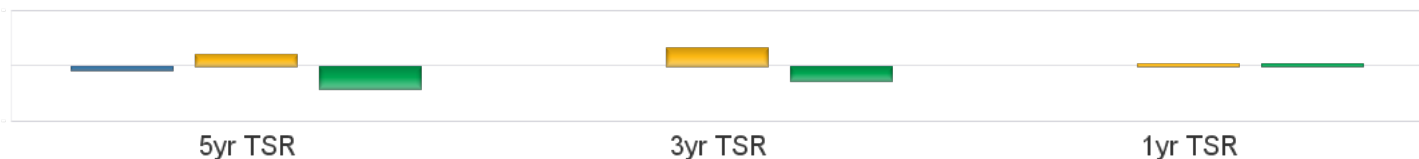
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Performance Comparison

■ S&P500 ■ Industry ■ ARNA



Peer Comparisons (TRBC) =Pharmaceuticals - Diversified

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
ARNA	Arena Pharmaceuticals, Inc.	\$1,563,992	\$1,193,451	\$1,254,585	\$210,185,372
NPSP	NPS Pharmaceuticals Inc.	\$2,131,592	\$1,787,384	\$1,723,044	\$560,105,387
MAPP	MAP Pharmaceuticals, Inc.	\$1,570,293	\$1,882,343	\$2,844,422	\$444,682,300
SPPI	Spectrum Pharmaceuticals, Inc.	\$3,792,956	\$5,514,195		\$405,899,816
ACHN	Achillion Pharmaceuticals, Inc.		\$1,913,823	\$1,422,901	\$329,072,396
SVNT	Savient Pharmaceuticals, Inc.	\$1,414,685	\$639,132	\$8,790,708	\$292,731,799
CHTP	Chelsea Therapeutics International, Ltd.	\$1,169,018	\$1,245,307	\$954,405	\$237,107,292

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps.

Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

AMAG Pharmaceuticals, Inc., Dyax Corp., Enzo Biochem, Inc., Enzon Pharmaceuticals, Inc., Geron Corporation, Infinity Pharmaceuticals, Inc., Isis Pharmaceuticals, Inc., Lexicon Pharmaceuticals, Inc., The Medicines Company, Neurocrine Biosciences, Inc., Nabi Biopharmaceuticals, Orexigen Therapeutics, Inc., Progenics Pharmaceuticals, Inc., VIVUS, Inc., Vical Incorporated and XOMA Ltd.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Tina S. Nova Bennett	Chairman	58	Female	8	Outside
Christine A. White	Member	60	Female	6	Outside
Randall E. Woods	Member	60	Male	5	Outside

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