

VANDA PHARMACEUTICALS INC. ANNOUNCES INITIAL PUBLIC OFFERING OF 5,750,000 SHARES OF COMMON STOCK AT \$10.00 PER SHARE

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Vanda Pharmaceuticals Inc. announced the initial public offering of 5,750,000 shares of common stock at \$10.00 per share. In addition, Vanda has granted to the underwriters a 30-day option to purchase up to 862,500 additional shares to cover over-allotments, if any. All of the shares are being offered by Vanda.

The shares will be traded on the NASDAQ National Market beginning April 12, 2006 under the trading symbol "VNDA". J.P. Morgan Securities Inc. and Banc of America Securities LLC were joint bookrunning managers for the offering. Thomas Weisel Partners LLC was co-manager for the offering. Copies of the final prospectus may be obtained from J.P. Morgan Securities Inc., 277 Park Avenue, New York, New York 10172 and Banc of America Securities LLC, 9 West 57th Street, New York, New York 10019.

Vanda Pharmaceuticals Inc.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.