

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

OMB APPROVAL	
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>CARE CAPITAL II LLC</u>  (Last) (First) (Middle) 47 HULFISH STREET SUITE 310  (Street) PRINCETON NJ 08542  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Vanda Pharmaceuticals Inc. [ VNDA ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) 04/18/2006	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	
		6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	04/18/2006		C		1,442,552 <sup>(3)</sup>	A	(1)	1,444,002 <sup>(3)</sup>	I	See Footnote <sup>(6)</sup>
Common Stock	04/18/2006		C		98,949 <sup>(3)</sup>	A	(1)	99,039 <sup>(3)</sup>	I	See Footnote <sup>(7)</sup>
Common Stock	04/18/2006		C		1,938,203 <sup>(3)</sup>	A	(2)	3,382,205 <sup>(3)</sup>	I	See Footnote <sup>(6)</sup>
Common Stock	04/18/2006		C		132,961 <sup>(3)</sup>	A	(2)	232,000 <sup>(3)</sup>	I	See Footnote <sup>(7)</sup>

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Series A Preferred Stock	(1)	04/18/2006		C		4,774,500		(4)	(5)	Common Stock	1,442,552 <sup>(3)</sup>	(1)	0	I	See Footnote <sup>(6)</sup>
Series A Preferred Stock	(1)	04/18/2006		C		327,500		(4)	(5)	Common Stock	98,949 <sup>(3)</sup>	(1)	0	I	See Footnote <sup>(7)</sup>
Series B Preferred Stock	(2)	04/18/2006		C		6,414,986		(4)	(5)	Common Stock	1,938,203 <sup>(3)</sup>	(2)	0	I	See Footnote <sup>(6)</sup>
Series B Preferred Stock	(2)	04/18/2006		C		440,073		(4)	(5)	Common Stock	132,961 <sup>(3)</sup>	(2)	0	I	See Footnote <sup>(7)</sup>

1. Name and Address of Reporting Person\*  
CARE CAPITAL II LLC  
 (Last) (First) (Middle)  
 47 HULFISH STREET  
 SUITE 310  
 (Street)  
 PRINCETON NJ 08542  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
CARE CAPITAL INVESTMENTS II LP  
 (Last) (First) (Middle)  
 47 HULFISH STREET  
 SUITE 310

(Street)  
PRINCETON NJ 08542

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

Care Capital Offshore Investments II LP

(Last) (First) (Middle)

47 HULFISH STREET  
SUITE 310

(Street)  
PRINCETON NJ 08542

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

LESCHLY JAN

(Last) (First) (Middle)

47 HULFISH STREET  
SUITE 310

(Street)  
PRINCETON NJ 08542

(City) (State) (Zip)

**Explanation of Responses:**

1. Reflects the automatic conversion of each share of Series A Preferred Stock to one share of Common Stock to occur upon the close of business of the day immediately preceding the closing of the issuer's initial public offering.
2. Reflects the automatic conversion of each share of Series B Preferred Stock to one share of Common Stock to occur upon the close of business of the day immediately preceding the closing of the issuer's initial public offering.
3. Reflects a 1-for-3.309755 reverse stock split to occur immediately following the effectiveness of the registration statement covering the issuer's initial public offering.
4. Immediately.
5. Not applicable.
6. The reportable securities are owned directly by Care Capital Investments II, L.P. and indirectly by Care Capital II, LLC as general partner of Care Capital Investments II, L.P. Care Capital II, LLC disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that Care Capital II, LLC is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of its pecuniary interest therein. Jan Leschly is a managing member of Care Capital II, LLC. Mr. Leschly disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that he is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of his pecuniary interest therein
7. The reportable securities are owned directly by Care Capital Offshore Investments II, L.P. and indirectly by Care Capital II, LLC as general partner of Care Capital Offshore Investments II, L.P. Care Capital II, LLC disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that Care Capital II, LLC is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of its pecuniary interest therein. Jan Leschly is a managing member of Care Capital II, LLC. Mr. Leschly disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that he is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of his pecuniary interest therein.

/s/ David R. Ramsay, Authorized 04/18/2006  
Signatory

\*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**

POWER OF ATTORNEY

David R. Ramsay  
has signed certain of these documents  
as an Authorized Signatory. Note  
that copies of the applicable  
Statement Appointing Designated Filer and  
Authorized Signatories  
are on file with the appropriate agencies.

JOINT FILER INFORMATION

Joint Filer Name: Care Capital Investments II, L.P.

Relationship to Issuer: 10% Owner

Address: 47 Hulfish Street, Suite 310, Princeton, NJ 08542

Designated Filer: Care Capital II, LLC

Date of Event Requiring Statement: April 18, 2006

Issuer Name and Ticker or Trading Symbol: Vanda Pharmaceuticals Inc. (VNDA)

Signature Care Capital Investments II, L.P.

Capital II, LLC By: Care Its General Partner

R. Ramsay By: /s/ David

Ramsay, Authorized Signatory David R.

Joint Filer Name: Care Capital Offshore Investments II, L.P.

Relationship to Issuer: 10% Owner

Address: 47 Hulfish Street, Suite 310, Princeton, NJ 08542

Designated Filer: Care Capital II, LLC

Date of Event Requiring Statement: April 18, 2006

Issuer Name and Ticker or Trading Symbol: Vanda Pharmaceuticals Inc. (VNDA)

Signature Care Capital Offshore Investments II, L.P.

LLC By: Care Capital II, Its General Partner

By: /s/ David R. Ramsay David R.

Ramsay, Authorized Signatory

Joint Filer Name: Jan Leschly

Relationship to Issuer: 10% Owner

Address: 47 Hulfish Street, Suite 310, Princeton, NJ 08542

Designated Filer: Care Capital II,

LLC

Date of Event Requiring  
Statement:

April 18, 2006

Issuer Name and Ticker  
or Trading Symbol:  
Inc. (VNDA)

Vanda Pharmaceuticals

Signature

Jan Leschly

By: /s/ David R.

Ramsay

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David R. Ramsay, Authorized Signatory