

HAWRAN PAUL W
Form 4
March 21, 2003

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response. . .0.5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

Filed By
Romeo and Dye's
Section 16 Filer
www.section16.net

1. Name and Address of Reporting Person* Hawran, Paul W.			2. Issuer Name and Ticker or Trading Symbol Neurocrine Biosciences, Inc./NBIX				6. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) Executive Vice President and CFO	
(Last)	(First)	(Middle)	3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)			4. Statement for Month/Day/Year 03/19/03		
10555 Science Center Drive						5. If Amendment, Date of Original (Month/Day/Year)		7. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
(Street) San Diego, CA 92121								

(City) (State) (Zip)			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 & 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 & 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	03/19/03		A		41,500	A	4.25	41,500	I	(3)
Common Stock	03/19/03		A		20,000	A	8.25	20,000	I	(3)
Common Stock	03/19/03		A		22,963	A	7.375	22,963	I	(3)
Common Stock	03/19/03		A		46,874	A	7.375	46,874	I	(3)
Common Stock	03/19/03		A		22,437	A	7.75	22,437	I	(3)
Common Stock	03/19/03		A		17,185	A	5.375	17,185	I	(3)

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).

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FORM 4 (continued) 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 & 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 & 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security (Direct (D) or Indirect (I)) (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Non-statutory Stock Option	4.25	03/19/03		M ⁽¹⁾		41,500		05/28/95	04/28/05	Common Stock	41,500			I
Non-statutory Stock Option	8.25	03/19/03		M ⁽¹⁾		20,000		08/09/96	07/09/06	Common Stock	20,000			I
Non-statutory Stock Option	7.375	03/19/03		M ⁽¹⁾		22,963		05/29/97	04/29/07	Common Stock	22,963			I
Non-statutory Stock Option	7.375	03/19/03		M ⁽¹⁾		46,874		05/29/97	04/29/07	Common Stock	46,874			I
Non-statutory Stock Option	7.75	03/19/03		M ⁽¹⁾		22,437		05/16/97	04/16/07	Common Stock	22,437			I
Non-statutory Stock Option	5.375	03/19/03		M ⁽¹⁾		17,185		04/02/99	03/02/07	Common Stock	17,185			I
Forward Sale (Put Option)	45.46	03/21/03		J/K ⁽²⁾		⁽²⁾		03/21/03	03/21/05	Common Stock	40,000	⁽²⁾	⁽²⁾	I

Explanation of Responses:

(1) Exercise of derivative security exempted pursuant to Rule 16b-3.

(2) On March 21, 2003, the Reporting Person entered into a prepaid forward purchase agreement pursuant to which, (i) the reporting person delivered to the broker, the shares listed in item 7 as collateral for the Reporting Person's obligations, (ii) the broker delivered to the Reporting Person, an agreed percentage of the market value of the shares listed in item 7 as collateral for broker's obligations, and (iii) the Reporting Person is obligated to deliver to the broker payment in stock or cash pursuant to the following formula: At Maturity (two years from date of transaction) (Payment in Stock or Cash, if available): (1) If NBIX price is < downside protection price: Reporting Person pays Salomon Smith Barney Number of Shares x NBIX price; (2) if NBIX price is between downside protection price and capped upside protection price: Reporting Person pays Salomon Smith Barney Number of Shares x downside protection price; (3) if NBIX price is > capped upside protection price: Reporting Person pays Salomon Smith Barney Number of Shares x the agreed downside protection price divided by the capped upside protection price, and (iv) Reporting Person has an agreed participation above the capped upside protection price.

(3) Holdings of 03/19/03 exercise of underlying derivative security reported in Table II held in PNH Limited Liability Company

(4) Shares held by PNH Limited Liability Company.

By: /s/ Margaret E. Valeur-Jensen

03/21/03

Date

**Signature of Reporting Person

**Intentional misstatements or omissions of facts constitute Federal Criminal Violations.

See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

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

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