

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D (Amendment No. 5)*
Under the Securities Exchange Act of 1934

LIGAND PHARMACEUTICALS INCORPORATED

(Name of Issuer)

Common Stock, \$0.001 par value

(Title of Class of Securities)

53220K 20 7

(CUSIP Number)

William F. Daniel
Elan Corporation, plc
Lincoln House
Lincoln Place
Dublin 2, Ireland
(353) 1-709-4000

(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)

August 4, 2000

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of ss.ss. 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box //.

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See ss. 240.13d-7(b) for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13D

CUSIP No. 53220K 20 7

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES
ONLY)

Elan Corporation, plc
I.R.S. Employer Identification No.: NA

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) //
(b) //

N/A

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) N/A

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Ireland

7 SOLE VOTING POWER

NUMBER OF SHARES 12,031,809

BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 8 SHARED VOTING POWER
None

9 SOLE DISPOSITIVE POWER
12,031,809

10 SHARED DISPOSITIVE POWER

None

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

12,031,809

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

19.6% (based upon outstanding common stock and shares of common
stock issuable upon conversion of convertible notes and
warrants as of July 31, 2000)

14 TYPE OF REPORTING PERSON

CO

Item 1. Security and Issuer.

This Amendment No. 5 amends the Schedule 13D filed with the Securities and Exchange Commission (the "Commission") on January 6, 1999, as amended by the Schedule 13D/A1 filed with the Commission on July 27, 1999, as amended by the Schedule 13D/A2 filed with the Commission on July 29, 1999, as amended by the Schedule 13D/A3 filed with the Commission on September 10, 1999, as amended by the Schedule 13D/A4 filed with the Commission on December 17, 1999 (the "Schedule 13D"), with respect to the Common Stock, \$0.001 par value ("Common Stock"), of Ligand Pharmaceuticals Incorporated (the "Issuer"), a Delaware

corporation, whose principal executive offices are located at 10275 Science Center Drive, San Diego, California 92121.

Item 3. Sources and Amount of Funds or Other Consideration.

Item 3 of the Schedule 13D is restated in its entirety as follows:

Pursuant to a Stock Purchase Agreement, dated as of September 30, 1998, by and between the Issuer and Elan International Services, Ltd., a wholly-owned subsidiary of Elan ("EIS"), EIS acquired 1,278,970 shares of Common Stock (the "First Shares") on September 30, 1998 for an aggregate cash purchase price of \$14,900,000.50.

Pursuant to a Securities Purchase Agreement, dated as of November 6, 1998, by and among the Issuer, EIS and Elan (the "Purchase Agreement"), on November 9, 1998, EIS acquired (i) 437,768 additional shares of Common Stock (the "Second Shares") for an aggregate cash purchase price of \$5,099,997.20 and (ii) zero coupon convertible senior notes due 2008 of the Issuer with an 8.0% per annum yield to maturity (the "Notes") at an issue price of \$30,000,000 (the "Initial Notes"). The issue price plus all accrued interest on the Initial Notes is convertible into Common Stock of the Issuer at any time at the option of EIS at a conversion price of \$14.00 per share.

Pursuant to a Development, License and Supply Agreement, dated as of November 6, 1998 (the "License Agreement"), by and between the Issuer and Elan, on November 9, 1998, Elan acquired (i) 429,185 additional shares of Common Stock (the "Third Shares") for an aggregate cash purchase price of \$5,000,000 and (ii) additional Notes of the Issuer (the "Second Notes") with an issue price of \$10,000,000, in each case, in lieu of certain cash license fees payable by the Issuer to Elan pursuant to the License Agreement. The issue price plus all accrued interest on the Second Notes is convertible into Common Stock at any time at the option of Elan at a conversion price of \$14.00 per share.

Pursuant to the Purchase Agreement, on July 14, 1999, EIS acquired additional Notes of the Issuer (the "Third Notes") with an issue price of \$40,000,000. The issue price plus all accrued interest on the Third Notes is convertible into Common Stock at any time at the option of EIS at a conversion price of \$14.00 per share. On March 1, 2000, 1999 \$20,000,000 of the Third Notes, plus all accrued interest, were converted into Common Stock.

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On August 13, 1999, EIS, Elan and the Issuer executed an amendment to the Purchase Agreement (the "Letter Agreement"). Among other things, the Letter Agreement (i) removed certain limitations on the Company's use of proceeds from the sale of any Additional Notes issued after August 13, 1999; (ii) revised the formula used to calculate the conversion price of Notes issued after August 13, 1999; and (iii) extended the period during which the Issuer may request that EIS purchase additional Notes to December 31, 2000.

Pursuant to the Purchase Agreement, as amended by the Letter Agreement, on September 30, 1999 EIS acquired 52,472 shares of Common Stock at a purchase price of \$8.63 per share (the "Fourth Shares").

Pursuant to the Purchase Agreement, as amended by the Letter Agreement, on August 31, 1999 EIS acquired additional Notes of the Issuer (the "Fourth Notes") with an issue price of \$20,000,000. The issue price plus all accrued interest on the Fourth Notes is convertible into Common Stock at any time at the option of EIS at a conversion price of \$9.15 per share. On December 31, 1999, the Fourth Notes, plus all accrued interest, were converted into Common Stock.

On August 20, 1999 Elan and the Issuer executed an Amendment to the License Agreement (the "License Amendment"). The License Amendment adjusted the license royalties payable by the Issuer to Elan upon the happening of certain events and revised the Issuer's commitment to undertake certain clinical expenditures.

Pursuant to the Purchase Agreement, as amended by the Letter Agreement, on November 22, 1999 EIS acquired a warrant to purchase 91,406 additional shares of Common Stock (the "Warrant"). The Warrant is exercisable from August 4, 2000 through August 3, 2006 at an exercise price of \$10.00 per share of Common Stock, subject to customary anti-dilution adjustments.

Pursuant to the License Agreement, on December 10, 1999 Elan acquired 498,504 additional shares of Common Stock (the "Fifth Shares") in lieu of certain cash license fees payable by the Issuer to Elan pursuant to the License Agreement.

Pursuant to the License Agreement, on June 29, 2000 Elan acquired 367,183 additional shares of Common Stock (the "Sixth Shares" and, together with the First Shares, the Second Shares, the Third Shares, the Fourth Shares, the Fifth Shares, the Initial Notes, the First Notes, the Second Notes, the Third Notes, the Fourth Notes and the Warrant, the "Securities") in lieu of certain cash license fees payable by the Issuer to Elan pursuant to the License Agreement.

The First Shares, the Second Shares, the Fourth Shares, the Initial Notes, the Third Notes, the Fourth Notes and the Warrant were purchased by EIS with general corporate funds. None of such funds were borrowed.

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Item 4. Purpose of Transaction.

Item 4 of the Schedule 13D is restated in its entirety as follows:

Elan acquired the Securities for the purpose of making an investment in the Issuer and in connection with the execution of the License Agreement.

Each of the Initial Notes, the Second Notes and the Third Notes are convertible into Common Stock at the option of EIS or Elan, as the case may be, at a conversion price of \$14.00 per share. The number of shares of Common Stock into which the Initial Notes, the Second Notes and the Third Notes may be converted is based upon the quotient obtained by dividing the issue price thereof plus all accrued interest thereon to the conversion date by \$14.00.

The Warrant is exercisable for 91,406 shares of Common Stock at an exercise price of \$10.00 per share, subject to customary anti-dilution adjustments.

The Issuer has granted to Elan and EIS certain registration rights for the First Shares, the Second Shares, the Third Shares, the Fourth Shares, the Fifth Shares and the Sixth Shares and the shares of Common Stock issuable upon conversion of the Initial Notes, the Second Notes, the Third Notes, the Fourth Notes and the Warrant.

Pursuant to and subject to the conditions set forth in the Purchase Agreement, as amended by the Letter Agreement, at the Issuer's request, EIS will, in its sole discretion, purchase additional Notes with an issue price of up to \$10,000,000 on or before December 31, 2000. Such Notes will be convertible into Common Stock of the Issuer at the option of EIS at a conversion price equal to the average of the closing prices of the Common Stock for the 20 consecutive trading days immediately preceding the issue date of such Notes, plus a premium. In addition, pursuant to the License Agreement, as amended by the License Amendment, Elan may, at the option of the Issuer, acquire additional shares of Common Stock in lieu of certain cash fees which may become payable by the Issuer to Elan pursuant thereto upon the achievement of certain milestones.

Other than as set forth above, neither Elan nor EIS has any present plans or intentions which would result in or relate to any of the transactions described in subparagraphs (a) through (j) of Item 4 of Schedule 13D.

The foregoing descriptions of the Purchase Agreement, the License Agreement, the Letter Agreement and the License Amendment do not purport to be complete and are qualified in their entirety by reference to the full text thereof. Copies of the Purchase Agreement and the License Agreement were filed as Exhibits 1 and 2 to the Schedule 13D filed with the Commission on January 6, 1999. A copy of the License Amendment is filed as Exhibit 4 hereto. A copy of the Letter Agreement was filed as Exhibit 3 to the Schedule 13D/A3 filed with the Commission on September 10, 1999. The

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Purchase Agreement, the License Agreement, the Letter Agreement and the License Amendment are incorporated herein by reference.

Item 5. Interest in Securities of the Issuer.

Item 5 (a) of the Schedule 13D is restated in its entirety as follows:

(a) Elan is the beneficial owner of 12,031,809 shares of Common Stock, or approximately 19.6% of the outstanding shares of Common Stock (based upon the outstanding shares of Common Stock as of July 31, 2000 and the shares of Common Stock issuable upon conversion of the Initial Notes, the Second Notes, the Third Notes, the Fourth Notes and the Warrant). To the best knowledge of Elan, no other person named in Item 2 above beneficially owns any shares of Common Stock.

Item 7. Items to be Filed as Exhibits.

Exhibit 1* Securities Purchase Agreement, dated as of November 6, 1998, by and among Elan Corporation, plc ("Elan"), Elan International Services, Ltd. and the Issuer.

Exhibit 2* Development, License and Supply Agreement, dated as of November 9, 1998, by and between Elan and the Issuer.

Exhibit 3* Letter Agreement, dated as of August 13, 1999, between Elan, EIS and the Issuer.

Exhibit 4** Amendment to Development, License and Supply Agreement, dated as of August 20, 1999, between Elan and the Issuer.

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* Previously filed.

** Certain confidential portions of this Exhibit were omitted by means of marking such portions with an asterisk (the "Mark"). This Exhibit has been filed separately with the Secretary of the Commission without the Mark pursuant to Elan's Request for Confidential Treatment under Rule 24b-2 of the Securities Exchange Act of 1934.

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Signature

The undersigned certifies that, after reasonable inquiry and to the best of its knowledge and belief, the information set forth in this statement is true, complete and correct.

September 11, 2000

ELAN CORPORATION, PLC

By: /s/ William F. Daniel
Name: William F. Daniel
Title: Group Vice President, Finance
and Group Controller

Exhibit Index

Exhibit No.	Exhibit
1*	Securities Purchase Agreement, dated as of November 6, 1998, by and among Elan Corporation, plc, Elan International Services, Ltd. and Ligand Pharmaceuticals Incorporated.
2*	Development, License and Supply Agreement, dated as of November 9, 1998, by and between Elan Corporation, plc and Ligand Pharmaceuticals Incorporated.

3* Letter Agreement, dated as of August 13, 1999, between Elan Corporation, plc, Elan International Services, Ltd. and Ligand Pharmaceuticals Incorporated

4* Amendment to Development, License and Supply Agreement, dated as of August 20, 1999, between Elan and the Issuer.

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* Previously filed.

** Certain confidential portions of this Exhibit were omitted by means of marking such portions with an asterisk (the "Mark"). This Exhibit has been filed separately with the Secretary of the Commission without the Mark pursuant to Elan's Request for Confidential Treatment under Rule 24b-2 of the Securities Exchange Act of 1934.

EXHIBIT 4

CONFIDENTIAL TREATMENT REQUESTED

Dated 20 August, 1999

ELAN CORPORATION, plc

AND

LIGAND PHARMACEUTICALS INCORPORATED

AMENDMENT TO DEVELOPMENT, LICENCE AND SUPPLY AGREEMENT

THIS AMENDMENT AGREEMENT is made on 20 August, 1999.

BETWEEN:

- (1) ELAN CORPORATION, PLC, a company incorporated in Ireland having its registered office at Lincoln House, Lincoln Place, Dublin 2, Ireland ("ELAN") and
- (2) LIGAND PHARMACEUTICALS INCORPORATED, a company organized under the laws of Delaware, with offices at 10275 Science Center Drive, San Diego, California 92121, United States of America ("LIGAND").

RECITALS:

- A. ELAN and LIGAND entered into a Development, License and Supply Agreement dated 9 November, 1998 ("the Agreement").
- B. The clinical costs associated with the Agreement have transpired to be greater than ELAN and LIGAND originally envisaged and accordingly, ELAN and LIGAND wish to enter into this Amendment Agreement to adjust the license royalties payable to ELAN under Clause 10.1 of the Agreement, and also the commitment by LIGAND under Clause 5.5 of the Agreement to undertake additional clinical expenditure, including Phase III and Phase IV clinical trials, related to the commercialization of the PRODUCT in the TERRITORY, to the extent set forth in Clause 1 hereof.

All capitalized terms used in this Amendment Agreement shall have the same meanings as are assigned thereto in the Agreement, except where expressly provided to the contrary in this Amendment Agreement.

NOW IT IS HEREBY AGREED AS FOLLOWS:

1 Amendment to the Agreement:

ELAN and LIGAND hereby agree that the Agreement shall be amended as follows:

1.1 by the deletion of Clause 10.1 of the Agreement and the substitution therefor of the following:

"10.1 Licence Royalties:

10.1.1 In consideration of the licence of the ELAN PATENTS granted to LIGAND under this Agreement, LIGAND shall pay to ELAN the following amounts:-

- (1) \$5 million in cash or in shares of Common Stock of LIGAND, par value \$.001 per share (the "Common Stock") (valued at \$11.65 per share), at LIGAND's option, upon the execution of the Agreement by both parties;
- (2) \$10 million in cash, or at LIGAND's option, in cash through an increase in the issue amount of the CONVERTIBLE NOTE, upon the execution of the Agreement by both parties;
- (3) \$5 million in cash or in shares of Common Stock of LIGAND (valued at a price per share equal to the average of the CLOSING PRICE of the Common Stock for the 5 consecutive trading days immediately prior to the required payment date thereof), at LIGAND's option, upon substantial completion of full original patient enrolment in the Phase III pivotal efficacy studies relating to the submission of the NDA for the PRODUCT in the U.S.A. if, and only if, accomplished on or prior to 31 December 1999.
- (4) up to a maximum of \$5 million in cash or in shares of Common Stock of LIGAND (valued at a price per share equal to the average of the CLOSING PRICE of the Common Stock for the 5 consecutive trading days immediately prior to the required payment date thereof), at LIGAND's option, upon submission of the NDA for the PRODUCT in the U.S.A. provided that the exact amount of this payment will be determined (and become payable) in accordance with the date upon which the NDA for the PRODUCT is submitted in the USA, as specified below:

***** upon submission of the NDA for the PRODUCT in the U.S.A. on or prior to *****;

***** upon submission of the NDA for the PRODUCT in the U.S.A. after ***** but on or prior to *****;

***** upon submission of the NDA for the PRODUCT in the U.S.A. after ***** but on or prior to *****;

***** upon submission of the NDA for the PRODUCT in the U.S.A. after ***** but on or prior to *****;

***** upon submission of the NDA for the PRODUCT in the U.S.A. after ***** but on or prior to *****;

***** upon submission of the NDA for the PRODUCT in the U.S.A. on any date after *****.
- (5) \$5 million in cash or in shares of Common Stock of LIGAND (valued at a price per share equal to the average of the CLOSING PRICE of the Common Stock for the 5 consecutive trading days immediately prior to the required payment date thereof), at LIGAND's option, upon the NDA APPROVAL of the PRODUCT in the U.S.A.

10.1.2 In the event that LIGAND elects to issue shares of the Common Stock pursuant to Clause 10.1.1(1), (3), (4) or (5) or the CONVERTIBLE NOTE pursuant to Clause 10.1.1(2), each such issuance shall be made pursuant to, and subject to the terms and conditions set forth in, the PURCHASE

AGREEMENT. Nothing in this Agreement shall relieve LIGAND from its obligations to make the payments set forth in Clauses 10.1.1(1), (2), (3), (4) or (5), in cash, in the event that any of the applicable conditions set forth in the PURCHASE AGREEMENT are not satisfied or waived on or prior to the required payment date thereof; provided however, that in the event that LIGAND elects to issue shares of Common Stock pursuant to Clause

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10.1.1.(1), (3), (4) or (5) and ELAN is unable to satisfy the conditions to such issuance as set forth in the PURCHASE AGREEMENT or if such conditions have not been waived by LIGAND, as the case may be, LIGAND and ELAN shall negotiate in good faith to agree upon customary terms and conditions which will enable LIGAND to issue such shares pursuant to a transaction exempt from the registration requirements of the Securities Act pursuant to Regulation D thereunder, including the giving by ELAN, to the extent possible, of representations and warranties in connection therewith."

1.2 by the deletion of Clause 5.5 of the Agreement and the substitution therefor of the following:

"5.5 For the ***** following submission of the NDA in the USA, LIGAND shall commit to undertake additional clinical expenditure, including ***** (including FULLY ALLOCATED COST of LIGAND and the sums paid by LIGAND to ELAN as referred to in Clause 5.4 above). The objective of the programme so conducted shall be to ***** . LIGAND agrees to carry out and complete the clinical efficacy programme to a standard and timeframe that LIGAND would otherwise find acceptable for one of its major branded products. LIGAND shall keep ELAN informed as to the ***** LIGAND undertakes that it shall carry out all such clinical studies to prevailing cGCP and cGLP and most specifically in accordance with FDA standards and guidelines. In the event that LIGAND does not expend ***** during the ***** following submission of the NDA in the USA, then, unless otherwise agreed in writing between the parties, LIGAND shall pay any shortfall between the***** and the actual sum expended by LIGAND to ELAN, provided however, in the event the FDA notifies ELAN of its refusal to grant the NDA submitted by ELAN and LIGAND, after discussion with ELAN, determines that it is not commercially viable for LIGAND to incur any additional development expenses as provided in Clause 5.4, LIGAND shall have no further obligation to expend or remit sums under this Clause 5.5. In such event, ELAN shall have the right to terminate this Agreement. Thereafter, ELAN shall be entitled to research, develop and commercialise the PRODUCT in the TERRITORY. In the event of such termination, all monies paid to ELAN by LIGAND pursuant to this Agreement shall not be recoverable by LIGAND."

2 Governing law and jurisdiction:

This Amendment Agreement is construed under and ruled by the laws of New York. For the purposes of this Amendment Agreement the parties submit to the non-exclusive jurisdiction of the courts of New York.

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IN WITNESS of which the parties have executed this Amendment Agreement.

Executed by LIGAND on 20 August, 1999

By : /s/ David E. Robinson

Name: David E. Robinson

Title: President and Chief Executive Officer

Executed by ELAN on 20 August, 1999

By: /s/ Seamus Mulligan

Name: Seamus Mulligan

Title: Executive Vice President - Corporate Development
