



Ligand and GlaxoSmithKline Collaboration Identifies New Lead Compound

Ligand Earns Milestone Payment from GlaxoSmithKline

SAN DIEGO, Mar 30, 2009 (BUSINESS WIRE) -- **Ligand Pharmaceuticals Incorporated (NASDAQ: LGND)** today announced that it has identified a new lead for advancement in its alliance with GlaxoSmithKline (NYSE:GSK). This newly identified lead compound is from a program being evaluated as a potential treatment for inflammatory indications identified through the collaboration. As a result of this achievement, Ligand has earned a \$500,000 milestone payment from GSK.

Including this milestone, Ligand has received a total of \$18.5 million from GSK in connection with the alliance. Ligand is entitled to receive success-based milestone payments from GSK, starting in the preclinical research stage, for each drug development program and potentially up to double-digit royalties on the sales of any product commercialized by GSK under the multi-program alliance. The drug screening alliance with GSK began in March 2006 with the goal of identifying and advancing novel candidates in broad therapeutic areas.

"We are very pleased to see the continued progress with GSK under this broad and productive discovery alliance," said John L. Higgins, President and Chief Executive Officer of Ligand Pharmaceuticals. "GSK has been an excellent collaborator with Ligand through the years, working initially on the discovery of PROMACTA[®], which was recently approved, and now on multiple novel early-stage targets. These milestone payments provide cash to fuel our business and represent the value and caliber of the drug screening and research we provide our partners."

About Ligand Pharmaceuticals

Ligand discovers and develops new drugs that address critical unmet medical needs of patients with muscle wasting, frailty, hormone-related diseases, osteoporosis, inflammatory diseases, anemia, asthma, rheumatoid arthritis and psoriasis. Ligand's proprietary drug discovery and development programs are based on advanced cell-based assays, gene-expression tools, ultra-high throughput screening and one of the world's largest combinatorial chemical libraries. Ligand has strategic alliances with major pharmaceutical and biotechnology companies, including Bristol-Myers Squibb, Celgene, Cephalon, GlaxoSmithKline, Schering-Plough, Pfizer and Wyeth Pharmaceuticals. With nine pharmaceutical deals and more than twenty different molecules in various stages of development, Ligand utilizes proprietary technologies for identifying drugs with novel receptor and enzyme drug targets.

Caution Regarding Forward-Looking Statements

This news release contains forward-looking statements by Ligand that involve risks and uncertainties and reflect Ligand's judgment as of the date of this release. These statements include those regarding timing and results of clinical data for the GSK program, data analysis and evaluation of compounds or related product candidates utility or potential benefits to patients, the potential commercial market and plans for continued development and further studies of the compounds and other related product candidates. Actual events or results may differ from Ligand's expectations. For example, there can be no assurance that other trials or evaluations of these compounds and other related product candidates will be favorable or that they will confirm results of previous studies, that data evaluation will be completed or demonstrate any hypothesis or endpoint, that the compounds and other related product candidates will provide utility or benefits to certain patients, that any presentations will be favorably received, or that clinical or commercial development of these compounds or related product candidates will be initiated, completed or successful or that our rights to these compounds and other related product candidates will not be successfully challenged. The failure to meet expectations with respect to any of the foregoing matters may reduce Ligand's stock price. Additional information concerning these and other risk factors affecting Ligand can be found in prior press releases available at www.ligand.com as well as in public periodic filings with the Securities and Exchange Commission, available via www.sec.gov. Ligand disclaims any intent or obligation to update these forward-looking statements beyond the date of this press release. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

SOURCE: Ligand Pharmaceuticals Incorporated

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