February 9, 2009

Ligand Earns $1 Million Milestone Payment on Progress of Drug Candidate for Alzheimer's Disease

SAN DIEGO-- Ligand Pharmaceuticals Incorporated (NASDAQ: LGND) (the "Company" or "Ligand") today announced that it has earned a $1 million milestone payment from Schering-Plough Corporation (NYSE: SGP) related to the progress of Schering-Plough's inhibitor of β-site of APP cleaving enzyme (BACE) for the treatment of Alzheimer's disease, which resulted from a research collaboration with Pharmacopeia (acquired by Ligand). Alzheimer's disease is characterized by plaques of the toxic amyloid-beta protein within the brain. Amyloid-beta is formed when the larger amyloid precursor protein (APP) is cleaved by two enzymes, BACE and gamma-secretase, which releases the amyloid-beta fragment. A BACE inhibitor is expected to reduce amyloid-beta generation in Alzheimer's disease patients.

The milestone payment arises from a drug discovery agreement between Schering-Plough and Pharmacopeia wherein Pharmacopeia contributed to Schering-Plough's medicinal chemistry optimization of compounds discovered by Schering-Plough. Ligand completed its acquisition of Pharmacopeia in December 2008. Under the terms of the collaboration agreement, Ligand is eligible to receive additional payments from Schering-Plough upon the achievement of certain development and regulatory milestones. Ligand is also eligible to receive royalties on potential sales of the drug. In addition to the BACE program, the collaboration with Schering-Plough has resulted in several Phase I and II programs in multiple therapeutic areas.

"The achievement of this milestone further validates the valuable alliances we have with numerous large pharmaceutical companies," said John L. Higgins, President and Chief Executive Officer of Ligand. "Alzheimer's is a terribly debilitating disease affecting millions with essentially no treatment options. We are pleased to see the progress Schering-Plough has made with their BACE program."

About Alzheimer's Disease

Alzheimer's disease is a progressive neurodegenerative condition and is the most common cause of dementia. According to the Alzheimer's Association, approximately 5 million people of all ages in the United States have Alzheimer's disease, and direct and indirect health care costs associated with Alzheimer's disease are estimated to be about $150 billion in the United States.

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 and anemia. Ligand's proprietary drug discovery and development programs are

based on its leadership position in gene transcription technology.

Forward-Looking Statements

This news release contains certain forward-looking statements by Ligand that involve risks and uncertainties and reflect Ligand's judgment as of the date of this release. Actual events or results may differ from Ligand's expectations. There can be no assurance that Schering-Plough will continue or actively pursue the clinical development of the BACE inhibitor; that clinical development will be successful; that future clinical trial data will be favorable; that product candidates will receive required regulatory approvals; that products will become commercially successful therapies; that Ligand's business will grow or that Ligand shareholder value will increase. The failure to meet expectations with respect to any of the foregoing matters may reduce Ligand's stock price. Additional important factors that may affect future results are detailed in prior press releases available via www.ligand.com as well as in Ligand's public periodic filings with the Securities and Exchange Commission at www.sec.gov. Ligand disclaims any intent or obligation to update these forward-looking statements beyond the date of this release. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Source: Ligand Pharmaceuticals Incorporated