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Ligand Earns $6.5 Million Milestone Payment from Roche

Roche Advances RG7348 into Clinical Development for Hepatitis C

SAN DIEGO-- Ligand Pharmaceuticals Incorporated (NASDAQ: LGND) today announced that it earned a $6.5 million payment from Roche (SWX: ROG.VX; RO.S, OTCQX: RHHBY) as a result of Roche progressing RG7348 into a Phase I clinical trial for the treatment of hepatitis C viral (HCV) infection. The milestone payment arises from a 2008 collaboration and license agreement between Roche and Metabasis Therapeutics, Inc. Ligand acquired Metabasis in January 2010. Ligand's net proceeds from the milestone payment will be approximately $2.3 million after paying $4.2 million to others including holders of the Ligand-issued "Roche" CVR.

"This is a great milestone for Ligand due to the cash revenue and because it validates the quality of assets we assumed through our recent acquisitions," said John L. Higgins, President and Chief Executive Officer of Ligand. "Recently we have acquired three public companies that have contributed a vast array of partnered and pipeline assets. We are very pleased with our partnership with Roche and are excited to see their program advance to human development for HCV."

Under the 2008 collaboration and license agreement, Metabasis contributed HepDirect(R) liver-targeting technology to help develop prodrugs of Roche's proprietary lead nucleosides against HCV infection. Ligand is eligible to receive additional payments from Roche upon the achievement of certain further development and regulatory milestones as well as royalties on potential sales of the drug, subject to obligations to share such payments with holders of the Ligand-issued Roche CVR.

The CVRs

Ligand issued a Roche contingent value right (CVR) to each former holder of a Metabasis common share as part of Ligand's acquisition of Metabasis. Each Roche CVR entitles holders to certain payments if and when Ligand receives certain payments in connection with the Roche-Metabasis collaboration and license agreement. Of the $6.5 million milestone payment, 65% is earmarked for the Roche CVR holders. After reduction for pre-existing contractual payment obligations, the Roche CVR holders will receive approximately $2.7 million in respect of this milestone payment.

About Ligand Pharmaceuticals

Ligand discovers and develops new drugs that address critical unmet medical needs of patients for a broad spectrum of diseases including hepatitis, muscle wasting, Alzheimer's, inflammatory diseases, anemia, COPD, asthma, rheumatoid arthritis and osteoporosis. 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 GlaxoSmithKline, Merck, Pfizer, Roche, Bristol-Myers Squibb, and Cephalon and more than 30 programs are in various stages of development by its partners.

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 evaluation of product candidates and plans for continued development of product candidates that are the subject of the research collaboration with Roche. Actual events or results may differ from Ligand's expectations. For example, there can be no assurance that trials or evaluations of any product candidates will be favorable, that Ligand will receive any milestone payments or royalties in the future, that product candidates developed through the collaboration with Roche will provide utility or benefits to patients, or that commercial development of any product candidates will be initiated. In addition, similar scientific, development and commercialization risks apply to Ligand's other in-house and partnered drug development candidates. The failure to meet expectations with respect to any of the foregoing matters may reduce Ligand's stock price. Additional information concerning 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