

December 22, 2010



Ligand Earns \$1 Million Upfront Payment from Pfizer on Sublicensing of Tanaproget

SAN DIEGO-- Ligand Pharmaceuticals Incorporated (NASDAQ:LGND) announced today that its partner Pfizer, Inc. (NYSE:PFE) has granted a sublicense to a multi-national pharmaceutical company for Tanaproget, also known as NSP-989. As a result, Ligand will receive an upfront payment of \$1 million from Pfizer. Ligand is entitled to clinical and regulatory milestone payments from Pfizer as Tanaproget advances through the development process, as well as tiered royalties on net sales.

Tanaproget is a tissue-selective, non-steroidal contraceptive progesterone receptor agonist that has the potential for an improved side effect profile over current steroid-containing contraceptives. The sublicensee is now responsible for the worldwide development, registration and commercialization of Tanaproget.

"We are pleased with Pfizer's decision to enable further progression of Tanaproget through this sublicense agreement. Tanaproget is an example of the significant progress made in the field of women's health, providing an additional oral contraceptive option for women using both prescription and non-prescription methods of contraception," said John L. Higgins, President and Chief Executive Officer of Ligand Pharmaceuticals. "Our collaborative relationship with Pfizer continues to be very productive and this sublicense adds another promising program to Ligand's large portfolio of assets."

About Ligand Pharmaceuticals

Ligand discovers and develops novel drugs that address critical unmet medical needs of patients for a broad spectrum of diseases including hepatitis, muscle wasting, Alzheimer's disease, dyslipidemia, diabetes, anemia, COPD, asthma, rheumatoid arthritis and osteoporosis. Ligand's proprietary drug discovery and development programs are based on advanced cell-based assays, tissue-specific receptor ligand interactions and gene-expression tools. Among our peers, we believe Ligand has assembled one of the largest portfolio of assets including commercial therapies developed in partnership with pharmaceutical companies. Ligand has established multiple alliances with the world's leading pharmaceutical companies including GlaxoSmithKline, Merck, Pfizer, Bristol-Myers Squibb and AstraZeneca, and more than 30 programs in various stages of development. For more information, please visit www.ligand.com.

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 for Tanaproget and other drug candidates, data analysis and evaluation of Tanaproget, utility or potential benefits to patients, the potential commercial market for Tanaproget and plans for continued development and further studies of

Tanaproget. Actual events or results may differ from Ligand's expectations. For example, there can be no assurance that other trials or evaluations of Tanaproget or other SERM-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 Tanaproget or other SERM-related product candidates will provide utility or benefits to certain patients, that any presentations will be favorably received, that Tanaproget or other SERM-related product candidates will be useful as a single agent or in combination with other drugs, that marketing applications will be filed or, if filed, approved, or that clinical or commercial development of these product candidates will be initiated, completed or successful or that our rights to Tanaproget and other SERM-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