

Ligand Announces Positive Preclinical Data for Glucagon Program in Model of Type 1 Diabetes

Data Presented at American Diabetes Association 73rd Scientific Sessions

SAN DIEGO-- **Ligand Pharmaceuticals Incorporated (NASDAQ: LGND)** announced the presentation of a poster titled "Glucagon Receptor Antagonist LGD-6972 Is Efficacious in Streptozotocin-Induced Diabetic Mice" at the 73rd Scientific Sessions of the American Diabetes Association in Chicago. The poster provides data from preclinical studies of Ligand's novel compound, LGD-6972, demonstrating significant glucose lowering activity in an animal model of type 1 diabetes.

Highlights of the presentation include:

- LGD-6972 is a potent and selective antagonist of the glucagon receptor (GCGR) that has previously demonstrated activity in pre-clinical models of type 2 diabetes.
- LGD-6972 significantly lowered fasting and non-fasting glucose levels in a mouse model of type 1 diabetes.
- LGD-6972 reduced HbA1c, ketone bodies, and free fatty acids in diabetic mice.
- LGD-6972 had additive effects when used in combination with insulin therapy and may be useful in an insulin sparing regimen.

"Glucagon receptor antagonism could play an important role in the treatment of diabetes. Previous studies have demonstrated efficacy in models of type 2 diabetes and the present work shows utility for type 1 diabetes as well," commented Matthew W. Foehr, Executive Vice President and Chief Operating Officer of Ligand. "Our glucagon program is an important example of the diversity of partnered and unpartnered products making up Ligand's extensive portfolio of assets. We plan to submit an IND for LGD-6972 in the second half of 2013."

About Ligand's Glucagon Receptor Antagonist Program

Glucagon is a hormone produced by the pancreas that stimulates the liver to produce glucose (sugar). Overproduction of glucose by the liver is an important cause of high glucose levels in patients with type 2 diabetes and is believed to be due in part to inappropriately elevated levels of glucagon. High glucose levels can cause diabetic complications such as blindness and kidney disease. Glucagon receptor antagonists are designed to lower glucose levels by reducing the production of glucose by the liver. Glucagon receptor antagonists are novel molecules that have demonstrated a reduction of glucose and hemoglobin A1c in mid-stage clinical trials.

About Ligand Pharmaceuticals

Ligand is a biopharmaceutical company that develops and acquires assets it believes will generate royalty revenues and, under its lean corporate cost structure, produce sustainable profitability. Ligand has a diverse asset portfolio addressing the unmet medical needs of patients for a broad spectrum of diseases including thrombocytopenia, multiple myeloma, diabetes, hepatitis, muscle wasting, dyslipidemia, anemia and osteoporosis. Ligand's Captisol[®] platform technology is a patent-protected, chemically modified cyclodextrin with a structure designed to optimize the solubility and stability of drugs. Ligand has established multiple alliances with the world's leading pharmaceutical companies including GlaxoSmithKline, Onyx Pharmaceuticals, Merck, Pfizer, Baxter International, Bristol-Myers Squibb, Celgene, Lundbeck Inc., Eli Lilly & Co., Spectrum Pharmaceuticals and The Medicines Company. Please visit www.captisol.com for more information on Captisol and www.ligand.com for more information on Ligand.

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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 include statements regarding data analysis and evaluation of LGD-6972 and/or other Glucagon receptor antagonists, utility or potential benefits to patients, plans for continued development and further studies of such compounds. Actual events or results may differ from our expectations. For example, there can be no assurance that other trials or evaluations of LGD-6972 and/or other Glucagon receptor antagonists 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 such compounds will provide utility or benefits to certain patients, that any presentations will be favorably received, that such compounds will be useful with other drugs, that marketing applications will be filed or, if filed, approved, or that clinical or commercial development of these drugs will be initiated, completed or successful or that our rights to LGD-6972 and/or other Glucagon receptor antagonists 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's business can be found 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.

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