

October 7, 2013



Ligand Announces FDA Acceptance of Investigational New Drug Application for Glucagon Receptor Antagonist Program

SAN DIEGO-- **Ligand Pharmaceuticals Incorporated (NASDAQ: LGND)** has opened an Investigational New Drug (IND) application with the U.S. Food and Drug Administration (FDA) and has obtained FDA approval to initiate clinical development for its Glucagon Receptor Antagonist program with LGD-6972 for the treatment of type 2 diabetes mellitus. The company plans to initiate Phase I clinical testing in the fourth quarter of 2013.

"The opening of this IND is an important milestone for Ligand's novel glucagon receptor antagonist program, as glucagon receptor antagonism may have a key role to play in the treatment and management of type 2 diabetes," commented Matthew W. Foehr, Executive Vice President and Chief Operating Officer of Ligand. "We consider this one of our most significant unpartnered programs and look forward to beginning Phase I clinical development. We plan to assess the partnering landscape after the Phase I clinical trials are completed."

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

About Ligand Pharmaceuticals

Ligand is a biopharmaceutical company focused on assembling a large portfolio of revenue generating assets through licensing and acquisition with the goal to generate sustainable cash-flow and 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, Lundbeck Inc., Eli Lilly & Co. and Spectrum

Pharmaceuticals. 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 the Phase I clinical trials or any other 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 potential partnering opportunities would exist or be successful, 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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