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Ligand Chairman Dr. John W. Kozarich Named Director of the Year Honoree by Corporate Directors Forum

Award Highlights Role in Successful Transition of the Company

SAN DIEGO-- **Ligand Pharmaceuticals Incorporated (NASDAQ:LGND)** announced today that Chairman John W. Kozarich, Ph.D. has been named by Corporate Directors Forum as one of six Directors of the Year for 2014. Corporate Directors Forum (CDF) is a not-for-profit organization based in San Diego that was founded to promote high standards of professionalism in corporate governance. Each year CDF honors top directors for their outstanding performance in the boardroom for various categories. Dr. Kozarich will be honored at a program on September 23 as Honoree in the “Companies in Transition” category.

Ligand has undergone a major reversal in its financial condition and its business strategy is becoming a model in the sector. Corporate highlights defining Ligand’s transition since Dr. Kozarich assumed the Chairman role seven years ago include:

- Business model evolved from a late-stage development and commercial organization to one focused on early-stage R&D, licensings and collaborations
- Financial performance improved from significant annual losses to profitability and positive cash flow from operations in 2013, with projections for sustainable positive cash flow
- Number of fully-funded partnerships increased from 9 in 2008 to more than 90 currently
- Number of revenue-generating partnerships and programs increased from one in 2008 to seven today
- Returned $294 million in capital to shareholders from 2008 to 2011 through a tax-free dividend and share repurchases
- Acquired four biotech companies from 2008 to 2011, significantly expanding Ligand’s partnered portfolio, adding to its research capabilities, expanding its patent estate and gaining additional technologies such as Captisol®
- Completed numerous licensing and partnership transactions, including with GlaxoSmithKline, Vertex Pharmaceuticals, Eli Lilly and Company, Sage Therapeutics, TG Therapeutics, Omthera Pharmaceuticals, Inc., a wholly-owned subsidiary of AstraZeneca plc, Spectrum Pharmaceuticals, Retrophin, Inc. and CURx Pharmaceuticals

- Assembled a large portfolio of tax-assets in the form of accumulated NOLs and tax credits such that the company now estimates it will have an effective tax rate of less than 5% for the next several years

“Dr. Kozarich is highly deserving of this award, and it has been a tremendous pleasure working with him during a major restructuring of the business that started several years ago. John’s strong business and clinical research credentials and impeccable integrity are valuable assets to our Board, management team and shareholders,” commented Jason Aryeh, Ligand Director and Chairman of Ligand’s Corporate Governance and Nominating Committee. “In 2006, activist shareholders led by Daniel Loeb at Third Point appropriately intervened to help chart a new course for Ligand. Following John’s appointment as Chairman, a new Board of Directors was established and we hired a new CEO and management team. We are extremely pleased with the turnaround Ligand has experienced with a sharp focus on profitability, cash flow and shareholder value. We believe Ligand is operating with a unique business model that has a strong portfolio of assets and a promising future.”

About John Kozarich, Ph.D.

Dr. Kozarich is Chairman of Ligand Pharmaceuticals and Chairman, President and CEO of ActivX Biosciences, both based in La Jolla. ActivX has pioneered chemoproteomic technologies for drug discovery and development that are considered gold standards by major pharmaceutical companies.

A Ligand Director since 2003 and Chairman since 2007, Dr. Kozarich experienced the serious challenges that faced Ligand in the last decade, and he helped rebuild Ligand around the company’s strong research heritage. His scientific insight has added value to acquisitions such as Pharmacopeia, Metabasis, Neurogen and CyDex.

Dr. Kozarich’s career began in academia, with tenured full professorships at Yale University School of Medicine in pharmacology and at the University of Maryland in chemistry and biochemistry. In 1990, he joined Alkermes as Chief Scientific Officer, and a year later the company went public. He became Vice President of Biochemistry at Merck in 1992, where he assumed broad responsibilities for a number of drug discovery programs and biotech ventures, including Aurora and the SIBIA acquisition.

Dr. Kozarich has received numerous awards and served on many committees in academia, government and business. He was an American Cancer Society Faculty Research Awardee. In 2009 Dr. Kozarich received the Distinguished Scientist Award of the San Diego Section of the American Chemical Society. In 1988 he received the Pfizer Award in Enzyme Chemistry by the American Chemical Society. He is a Fellow of the American Association for the Advancement of Science. He is a member of the Board of Directors of Corium International and of QLT, Inc., and is Vice Chair of the Board of Trustees of the Gordon Research Conferences.

Dr. Kozarich earned his BS in chemistry, summa cum laude, from Boston College, his Ph.D. in biological chemistry from the Massachusetts Institute of Technology and was an NIH Postdoctoral Fellow at Harvard University.

About the Corporate Directors Forum (CDF)

Corporate Directors Forum is a not-for-profit organization founded in San Diego in 1991 to promote high standards of professionalism in corporate governance. CDF is the largest regional association of corporate directors in the U.S. and offers regular, interactive

education programs for directors, officers and business leaders. CDF's purpose is to help directors be better directors through education and peer-to-peer networking.

About Ligand Pharmaceuticals

Ligand is a biopharmaceutical company with a business model that is based upon the concept of developing or acquiring royalty revenue generating assets and coupling them to a lean corporate cost structure. Ligand's goal is to produce a bottom line that supports a sustainably profitable business. By diversifying our portfolio of assets across numerous technology types, therapeutic areas, drug targets and industry partners, we offer investors an opportunity to invest in the increasingly complicated and unpredictable pharmaceutical industry. In comparison to its peers, we believe Ligand has assembled one of the largest and most diversified asset portfolios in the industry with the potential to generate revenue in the future. These therapies address the unmet medical needs of patients for a broad spectrum of diseases including thrombocytopenia, multiple myeloma, diabetes, fungal infections, 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 (a subsidiary of Amgen Inc.), Merck, Pfizer, Baxter International, Lundbeck Inc., Eli Lilly & Co. and Spectrum Pharmaceuticals. Please visit www.captisol.com for more information on Captisol. For more information on Ligand, please visit www.ligand.com.

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