

PHARMING ANNOUNCES FIRST QUARTER 2006 RESULTS

Reports on solid cash position and broadening product pipeline

Leiden, The Netherlands, April 26, 2006. Biotech company Pharming Group NV (“Pharming” or “the Company”) (Euronext: PHARM) (PHARM.AS) announced today its first quarter (Q1) results for the period ended March 31, 2006. The Company reports on its solid financial position and broadening of its product pipeline.

Key Developments

Financial

- EUR 17.1 million raised to develop recombinant human C1 inhibitor (rhC1INH) for new indications
- Total costs lower at € 3.7 million compared to € 4.2 million in Q1 2005
- Net loss of € 3.7 million in Q1 2006
- Cash position of € 48.3 million (including marketable securities)

Products

- Clinical development of recombinant human C1 inhibitor (rhC1INH) for hereditary angioedema (HAE) expanded to 25 centers with over 150 patients enrolled
- Orphan drug applications for new indications of rhC1INH under review
- Filing on human lactoferrin (hLF) for Generally Recognized as Safe (GRAS) notification being reviewed by the Food and Drug Administration (FDA)

Corporate

- Heads of Agreement to acquire DNage BV (“DNage”), a private company based in the Netherlands
- Agreement with affiliates of Paul Royalty Fund II, LP (“Paul Royalty Fund”) with a payment of US \$15 million and US \$5 million in equity
- Pharming added to the Euronext Amsterdam Midkap Index (AMX) as of March 2, 2006

“In the first quarter 2006, Pharming attained a solid cash position with well controlled costs and expenses,” said Dr. Francis J. Pinto, CEO of Pharming. “The Company is on the way to achieving its growth targets through the broadening of its technology platforms and product pipeline.”

Financial

In Q1 2006, total revenues of € 0.1 million were in line with revenues during the same period in 2005. Revenues in Q1 2006 have been generated from government grants and subsidies. The total costs and expenses were lower in Q1 2006 (including € 0.3 million IFRS 2 based costs) at € 3.7 million compared to € 4.2 million in Q1 2005. The costs incurred in the first quarter of 2006 were mainly related to operations, research and development and SG&A. Including interest and foreign currency results, the net loss of Pharming in Q1 2006 was € 3.7 million compared to a net loss of € 3.9 million in Q1 2005. Net cash used for operating activities in Q1 2006 was € 6.0 million, reflecting investments made in rhC1INH inventories. Further information on IFRS 2 share based compensation and other financial items are presented in the notes to the financial statements.

Pharming raised over € 30 million through a share placement with institutional investors and an agreement with Paul Royalty Fund. Pharming received an additional € 2.1 million in cash from exercise of warrants and employee options in early 2006. The cash position, including marketable securities, was € 48.3 million as of

March 31, 2006 in comparison to € 20.3 million at the end of 2005. With the successful completion of key financial transactions, the equity position of the Company improved to € 48.8 million from € 28.7 million at the end of 2005. Total liabilities were € 15.3 million compared to € 5.8 million at December 31, 2005, which include amounts to be paid to Paul Royalty Fund in the future.

Product Development

Pharming confirmed the positive outlook for its lead product, recombinant human C1 inhibitor in Phase III clinical trials for the treatment of HAE. The clinical results of rhC1INH were presented at an international investigators meeting in Paris with participation of over 25 clinical centers from Europe, the USA, and Canada.

The Company has enrolled 150 patients in its randomized double-blind placebo controlled Phase III trials for HAE. Under various clinical studies, Pharming has administered more than 90 infusions of rhC1INH and over 25 patients have been infused with rhC1INH multiple times. HAE patients treated with rhC1INH in clinical studies showed rapid time to beginning of relief between fifteen minutes to two hours and time to minimal symptoms typically within twelve hours.

Pharming has submitted orphan drug applications with rhC1INH for new indications beyond HAE. The Company is initiating studies with rhC1INH on specific inflammatory and cardiovascular indications. In addition, Pharming has filed the hLF dossier for GRAS notification with the FDA at the end of 2005. The Company expects to provide further information on these developments in the first half of 2006.

Corporate

Pharming signed a Heads of Agreement to acquire DNage BV, a privately held company based in Rotterdam, the Netherlands, focused on discovery and development of products for ageing diseases and cancer. The acquisition of DNage will enable Pharming to broaden its product pipeline and patent portfolio through new innovative programs in the areas of osteoporosis, neurodegeneration (brain diseases), metabolic diseases (type II diabetes) and genetic diseases (premature ageing).

Pharming formed a strategic financial partnership with Paul Royalty Fund valued at US \$30 million on rhC1INH for the treatment of HAE. Under the terms of the agreement, Pharming has received an upfront payment of US \$20 million. This amount consists of US \$15 million for the Company's development work on rhC1INH to date and the continued development and commercialization of rhC1INH products, as well as a US \$5 million equity investment. Pharming is also eligible to receive up to US \$10 million in milestone payments based on the achievement of FDA approval and the commercial launch of rhC1INH in the USA.

Pharming was included in the Euronext Amsterdam Midkap Index as of March 2, 2006. The AMX Index is composed of the top 25 actively traded mid cap companies on Euronext Amsterdam. The companies in the AMX Index are selected based on turnover value of shares for the full year 2005.

Background on Pharming Group N.V.

Pharming Group N.V. is developing innovative protein products for unmet needs. The Company's products include potential treatments for genetic disorders, specialty products for surgical indications, intermediates for various applications and food products. Pharming has two products in late stage development - recombinant human C1 inhibitor for hereditary angioedema (Phase III) and recombinant human lactoferrin for use in functional foods. The advanced technologies of the Company include innovative platforms for the production of protein therapeutics, as well as technology and processes for the purification and formulation of these products. Additional information is available on the Pharming website, <http://www.pharming.com>.

This press release contains forward looking statements that involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from the results, performance or achievements expressed or implied by these forward looking statements. The press release also appears in Dutch. In the event of any inconsistency, the English version will prevail over the Dutch version.

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CONSOLIDATED BALANCE SHEET

At March 31, 2006

	March 31, 2006	December 31, 2005
	€'000	€'000
	(unaudited)	(audited)
Intangible assets	3,778	3,914
Property, plant and equipment	4,769	4,960
Financial assets	195	195
Non-current assets	8,742	9,069
Inventories	6,076	3,855
Other current assets	869	1,135
Restricted cash	91	237
Marketable securities	5,877	5,839
Cash and cash equivalents	42,453	14,452
Current assets	55,366	25,518
Total assets	64,108	34,587
Shareholders' equity	48,793	28,739
Paul Royalty Fund	10,752	-
Other loans and borrowings	126	140
Non-current liabilities	10,878	140
Trade and other payables	4,394	5,659
Current portion of loans and borrowings	43	49
Current liabilities	4,437	5,708
Total shareholders equity and liabilities	64,108	34,587

The financial items related to Paul Royalty Fund are measured in USD and have been converted to EUR at balance sheet date. Based on IFRS, the payment has been presented as a liability taking into account the transaction fees and the value of issued warrants.

CONSOLIDATED INCOME STATEMENT

At March 31, 2006 (unaudited)

	Three months ended March 31,	
	2006	2005
	€'000	€'000
Revenues	60	63
Research and development	1,390	1,389
Operations	1,175	1,912
Selling, general and administrative	535	503
Depreciation and amortization charges	304	241
Share-based compensation	318	117
Costs and expenses	3,722	4,162
Loss from operating activities	(3,662)	(4,099)
Interest on liability to Paul Royalty Fund	(389)	-
Other interest income, net	260	161
Foreign currency effect on liability to Paul Royalty Fund	34	-
Other foreign currency results	73	(49)
Net loss	(3,684)	(3,889)
Share information		
Basic and diluted net loss per share (€)	(0.04)	(0.05)
Weighted average shares outstanding in the period	84,609,665	78,103,450
Number of shares outstanding at March 31, 2006 was 86,270,809		

With IFRS 2, the accounting treatment of share based compensation has been updated with the value of options spread over the total vesting period. As a result, the IFRS 2 share based compensation has been updated for all quarters of 2005 for comparative purposes.

CONSOLIDATED STATEMENT OF CASH FLOW

At March 31, 2006 (unaudited)

	Three months ended March 31,	
	2006	2005
	€'000	€'000
Net loss	(3,684)	(3,889)
Adjustments to reconcile net loss to cash flows used in operating activities:		
Non-cash movement of non-current assets		
Depreciation and amortization charges	304	241
Change in operating assets and liabilities		
Decrease/(increase) other current assets	266	(169)
Increase inventories	(2,221)	(174)
(Decrease)/increase trade and other payables	(1,265)	326
Other items		
Share-based compensation	318	117
Issuance of shares in exchange of services	38	-
Foreign currency effect on liability to Paul Royalty Fund	(34)	-
Interest accrued on liability to Paul Royalty Fund	389	-
Interest accrued on marketable securities	(90)	-
Other foreign currency effects	4	(7)
Net cash flows used in operating activities	(5,975)	(3,555)
Purchase of property, plant and equipment	(49)	(21)
Change in restricted cash	146	-
Net cash flows from/(used in) investing activities	97	(21)
Net proceeds of increase of share capital	22,208	5,686
Upfront payment Paul Royalty Fund, net of transaction fees paid	11,686	-
Repayments of loans and borrowings	(15)	(6)
Net cash flows from financing activities	33,879	5,680
Net increase cash and cash equivalents	28,001	2,104
Cash and cash equivalents at January 1	14,452	21,706
Net increase cash and cash equivalents	28,001	2,104
Cash and cash equivalents at March 31	42,453	23,810
Liquidity information:		
Cash and cash equivalents at March 31	42,453	23,810
Marketable securities at March 31	5,877	4,079
Total liquidities at March 31	48,330	27,889

