PHARMING

PHARMING ANNOUNCES RESULTS FOR FIRST NINE MONTHS 2005

Highlights upcoming product filings, licensing progress and pipeline expansion

Leiden, November 3, 2005. Pharming Group N.V. ("Pharming" or "the Company") (Euronext: PHARM) (PHARM.AS) announced today its financial results for the third quarter of 2005 and for the first nine months ended September 30, 2005. The Company highlighted upcoming product filings for recombinant human C1 inhibitor (rhC1INH) and its human lactoferrin product (rhLF), licensing progress and its pipeline expansion.

Key Developments First Nine Months of 2005

Financial

- Strong cash position of € 23.7 million (including marketable securities) as of September 30, 2005
- Net loss of € 12.7 million in the first nine months of 2005 (including non-cash IFRS 2 share-based costs)
- Investments made in the filings for rhC1INH and rhLF, product development and manufacturing
- Net cash of € 9.0 million used for operating activities in the first nine months of 2005
- € 7.7 million cash raised from exercise of warrants

Product Development

- Finalizing the first filing of rhC1INH for hereditary angioedema (HAE) in Europe by 2005
- Submission of orphan drug applications with rhC1INH for new indications
- Preparing for Generally Recognized as Safe (GRAS) filing for its human lactoferrin with the US Food and Drug Administration (FDA)
- Recombinant human fibrinogen (rhFIB) selected for US Army funded project
- Collaboration on product pipeline with NovaThera Limited ("NovaThera")

Corporate

- Manufacturing partnership with Diosynth for rhC1INH completed successfully
- Patent on rhLF granted from the Japanese Patent Office
- Partnership with AgResearch for rhLF and license agreement on Protein Production Technology
- Milestone payment on rhC1INH clinical development from Laboratorios del Dr. Esteve, S.A. ("Esteve")
- John Pieters appointed as Chief Operating Officer

Financial

In the first nine months of 2005, total revenues were € 0.4 million compared to € 0.6 million during the same period in 2004. The total costs and expenses in the first nine months of 2005 (including € 1.6 million non-cash, share-based compensation) were € 13.6 million compared to € 11.3 million in the first nine months of 2004. The costs in the first nine months of 2005 reflect the investments made on the upcoming filings for rhC1INH and rhLF, clinical trials of rhC1INH in Europe as well as North America, commercial supply of rhC1INH with Diosynth Biotechnology, research and development of product pipeline and upgrading of its production facility for rhC1INH. Including interest income of € 0.5 million, the net loss of Pharming in the first nine months of 2005 was € 12.7 million compared to a net loss of € 10.3 million in the first nine months of 2004. Net cash

used for operating activities in the first nine months of 2005 was € 9.0 million compared to € 7.3 million in 2004.

Pharming raised € 7.7 million in cash from the exercise of warrants in the first three quarters of 2005, including € 2 million from European Bioscience Investments, Ltd. The Company's cash position, including marketable securities, was € 23.7 million as of September 30, 2005 compared to € 25.8 million at the end of 2004. The equity position of the Company was € 33.5 million compared to € 36.2 million at the end of 2004. Total liabilities were € 2.6 million compared to € 1.6 million at December 31, 2004.

Product Development
Pharming is preparing to develop rhC1INH for new indications beyond hereditary angioedema. In addition, the Company will submit orphan drug applications with rhC1INH for specific indications. The use of rhC1INH could provide significant therapeutic benefit for cardiovascular and inflammatory diseases.

Pharming expects to submit its first European filing on rhC1INH for HAE in 2005. The Company aims to rapidly complete its Pan-European filing thereafter, including the filing with EMEA and in the second half of 2006 file with the FDA. Production of the three validation batches for commercial manufacturing has been completed and the manufacturing dossier is ready in anticipation of the upcoming filings on rhC1INH.

Pharming expects to submit its GRAS filing on rhLF to the US FDA by year end. The Company has completed a large panel of toxicology studies with rhLF required to obtain GRAS status. The results demonstrated that rhLF can be considered safe for its intended use.

Pharming's recombinant human fibrinogen has been selected for use in a US Army funded project focusing on the development of fibrin bandages. In addition, the Company is exploring additional opportunities for its product pipeline through its research collaboration with NovaThera.

"Pharming is at the threshold of a major advancement with its regulatory filings for rhC1INH and rhLF," said Dr. Francis J. Pinto, CEO of Pharming. "The Company is poised for the next phase of rapid growth, including through upcoming licensing transactions and strategic alliances."

Corporate
Pharming expects to execute licensing agreements on rhC1INH as well as to strengthen its product pipeline. The outcome of these licensing agreements is expected soon and should strengthen the financial position of the Company.

Pharming previously received a milestone payment for the clinical development of rhC1INH from Esteve. Pharming and Esteve have a partnership on the development, marketing and sales of rhC1INH in Spain, Portugal and Greece. The Company intends to execute similar agreements on rhC1INH for other regional markets in a manner to maximize value for all stakeholders of Pharming.

Pharming was granted a patent on rhLF from the Japanese Patent Office, which covers the production and purification of the product as well as its use in food formulations. In addition, Pharming signed an agreement with AgResearch on the development and production of rhLF.

The organization has been strengthened to facilitate the growth of the Company in 2006, notably in product development and manufacturing. Pharming has strengthened its management team with the appointment of Mr. John Pieters to the position of Chief Operating Officer. Recently, the Company appointed Mr. Wim J. E. Burgemeestre as Head of Finance and Administration.

Future Outlook

- Partnerships for product pipeline, technology and rhC1INH licensing
- Filing(s) on rhC1INH for hereditary angioedema
- Clinical development for follow-on indications with rhC1INH
- Product pipeline expansion
- GRAS filing for rhLF with the US FDA

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 food use. 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

	September 30, 2005 (unaudited)	December 31, 2004 (audited)
	€ x 1,000	
ASSETS		
Non-current assets		
Intangible assets	4,050	4,296
Property, plant and equipment	4,886	4,167
Financial assets	149	149
Restricted cash	-	75
Non-current assets	**9,085**	**8,687**
Current assets		
Inventories	2,147	2,476
Other current assets	856	855
Restricted cash	237	-
Marketable securities	6,192	4,092
Cash and cash equivalents	17,547	21,706
Current assets	**26,979**	**29,129**
TOTAL ASSETS	**36,064**	**37,816**
EQUITY AND LIABILITIES		
Shareholders' equity	33,508	36,013
Minority interest	-	176
Group equity	**33,508**	**36,189**
Non-current liabilities	**148**	**160**
Trade and other payables	2,365	1,430
Current portion of loans and borrowings	43	37
Current liabilities	**2,408**	**1,467**
TOTAL GROUP EQUITY AND LIABILITIES	**36,064**	**37,816**

PHARMING

CONSOLIDATED STATEMENT OF INCOME

	3 months ended September 30,		9 months ended September 30,	
	2005	2004	2005	2004
	€ x 1,000		€ x 1,000	
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
REVENUES	**23**	**282**	**363**	**620**
Research and development	1,957	2,295	5,623	4,014
Operations	835	1,292	3,944	3,036
Selling, general and administrative	532	383	1,642	1,052
Depreciation and amortization charges	252	201	752	624
Foreign currency losses/(gains)	33	9	(19)	63
Share-based compensation	260	250	1,630	2,475
COSTS AND EXPENSES	**3,869**	**4,430**	**13,572**	**11,264**
Loss from operating activities	**(3,846)**	**(4,148)**	**(13,209)**	**(10,644)**
Share in loss non-consolidated companies	-	(18)	-	(66)
Interest income, net	194	142	515	381
Loss on disposal of marketable securities	-	-	(37)	-
Net loss	**(3,652)**	**(4,024)**	**(12,731)**	**(10,329)**
Share information				
Basic and diluted net loss per share (€)	(0,05)	(0,06)	(0,16)	(0,15)
Weighted average shares outstanding in period	79,792,144	71,019,180	78,915,322	66,723,424

Number of shares outstanding at September 30, 2005 were 79,970,139 (including 806.340 treasury shares)

CONSOLIDATED STATEMENT OF CASH FLOW

	9 months ended September 30,	
	2005	2004
	€ x 1,000	
	(unaudited)	(unaudited)
Net loss	**(12,731)**	**(10,329)**
Adjustments to reconcile net loss to cash flows used in operating activities		
Non-cash movement of non-current assets		
Depreciation and amortization charges	752	624
Result of non-consolidated companies	-	66
Change in operating assets and liabilities		
Increase other current assets	(1)	(566)
(Increase)/decrease inventories	329	(17)
Increase trade and other payables	935	294
Other items		
Non-cash increases in equity	1,730	2,525
Fair value adjustment marketable securities	192	101
Foreign currency results	(205)	(1)
Net cash flows used in operating activities	**(8,999)**	**(7,303)**
Purchase of property, plant and equipment	(694)	(43)
Purchase of intangible assets	-	(710)
Change in restricted cash	(162)	(75)
Net cash flows used in investing activities	**(856)**	**(828)**
Net proceeds of increase of share capital	7,826	27,507
Repayments of loans and borrowings	(30)	(30)
Net cash flows from financing activities	**7,796**	**27,477**
Net increase/(decrease) cash and marketable securities	**(2,059)**	**19,346**
Cash and marketable securities at January 1	25,798	2,699
Net increase/(decrease) cash and marketable securities	(2,059)	19,346
Cash and marketable securities at September 30	**23,739**	**22,045**

Implementation IFRS 2 share-based payment
Effective January 1, 2005 the Company adopted IFRS 2 (Share-based payment). This reporting standard requires options granted to be charged to the income statement, with a similar amount forwarded to shareholders' equity. For comparison reasons the income statement of the previous year should be presented as if options vested in the previous year were valued in accordance with IFRS 2. The implementation of IFRS 2 does not affect shareholders' equity or cash flows.

The total effect of the above presentation adjustment in the income statement of 2004 amounts to some € 1.4 million, which have fully been expensed in the first three quarters of 2004. The net loss as reported in the first nine months of 2004 accordingly has been adjusted from € 8.9 million to € 10.3 million and the basic and diluted net loss per share from € 0.13 to € 0.15.

In total, a non-cash IFRS 2 charge of € 1.6 million was included in the income statement for the first nine months of 2005.