PHARMING ANNOUNCES THIRD QUARTER 2007 RESULTS

Reports on significant progress in registration process of Rhucin®

Leiden, The Netherlands, October 19, 2007. Biotech company Pharming Group NV ("Pharming" or "the Company") (NYSE Euronext: PHARM) announced today its results for the first nine months of 2007 ended September 30, 2007. The financial results are in line with previously reported quarterly results while significant progress has been achieved in the review and approval process of Pharming's lead product Rhucin®.

Key Developments

Financial

- Net loss of € 6.4 million in Q3 2007 (€ 6.2 million in Q2 2007 and € 4.4 million in Q3 2006)
- Cash position (including marketable securities) of € 14.1 million as of September 30, 2007
- Revenues of € 0.6 million in the first nine months of 2007 compared to € 0.1 million in the same period in 2006
- Total costs and expenses in Q3 2007 were € 6.5 million (€ 6.0 million in Q2 2007 and € 4.1 million in Q3 2006)
- Net cash used for operating activities in the first nine months of 2007 of € 15.3 million compared to €15.1 million over the same period in 2006

Products

- Achievement of primary and secondary endpoints in European Phase III placebo-controlled randomized clinical trial of Rhucin®
- European placebo-controlled randomized clinical trial stopped on ethical grounds and patient treatment with Rhucin® to continue in open-label clinical program
- Pharming facilities obtained GMP status from the EMEA
- Review by European Medicines Evaluation Agency (EMEA) of Pharming's Market Authorization Application (MAA) for Rhucin® for treatment of acute HAE attacks (Hereditary Angioedema) progresses as planned with an opinion anticipated towards the end of this year
- US placebo-controlled randomized clinical trial for Rhucin® to be completed in Q4 2007
- Pharming expands its strategy for recombinant human fibrinogen (rhFIB) as a pharmaceutical product for the treatment of bleeding in fibrinogen deficient patients
- Pharming builds further on its Biomaterial program through collaborations with the BioMedical Materials consortium (BMM) with support from Dutch government

Corporate

- Company presentations on Rhucin® and product pipeline at several investor conferences in USA and Europe

Dr. Francis J. Pinto, Chief Executive Officer of Pharming, commented: "In the third quarter of this year we have been highly focused on getting our lead product Rhucin® to market as soon as possible, while maintaining a low cash-burn rate. With the EMEA review process on track, achievement of the primary and secondary endpoints of our European placebo-controlled Phase III trial, the obtained GMP status of our facilities and the progress we have made in the USA with our clinical program, we formed a solid basis for the registration of Rhucin®. We have also been focused on strengthening our cash position and have successfully raised € 70 million through a convertible bonds issuance, as detailed in our separate announcement today.

Financial

Costs and expenses were € 6.5 million in Q3 2007 compared to € 6.0 million in Q2 2007 and € 4.8 million in Q1 2007. Total costs and expenses in the first nine months of 2007 amounted to € 17.2 million compared to € 12.3 million in the same period of 2006. The total costs in the first nine months are higher compared to the same period in 2006 due to intensified efforts in the area of clinical development of Rhucin® in the USA, activities for the European approval process and increased R&D activities for recombinant human fibrinogen and DNage products.

Revenues have grown due to increased subsidies and grants that are mostly related to the DNage business and partly to an earlier awarded Rhucin®-related grant from the FDA.

Pharming's balance of cash and marketable securities was € 14.1 million at the end of the first nine months of 2007. The decrease of this amount in the third quarter of 2007 is mainly related to increased cash used for operating activities and a payment of US$ 2 million to Paul Royalty Fund. The Company will increase its cash position this year through a convertible bonds issuance, as detailed in today's separate announcement.

Net cash used for operating activities (€15.3 million) in the first nine months of this year is similar to the amount used over the same period in 2006 (€15.1 million) and is in line with guidance given earlier this year.

Products

The European review process of Pharming's Market Authorization Application of Rhucin® (recombinant human C1 inhibitor or rhC1INH for the treatment of acute attacks of HAE) is ongoing and progresses as planned. Answers to the list of questions received from EMEA as well as the positive safety and efficacy results from the interim analysis of the European placebo-controlled randomized clinical trial have been submitted during this quarter. In this study both the primary endpoint, time to beginning of symptom relief, and the secondary endpoint, time to minimal symptoms, were achieved with statistical significance. Based on the recommendation of the Independent Data Monitoring Committee to stop placebo treatment in the European placebo-controlled randomized clinical trial for methodological and ethical reasons, Pharming discontinued this study. Based on the standard review process of the EMEA Pharming expects an opinion from the relevant committee before the end of this year followed soon thereafter by a formal decision on the application for market authorization of Rhucin® in Europe. In addition to the progress in the clinical development of Rhucin®, Pharming received confirmation from the EMEA that its production facilities and processes conform with Good Manufacturing Practice and are thus licensed for manufacturing of pharmaceutical products.

Pharming also made good progress in its US placebo-controlled randomized clinical trial with Rhucin®. The Company expects to complete this study in the fourth quarter and will submit the regulatory filings as soon as possible thereafter.

With respect to other clinical indications, Pharming is preparing clinical studies in the field of organ transplantation. The Company expects to start such a clinical program later this year.

With regard to hLF, Pharming notified the FDA that this product has an excellent safety profile and is therefore Generally Recognized As Safe (GRAS) for use as an ingredient in foods. Pharming's GRAS notification for hLF has been reviewed by an independent scientific expert panel who concluded that hLF is safe for its intended uses. In interactions with the FDA throughout 2007, no further questions appeared to be outstanding. Although Pharming had expected to receive a decision already earlier, it is still hopeful that the FDA will accept Pharming's notification in the near future.

Pharming received Orphan Drug designation for recombinant human fibrinogen from the FDA for the treatment of bleeding in patients deficient in fibrinogen. The Company has initiated the development of rhFIB as a replacement therapy for genetic and acquired deficiencies of fibrinogen. In addition to bringing rhFIB to the market as a pharmaceutical product, Pharming continues to pursue partnerships to develop fibrinogen based medical device applications to build further value for rhFIB.

Pharming's subsidiary DNage continued to make excellent progress in its research programs and is preparing its first clinical studies in the field of ageing diseases to start in 2008. In these studies Prodarsan®, a proprietary mixture of small molecules with an excellent safety profile, will be tested in a sub-group of patients suffering from premature ageing.

Corporate

During the third quarter Pharming made several presentations at meetings of investors including at the UBS Global Life Sciences Meeting (September 24-27, 2007) in New York. In a separate announcement the Company is announcing the issuance of convertible bonds thereby raising € 70 million.

About Pharming Group NV

Pharming Group NV is developing innovative products for the treatment of genetic disorders, ageing diseases, specialty products for surgical indications, intermediates for various applications and nutritional products. Pharming has two products in late stage development - Rhucin® (recombinant human C1 inhibitor) for hereditary angioedema (MAA under review by EMEA) and human lactoferrin for use in food products (GRAS notification under review by FDA). The advanced technologies of the Company include innovative platforms for the production of protein therapeutics, technology and processes for the purification and formulation of these products, as well as technologies in the field of tissue repair (via its collaboration with Novathera) and DNA repair (via its acquisition of DNage). Additional information is available on the Pharming website, http://www.pharming.com and on http://www.dnage.nl

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

For the nine months ended September 30, 2007 (amounts in €'000) (unaudited)

	September 30, 2007	December 31, 2006
Goodwill	9,190	9,190
Intangible assets	19,408	19,783
Property, plant and equipment	7,360	7,325
Financial assets	200	200
Restricted cash	176	176
Non-current assets	36,334	36,674
Inventories	11,001	9,169
Other current assets	1,802	2,159
Marketable securities	4,166	4,995
Cash and cash equivalents	9,738	26,082
Current assets	26,707	42,405
Total assets	63,041	79,079
Total equity	33,953	49,843
Paul Royalty Fund	4,195	10,108
Earn-out obligations	2,212	5,791
Deferred tax liability	3,697	3,889
Other	444	255
Non-current liabilities	10,548	20,043
Trade and other payables	6,962	7,614
Earn-out obligations	4,428	-
Paul Royalty Fund	7,049	1,518
Current portion of other non-current liabilities	101	61
Current liabilities	18,540	9,193
Total equity and liabilities	63,041	79,079

CONSOLIDATED INCOME STATEMENT

For the nine months ended September 30, 2007 (amounts in €'000, except per share data) (unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2007	2006	2007	2006
Revenues	164	20	575	100
Research and development	4,165	2,033	9,777	5,589
Operations	873	775	3,133	2,863
Selling, general and administrative	653	601	1,819	1,913
Depreciation and amortization charges	353	260	1,048	840
Share-based compensation	437	456	1,437	1,069
Costs and expenses	6,481	4,125	17,214	12,274
Loss from operating activities	(6,317)	(4,105)	(16,639)	(12,174)
Interest on liability to Paul Royalty Fund	(617)	(605)	(1,947)	(1,574)
Interest on earn-out obligations	(296)	-	(849)	-
Other interest income, net	204	352	769	957
Finance revenue and costs	(709)	(253)	(2,027)	(617)
Foreign currency effect on liability to Paul Royalty Fund	564	(47)	856	504
Other foreign currency results	(27)	16	(79)	(183)
Other results	537	(31)	777	321
Loss before tax	(6,489)	(4,389)	(17,889)	(12,470)
Income tax benefit	62	-	192	-
Net loss after tax	(6,427)	(4,389)	(17,697)	(12,470)
Share information:				
Basic and diluted net loss per share (€)	(0.07)	(0.05)	(0.19)	(0.15)
Weighted average shares outstanding in the period	91,120,203	86,315,678	90,835,153	85,738,300

Number of shares outstanding at September 30, 2007 was 91,126,807.

CONSOLIDATED STATEMENT OF CASH FLOW

For the nine months ended September 30, 2007 (amounts in €'000) (unaudited)

	Nine months ended September 30,	
	2007	2006
Net loss after tax	(17,697)	(12,470)
Adjustments to reconcile net loss to cash flows used in operating activities:		
Change in operating assets and liabilities		
Decrease/(increase) other current assets, net of accrued interest	73	(222)
Increase inventories	(1,832)	(4,408)
Decrease trade and other payables	(399)	(1,102)
Accrued interest	(753)	(957)
Received interest	1,127	1,030
Non-cash items		
Depreciation and amortization charges	1,048	840
Share-based compensation	1,437	1,069
Interest on liability to Paul Royalty Fund	1,947	1,574
Foreign currency effect on liability to Paul Royalty Fund	(856)	(504)
Interest on earn-out obligations	849	-
Issuance of shares in exchange of services	-	37
Release lease incentives	(22)	-
Income tax benefit	(192)	-
Foreign currency effects on balance sheet	(31)	27
Net cash flows used in operating activities	(15,301)	(15,086)
Purchase of property, plant and equipment	(607)	(2,244)
Net cash flows used in investing activities	(607)	(2,244)
Net proceeds of increase of share capital	1,070	22,535
Upfront payment Paul Royalty Fund, net of transaction fees paid	-	11,686
Repayment to Paul Royalty Fund	(1,473)	-
Repayments of loans and borrowings	(33)	(36)
Net cash flows from /(used in) financing activities	(436)	34,185
Net increase/(decrease) cash and cash equivalents	(16,344)	16,855
Cash and cash equivalents at January 1 (including restricted cash)	26,258	14,689
Net increase/(decrease) cash and cash equivalents	(16,344)	16,855
Cash and cash equivalents at September 30 (including restricted cash)	9,914	31,544
Liquidity information:		
Cash and cash equivalents at September 30 (including restricted cash)	9,914	31,544
Marketable securities at September 30	4,166	5,145
Total liquidities at September 30	14,080	36,689