

PHARMING ANNOUNCES DEBT REDUCTION OF € 5 MILLION

Leiden, The Netherlands, 12 January 2009. Biotech company Pharming Group NV (“Pharming” or “the Company”) (NYSE Euronext: PHARM) announced today that it has reached an agreement with an additional holder of convertible bonds to cancel outstanding debt by payment in cash and shares.

Convertible bonds with a nominal value of € 5 million will be cancelled by a payment of € 1 million in cash and conversion of the remaining € 4 million in shares at a valuation of € 2.64 per share. Total shares issued in relation to the conversion are approximately 1.5 million, increasing the Company’s number of outstanding shares after conversion to just below 99 million.

Dr. Sijmen de Vries, Chief Executive Officer at Pharming, commented: “The transaction announced today further improves our balance sheet. We continue to remain sensitive to the short term needs of some of the convertible bond holders and our intention to strengthen our financial position. In addition, the debt settlement reduces annual bond interest payments by approximately € 350,000 per annum. We look forward to arranging similar deals with other holders of convertible bonds.”

Background Convertible Bonds

Convertible bonds with a total nominal value of € 70 million were issued by Pharming in October 2007. They have a 5 year lifetime and yield an annual nominal interest of 6.875%. Due to conditions in the global financial markets, several holders of these bonds have expressed their desire to redeem the bonds at an early stage albeit at a significant discount. After completion of the above transaction, the total outstanding amount of debt under the convertible bond agreement is now reduced to just under € 45 million. Pharming considers this situation as an opportunity to strengthen its balance sheet at favorable terms for the Company.

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® for Hereditary Angioedema and human lactoferrin for use in food products, and one product in early stage clinical development - Prodarsan® for Cockayne Syndrome. The advanced technologies of the Company include innovative and validated platforms for the production of protein therapeutics, technology and processes for the purification and formulation of these products, as well as technology in the field of DNA repair (via DNAge). 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.

Contact:

Julia Phillips (UK), Financial Dynamics, T: +44 (0)20 7269 7187 or T: +44 (0)7770 827 263
Sijmen de Vries, Pharming Group NV, T: +31 (0)71 52 47 400