

Galápagos

**Novel targets,
better treatments**

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JPM - 9 January 2019



Disclaimer

This presentation contains forward-looking statements, including (without limitation) statements concerning the progress of our clinical pipeline, the slides captioned "We go step by step on commercial" "Prolific late stage pipeline" "Partnerships" "Our R&D engine delivers" "The filgotinib franchise" "FINCH Phase 3 designs for RA" "Differentiated profile for filgotinib" "Inflammation market \$67B by 2027" "We are building an IPF portfolio" "Phase 3 program ISABELA" "NOVESA Ph2 trial Ssc" "1972 for osteoarthritis" "1972 protects cartilage" "ROCCELLA Ph2 in OA patients ongoing" "Toledo in inflammation" "Strong activity of Toledo" "Toledo development strategy" "Our challenges", statements regarding the expected timing, design and readouts of ongoing and planned clinical trials (i) with filgotinib in RA, IBD, and other potential indications (ii) with GLPG1690 and GLPG1205 in IPF and Ssc, (iii) with the Toledo program, (iv) with GLPG1972 in OA, (v) with MOR106 in atopic dermatitis and other potential indications, and expectations regarding the commercial potential of our product candidates. When used in this presentation, the words "anticipate," "believe," "can," "could," "estimate," "expect," "intend," "is designed to," "may," "might," "will," "plan," "potential," "possible," "predict," "objective," "should," and similar expressions are intended to identify forward-looking statements.

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Think big.





Thinking big got us here





We discover novel targets by function

And develop new mode-of-action drugs



balanced



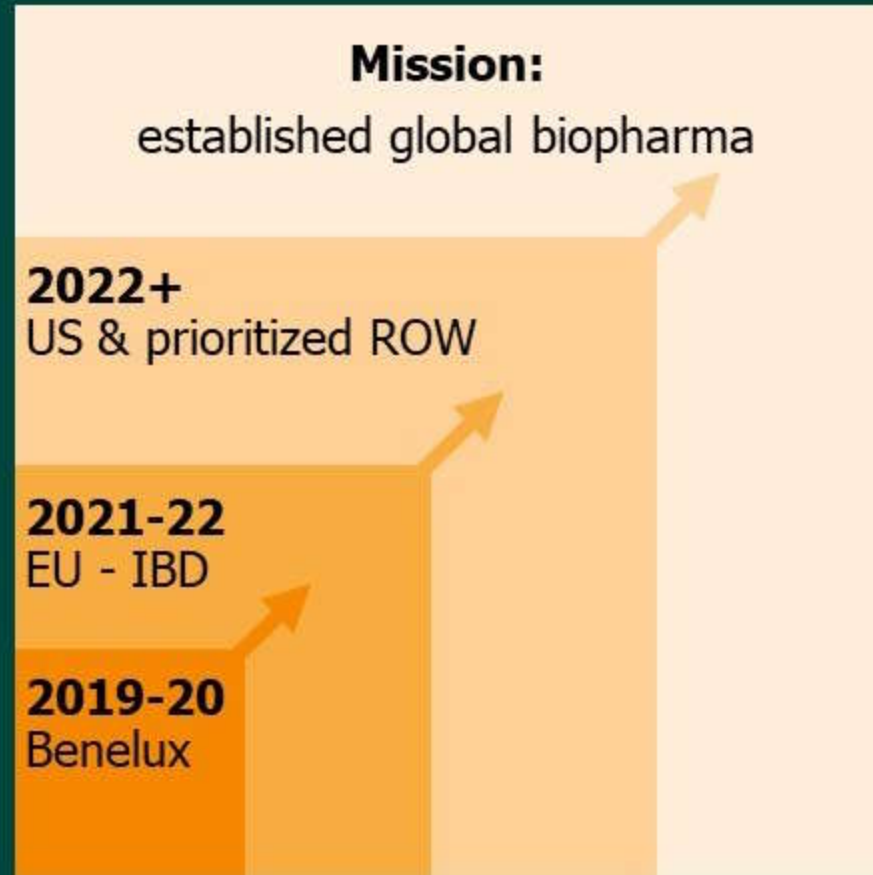
unbalanced

We go step by step on commercial

1690 IPF
global scale, independent launch
collaborations as opportunity

Filgotinib
top EU markets
local Gilead collaboration

Filgotinib
home territory
booking sales





Prolific late stage pipeline

Area	Preclinical	Phase 1	Phase 2	Phase 3
Filgotinib	10+ indications			
IPF/fibrosis	'1690, '1205			
OA	'1972			
AtD	MOR106			
Inflammation Fibrosis	>20 programs			

44 clinical trials planned in 2019



Partnerships

Galápagos



- **Gilead: filgotinib**

\$1.35B milestones
profit-split, co-promote in EU
20-30% royalties

- **Servier: '1972**

\$260M milestones
single digit royalties
US rights

- **Novartis: MOR106**

\$1B milestones
low-teens – low twenties royalties
MorphoSys: 50/50 cost/benefit

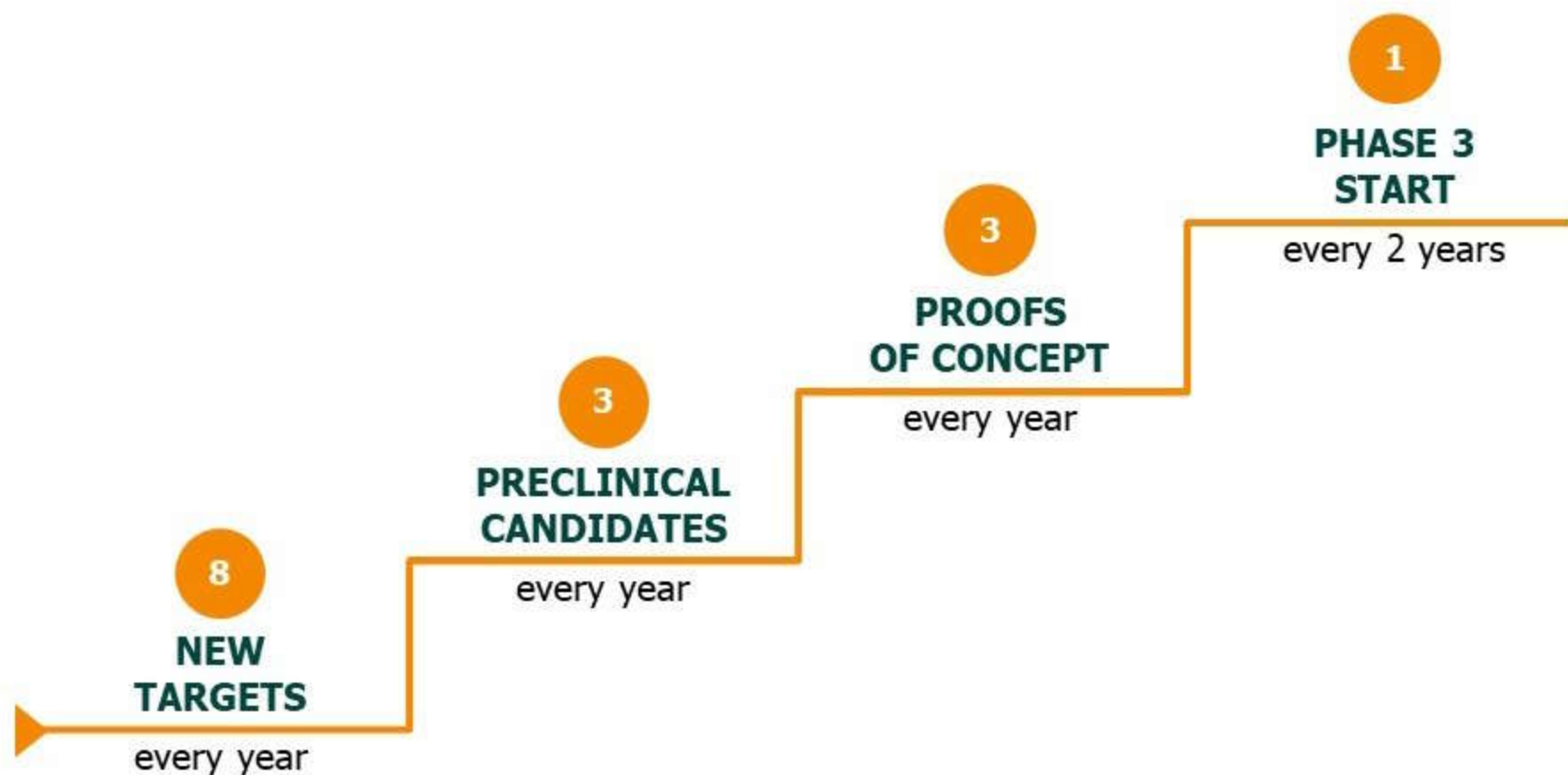
- **AbbVie: CF**

\$200M milestones
single to double digit royalties
GLPG retains 2 candidates outside CF



Our R&D engine delivers

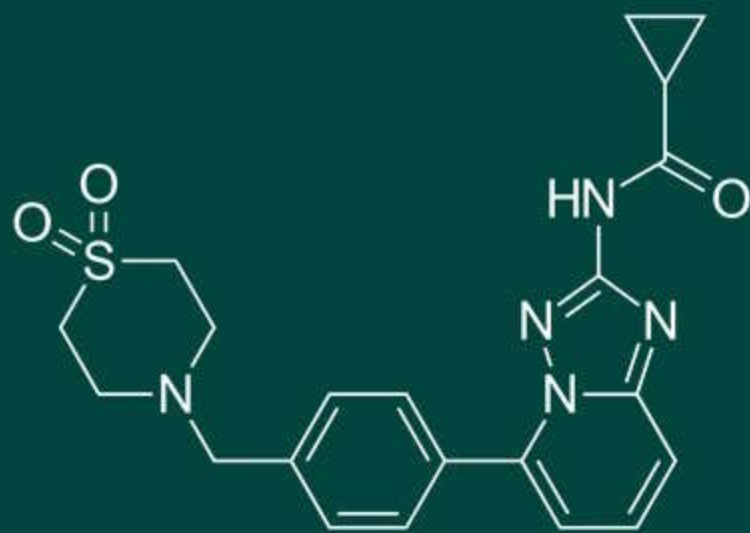
Our goal





Our lead is filgotinib

Evaluated in 11 inflammatory indications





The filgotinib franchise

Area	Phase 1	Phase 2	Phase 3	Status
rheumatoid arthritis				fully recruited
Crohn's disease				recruiting
ulcerative colitis				recruiting
ankylosing spondylitis				study completed
psoriatic arthritis				study completed
small bowel CD				recruiting
fistulizing CD				recruiting
Sjögren's				fully recruited
cutaneous lupus				recruiting
lupus nephropathy				recruiting
uveitis				recruiting

FINCH Phase 3 designs for RA



FINCH 1: MTX - IR

1,759

52 weeks

ACR20
MTX add-on
adalimumab control
radiographic assessment

 **FINCH 2: biologic - IR**

448

24 weeks

ACR20
cDMARD add-on

FINCH 3: MTX naive

1,252

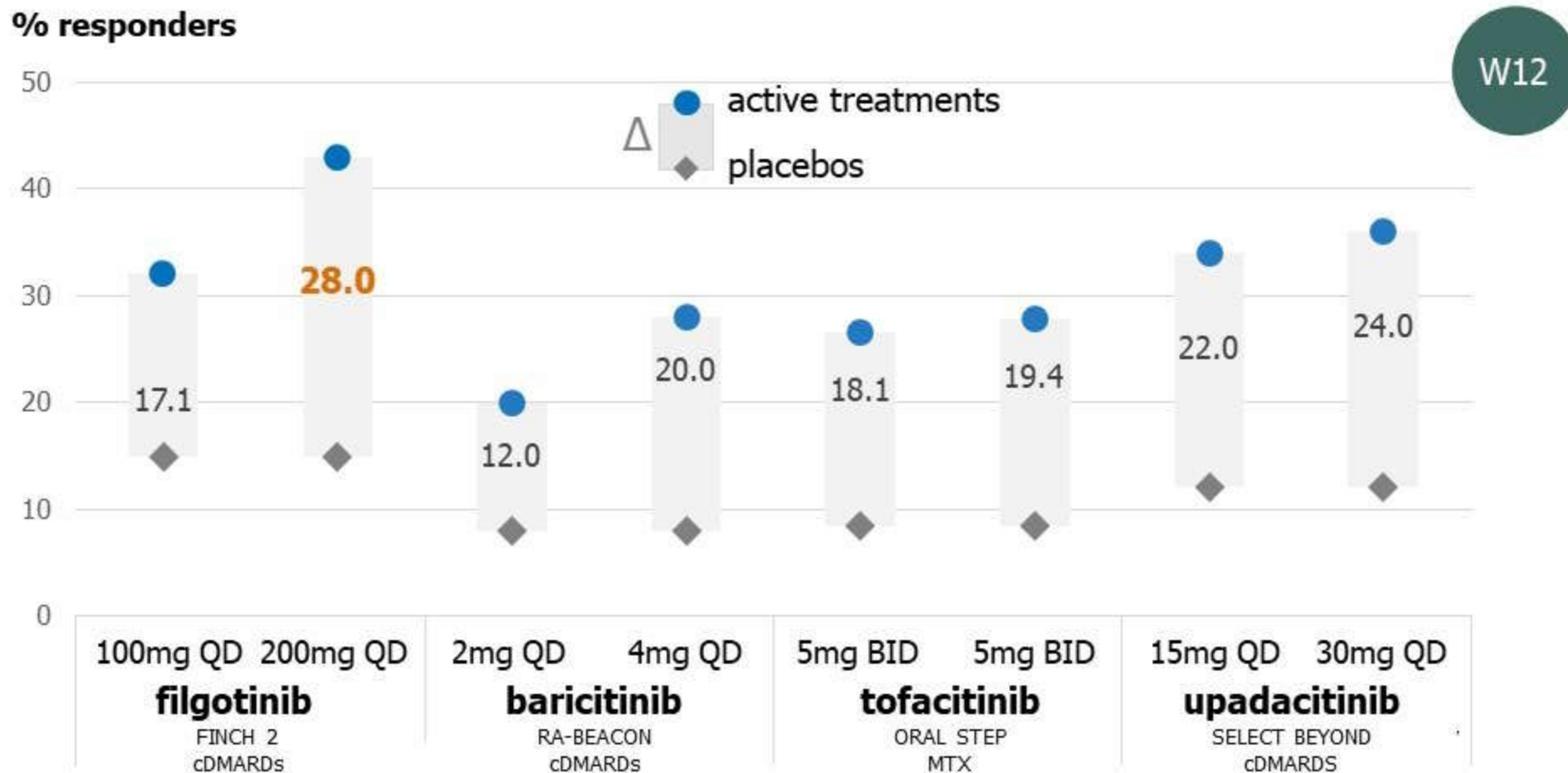
52 weeks

ACR20
monotherapy, +MTX arms
radiographic assessment

FINCH 1 and FINCH 3 topline expected in Q1 '19



Strong ACR50 scores



Note: data not from head-to-head studies, comparisons may be inaccurate

Differentiated profile of filgotinib

- Beneficial hemoglobin profile
- No reduction of NK cells & decreased risk of infections
- Reduction of platelets & low incidence of thromboembolic events

JAK1 selectivity makes the difference

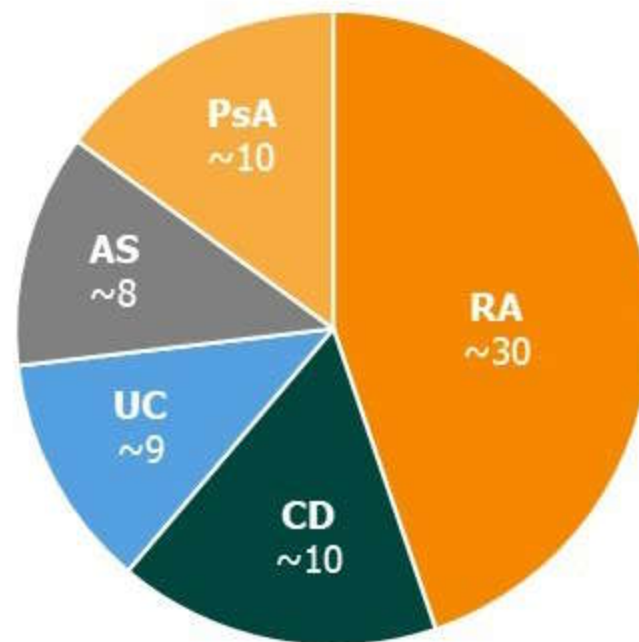
Inflammation market \$65B by 2027

Unmet needs

- Oral
- Rapid response
- Higher, maintained efficacy

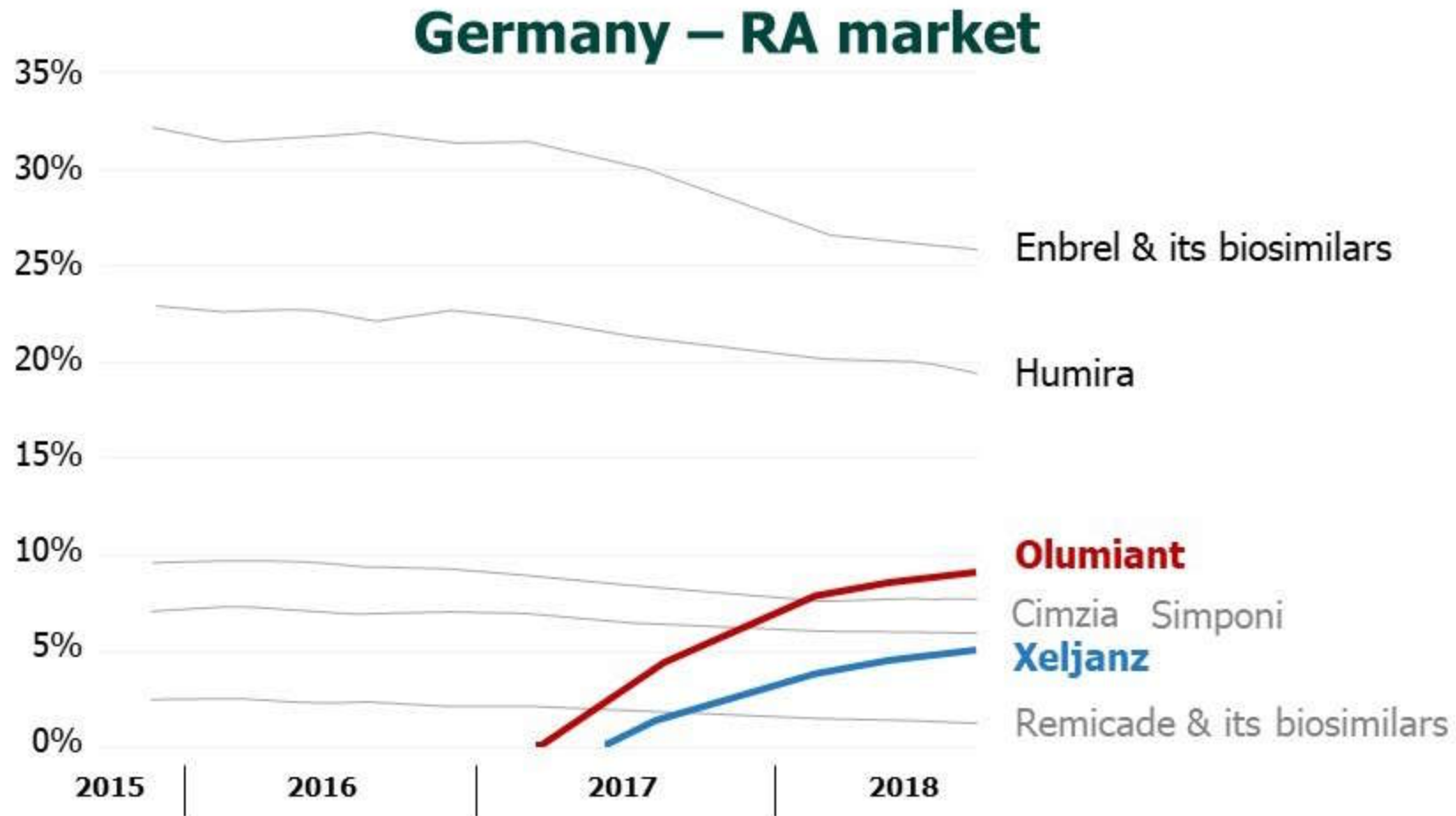
Differentiation vs. biologics

Estimated market size, \$B



Source: Goldman Sachs 2017, Leerink 2017, Stifel 2017, Global Data, Galapagos estimates

JAKi's rapidly taking market share

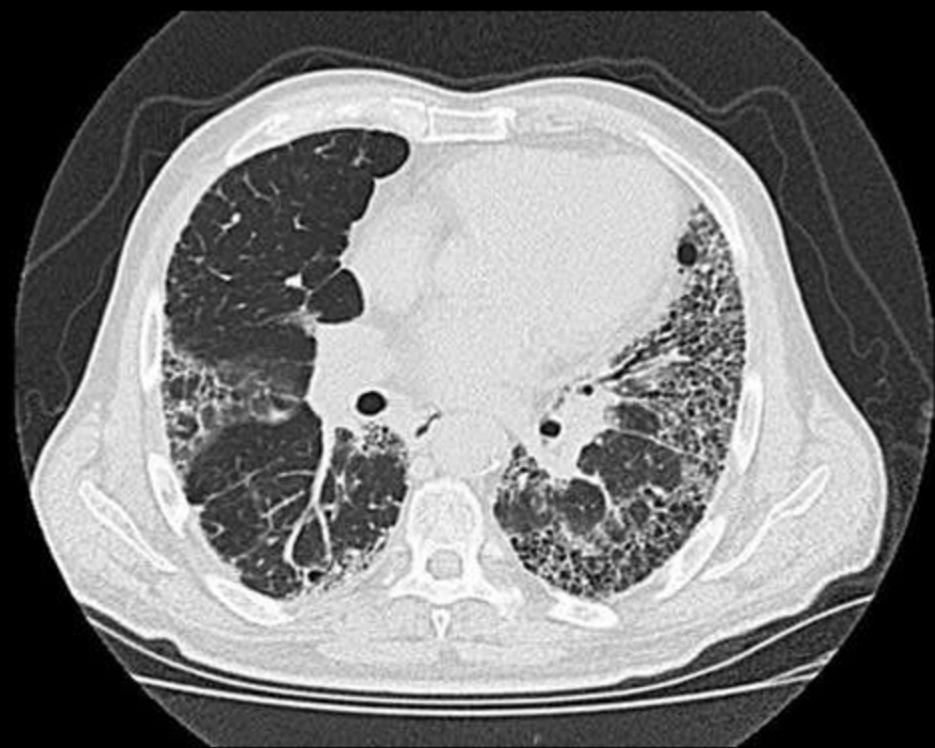


Source: IQVIA

IPF

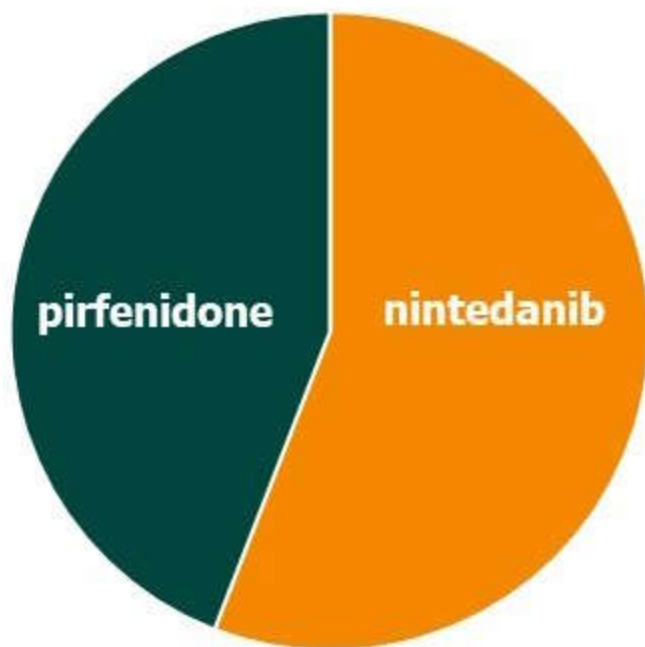
Progressive lung fibrosis leading to death

- 200k cases in US & EU
- 75k new cases every year
- Median survival 2-5 years



IPF - large unmet needs

2017 drug sales \$1.9B



Limitations nintedanib & pirfenidone

- only slow down FVC decline
- poor tolerability
- ~25% annual discontinuations

Sources: Global Data, Maher et al. BMC Pulmonary Medicine (2017) 17:124, sales figures from Roche and Boehringer Ingelheim



We are building an IPF portfolio

program	discovery	preclinical	Ph1	Ph2	Ph3
'1690 (autotaxin) ISABELA IPF	Status end '18				Status end '19 (projected)
'1205 (GPR84) PINTA IPF	Status end '18			Status end '19 (projected)	
New IPF programs	Status end '18	Status end '19 (projected)			

- Status end '18
- Status end '19 (projected)

- Opportunity to combine
- Several programs in discovery



Ph3 program ISABELA



- 1500 patients
- Patients remain on standard of care
- Global program with US & EU component
- Primary endpoint: forced vital capacity (FVC)

Systemic sclerosis - scleroderma

- Multi-organ (“systemic”) fibrosis
- Rare disease: ~95k patients¹
- Highest mortality of autoimmune/rheumatic diseases²
- No approved anti-fibrotic drugs³



¹Global Data 2014; ²Nikpour et al Curr Opin Rheumatol. 2014; ³Denton et al Lancet 2017



NOVESA Ph2 in SSc



- 30 patients
- Recruitment in US & 5 EU countries
- Primary endpoint: modified Rodnan Skin Score (mRSS)



'1972

for osteoarthritis (OA)

Breakdown of joint cartilage

- 118M patients in US, Europe & Japan
- No disease-modifying drugs



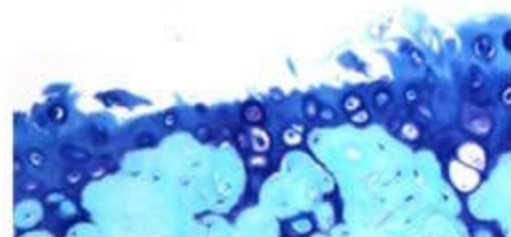


'1972 protects cartilage

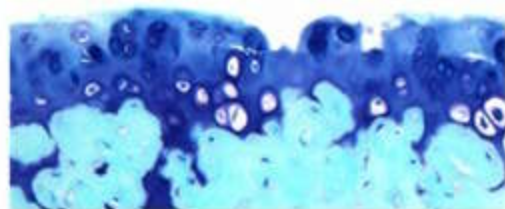
Histopathology in mouse model



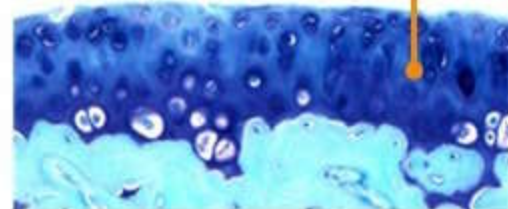
vehicle



'1972
low dose



'1972
medium dose

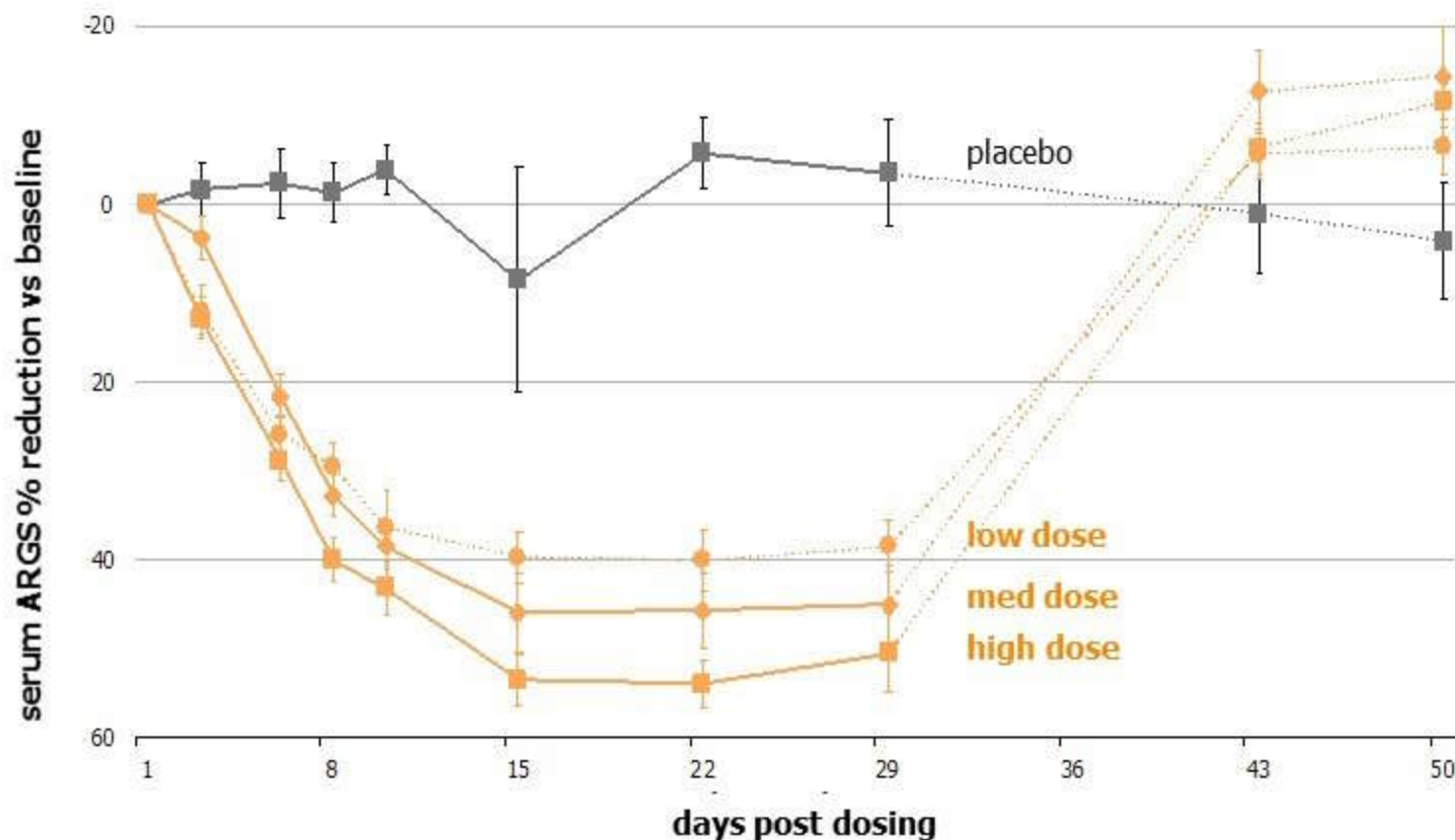


'1972
high dose

Source: Amantini et al OARSI 2018

'1972 reduces ARGs in OA patients

Effect on cartilage breakdown marker



Dose-dependent reduction of ARGs, well-tolerated in OA patients

ROCCELLA Ph2 in OA patients ongoing



- 850 patients with knee osteoarthritis, recruited globally
- Primary endpoint: reduction in cartilage

FDA granted fast track status



Toledo

in inflammation

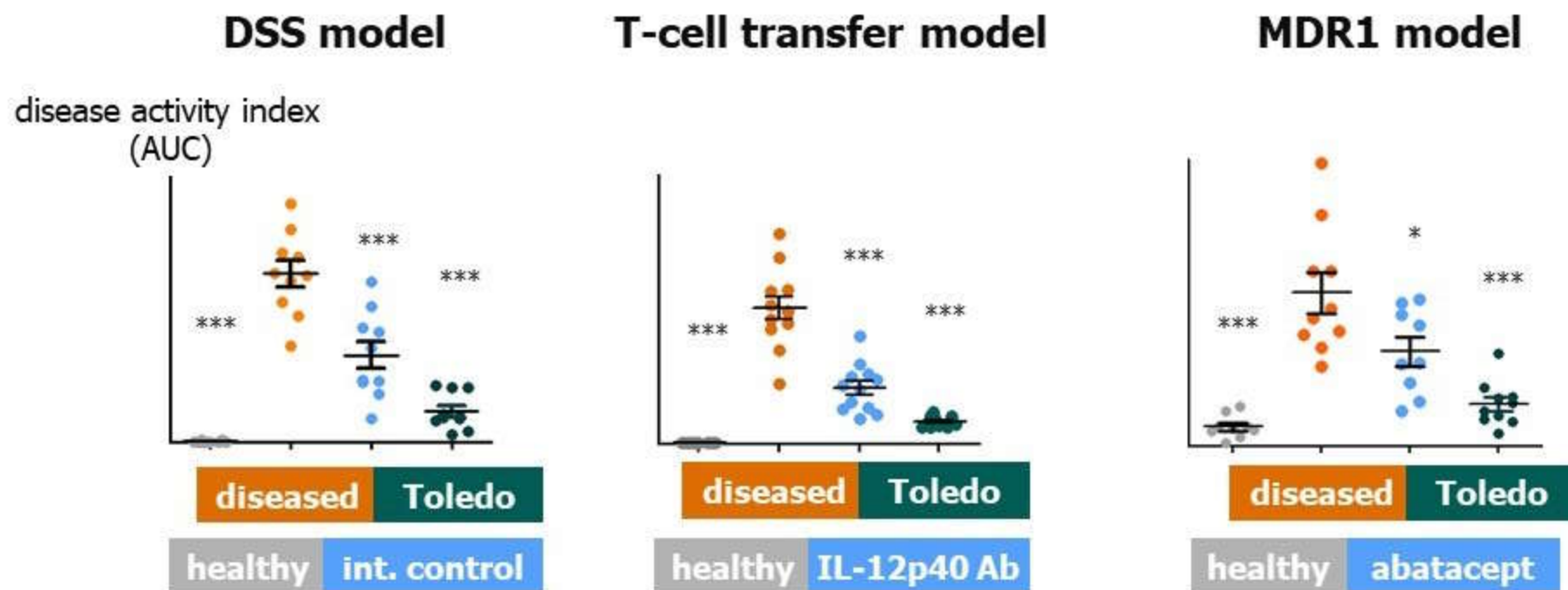
- Novel, undisclosed target
- Dual action
- IBD models show strong activity
- '3312 Ph1 ongoing





Strong activity of Toledo

In 3 IBD models with different mechanisms



* $p < 0.05$; *** $p < 0.001$



Our Toledo development strategy

- Develop multiple candidates across different profiles
- Test in broad panel of *in vivo* disease models
- Plan multiple PoC's in patients in parallel to maximize potential

		IBD	RA	Pso	PsA	SLE	OA	OP	Fib
1 st gen	'3312	█	█	█	█	2019	2019	2019	█
2 nd gen	'3970	█	█	█	2019	2019	2019	2019	█
3 rd gen	LO	█	█	█	█	2019	2019	2019	
4 th gen	LO	2019							
5 th gen	LO	█							



Our challenges

Keep biotech culture

Recruit the best

Stay independent

Deliver

Think big.



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