

# Galápagos

Novel targets, better molecules

Company Presentation  
December 2014



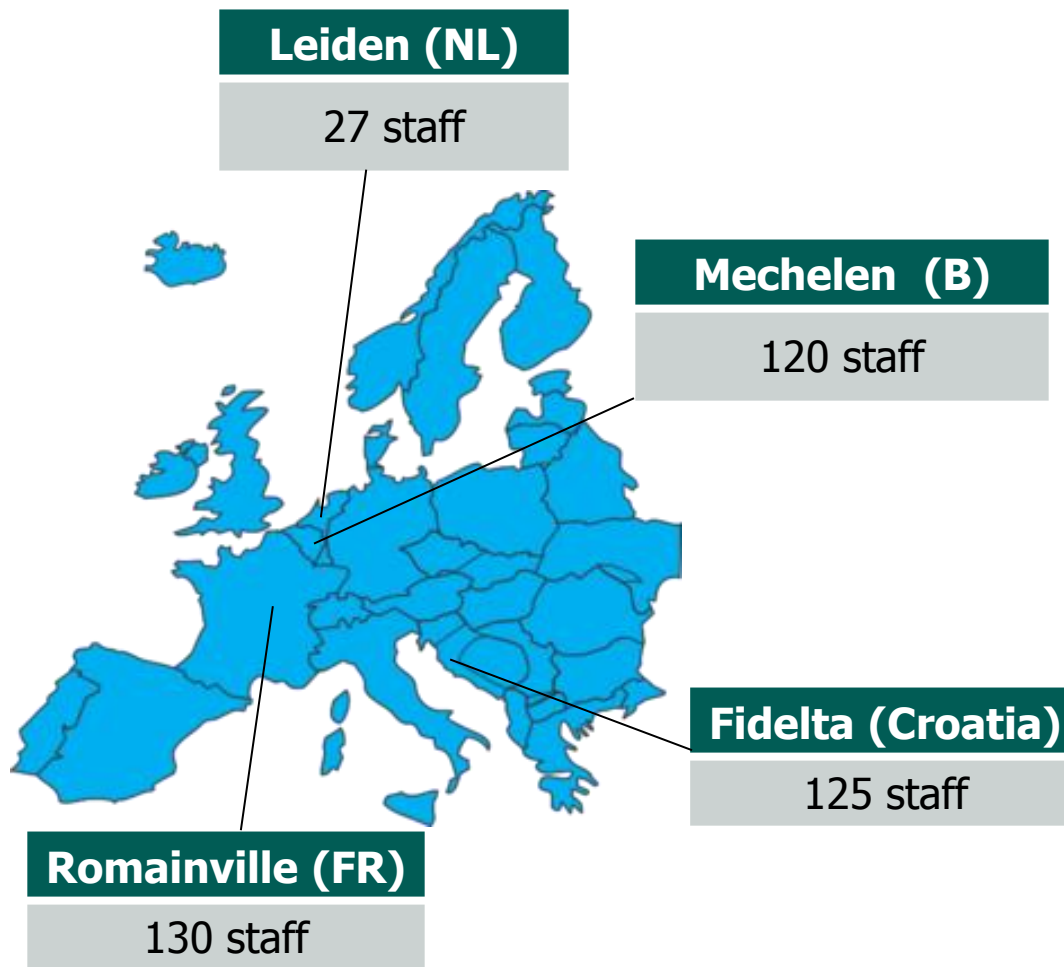


# Galapagos at a glance

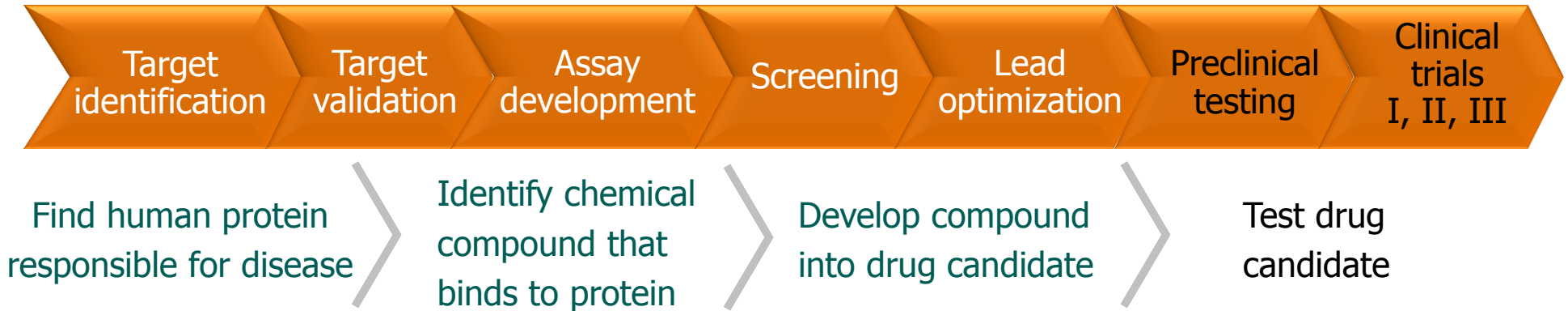
- Founded in 1999 as joint venture of Crucell and Tibotec
- 400 staff, research sites in 4 countries with HQ in Belgium
- Focus on novel mode of action medicines
  - proprietary target discovery platform
  - three Phase 2 programs, two Phase 1 programs
  - five pre-clinical candidates, ~20 in discovery
- Major alliances with AbbVie, JnJ, GSK, Servier
- Market cap ~ €450 M, cash on 30 June €232 M



# Galapagos sites



# Medicines with new modes of action

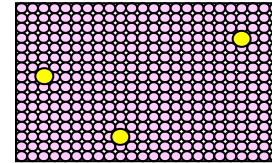
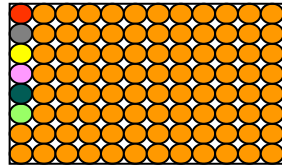


Too much/little of target protein

Correct level of target protein



# Novel targets form our core value



Targets

Adenovirus with  
human shRNA  
sequence

Arrayed collection  
targeting 6,500 genes

Disease models

- primary human cells
- siRNA silences specific gene
- every well lacks 1 specific protein
- functional readout links disease to target

- Proprietary, validated target discovery engine for >15 diseases
- Discovery of novel, drugable targets
- Approach strongly validated



# Growth strategy

- Execute development of JAK1 Ph2 programs in rheumatoid arthritis (RA) & Crohn's disease
- Build mature clinical portfolio – partnered & proprietary
- Continue productive pharma alliances
- Sign new alliances & partnerships to leverage our technology



# Broad (pre)clinical pipeline

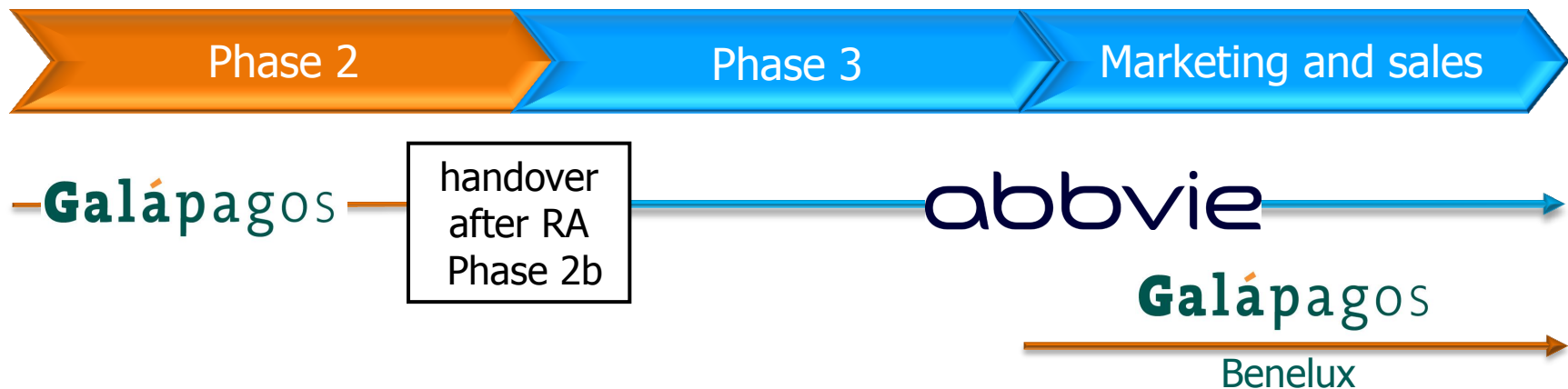
Indications	Partner	Target	Lead program	Stage
RA/Crohn's	AbbVie	JAK1	GLPG0634	Phase 2B
	Licensed to GSK	JAK1	GSK2586184	Phase 2*
Ulcerative colitis (UC)		FFA2	GLPG0974	Phase 2
Inflammatory bowel disease	JnJ	GPR84	GLPG1205	Phase 1
Pulmonary disease	JnJ	novel	GLPG1690	Phase 1
MRSA		DNA pol IIIa	GLPG1492	5 candidates
Oncology		ephrin kinase	GLPG1790	
Cystic fibrosis	AbbVie/GLPG	CFTR	GLPG1837	
Inflammation	MorphoSys	novel	MOR106	
Osteoarthritis	Servier	novel	GLPG1972	

\* Terminated by GSK in oral indications for chronic immunoinflammatory diseases (SLE, UC, psoriasis)

In addition, ~20 programs in discovery phase

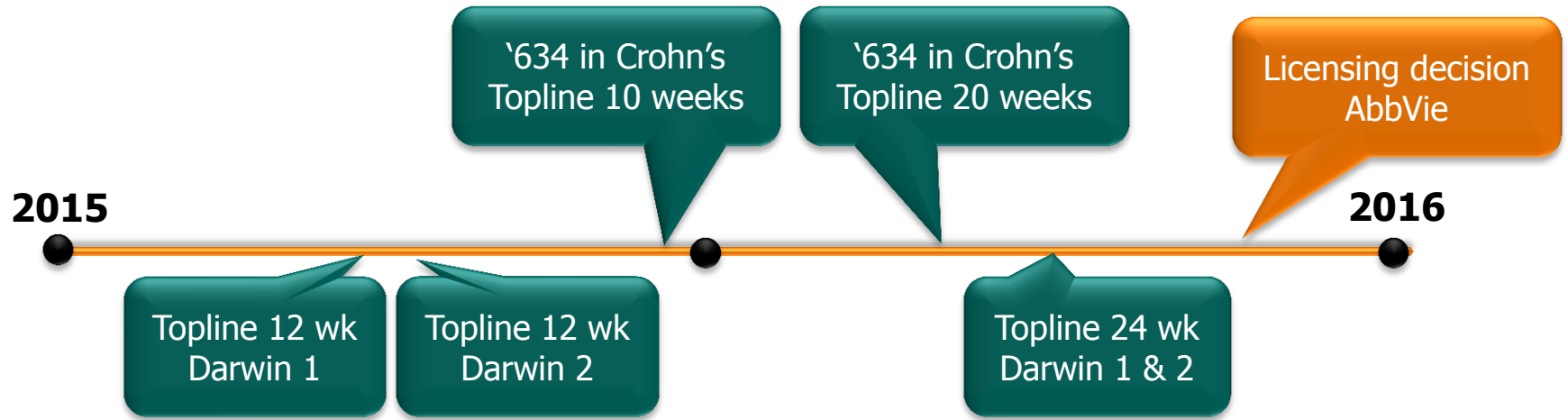
# Deal structure on '634 (filgotinib)

- AbbVie payments \$170 M
- Galapagos performs & funds Phase 2 in RA & Crohn's
- License fee \$200 million after RA Phase 2b + \$50 M Crohn's success fee
- AbbVie performs & funds Phase 3, registration & commercialization
- GLPG to receive up to \$1 B in milestones + double digit royalties
- Tax benefits from Belgian Patent Income Deduction law



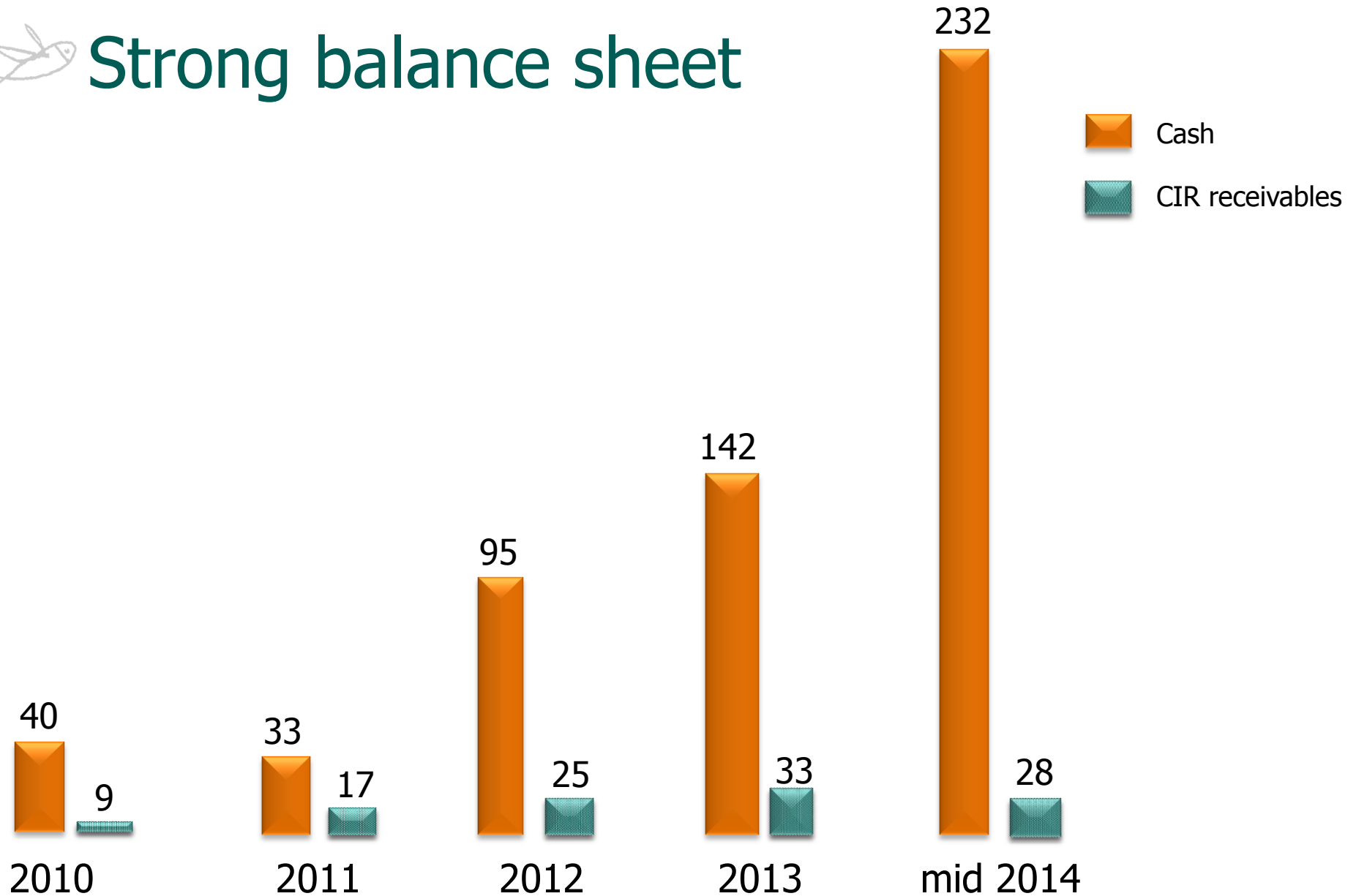


# Steady flow of '634 Phase 2 readouts





# Strong balance sheet



10 in € M on 31 December



# Outlook

- Possible \$250 M in payments from AbbVie for `634 in 2015
- Multiple Phase 2 readouts with `634
- CF program on track to deliver combination therapy for main mutation
- Strong balance sheet to support R&D strategy