

Galapagos achieves clinical Proof-of-Mechanism milestone in GSK alliance

- GLPG0778 shows statistically significant and selective effects on biomarkers in healthy volunteers
- Further information available on safety, tolerability and dosing profile
- Galapagos receives € single-digit millions milestone payment

Mechelen, Belgium; 19 December 2011 – Galapagos NV (Euronext: GLPG) announced today that investigational medicine GLPG0778, which is part of its immuno-inflammatory alliance with GlaxoSmithKline, has shown selective effects on a biomarker in a Phase I Proof-of-Mechanism study in healthy volunteers. The study also provided information on the safety and pharmacokinetic (PK) profile of GLPG0778.

Galapagos conducted the Phase I study in 45 healthy volunteers divided into 5 cohorts, receiving in total 4 different dosages for 2 weeks. GLPG0778 showed dose-dependent, statistically-significant and selective suppression of an induced inflammatory response in the volunteers, indicating specific inhibition of the medicine's target *in vivo*. In addition to measuring the biomarker response, the study also provided information on the safety, tolerability and PK of GLPG0778. GSK has determined that these results meet the criteria of clinical Proof of Mechanism, thereby triggering a € single-digit millions payment to Galapagos. GSK now has 90 days to evaluate these results and determine whether to exercise its exclusive option to in-license GLPG0778 and its corresponding back-up compounds, including GLPG0555.

"GLPG0778 is Galapagos' second candidate drug to show targeted activity in clinical trials this year and our first alliance program to deliver clinical Proof-of Mechanism results," said Onno van de Stolpe, CEO of Galapagos. "We believe GLPG0778's biomarker and safety profile support its further development in a Phase II clinical study in a patient population."

About Galapagos' immuno-inflammation alliance with GlaxoSmithKline

Galapagos and GSK initiated an alliance to discover and develop disease-modifying drugs for GSK's global R&D organization in June 2006. Subject to achievement of certain milestone events Galapagos has the potential to receive more than €200 million in total milestone payments, plus up to double-digit royalties from GSK. GSK has an exclusive option to further develop and commercialize compounds from the alliance on a worldwide basis. Since the start of the immuno-inflammation alliance, Galapagos has received more than €64 million in payments from GSK.

About Galapagos

[Galapagos](http://www.glp.com) (Euronext: GLPG; OTC: GLPYY) is a mid-size biotechnology company specialized in the discovery and development of small molecule and antibody therapies with novel modes-of-action. The Company is progressing GLPG0634, as well as one of the largest pipelines in biotech, with seven programs in development and over 50 discovery programs. The Galapagos Group has about 800 employees and operates facilities in six countries, with global headquarters in Mechelen, Belgium. More info at: www.glp.com

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