

Galapagos

Q1 2017 Results

Webcast presentation | 28 April 2017



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This presentation contains forward-looking statements, including (without limitation) statements concerning the progress of our clinical pipeline, the slides captioned "Clinical pipeline" "Clinical pipeline (2):" two slides called "Clinical news flow" and "Outlook", statements regarding the development of the triple combination therapy CF program, 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) in the CF program, (iii) with GLPG1690 in IPF, (iv) with GLPG1972 in OA, (v) with MOR106 in atopic dermatitis, 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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Q1 2017 Results

- **Operational highlights**

Onno van de Stolpe, CEO

Piet Wigerinck, CSO

Walid Abi-Saab, CMO

- Financial highlights

Bart Filius, CFO

- 2017 Outlook

Onno van de Stolpe, CEO



Q1 2017: Continued progress

- Filgotinib: 9 different Ph2 and Ph3 studies, more to come
- Multiple study starts with CF molecules
- Good progress towards CF triple combo, dual combo started
- FLORA Ph2 with `1690 in IPF fully recruited
- \$17.5M milestone payments
- Q1 cash position of ~ €960 million, post-transaction €1.3 billion



Filgotinib clinical pipeline:

Unlocking value in inflammatory diseases

Area	Preclinical	Ph 1	Ph 2	Ph 3
RA	partnered with Gilead			
CD	partnered with Gilead			
UC	partnered with Gilead			
Short bowel CD	partnered with Gilead			
Fistulizing CD	partnered with Gilead			
Sjögren's	partnered with Gilead			
AS	partnered with Gilead			
psoA	partnered with Gilead			
CLE	partnered with Gilead			

 partnered with Gilead



FINCH Ph3 design for RA

100 and 200 mg



FINCH 1: MTX - IR

1,650

52 weeks

ACR20 at W12
MTX add-on
adalimumab control
radiographic assessment

FINCH 2: biologic - IR

423

24 weeks

ACR20 at W12
cDMARD add-on

FINCH 3: MTX naive

1,200

52 weeks

ACR20 at W24
monotherapy, +MTX arms
radiographic assessment



DIVERSITY & SELECTION in IBD

100 and 200 mg



DIVERSITY 1

Crohn's Ph3
1,320 pts

58 weeks

PRO2, endoscopic response
Induction & maintenance

DIVERSITY 2

Long term extension study

SELECTION 1

UC Ph2/3
1,300 pts

58 weeks

Mayo score components
Induction & maintenance

SELECTION 2

Long term extension study



Clinical pipeline:

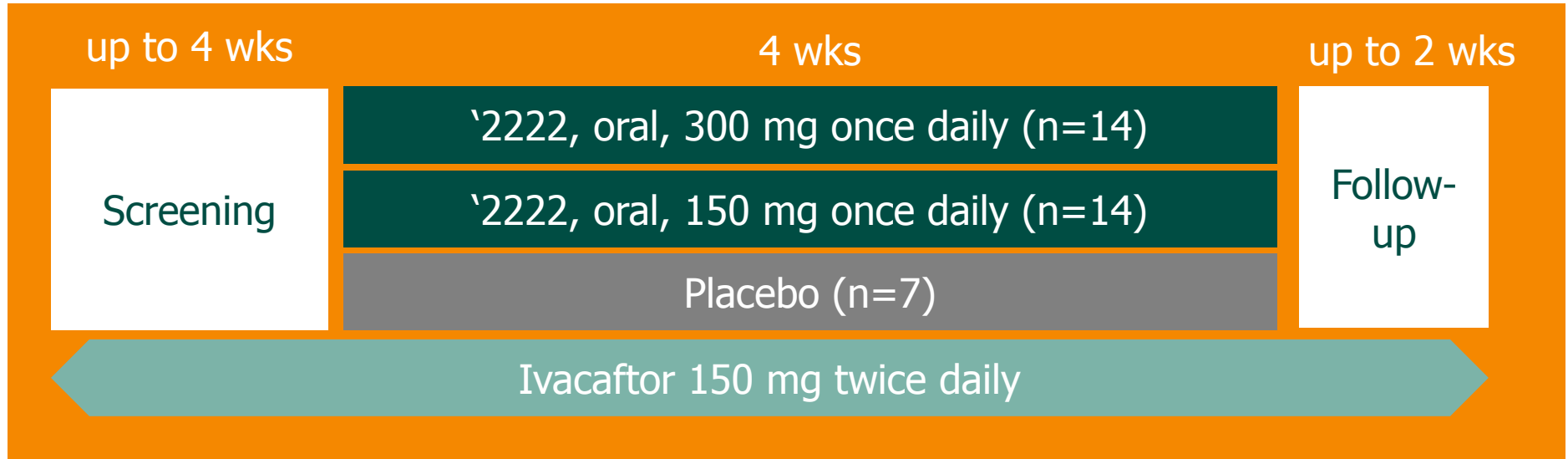
Promising pipeline next to filgotinib

Area	Preclinical	Ph 1	Ph 2	Ph 3
CF	Potentiators '3067	'2451	'1837	
CF	C1	'2222		
CF	C2	'2737		
IPF	Autotaxin	'1690		
OA	ADAMTS-5	'1972		
AtD	IL17C	MOR106		
IPF	'2938			
AtD	'2534			



ALBATROSS

'2222 in ivacaftor-treated Class III patients



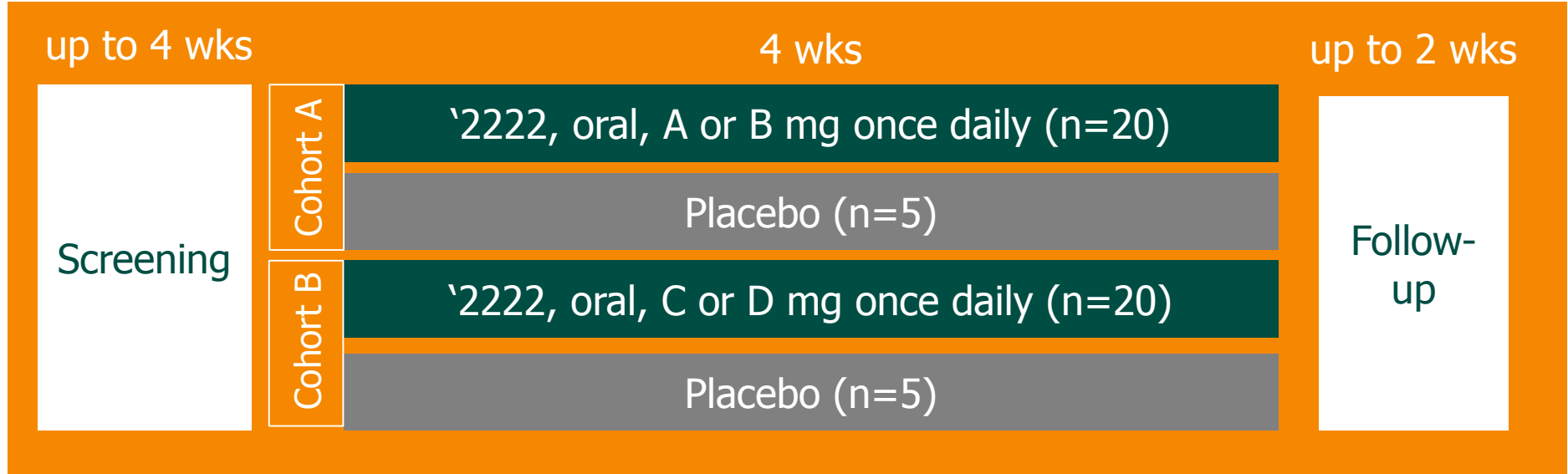
- Adult CF patients with F508del/Class III mutation
- Patients remain on stable dose of ivacaftor
- 27 sites: Australia, Belgium, Czech Rep, Germany, Ireland, UK
- Primary endpoints: safety and tolerability
- Secondary endpoints: sweat chloride, FEV1, CFQ-R



FLAMINGO



'2222 monotherapy in homozygous F508del patients

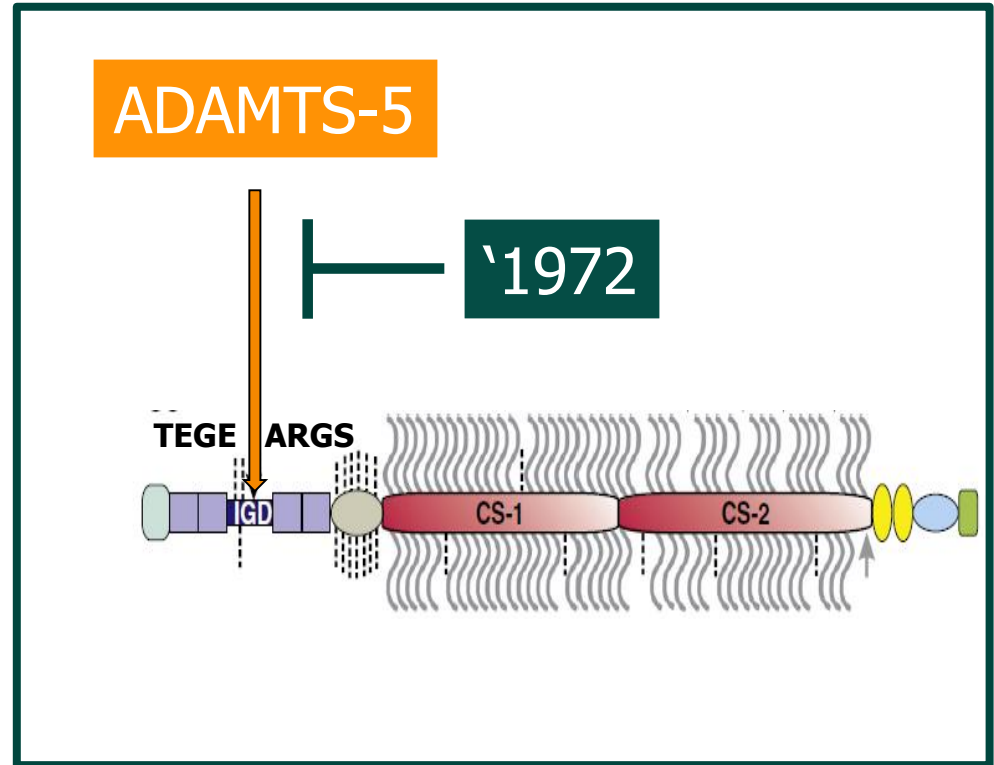


- Adult CF patients with homozygous F508del mutation
- 24 sites: Belgium, Netherlands, Serbia, Spain, UK, US
- Primary endpoints: safety and tolerability
- Secondary endpoints: sweat chloride, FEV1, CFQ-R and PK



'1972 targets ADAMTS-5 in OA

- ADAMTS-5 plays a key role in aggrecan degradation in OA
- Strong literature evidence for ADAMTS-5:
 - validated in animal models^{2,3}
 - validated in human samples¹
 - ARGS levels increased in human knee synovial fluid in OA⁴



'1972 is a potent and selective chondroprotective ADAMTS-5 inhibitor

¹ Song, 2007

² Glasson, 2005 & Malfait, 2010

³ Miller, 2016

⁴ Larsson, 2009

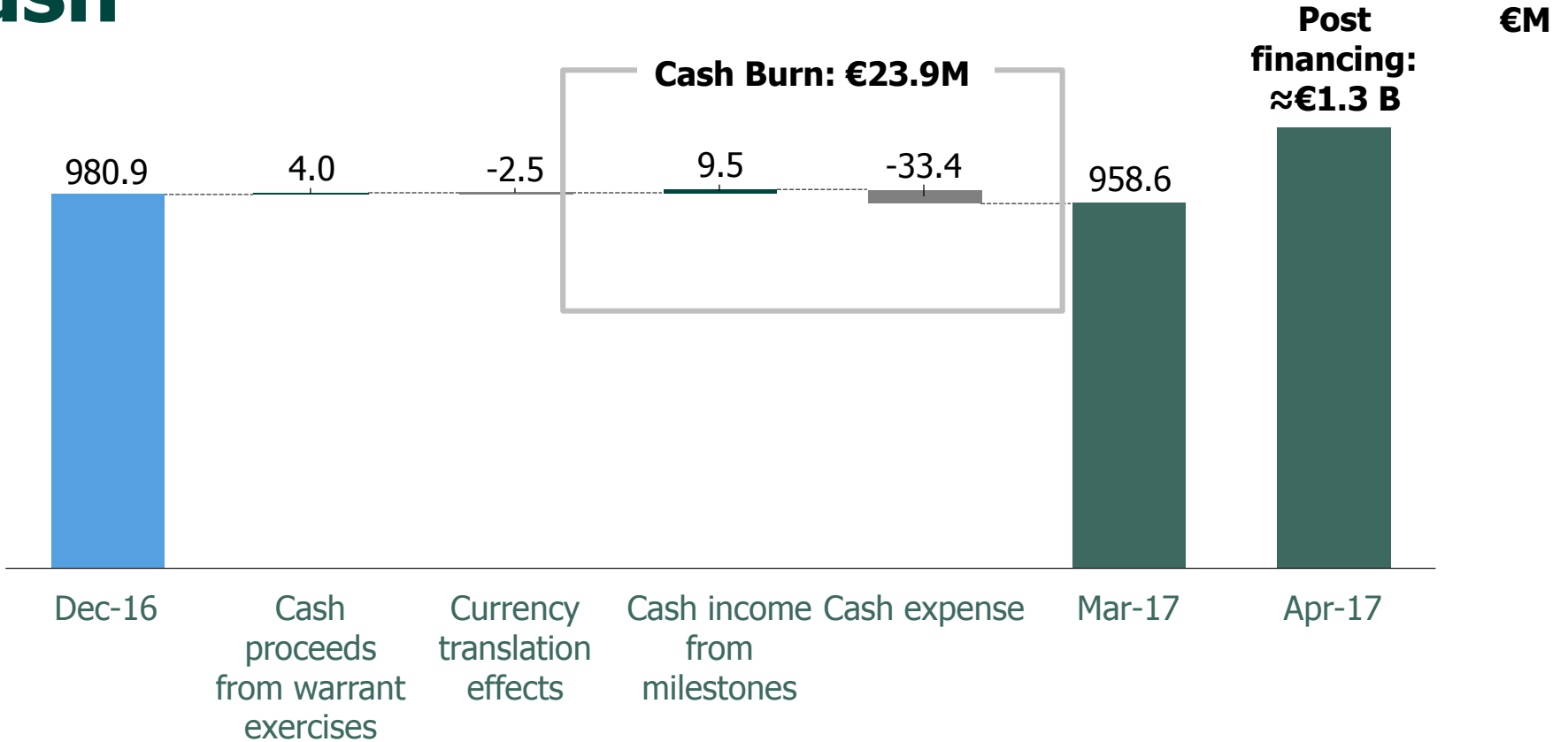


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Cash, cash equivalents & restricted cash



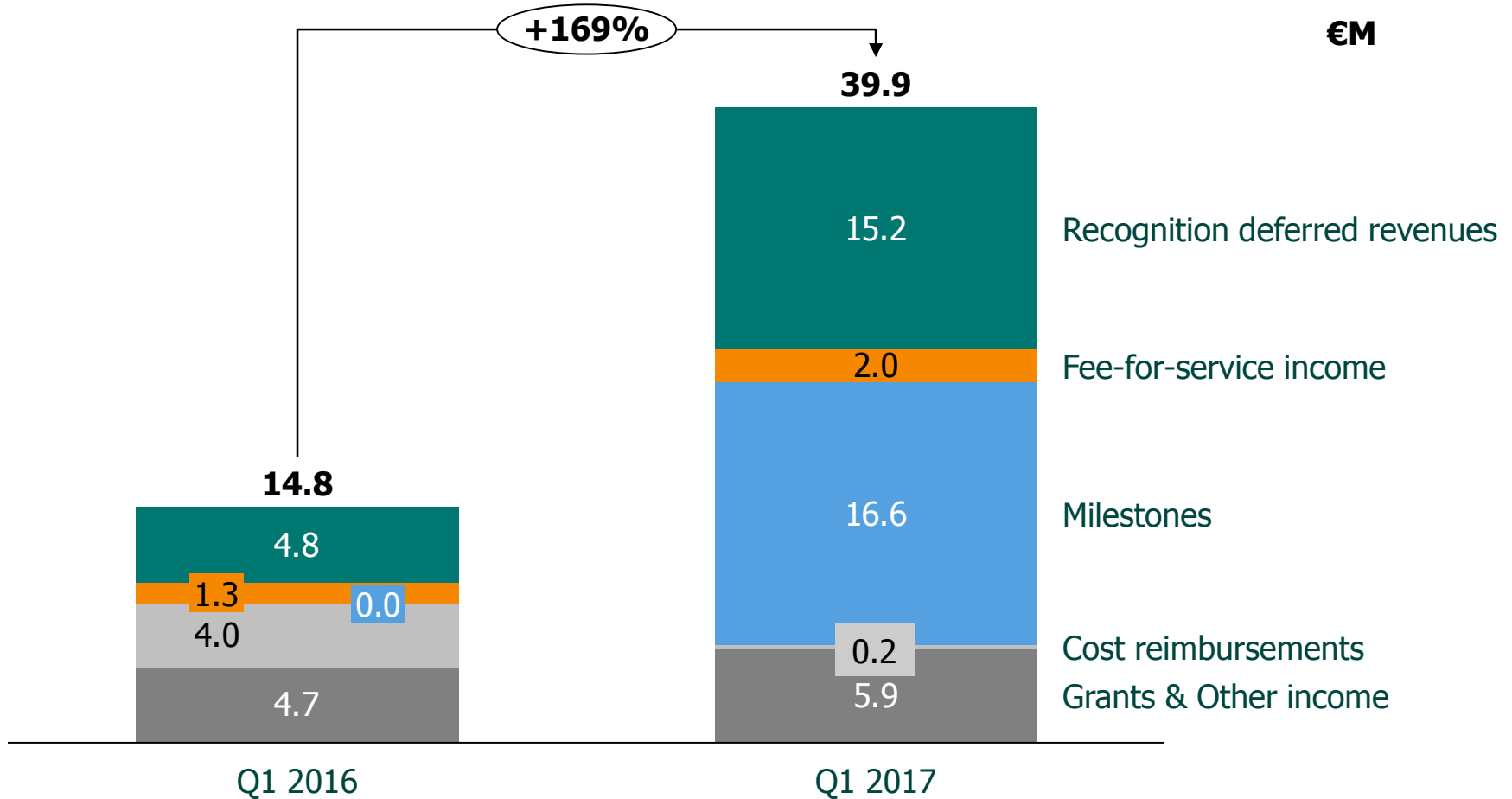
Cash burn of €24 M in Q1 2017, cash of ~€1.3 B post financing

Notes:

- includes restricted cash of €7.7 M in Dec `16 and €5.2 M in Mar `17
- excluding tax receivable from Belgian & French governments of €68.8 M in Mar `17



Revenues and other income

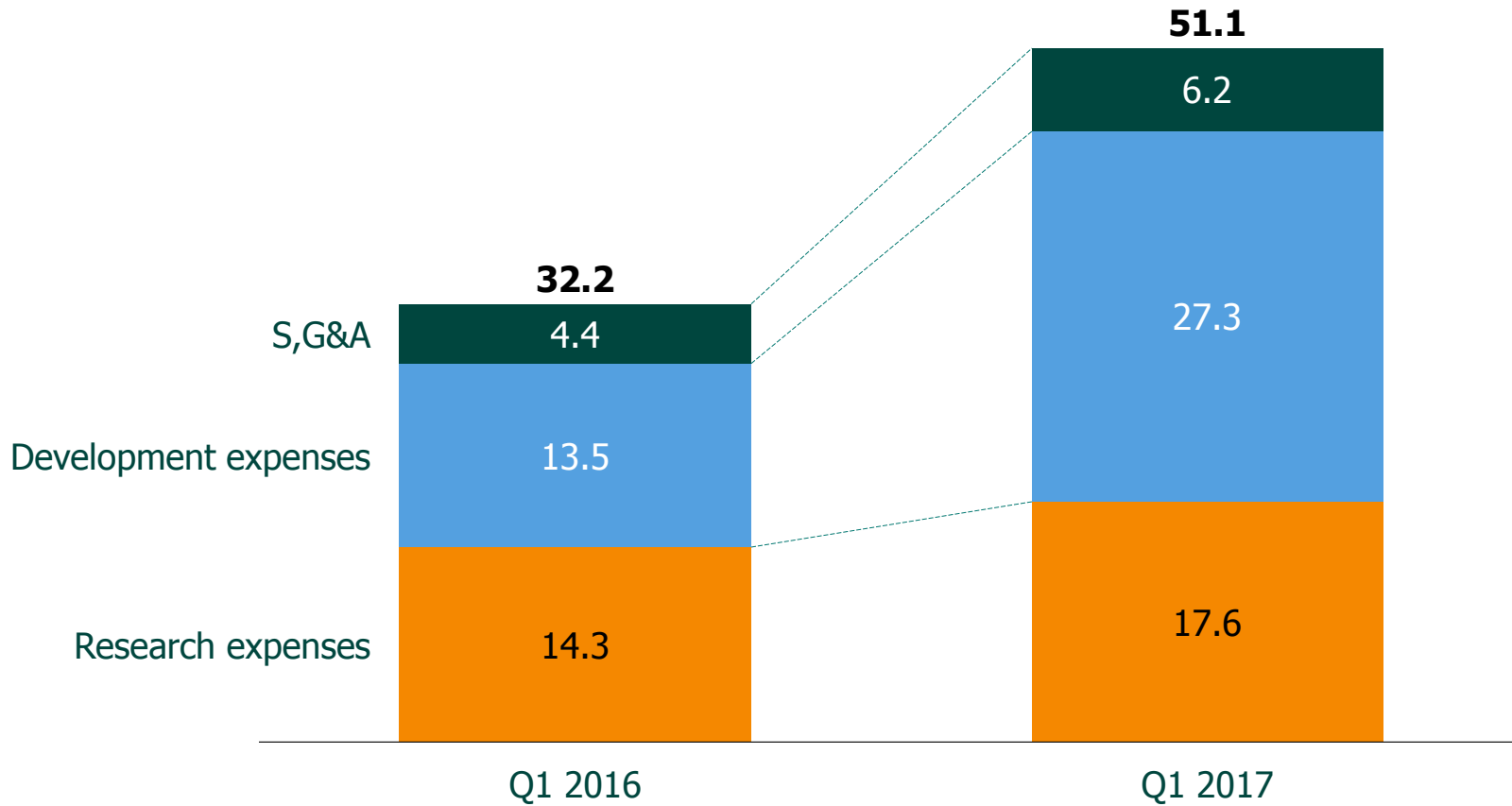


Milestones from CF alliance and filgotinib revenue recognition increase



Operating expenses

€M



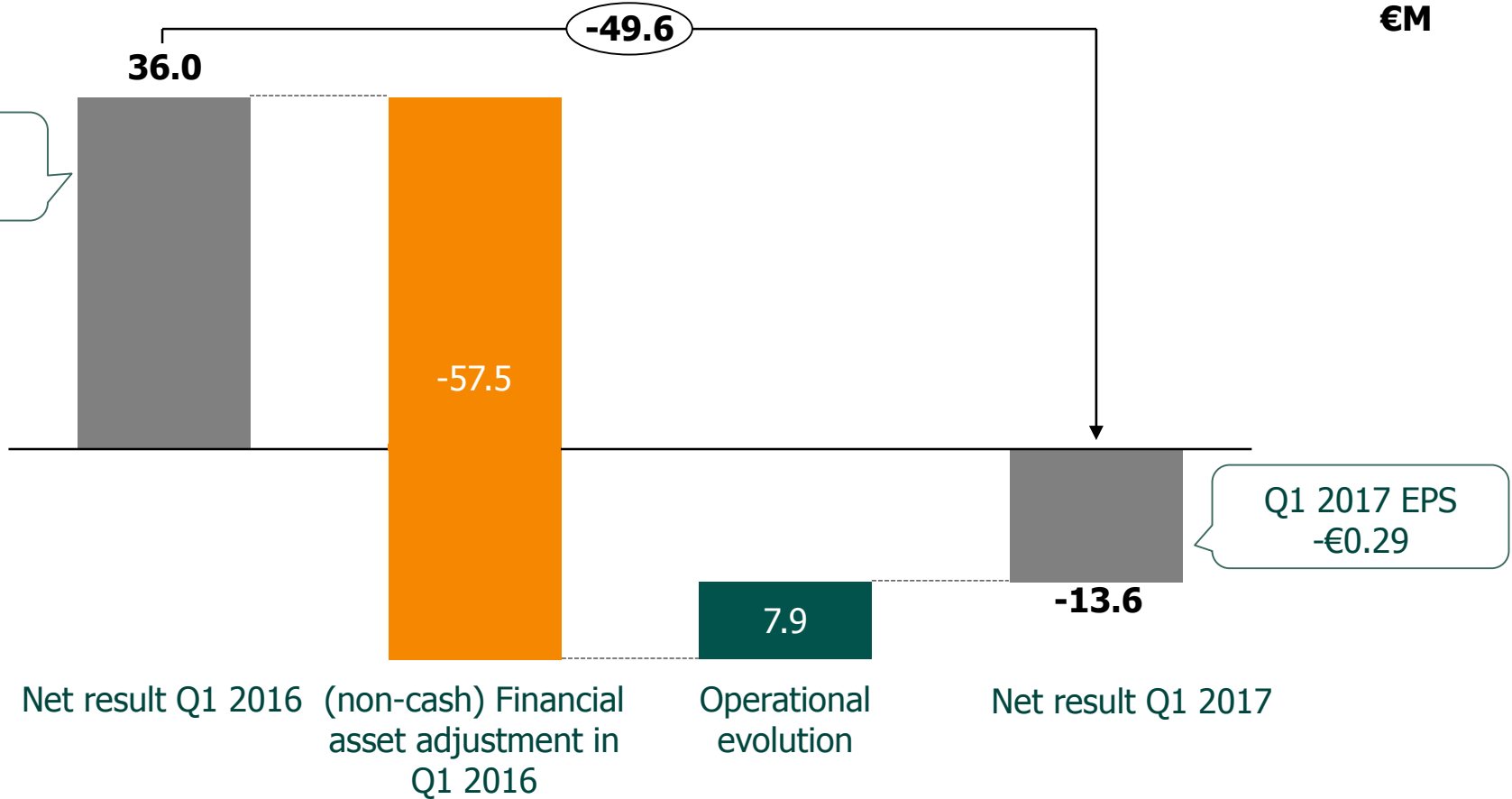
Operating expenses increase in filgotinib, CF and proprietary programs



Net result & earnings per share

€M

Q1 2016 EPS
€0.81



Q1 2017 EPS
-€0.29

Net loss of €13.6 M



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Clinical news flow

Disease area	Program	H1 '17	H2 '17
Rheumatoid arthritis	filgotinib	DARWIN 3 interim EULAR	ACR
Crohn's & UC	filgotinib	ECCO✓/DDW	UEGW
Additional indications	filgotinib	Start multiple POCs ✓	Start multiple POCs
Cystic fibrosis	multiple	Start dual volunteers ✓ '2222 more studies ✓ US IND ✓ '3067 Ph1 start ✓ Ph 1 '2737 completed ECFS	Start triple in patients '2851 Ph1 start '3221 Ph1 start NACFC

R&D Update on 20 June 2017 in NYC



Clinical news flow

Disease area	Program	H1 '17	H2 '17
IPF	GLPG1690	FLORA recruited ✓	FLORA topline
IPF	GLPG2938		Submit Ph1
Osteoarthritis	GLPG1972	OARSI US IND Start Ph1b in US	
Atopic dermatitis	MOR106		Topline Ph1b
Atopic dermatitis	GLPG2534		Start Ph1



Outlook

- Filgotinib in Ph3
- Growing number of filgotinib Ph2 POCs
- CF triple combo in patients
- Patient data in IPF and AtD
- Further discovery programs reach clinic
- Solid balance sheet



Q&A

