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H1 Results 2018

Webcast presentation | 3 August 2018

Disclaimer

This presentation contains forward-looking statements, including (without limitation) statements concerning the progress of our clinical pipeline, the slides captioned "Strong R&D", "MOR106 expansion with Novartis", and "2018 late-stage clinical newsflow," statements regarding the development of the triple combination therapy cystic fibrosis program, statements regarding the expected timing, design and readouts of ongoing and planned clinical trials (i) with filgotinib in rheumatoid arthritis, inflammatory bowel disease, psoriatic arthritis, ankylosing spondylitis, and other potential indications, (ii) in the cystic fibrosis program, including the development of triple combination therapies, (iii) with GLPG1690 and GLPG1205 in idiopathic pulmonary arthritis, (iv) with GLPG1972 in osteoarthritis, (v) with MOR106 in atopic dermatitis, and expectations regarding potential future payments to be made to Galapagos under a licensing agreement for MOR106, the commercial potential of our product candidates and our investment in our commercial capabilities. 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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H1 2018 Results

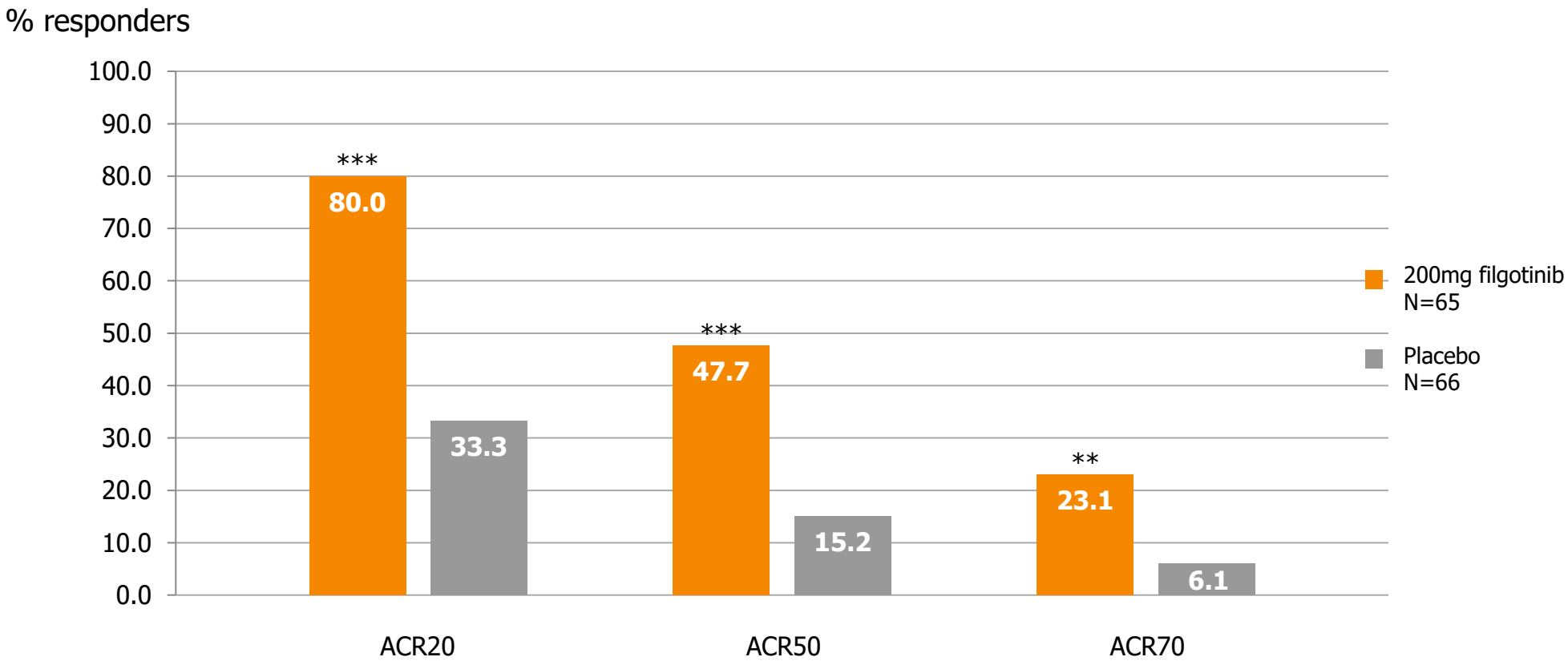
• **H1 highlights/outlook**	Onno van de Stolpe, CEO Bart Filius, COO & CFO
• Q & A	Onno, Bart Walid Abi-Saab, CMO Piet Wigerinck, CSO

Delivery in H1 2018

Inflammation	• EQUATOR: positive results filgotinib Ph2 in PsoA • SELECTION: filgotinib in UC moved to Ph3 • ROCCELLA: start Ph2 with ‘1972 in OA patients • IGUANA: start Ph2 with MOR106 in AtD
IPF	• ISABELA 1 & 2: Ph3 program for ‘1690 • PINTA: start Ph2 for ‘1205
CF	• PELICAN: topline ‘2737 • FALCON: start 1st triple combo trial • AbbVie decided not to advance 2nd triple combo
Corporate	• Cash balance ~€1.1 billion on 30 June 2018

EQUATOR psoriatic arthritis

ACR scores, week 16



+: p<0.10; *: p<0.05; **: p<0.01; ***: p<0.001, Non-responder imputation basis

New Ph2 & Ph3 trials

Trial	Program	Disease	Key parameters
ISABELA	‘1690	IPF	Ph3, at least 52 weeks, 1500 pts total, FVC
IGUANA	MOR106	AtD	Ph2, 12 weeks, 180+ pts, EASI score
ROCCELLA	‘1972	OA	Ph2, 52 weeks, 850 pts, cartilage thickness
PINTA	‘1205	IPF	Ph2, 26 weeks, 60 pts, FVC

>2,500 patients to be recruited in mid- to late stage trials

MOR106 licensing with Novartis

First in class IL-17C mAb

- Novartis:
  - pays for ongoing Ph2 AtD development, run by GLPG/MOR
  - conducts PoC trials in ≥ 2 new indications
  - responsible for Ph3 & commercialization
- Economics shared 50/50 between GLPG & MOR:
  - upfront payment $111 M
  - milestones of up to $1 B
  - royalties low teens – low twenties %

NB: effectiveness subject to HSR clearance

2018 late-stage clinical newsflow

TRIAL INITIATIONS

- ✓ Ph3 '1690 in IPF
- ✓ Ph2 '1205 in IPF
- ✓ Ph2 1st CF triple (FALCON)
- X Ph2 2nd CF triple combo
- ✓ Ph2 '1972 in OA (ROCCELLA)
- ✓ Ph2 MOR106 in AtD (IGUANA)

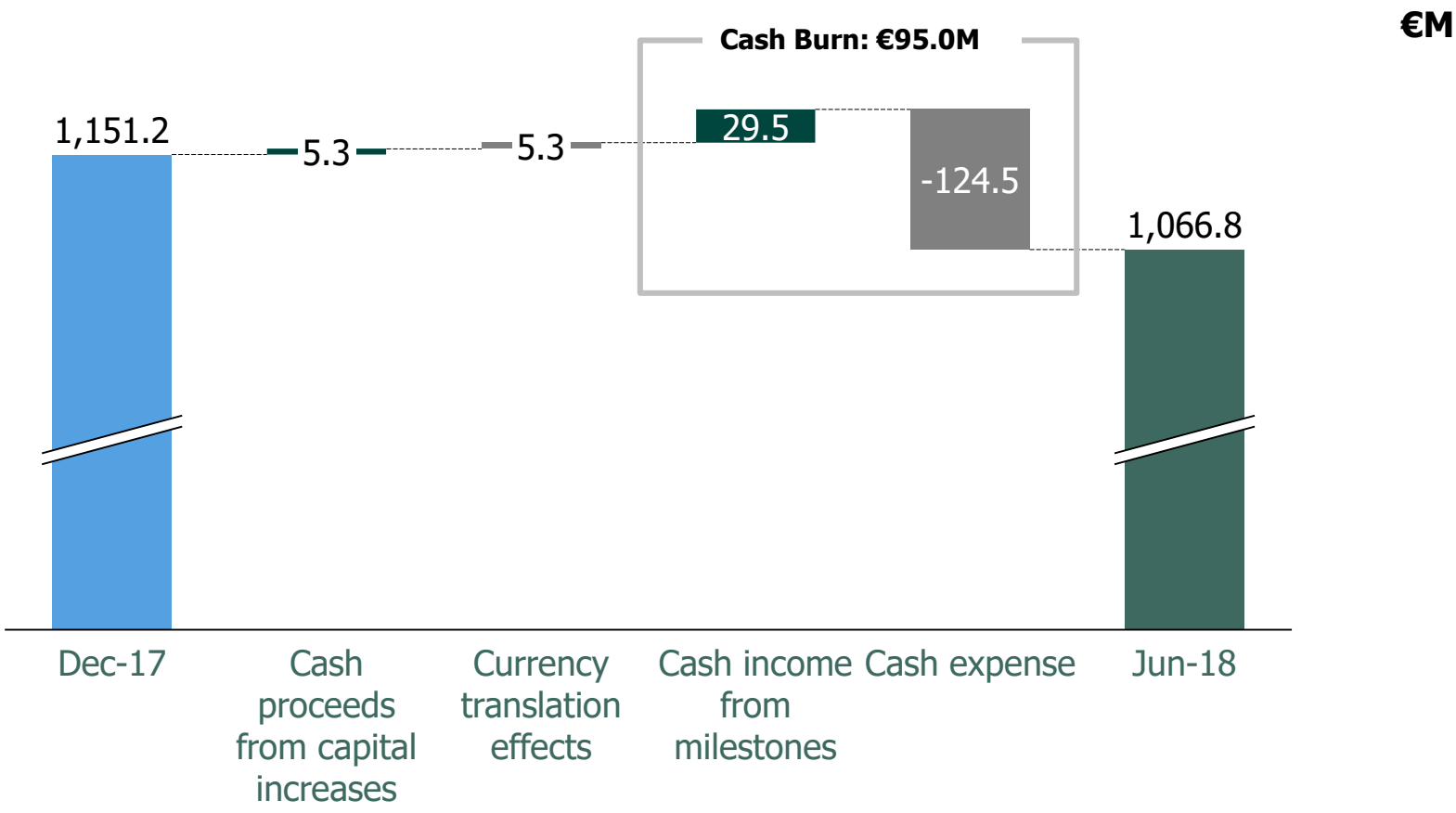
POC DATA

- ✓ Filgotinib in PsoA (EQUATOR)
- Filgotinib in AS (TORTUGA)
- ✓ CF PELICAN
- CF FALCON

PIVOTAL DATA

- Filgotinib in RA (FINCH 2)
- ✓ Filgotinib interim UC (SELECTION, go/no go)
- ✓ Recruitment completed for FINCH 1, FINCH 3

Cash & cash equivalents



Cash burn of €95M, cash of ≈€1.1B end of June

Notes:
- excluding tax incentive receivable from Belgian & French governments of €86.2 M in June '18

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Key financials H1 2018

Revenues: €101.9M (+ €28.8M)

- Includes €10.3M revenue recognition driven by the accounting treatment under IFRS15 compared to prior standard IAS18

Operating Costs: - €167.7M (- €61.7M)

- Increase driven by costs for mid & late stage development (filgotinib, '1690, CF)

Net Result: - €59.1M (- €9.8M)

- Includes €5.3M unrealized currency translation effect

Revised guidance

- Original operational cash burn guidance was €220-240M
- We expect to receive 50% of upfront for MOR106, pending HSR clearance

Revised operational cash burn guidance now €180-200M for FY2018

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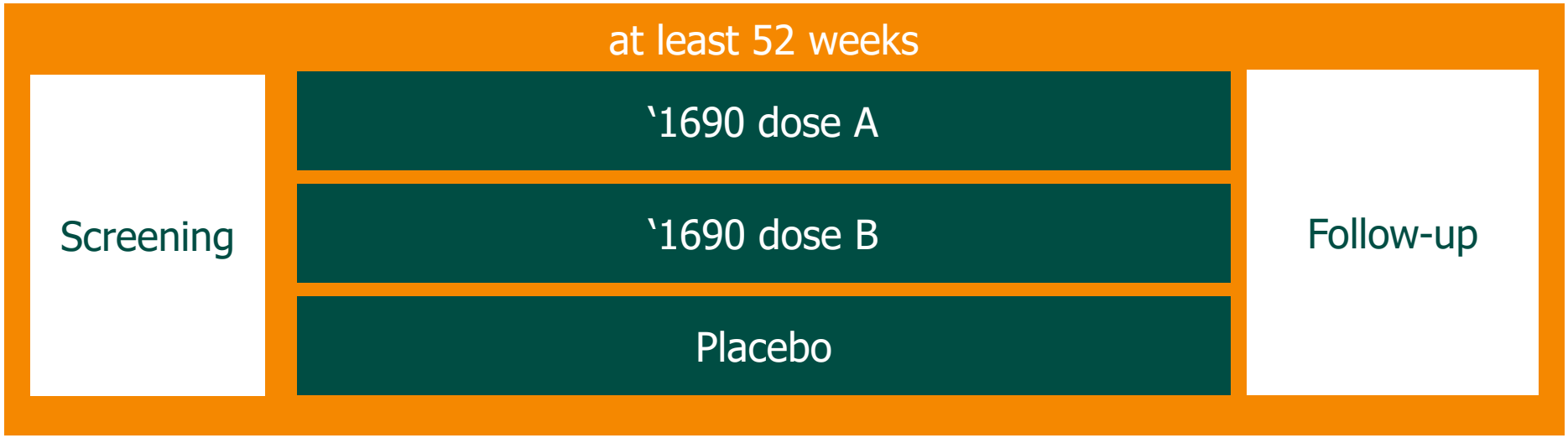
Backup slides

Ph3 program ISABELA 1&2



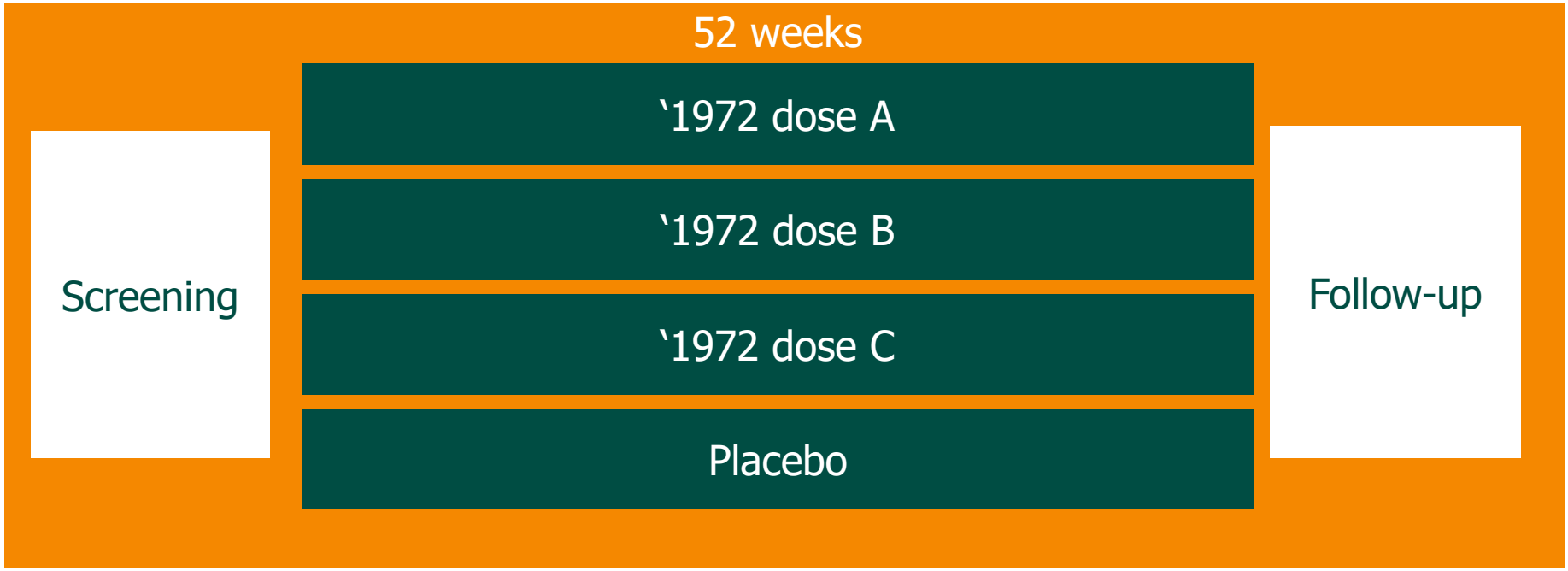
- 1500 IPF patients total, remain on standard of care throughout
- Global study with substantial US and EU component
- Primary endpoint: forced vital capacity (FVC) at 52 weeks
- Secondary: hospitalizations, mortality, quality of life, safety/tolerability

Robust Ph3 program expected to begin in H2 `18

IGUANA Ph2 program

- 180+ patients with moderate-to-severe AtD
- IV infusion at 2 or 4 week intervals for 1 & 3 mg/kg
- IV infusion at 2 week interval for 10 mg/kg
- Recruitment in Europe
- Primary endpoint: % change in EASI score at week 12

ROCCELLA Ph2 study



- 850 patients with knee osteoarthritis, recruited globally
- Primary endpoint: reduction in cartilage loss at 52 weeks
- Secondary: change in structural and clinical parameters, safety/tolerability

Robust Ph2 program, GLPG runs US component

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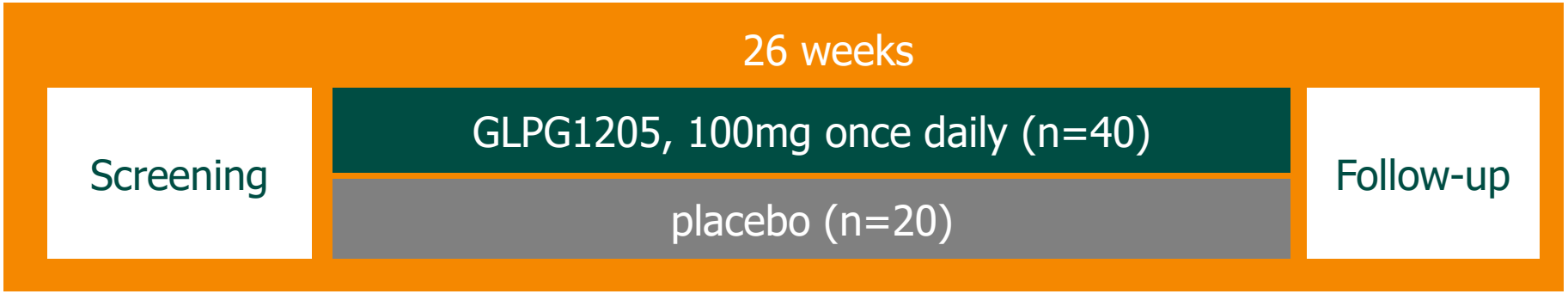
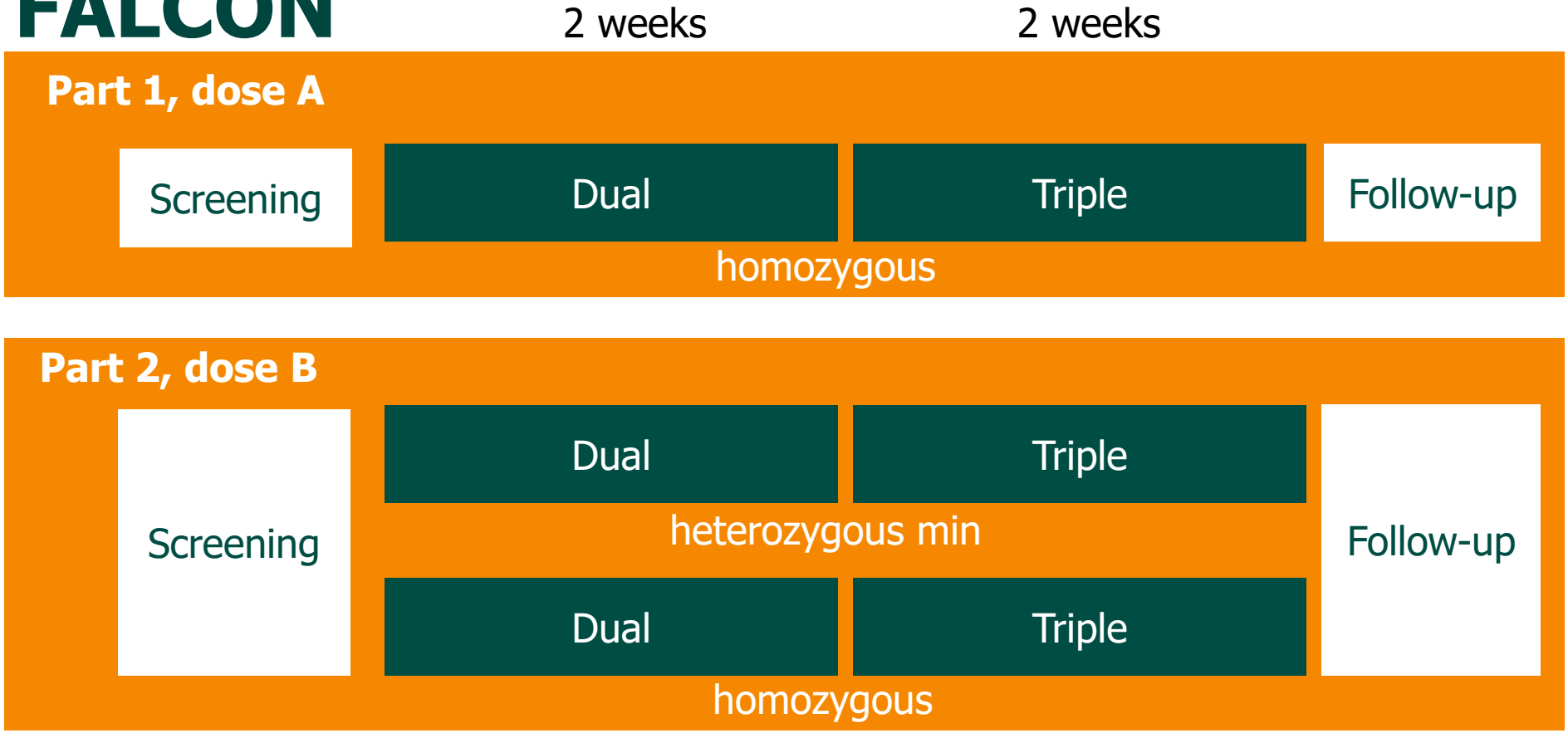
PINTA Ph2 in IPF



- 60 IPF patients on local standard of care
- Primary endpoint: forced vital capacity (FVC) at 26 weeks
- Secondary: safety, tolerability, PK and PD, time to major events, changes in functional exercise capacity, and quality of life
- Recruitment in 10 countries in Europe, North Africa, Middle East

FALCON



- F508del patients, n=8 in each cohort
- Recruitment in Europe, incl. UK
- Primary endpoints: safety, tolerability, PK
- Secondary endpoints: sweat chloride, ppFEV%, CFQ-R

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