

# Galápagos

## **FY'19 results webcast**

21 February 2020



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This presentation contains forward-looking statements, including (without limitation) statements concerning the progress of our clinical pipeline, the statements regarding the global R&D collaboration with Gilead, the amount and timing of potential future milestones, opt-in and/or royalty payments by Gilead, the slides captioned "Gilead-Galapagos collaboration" "Pipeline with significant newsflow in 2020" "Growing geographic footprint" "Operating cash burn 2020" "Looking forward to a newsflow rich 2020," 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, expectations regarding the commercial potential of our product candidates, and our strategy, business plans and focus. 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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# Gilead-Galapagos collaboration

Unique deal in life sciences, with independence anchored

**10 Year**

collaboration  
& standstill

**\$3.95B**

upfront  
plus opt-in fees  
& milestones

**\$1.5B**

equity investment<sup>1</sup>

**20+%**

royalties

Galapagos retains full  
European rights

<sup>1</sup>Includes \$1.1B equity investment at deal closing plus exercise of Initial Warrant A

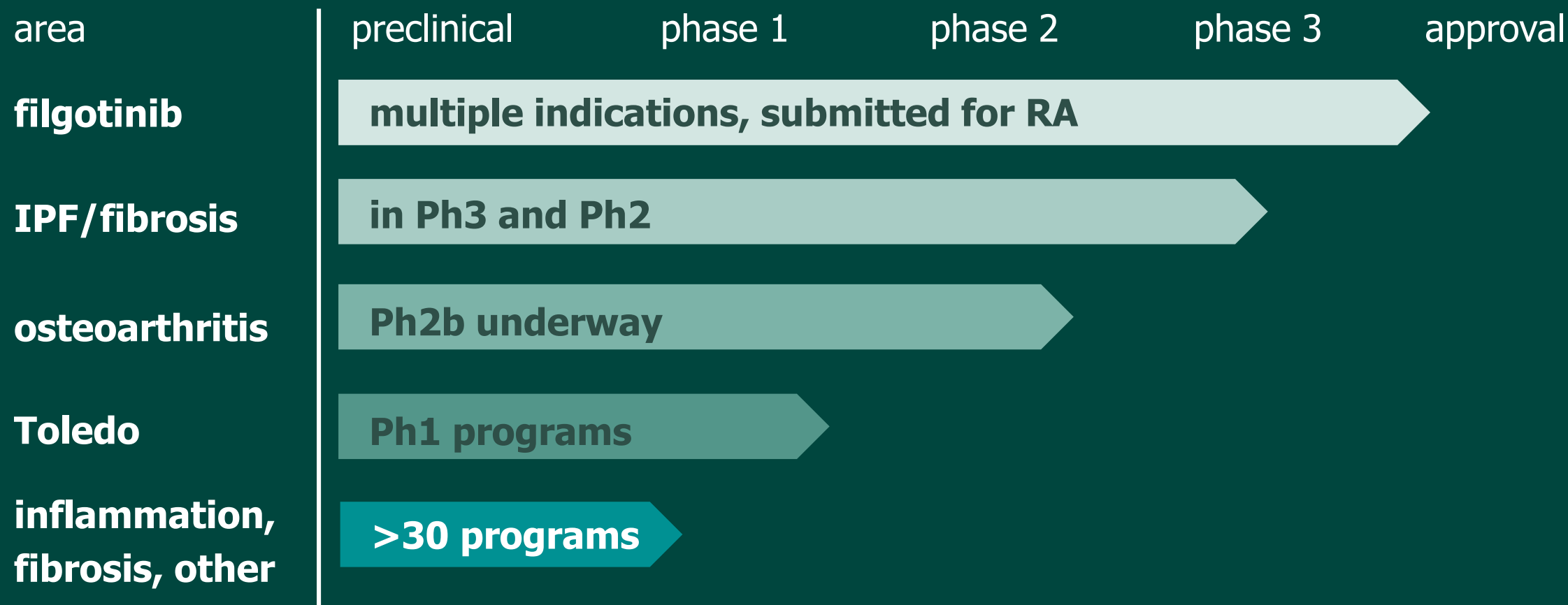


# 2019 pipeline progress & updates

- Filgotinib, with Gilead
  - FINCH 1/3 Ph3 results support potential best-in-class profile
  - submission for approval in Europe, US, and Japan
  - initiation of PENGUIN Ph3 program in PsA
- Fully recruited, read-outs expected in H2 2020
  - ROCCELLA (‘1972) in OA, with Servier
  - NOVESA (‘1690) in SSc, with Gilead
  - PINTA (‘1205) in IPF
- 600 patients recruited for ISABELA Ph3 program (‘1690) in IPF
- Initiation of Ph1 Toledo trials with ‘3312 and ‘3970



# Pipeline with significant newsflow in 2020





# Growing geographic footprint

Building out a European commercial presence



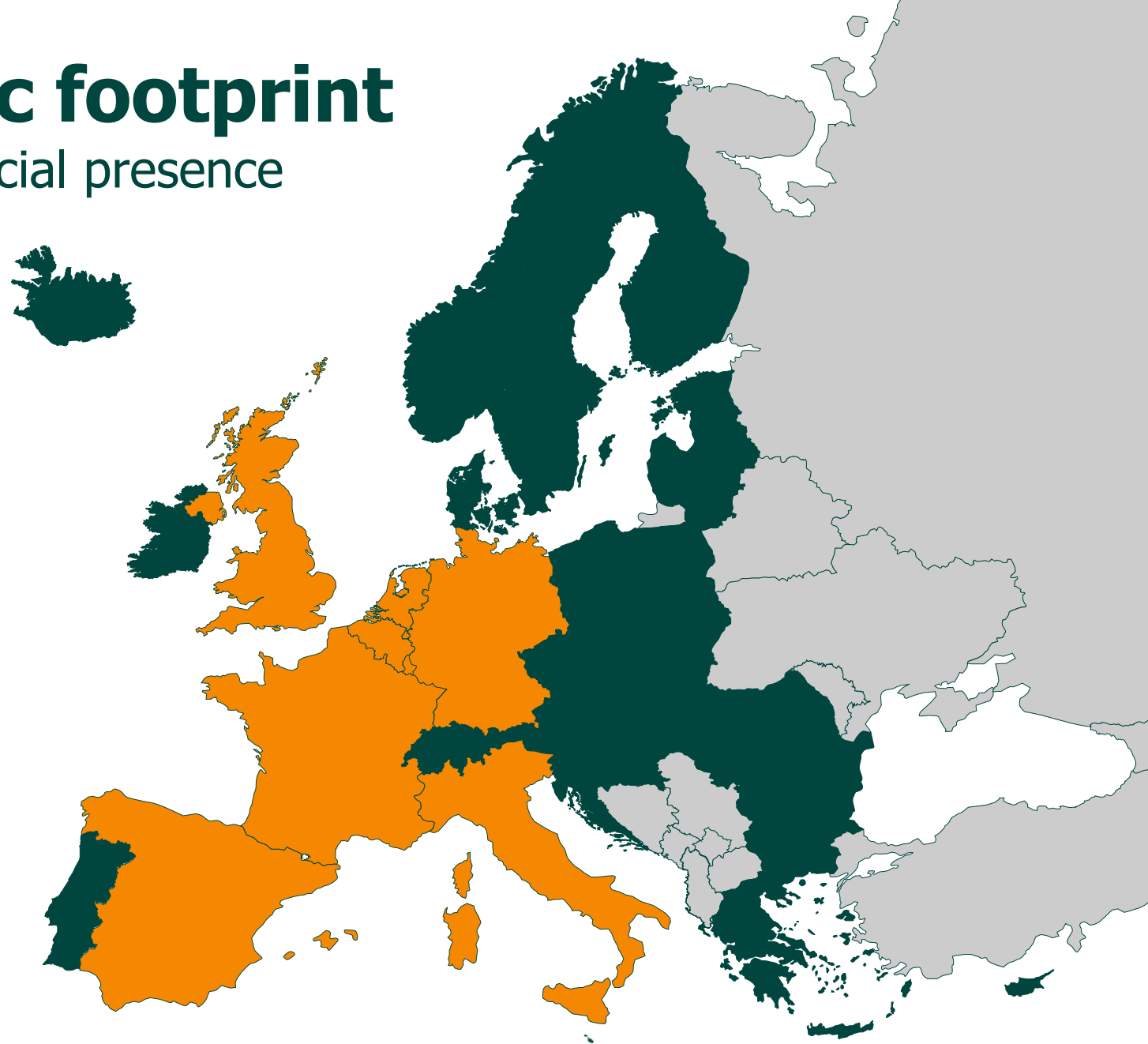
## 2020 – 2021 filgotinib

- Benelux
- France, Italy, Spain
- UK, Germany



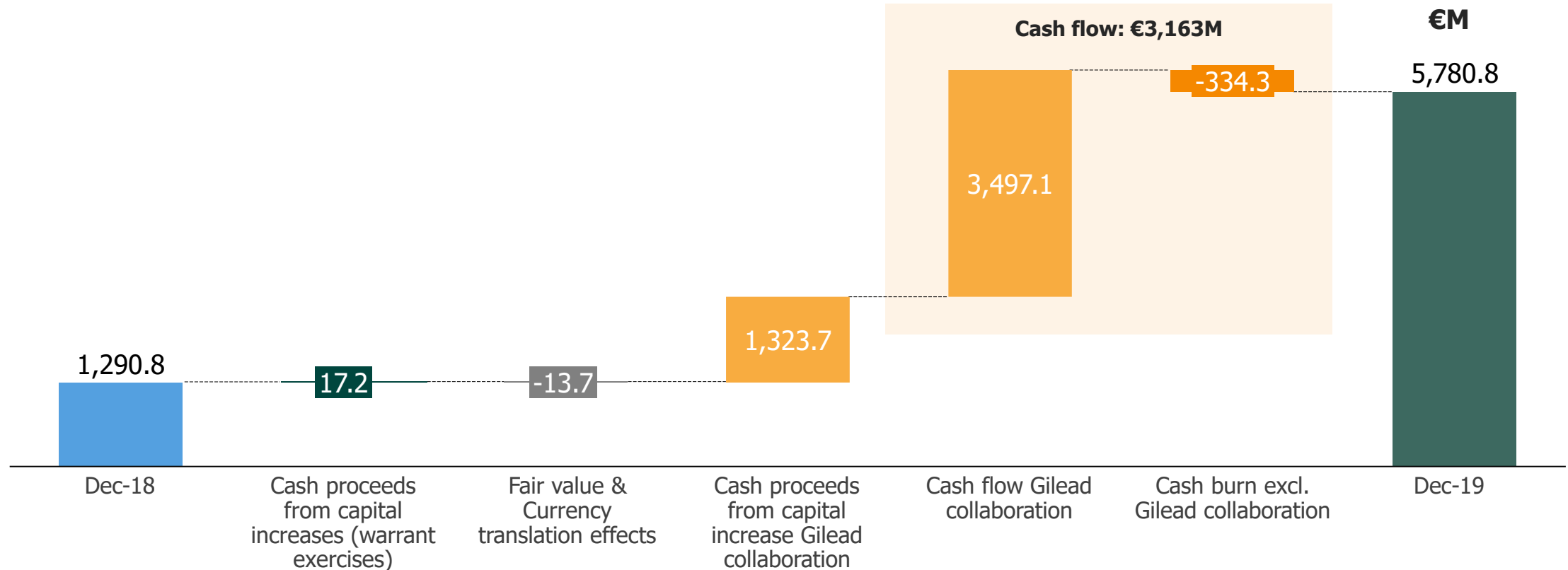
## 2022 – 2023

- Roll out in rest of Europe
- Future products





# Cash & current financial investments

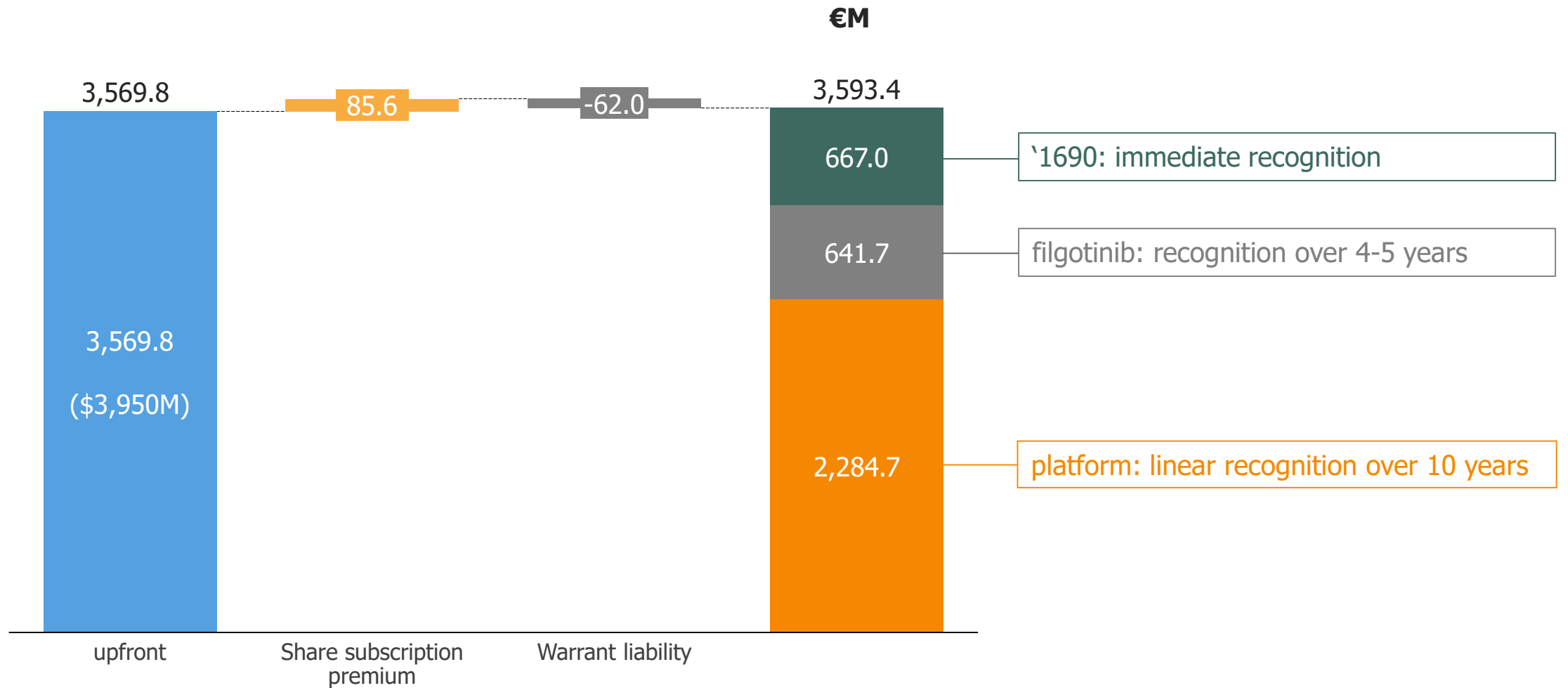


Net proceeds from Gilead collaboration of €4.8B (incl. capital increase)

Cash position of ≈€5.8B end of December



# Upfront – allocation transaction price







# Full year results 2019

P&L line item	Excl. Gilead collaboration	Gilead collaboration	As reported
Revenues & Other income	€238.0M	€657.9M	€895.9M
Operating expenses	-€487.0M	-€38.6M	-€525.6M
Financial result	€19.4M	-€239.7M	-€220.3M
Income taxes	-€0.2M		-€0.2M
<b>Net result</b>	<b>-€229.8M</b>	<b>€379.6M</b>	<b>€149.8M</b>

€0.7B revenues from the collaboration recognized  
€3.0B deferred income remaining



# Impact Gilead collaboration in 2019

P&L line item	Gilead collaboration	Included items
<b>Revenues &amp; Other income</b>	€657.9M	`1690: €667M filgotinib: -€92M platform: €81M other Income: €2M
<b>Operating expenses</b>	-€38.6M	`1690 cost share: €18M filgotinib cost share: -€33M bonuses: -€20M fees: -€3M
<b>Financial result</b>	-€239.7M	derivative accounting: -€182M Fx and other: -€58M
<b>Income taxes</b>		
<b>Net result</b>	<b>€379.6M</b>	



# Operating cash burn 2020

## Operating cash burn, including filgotinib milestones, between €420 - €450M

- approximately \$200M in milestones for potential RA approvals in US, Europe and Japan
- cash burn increase 2020 vs. 2019 driven by:
  - increase in R&D costs of 35% - 40%:
    - filgotinib cost share from 20% to 50%
    - investments in discovery and early development
  - 50% of commercial launch costs in EU5 and Benelux





# Looking forward to a newsflow rich 2020



**Topline data:**  
filgotinib Ph3 UC  
'1205 Ph2 IPF  
'1690 Ph2 SSc  
'1972 Ph2b OA  
Toledo

>80

**Further pipeline  
growth expected:**  
>80 GLPG clinical trials  
additional targets & PCCs



**Expected approvals:**  
filgotinib in RA in  
US, Europe, Japan