Galápagos

Novel targets, better treatments

Investor Presentation | October 2019

Disclaimer

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 milestone, opt-in and/or royalty payments by Gilead, the slides captioned "Bringing our innovation to patients" "Prolific late stage pipeline" "Filgotinib program" "FINCH summary up to w24" "Inflammation market ~$65B by 2027" "$2.1B market with large unmet needs" "We are building a fibrosis portfolio" "Phase 3 program ISABELA 1&2" "PINTA Phase 2 in IPF" "ROCCELLA Phase 2b trial" "Toledo in inflammation" "Promising preclinical results" "Our Toledo development strategy" "Partnerships beyond Gilead" "Solid cash position", all slides pertaining to the collaboration with Gilead announced on 14 July 2019, 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, (v) with MOR106 in atopic dermatitis and other potential indications, 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.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which might cause the actual results, financial condition, performance or achievements of Galapagos, or industry results, to be materially different from any future results, financial conditions, performance or achievements expressed or implied by such forward-looking statements. Among the factors that may result in differences are the inherent uncertainties associated with competitive developments, clinical trial and product development activities, regulatory approval requirements (including that data from the company's development programs may not support registration or further development of its compounds due to safety, efficacy or other reasons), reliance on third parties (including Galapagos' collaboration partners Gilead, Servier, MorphoSys, and Novartis) and estimating the commercial potential of its product candidates. A further list and description of these risks, uncertainties and other risks can be found in Galapagos' Securities and Exchange Commission ("SEC") filing and reports, including Galapagos' most recent Form 20-F and subsequent filings with the SEC. Given these uncertainties, you are advised not to place any undue reliance on such forward-looking statements.

All statements herein speak only as of the release date of this document. Galapagos expressly disclaims any obligation to update any statement in this document to reflect any change in future development with respect thereto, any future results, or any change in events, conditions and/or circumstances, on which any statement is based, unless specifically required by law or regulation.

Under no circumstances may any copy of this presentation, if obtained, be retained, copied, or transmitted.

Galapagos in a nutshell

FAST FACTS

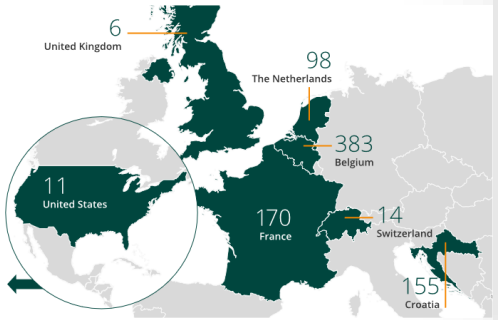
Founded
in 1999

Headquarters
Mechelen, Belgium

Galapagos R&D
Belgium, The Netherlands, France, Switzerland, USA

Service Operation Fidelta
Zagreb, Croatia

SITES



DIVERSITY

Note: All values as per 30-06-2019

Galápagos

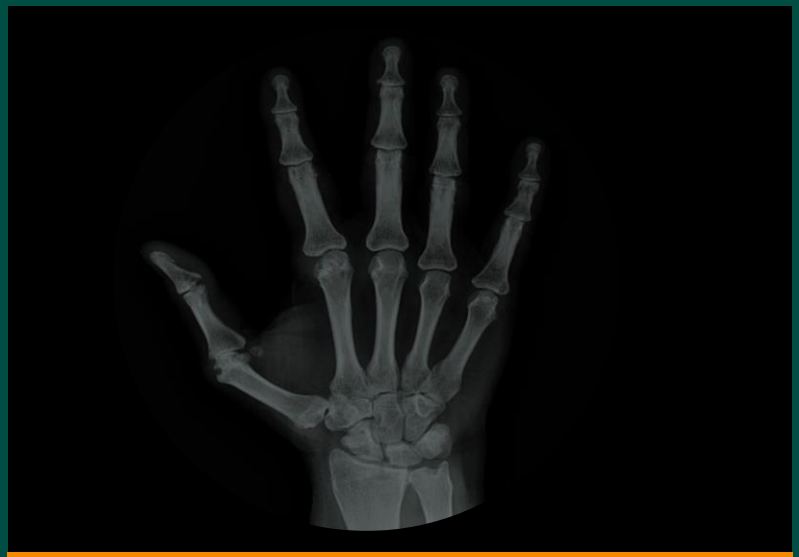
Bringing our innovation to patients

2019
- GILD collaboration
- Commercial build-up
- R&D Update
- Applications for approval in RA

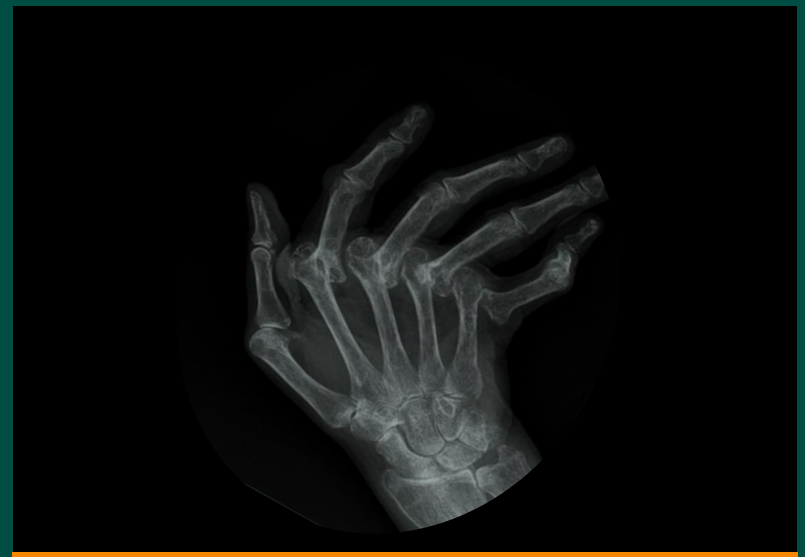
2020
- Launch filgotinib in RA
- Topline filgotinib Ph3 UC
- Topline '1972 Ph2b OA
- Futility analysis ISABELA Ph3 IPF
- Multiple Ph2 PoC starts '3970 (Toledo)
- MOR106 Ph2 readouts

Ambition 2021+
- Commercial powerhouse in Europe
- Additional product launches
- Maturing pipeline opportunities

We discover novel targets



balanced



unbalanced

Prolific late stage pipeline

area	preclinical	phase 1	phase 2	phase 3
filgotinib	**10+ indications, more Ph2 readouts in '19**			
IPF/fibrosis	**In Ph3 and Ph2**			
OA	**Ph2b underway**			
AtD	**Ph2 underway**			
inflammation fibrosis	**>20 programs**			

>40 clinical trials planned in 2019

Galápagos


GILEAD
Galápagos
Historic strategic alliance deal
Galápagos

Unique deal in life sciences

10 Year
collaboration & standstill

$3.95 B upfront
- plus opt-in fees & milestones

$1.1 B equity investment

20+% Royalties
- Galapagos retains full European rights

Galápagos

Galápagos

Ready for the future

- Independence anchored
- ~6 billion cash in the bank
- Full European rights*
- Ex-Europe royalties 20+%

** Except for GLPG1972*

Going forward

Build commercial infrastructure EU

- Big5 + Benelux for filgotinib
- Whole of Europe for others

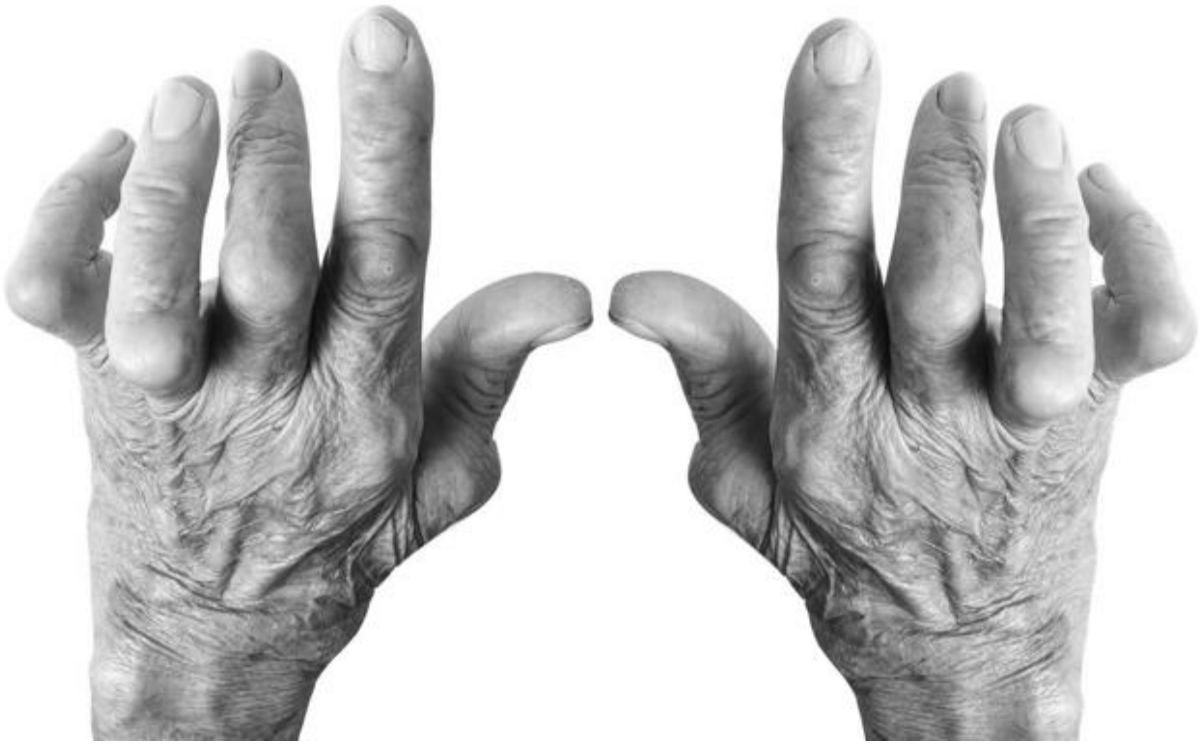
Progress pipeline

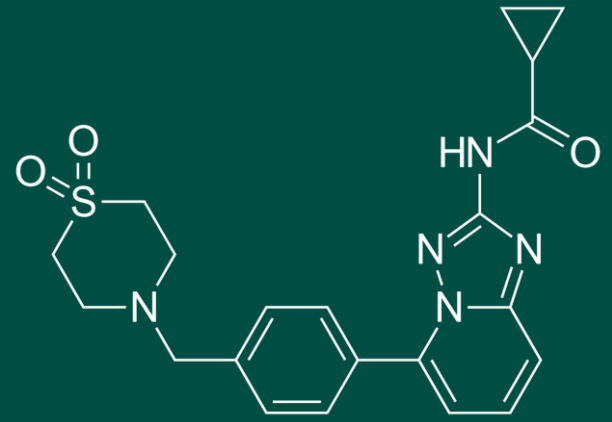
Expand organization

- Double R&D
- Grow support departments
- Expand facilities

Filgotinib

Evaluated in 10+ inflammatory indications





Galápagos

Filgotinib program

area	phase 1	phase 2	phase 3	status
rheumatoid arthritis				MAA filed, NDA H2 '19
ulcerative colitis				topline Ph3 H1 '20
Crohn's disease				recruiting
psoriatic arthritis				preparing Ph3
ankylosing spondylitis				preparing Ph3
small bowel CD				recruiting
fistulizing CD				recruiting
Sjögren's				topline Ph2 H2 '19
cutaneous lupus				topline Ph2 H2 '19
lupus nephropathy				recruited
uveitis				recruiting

Phase 3 FINCH program in RA

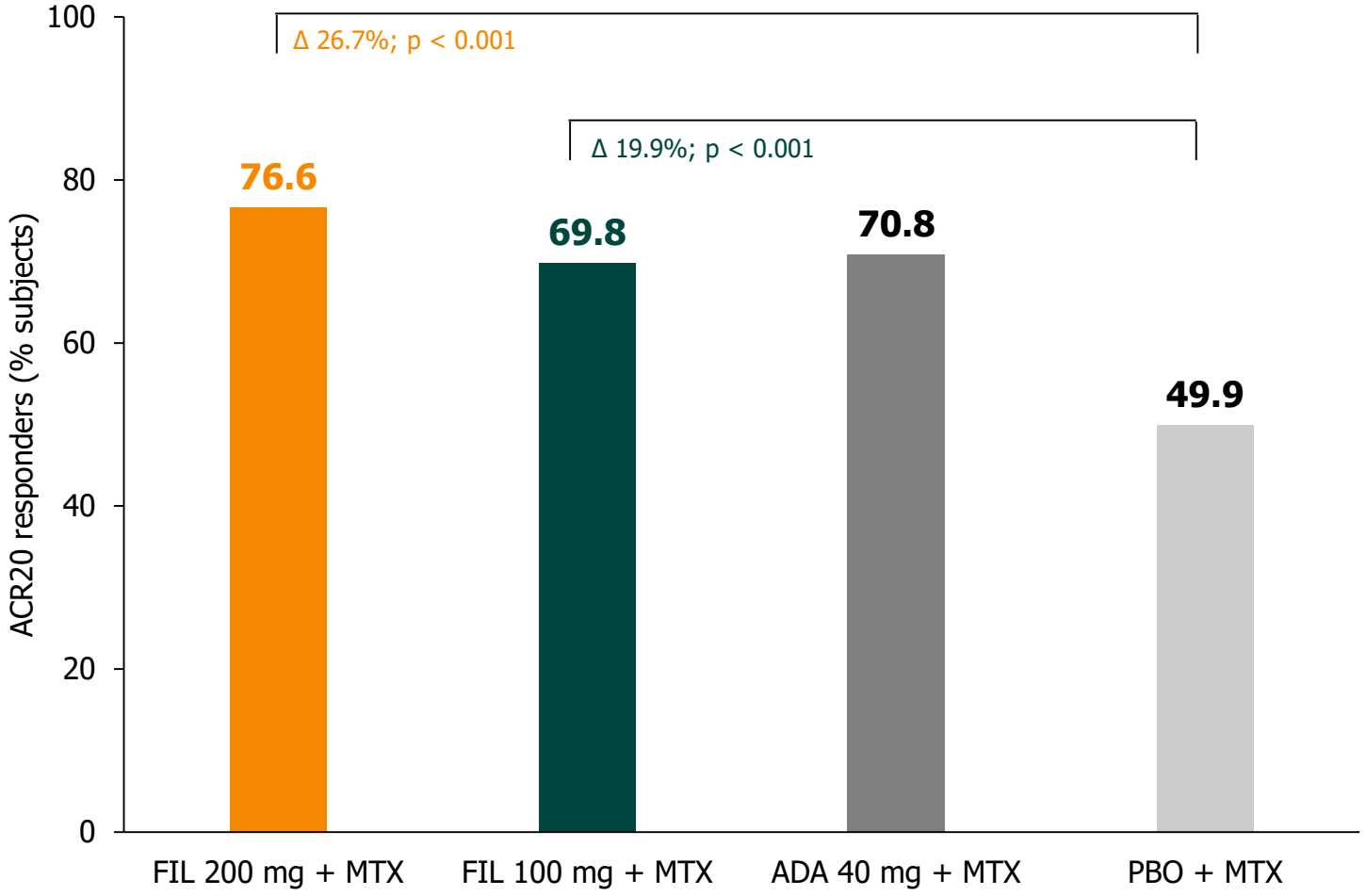
100 and 200 mg

FINCH 1: MTX - IR	1,759	52 weeks	ACR20 at W12 MTX add-on adalimumab control radiographic assessment
FINCH 2: biologic - IR	449	24 weeks	ACR20 at W12 cDMARD add-on
FINCH 3: MTX naïve	1,252	52 weeks	ACR20 at W24 monotherapy, +MTX arms radiographic assessment

ACR20: primary endpoint

FINCH1

W12



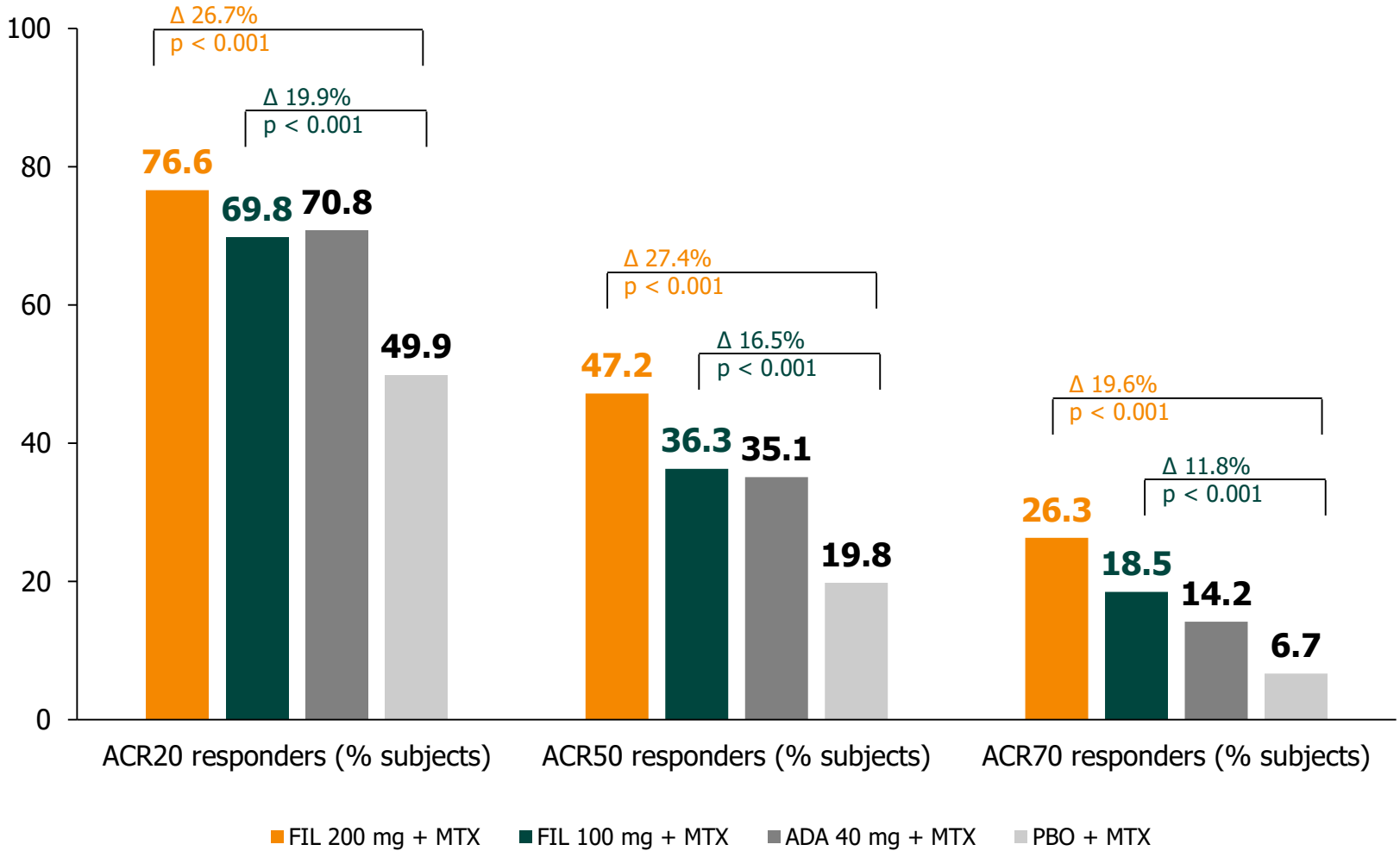
FIL: filgotinib; **ADA**: adalimumab; **MTX**: methotrexate; **PBO**: placebo
Note: MTX-IR population (inadequate response to MTX); all arms were on a stable dose of MTX

Galápagos

ACR20/50/70

FINCH1

W12



FIL: filgotinib; **ADA**: adalimumab; **MTX**: methotrexate; **PBO**: placebo

Note: MTX-IR population (inadequate response to MTX); all arms were on a stable dose of MTX

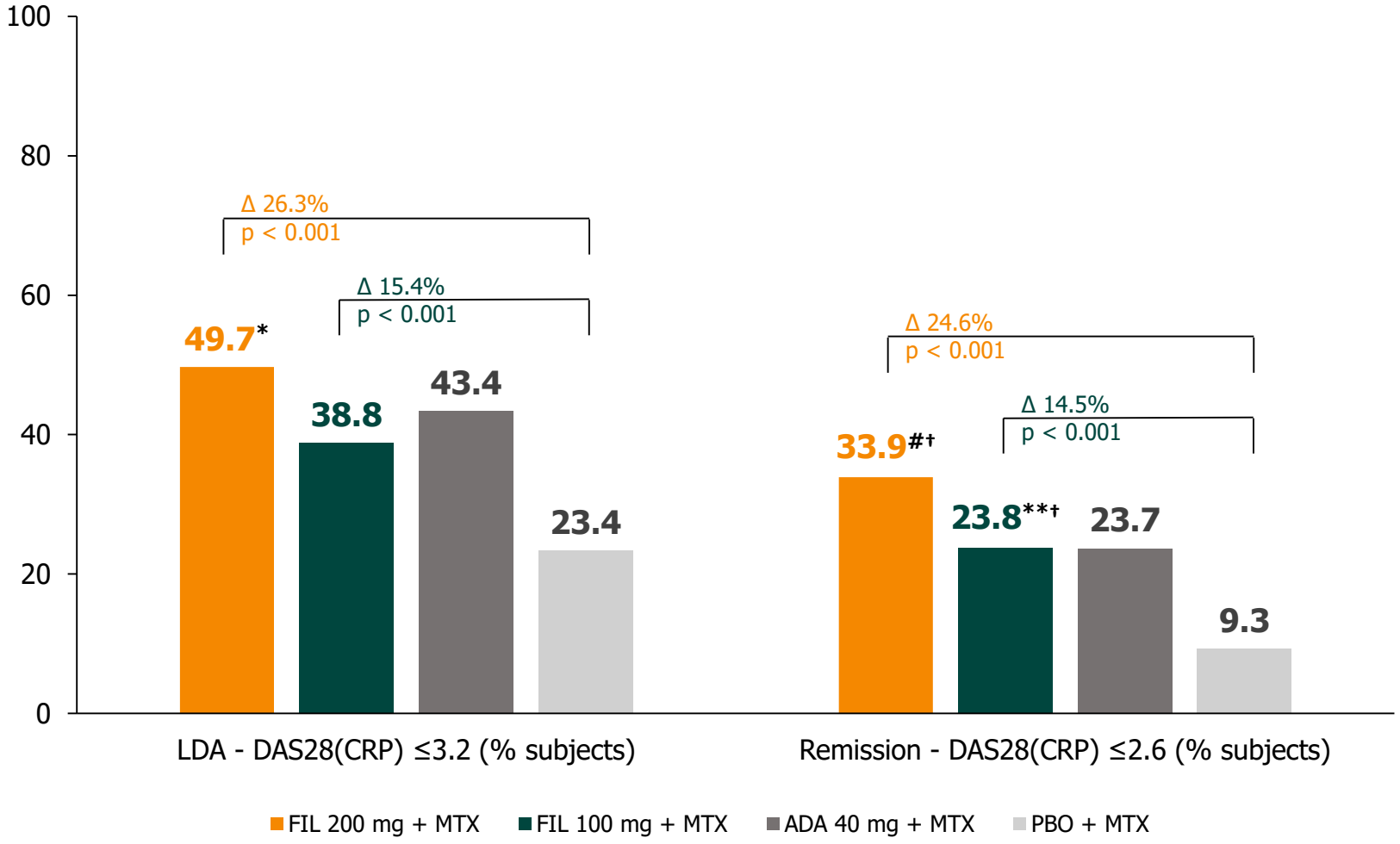
Press release. Gilead Sciences, Inc. and Galapagos NV. March 28, 2019

Galápagos

LDA & clinical remission

FINCH1

W12



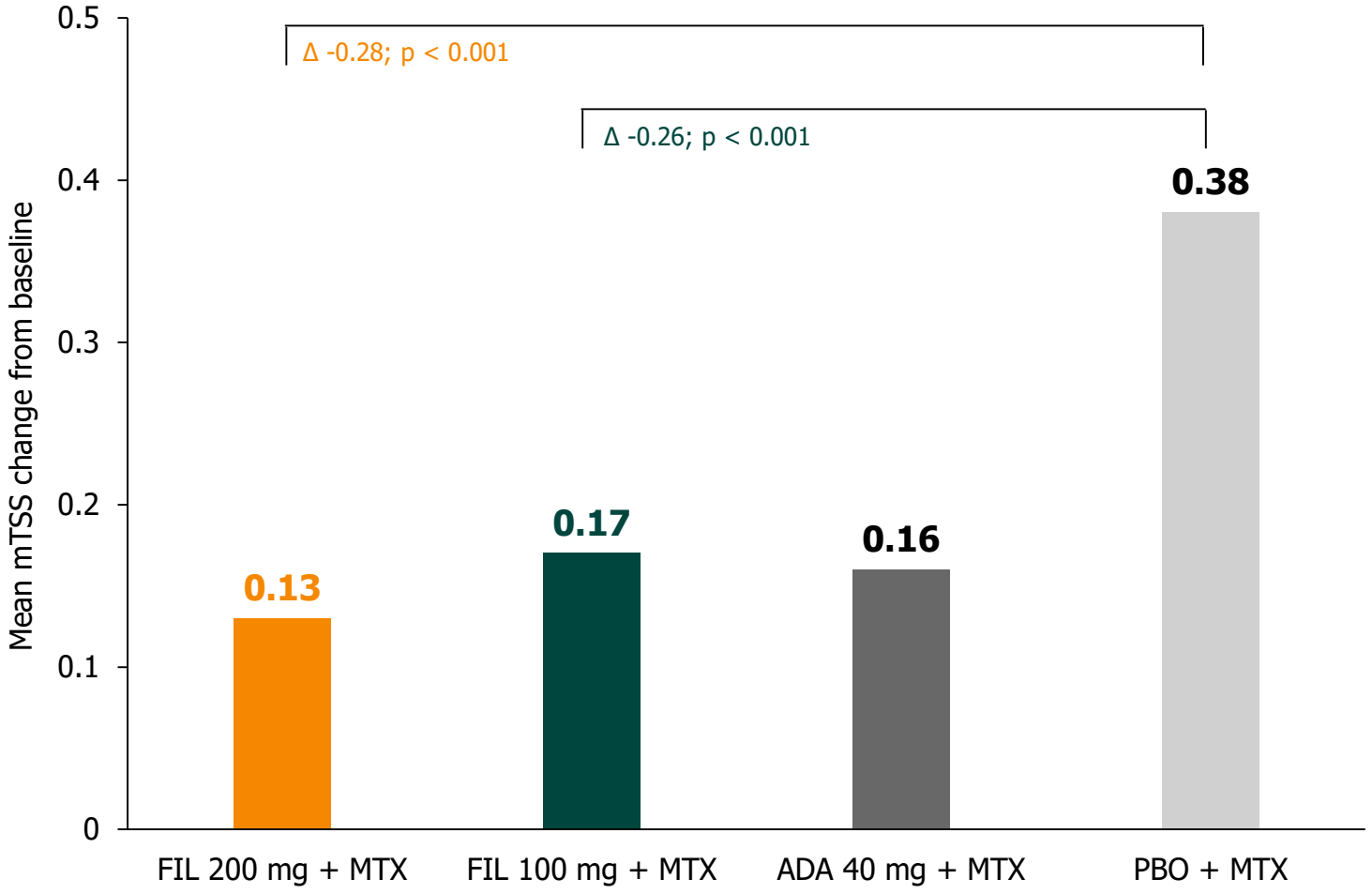
*p<0.001, **p<0.01, non-inferiority to ADA; # p<0.01, superiority to ADA; † Comparison not adjusted for multiplicity
FIL: filgotinib; **ADA**: adalimumab; **MTX**: methotrexate; **PBO**: placebo; **CRP**: C-reactive protein; **DAS**: disease activity score
Note: MTX-IR population (inadequate response to MTX); all arms were on a stable dose of MTX
Press release. Gilead Sciences, Inc. and Galapagos NV. March 28, 2019

Galápagos

Radiographic progression

FINCH1

W24



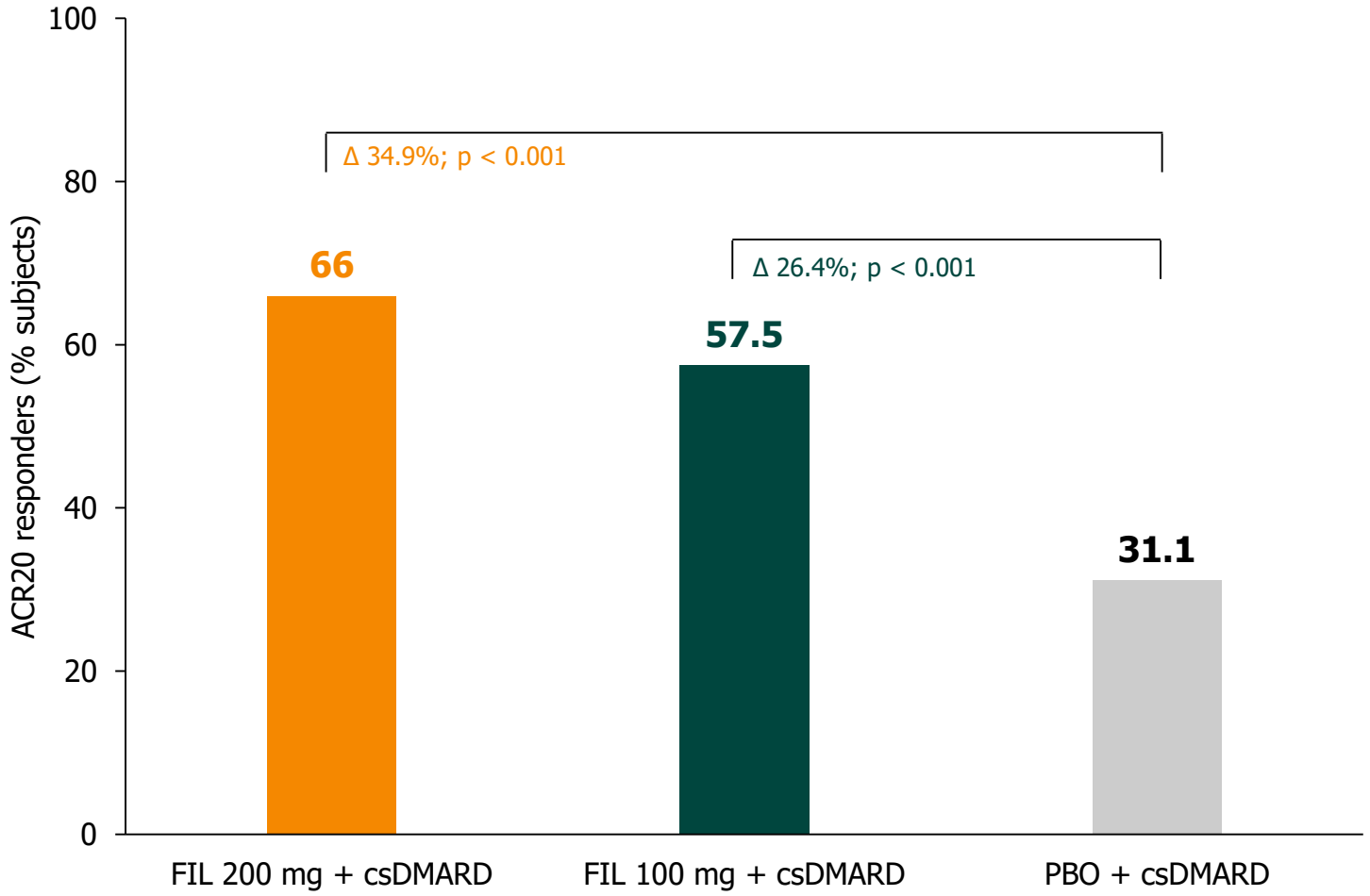
FIL: filgotinib; **ADA**: adalimumab; **MTX**: methotrexate; **PBO**: placebo; **mTSS**: modified total Sharp scores
Note: MTX-IR population (inadequate response to MTX); all arms were on a stable dose of MTX

Galápagos

ACR20: primary endpoint

FINCH 2

W12



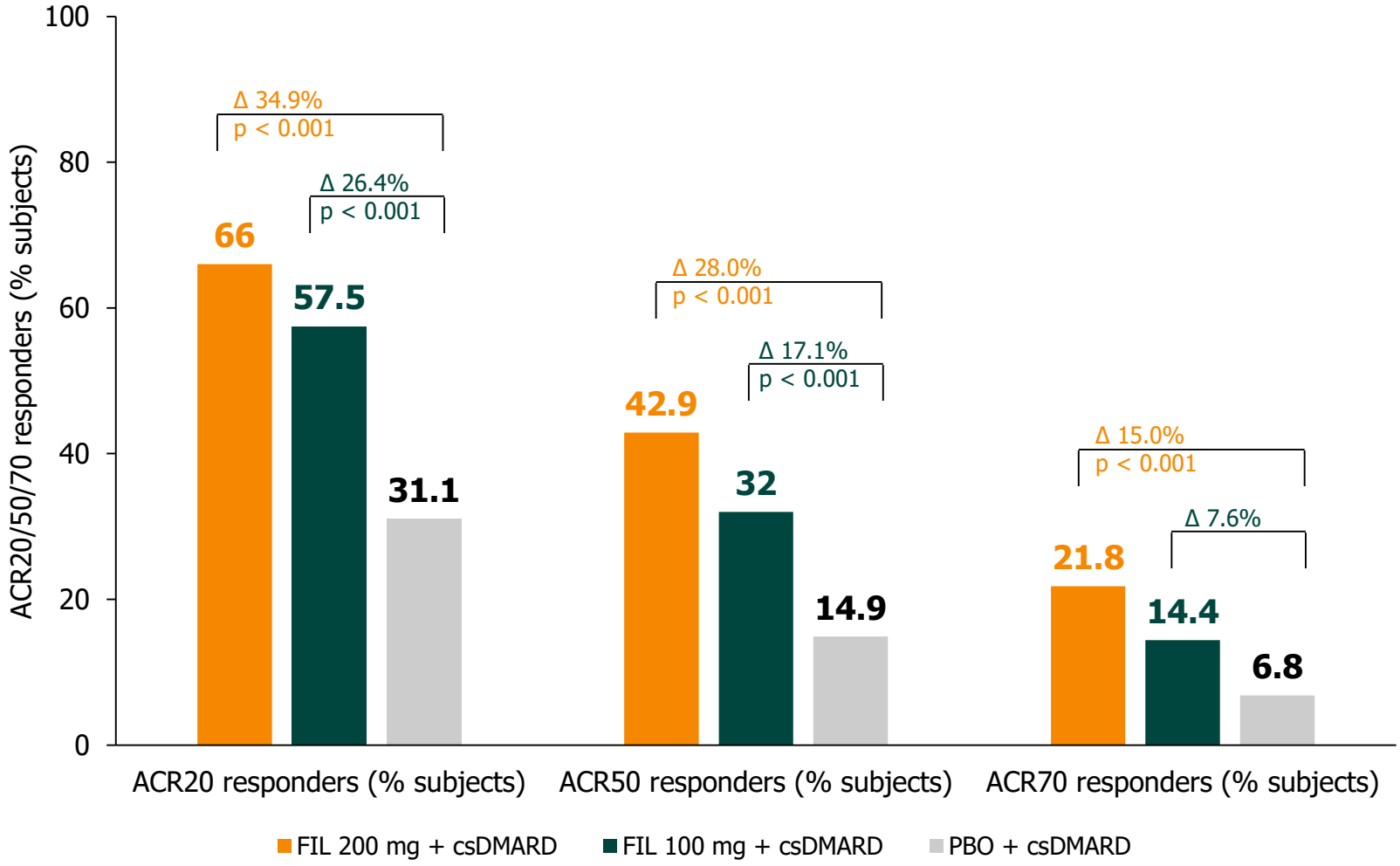
FIL: filgotinib; **MTX**: methotrexate; **PBO**: placebo; **csDMARD**: conventional synthetic disease-modifying antirheumatic drug
Note: MTX-IR population (inadequate response to MTX); all arms were on a stable dose of MTX
Data derived from Genovese MC, et al. ACR Annual Meeting 2018; abstract L06; poster presentation

Galápagos

ACR20/50/70

FINCH 2

W12



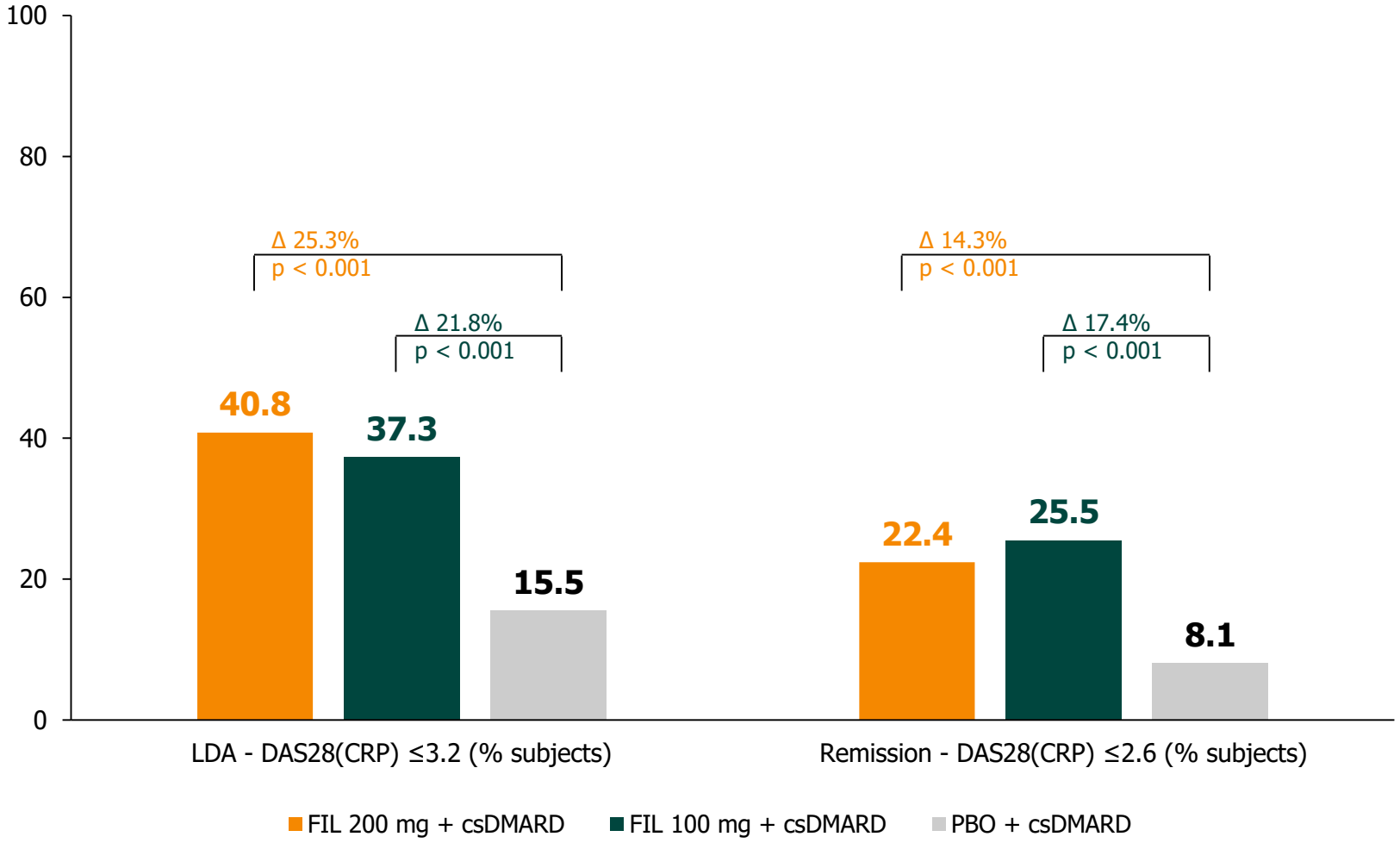
FIL: filgotinib; **MTX**: methotrexate; **PBO**: placebo; **csDMARD**: conventional synthetic disease-modifying antirheumatic drug
Note: MTX-IR population (inadequate response to MTX); all arms were on a stable dose of MTX
Data derived from Genovese MC, et al. ACR Annual Meeting 2018; abstract L06; poster presentation

Galápagos

LDA & clinical remission

FINCH 2

W12



FIL: filgotinib; **MTX**: methotrexate; **PBO**: placebo; **csDMARD**: conventional synthetic disease-modifying antirheumatic drug; **CRP**: C-reactive protein; **DAS**: disease activity score

Note: MTX-IR population (inadequate response to MTX); all arms were on a stable dose of MTX

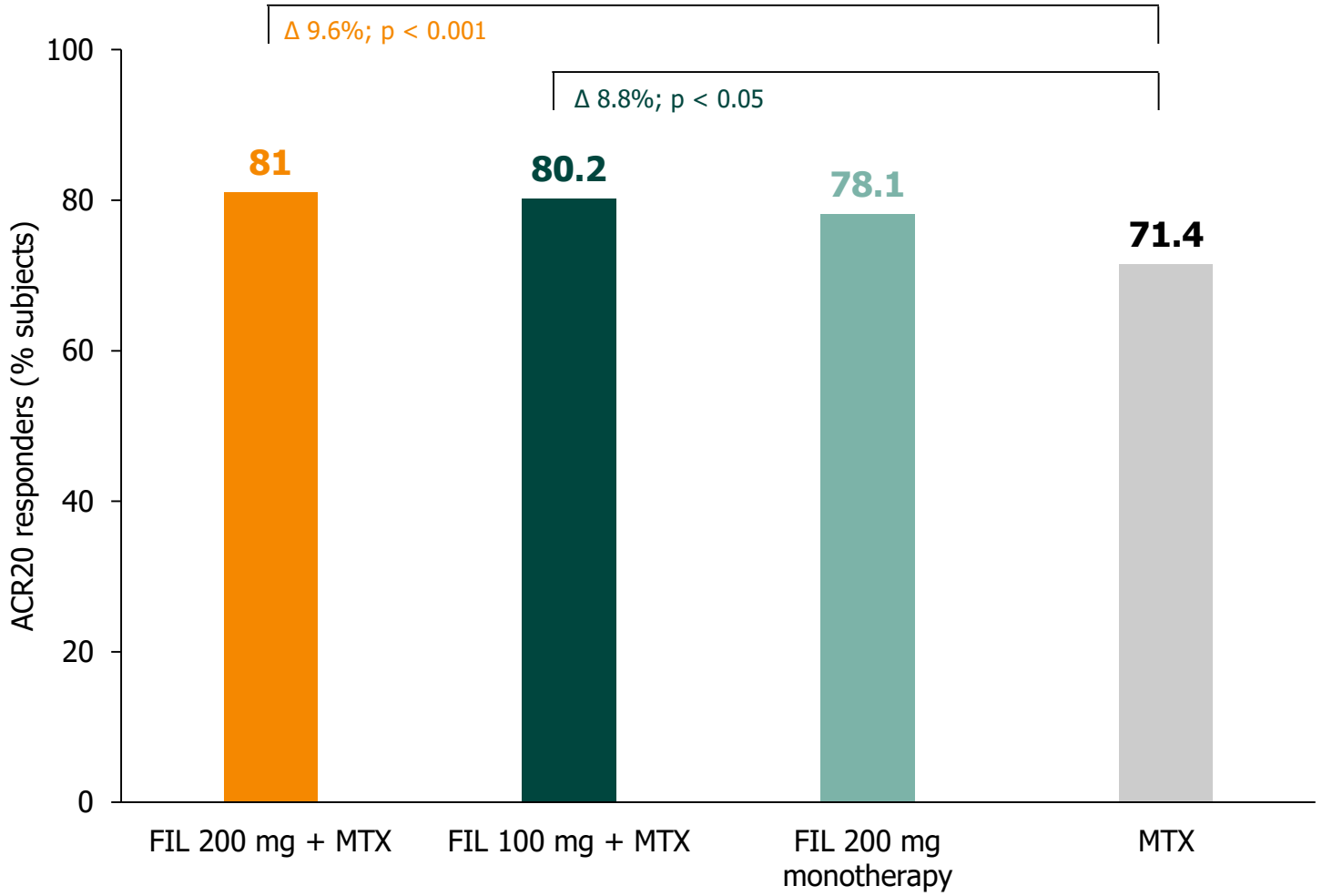
Data derived from Genovese MC, et al. ACR Annual Meeting 2018; abstract L06; poster presentation

Galápagos

ACR20: primary endpoint

FINCH3

W24



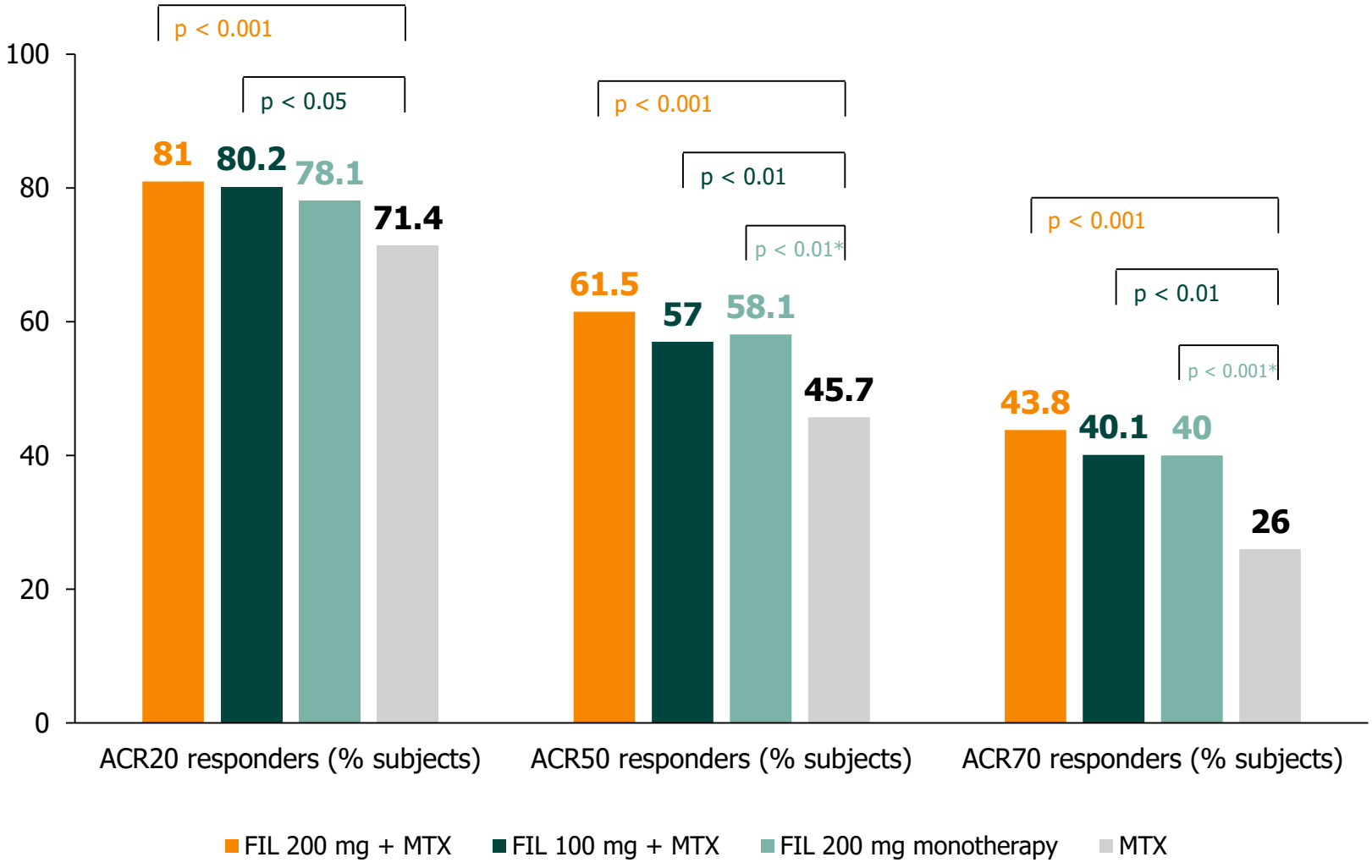
FIL: filgotinib; **MTX**: methotrexate; **PBO**: placebo
Note: MTX-naïve population

Galápagos

ACR20/50/70

FINCH3

W24



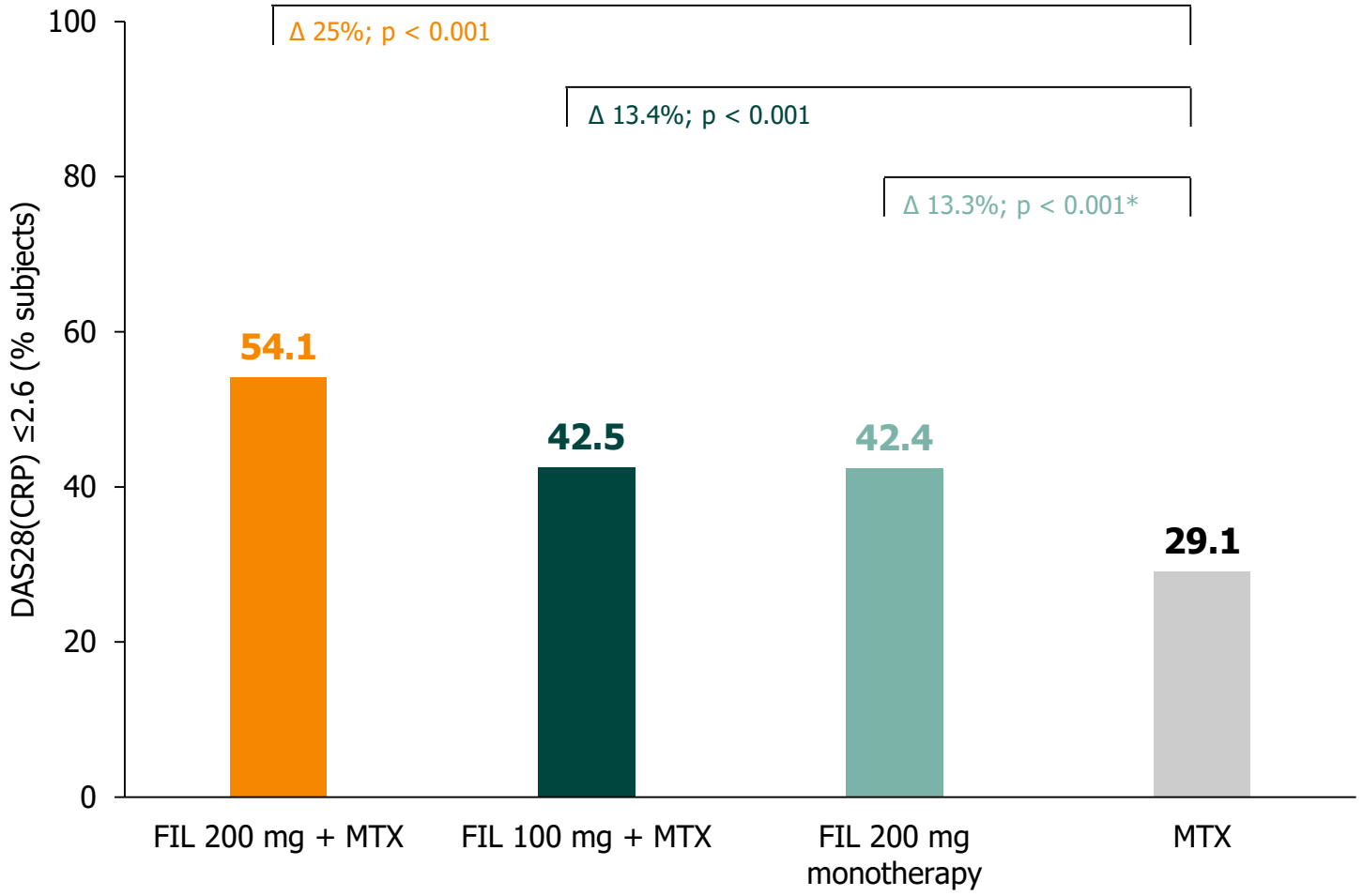
*Comparison not adjusted for multiplicity
FIL: filgotinib; **MTX**: methotrexate; **PBO**: placebo
Note: MTX-naïve population
Press release. Gilead Sciences, Inc. and Galapagos NV. March 28, 2019

Galápagos

Clinical remission

FINCH3

W24



*Comparison not adjusted for multiplicity
FIL: filgotinib; **MTX**: methotrexate; **PBO**: placebo
Note: MTX-naïve population
Press release. Gilead Sciences, Inc. and Galapagos NV. March 28, 2019

Galápagos

FINCH safety data up to week 24

N (%)	PBO/MTX	ADA 40 mg EOW	FIL 100 mg + MTX/cDMARDs	FIL 200 mg + MTX/cDMARDs	FIL 200 mg monotherapy	FIL total
	N=1039	N=325	N=840	N=1038	N=210	N=2088
serious infection	**10** (1.0)	**8** (2.5)	**13** (1.5)	**13** (1.3)	**3** (1.4)	**29** (1.4)
herpes zoster	**4** (0.4)	**2** (0.6)	**5** (0.6)	**6** (0.6)	**1** (0.5)	**12** (0.6)
DVT/PE	**3** (0.3)	**0** (0)	**0** (0)	**1** (0.2)*	**0** (0)	**1** (<0.1)
deaths	**2** (0.2)	**0** (0)	**1** (0.1)	**3** (0.3)	**0** (0)	**4** (0.2)
malignancy excl. NMSC	**4** (0.4)	**1** (0.3)	**1** (0.1)	**0** (0)	**0** (0)	**1** (<0.1)
MACE	**5** (0.5)	**1** (0.3)	**2** (0.2)	**2** (0.2)	**1** (0.5)	**5** (0.2)

Note: FINCH 1, 2, and 3 events up to week 24
*Excludes retinal vein occlusion observed in FINCH 2
FIL: filgotinib; **ADA**: adalimumab; **MTX**: methotrexate; **PBO**: placebo; **csDMARD**: conventional synthetic disease-modifying antirheumatic drug; **DVT**: deep vein thrombosis; **PE**: pulmonary embolism; **NMSC**: nonmelanoma skin carcinoma; **MACE**: major cardiovascular event

Galápagos

FINCH summary up to W24

Dose-dependent efficacy data on clinically meaningful endpoints

- ACR50/70
- DAS remission
- radiographic progression

Safety data

- very low rates of serious infection, DVT/PE, MACE, death
- normalizing of abnormalities associated with RA (Hb, platelets)
- higher % change in HDL vs LDL

No dose-dependent difference on safety data

Supports best-in-class potential in RA

Note: Filgotinib is a compound in development by Gilead and Galapagos. The summary above was derived from the filgotinib FINCH trial data up to week 24 (Gilead and Galapagos press releases dated 29 March 2019). Data from the FINCH 1 and FINCH 3 trials will be presented at EULAR 2019.

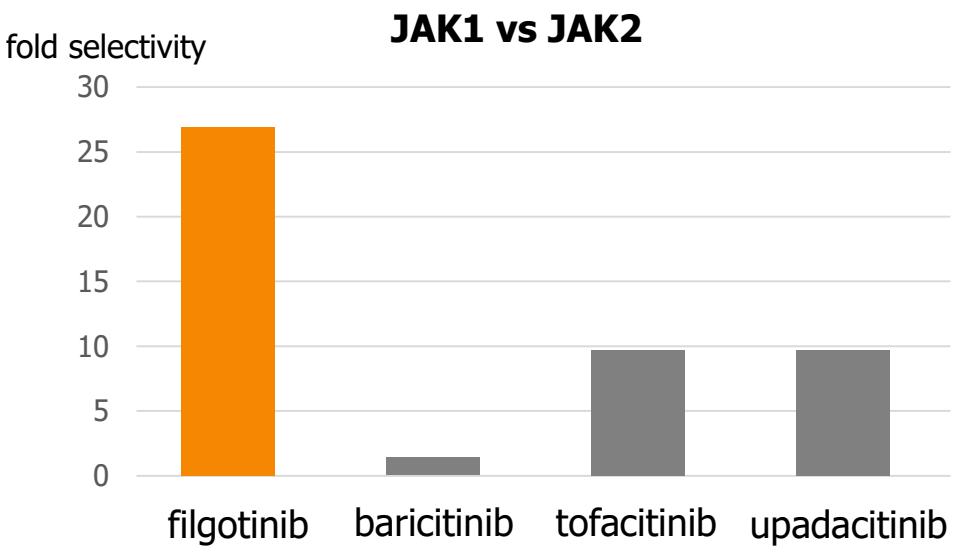
Long term safety data

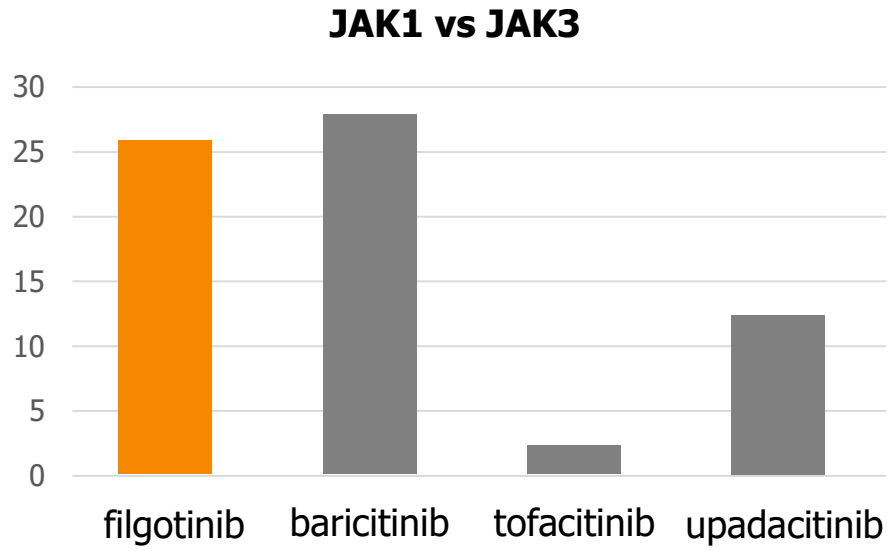
event per 100 PYE	filgotinib 50-200 mg DARWIN 3 week 156
patient year exp.	**2,203**
serious infection	**1.2**
herpes zoster	**1.5**
DVT/PE	2/2,203* **0.1**
deaths	**0.2**

Data on file; DVT/PE = deep venous thrombosis/pulmonary embolism
** one single patient experiencing DVT and PE*

Filgotinib

JAK1 selectivity independently confirmed*

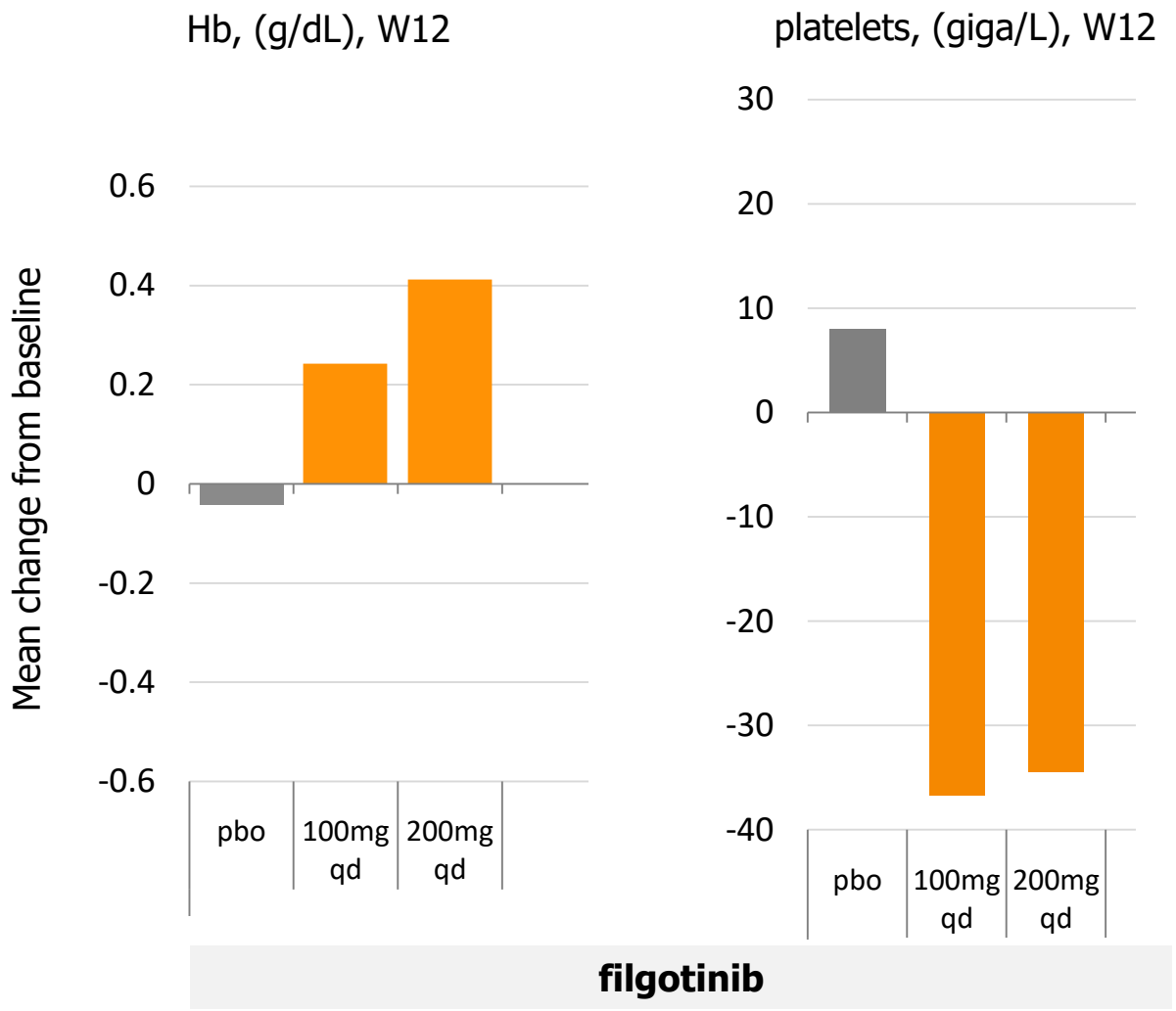




*"Ex Vivo Comparison of Baricitinib, Upadacitinib, Filgotinib, and Tofacitinib for Cytokine Signaling in Human Leukocyte Subpopulations," McInnes *et al*, ACR 2017

Galápagos

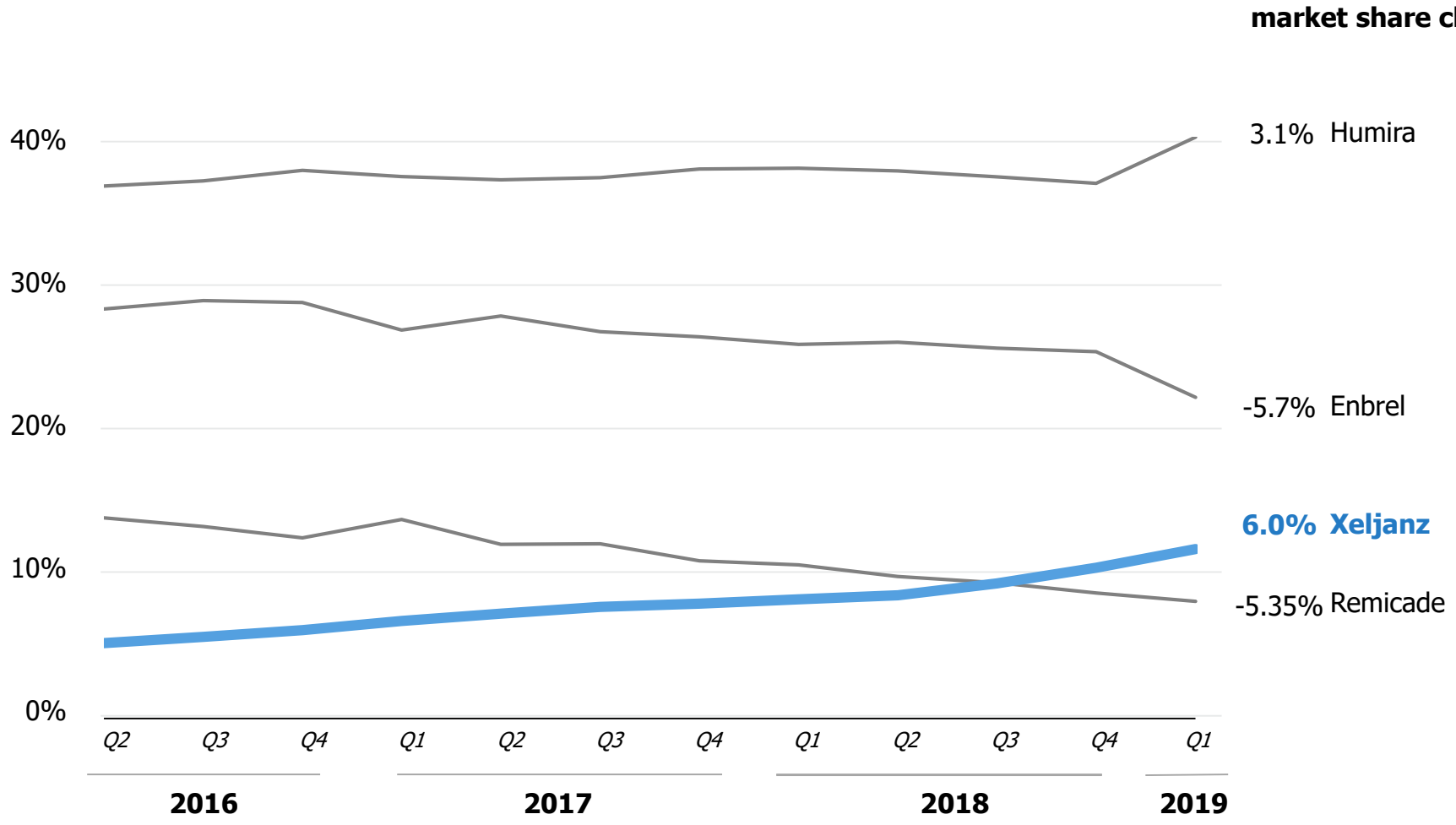
Normalizing RA lab abnormalities



Note: Filgotinib is a compound in development by Gilead and Galapagos. Data above derived from Westhovens et al, and Kavanaugh et al

Galápagos

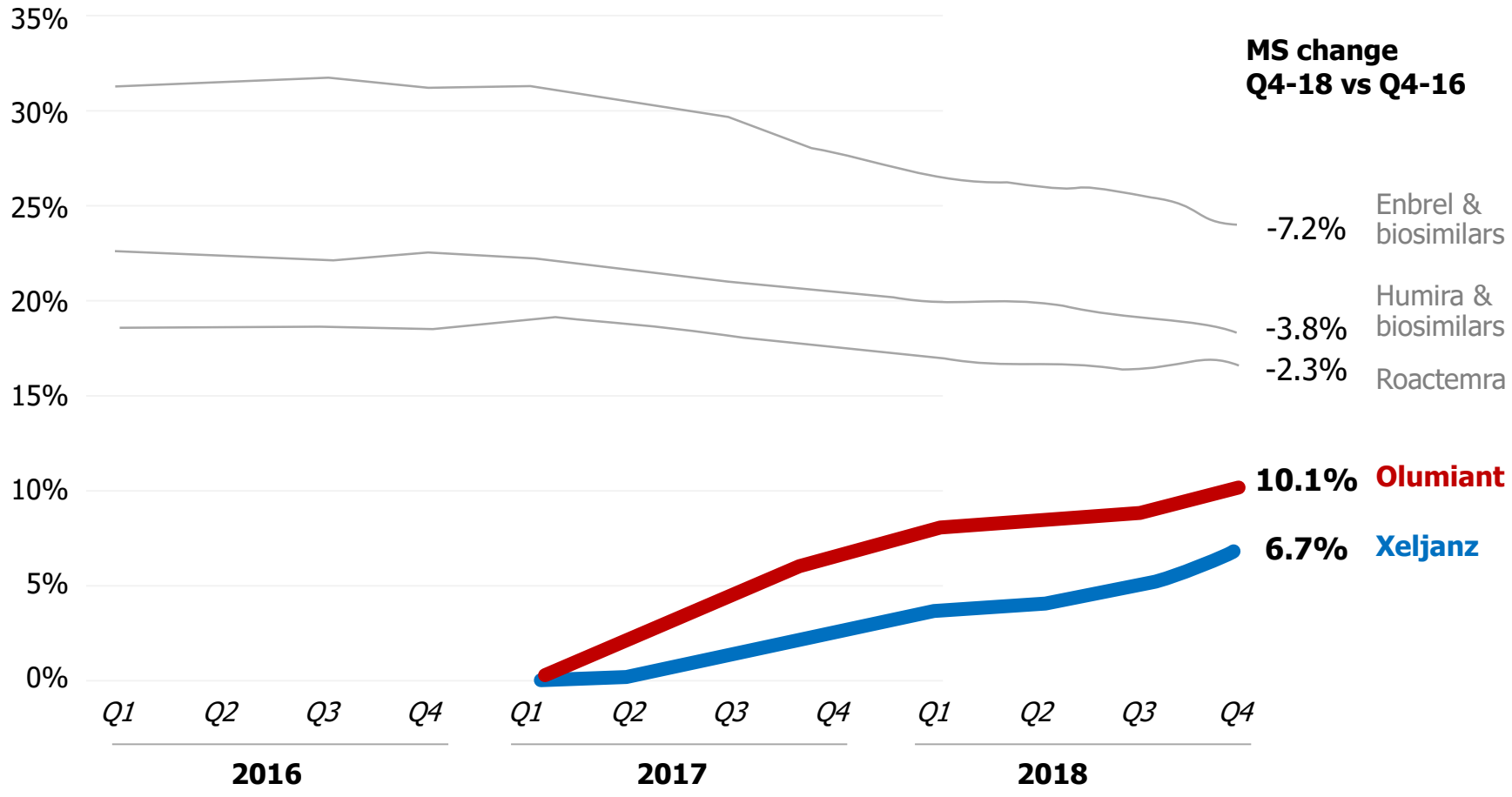
US: Xeljanz growing in RA



Source: IQViIA gross USD sales, only selected biologic and JAKi molecules represented

Galápagos

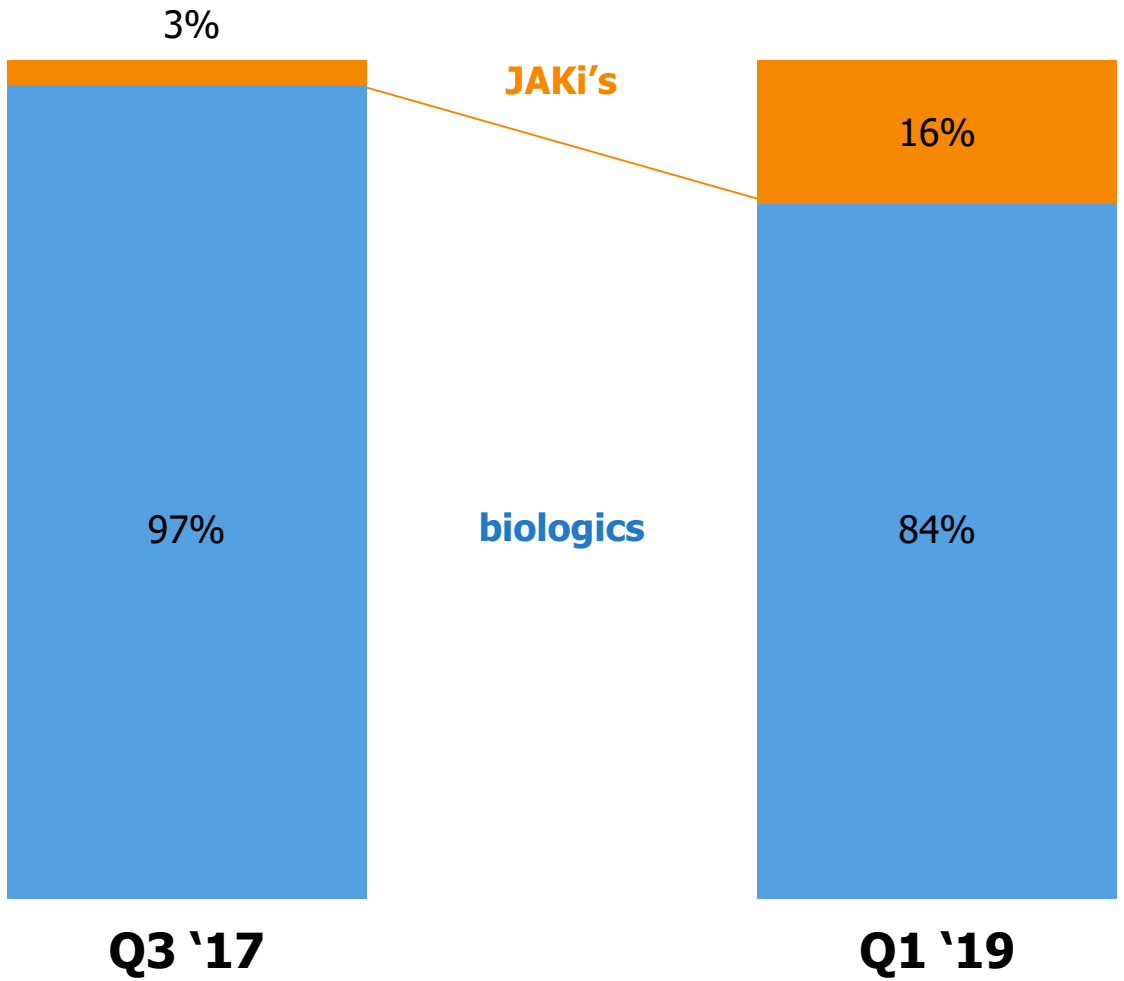
Germany: JAKi's challenge biologics in RA



Source: IQVia gross LC sales, only selected biologic and JAKi molecules represented

Galápagos

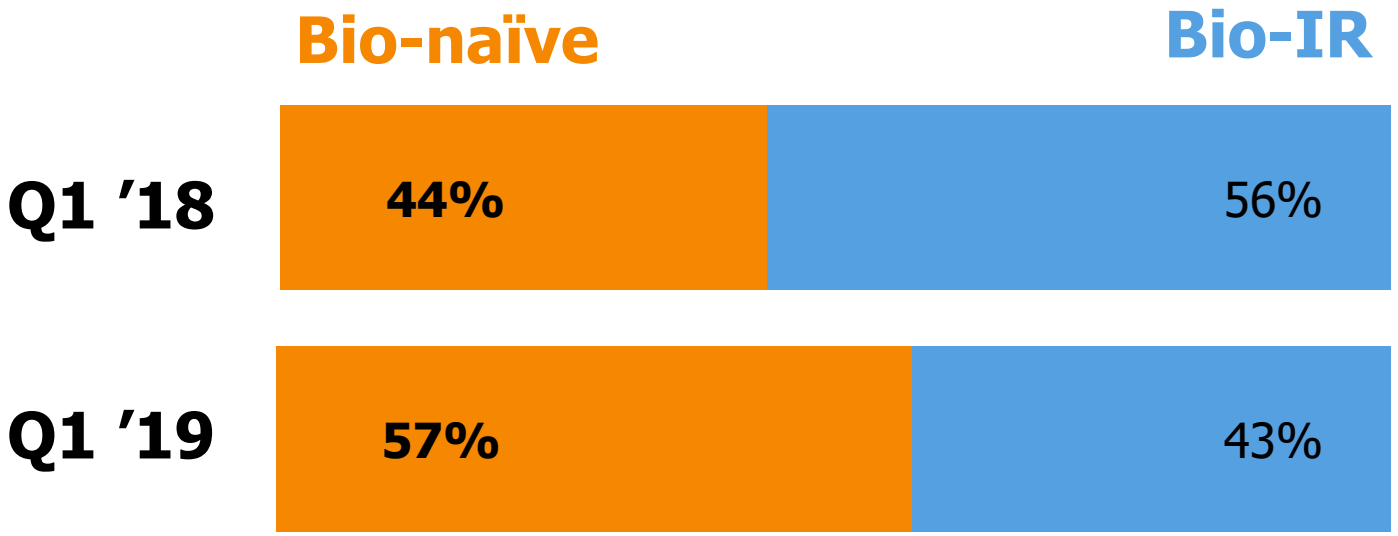
EU5: JAKi's growing in RA



Source: Gilead and Galapagos analysis on IPSOS data, share of prescriptions

Galápagos

EU5: JAK patients from biologic naïve

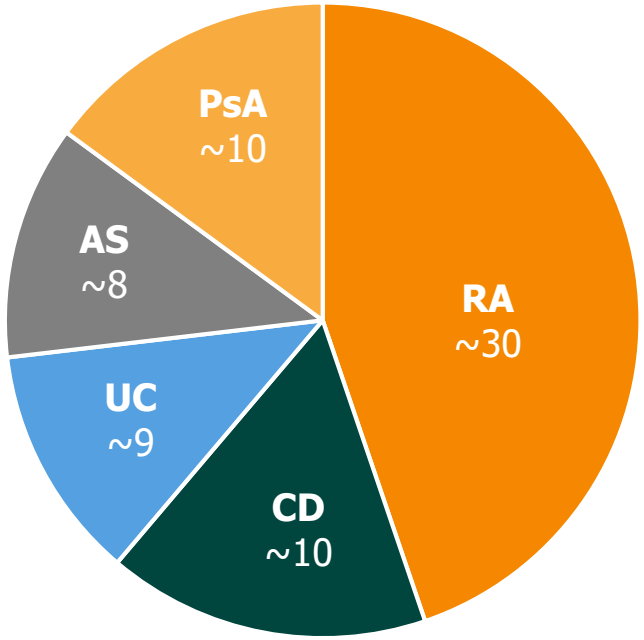


Source: Therapy watch Q1’19

Galápagos

Inflammation market $65B by 2027

estimated market size, $B



non-RA indications 60% of future market
filgotinib possibly 1st or 2nd JAKi in most indications

Source: Goldman Sachs 2017, Leerink 2017, Stifel 2017, Global Data, Galapagos estimates

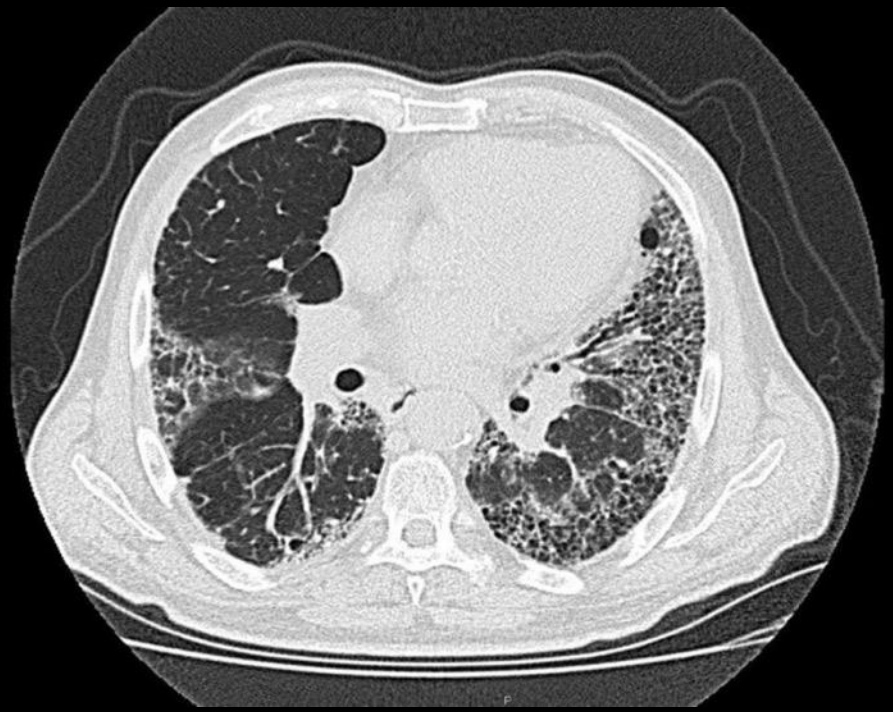
Galápagos

‘1690

for idiopathic pulmonary fibrosis (IPF)

Progressive lung fibrosis leading to death

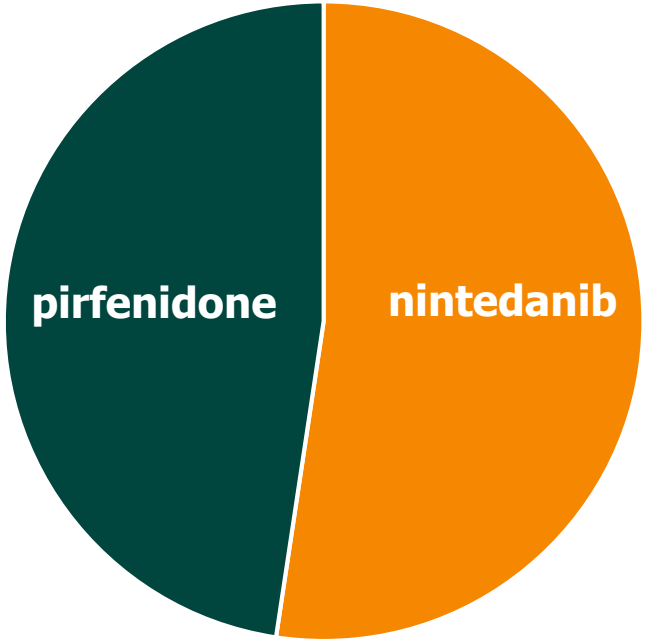
- 200k cases in US & EU
- 75k new cases every year
- Median survival 2-5 years



Galápagos

IPF $2.1B market with large unmet needs

2018 drug sales: $2.1B



nintedanib & pirfenidone have limitations

- slow FVC decline
- poor tolerability for patients
- ~25% annual discontinuations

Sources: Global Data, Maher et al. BMC Pulmonary Medicine (2017) 17:124, sales figures from Roche (pirfenidone; Esbriet®) and Boehringer Ingelheim (nintedanib; Ofev®)

Note: FVC = Forced vital capacity

Galápagos

We are building a fibrosis portfolio

program	discovery	preclinical	Ph1	Ph2	Ph3
‘1690 (autotaxin) ISABELA IPF					
‘1205 (GPR84) PINTA IPF					
New IPF programs					
‘1690 NOVESA SSc					

- Opportunity to combine
- Several fibrosis programs in discovery

Galápagos

FLORA in *The Lancet Respir Med*

Articles

Safety, tolerability, pharmacokinetics, and pharmacodynamics of GLPG1690, a novel autotaxin inhibitor, to treat idiopathic pulmonary fibrosis (FLORA): a phase 2a randomised placebo-controlled trial

Toby M Maher, Ellen M van der Aar, Olivier Van de Steen, Lisa Allamassey, Julie Desrivot, Sonia Dupont, Liesbeth Fagard, Paul Ford, Ann Fieuw, Wim Wuyts

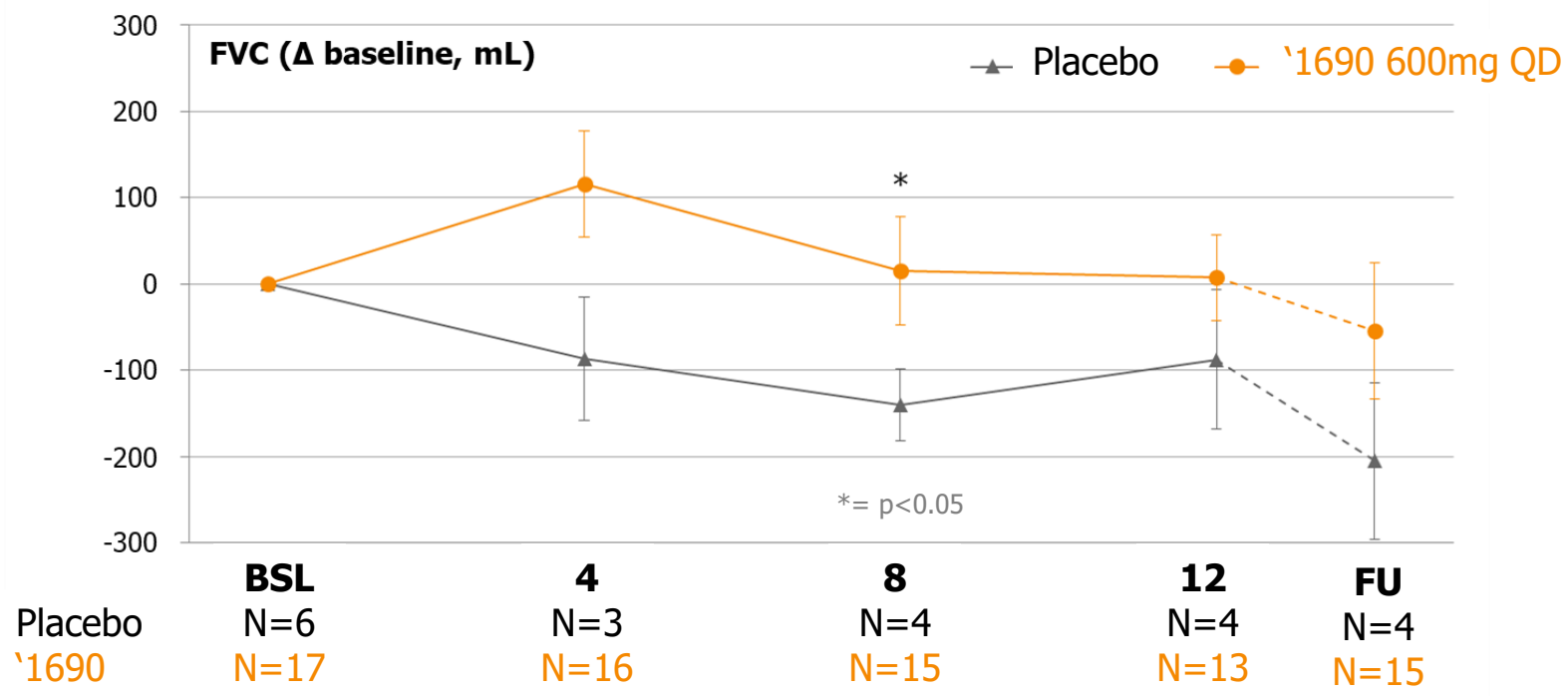
Summary

Background Idiopathic pulmonary fibrosis (IPF) causes irreversible loss of lung function. People with IPF have increased concentrations of autotaxin in lung tissue and lysophosphatidic acid (LPA) in bronchoalveolar lavage fluid and exhaled condensate. GLPG1690 (Galapagos, Mechelen, Belgium) is a novel, potent, selective autotaxin inhibitor with good oral exposure. We explored the effects of GLPG1690 in patients with IPF.

Lancet Respir Med 2018
Published Online
May 20, 2018
http://dx.doi.org/10.1016/S2213-2600(18)30181-4

Galápagos

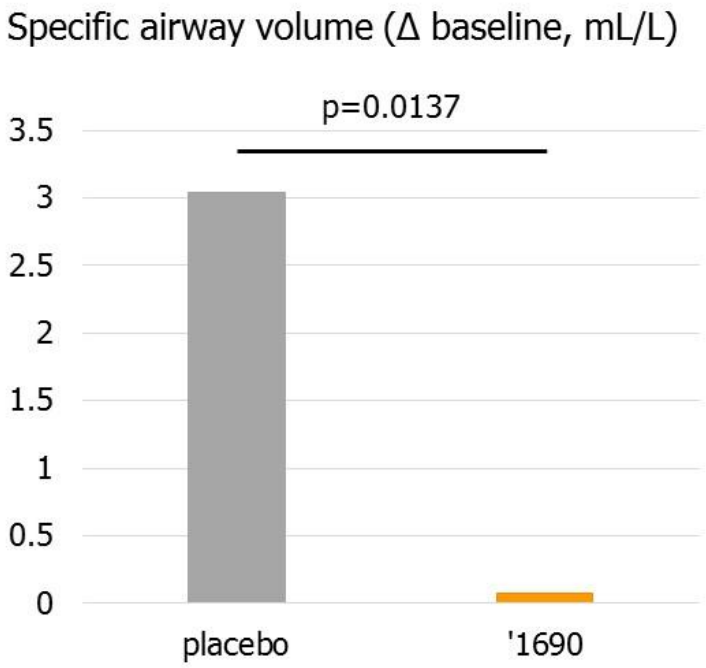
Positive '1690 data in patients

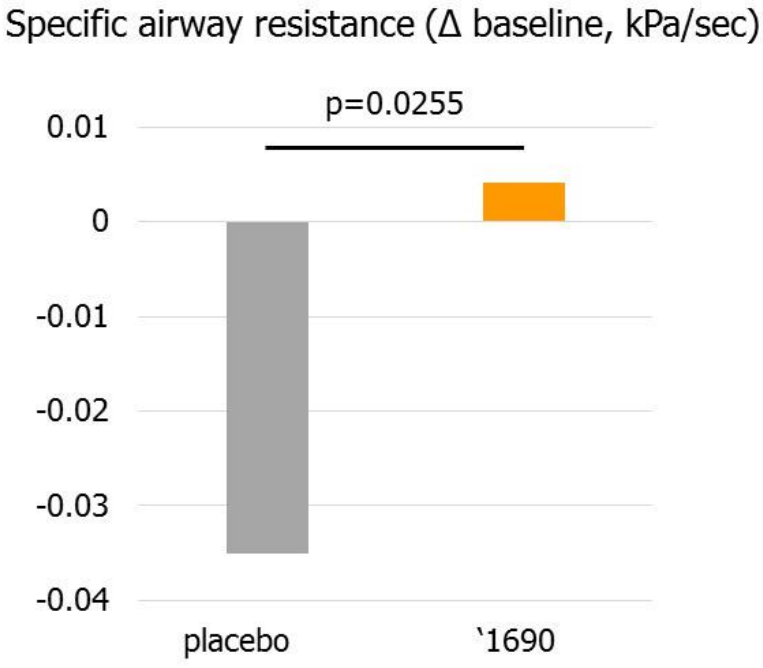


	Wk4		Wk8		Wk12		Follow-up	
	Placebo	'1690	Placebo	'1690	Placebo	'1690	Placebo	'1690
FVC (Δ baseline, mL)	-87	+116	-140	+15	**-87**	**+8**	-205	-55

FVC stabilization over 12-week period

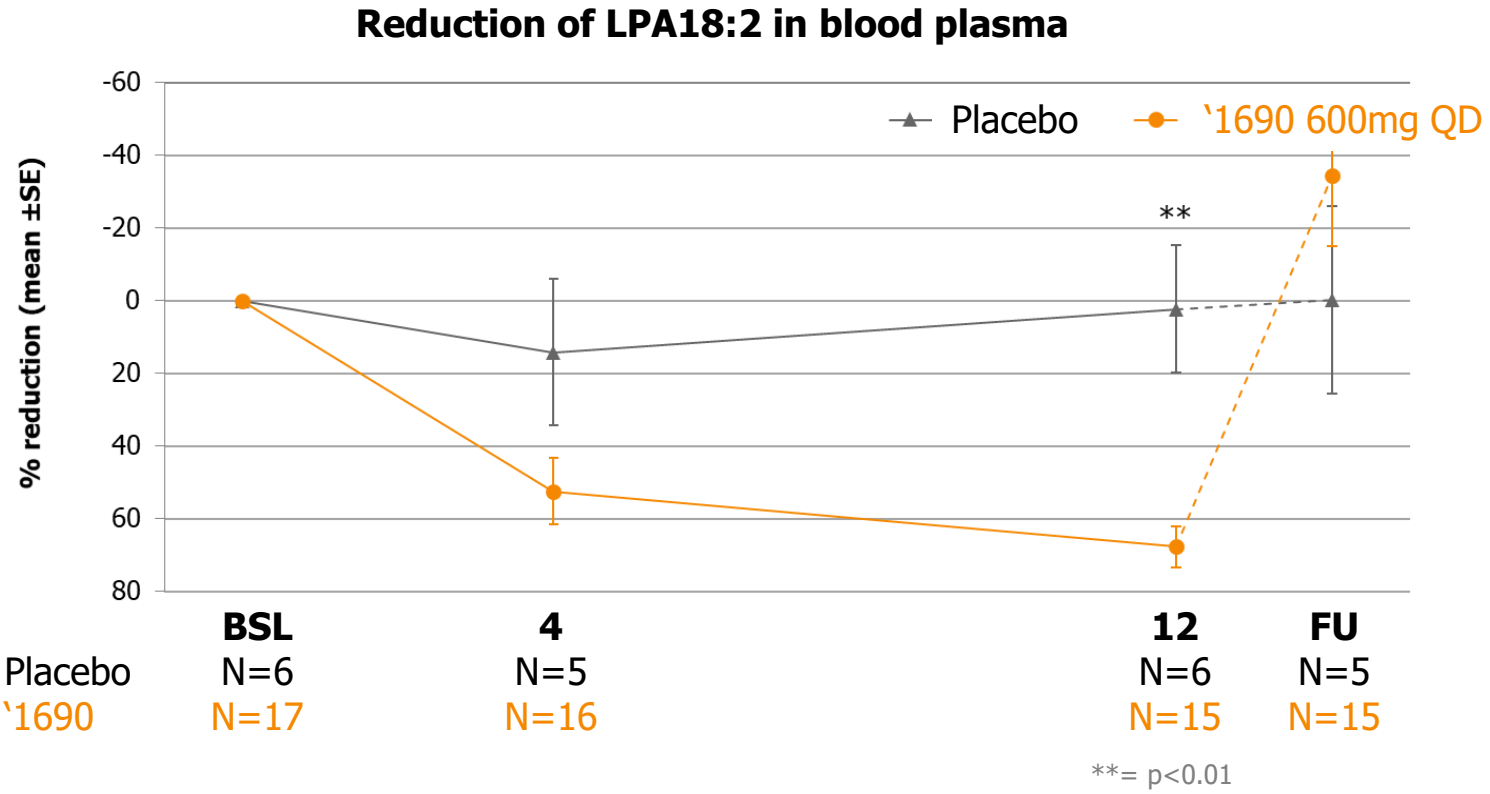
FRI indicates disease stabilization





Functional respiratory imaging tracks ahead of FVC

Strong biomarker reduction



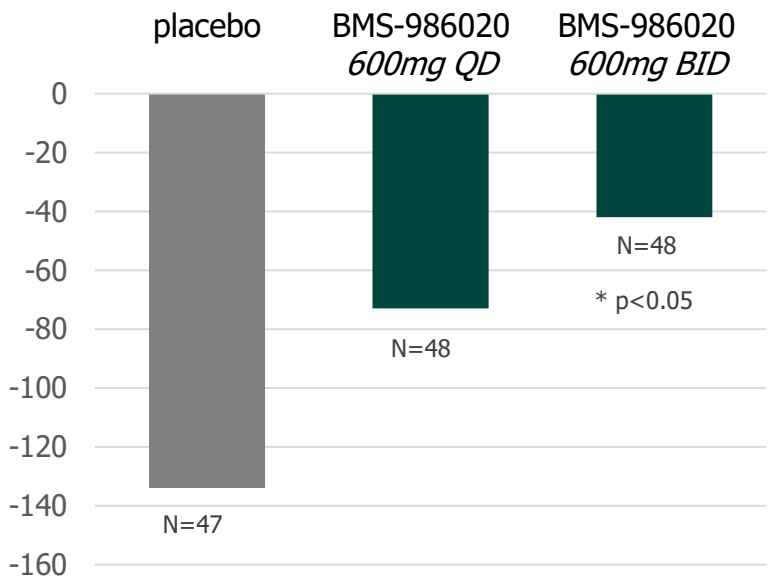
Biomarker reduction = target engagement

‘1690 pathway clinically validated

LPA1 inhibition has impact

- BMS-986020 reduced FVC decline
- Study stopped due to off-target cholecystitis
- BMS-986020 inhibits LPA1
- ‘1690, an autotaxin inhibitor, markedly reduces LPA1 levels

Slope estimate over 26 weeks (ml)



Source: Chest. 2018 Sep 7. pii: S0012-3692(18)32411-5

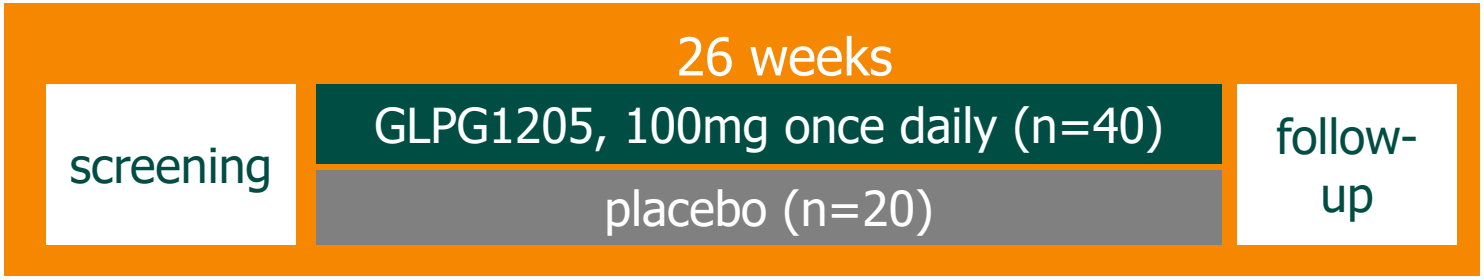
Galápagos

Phase 3 program ISABELA 1&2

- 1500 IPF patients total in two identical Phase 3 studies
- Patients remain on standard of care throughout
- Global program with US & EU component
- Primary endpoint: FVC decline at 52 weeks
- Secondary: hospitalizations, mortality, quality of life, safety/tolerability

Galápagos

PINTA Phase 2 in IPF



- 60 IPF patients on local standard of care
- Primary endpoint: forced vital capacity (FVC) at 26 weeks
- Secondary: safety, tolerability, broad range of measurements, incl. FRI
- Recruitment in 10 countries in Europe, North Africa, & Middle East

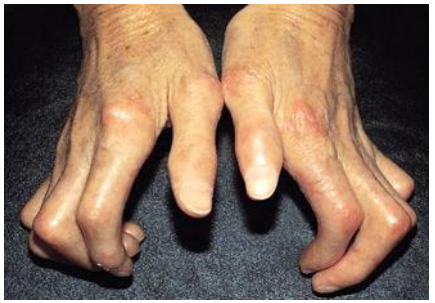
Recruitment completion targeted Q4 '19

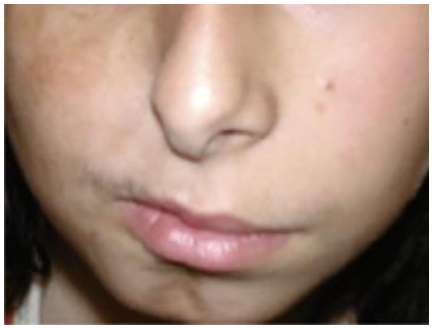
Note: FRI = Functional respiratory imaging

Galápagos

Systemic sclerosis (SSc) or scleroderma

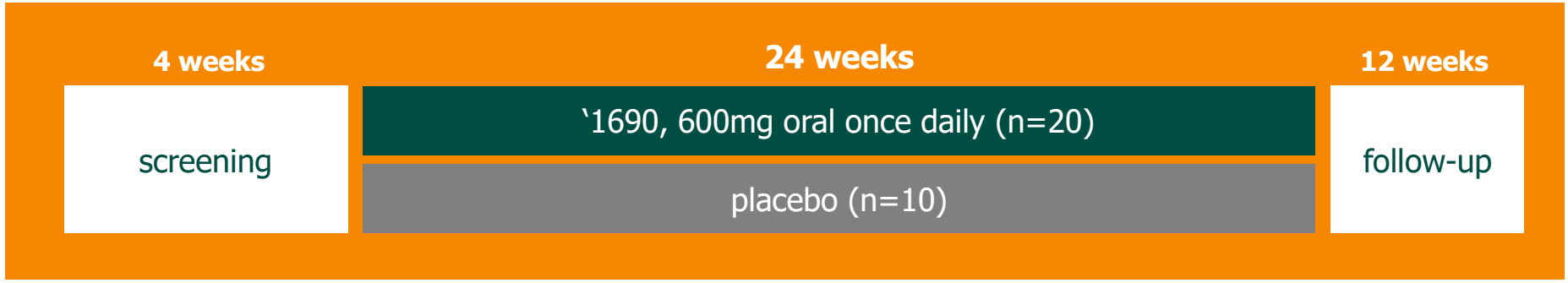
- Multi-organ ("systemic") fibrosis
- Rare disease: ~95k patients[1]
- Among the highest mortality of all autoimmune/rheumatic diseases[2]
- No approved anti-fibrotic drugs[3]





[1] *Global Data* 2014; [2] Nikpour et al *Curr Opin Rheumatol.* 2014; [3] Denton et al *Lancet* 2017

NOVESA Phase 2 in SSc

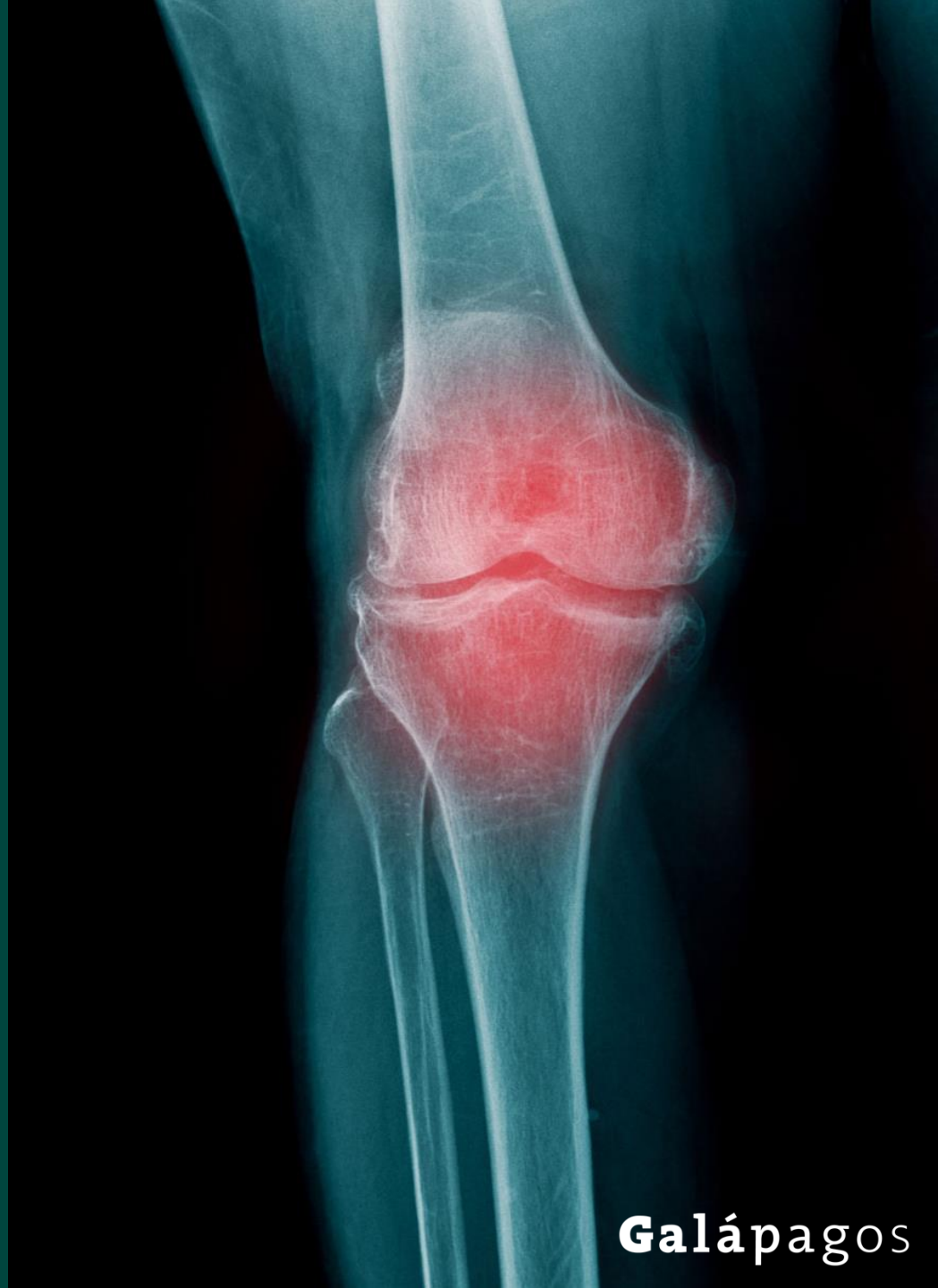


- 30 patients with progressive diffuse (multi-organ) SSc
- Recruitment in US & 5 EU countries
- Primary endpoint: modified Rodnan Skin Score at 24 weeks
- Secondary & exploratory endpoints: safety, tolerability, broad range of measures (FVC, QoL, CRISS)

‘1972
for osteoarthritis (OA)

Breakdown of joint cartilage

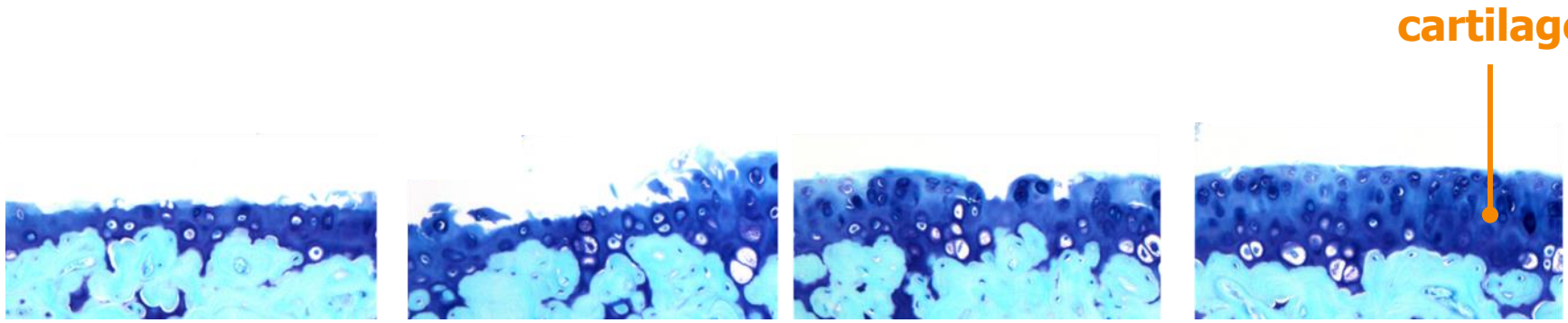
- 118M patients in US, Europe & Japan
- No disease-modifying drugs



Galápagos

‘1972 protects cartilage

Histopathology in mouse model



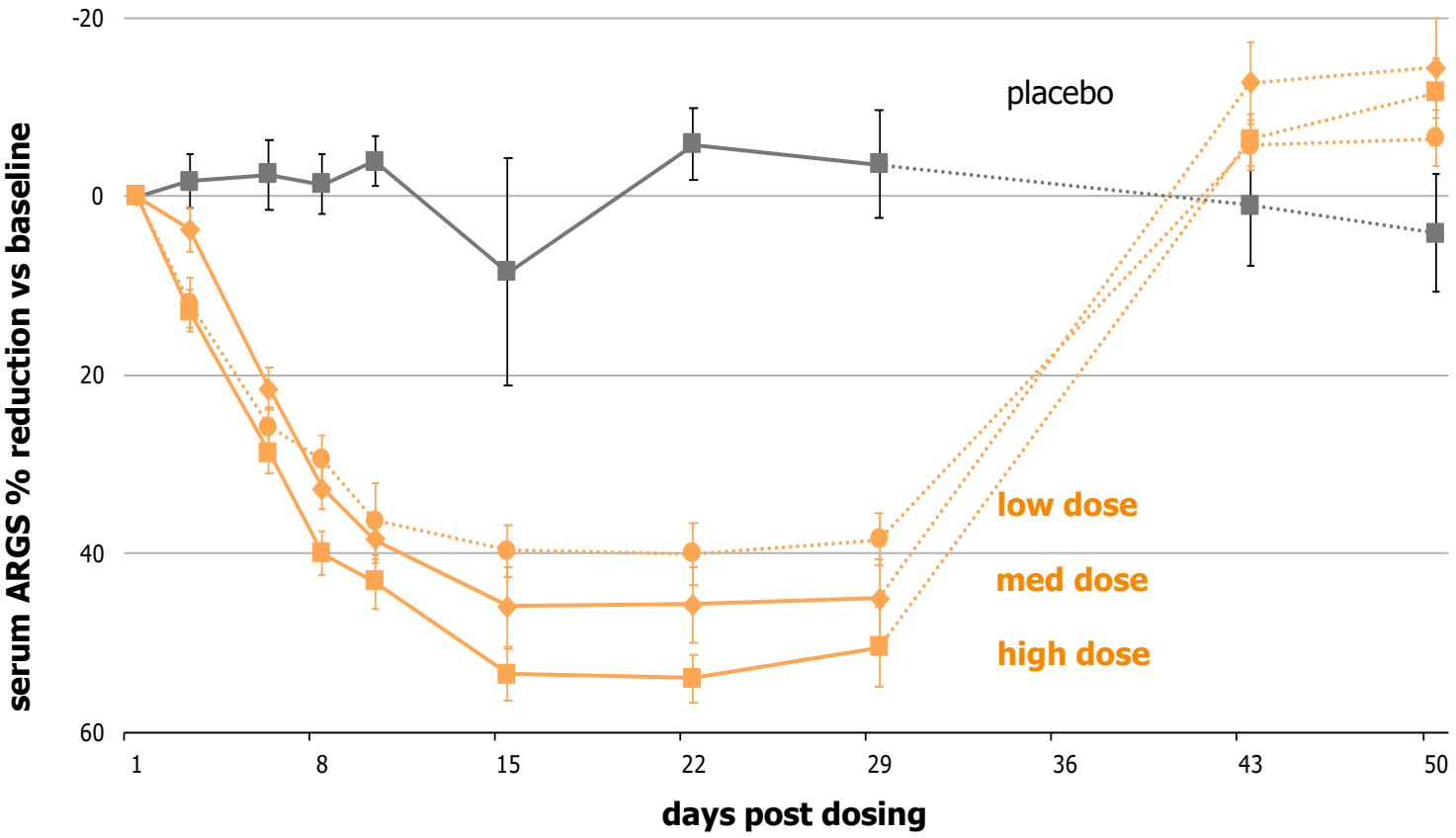
vehicle | ‘1972 low dose | ‘1972 medium dose | ‘1972 high dose

Source: Amantini et al OARSI 2018

Galápagos

Reduction of ARGS

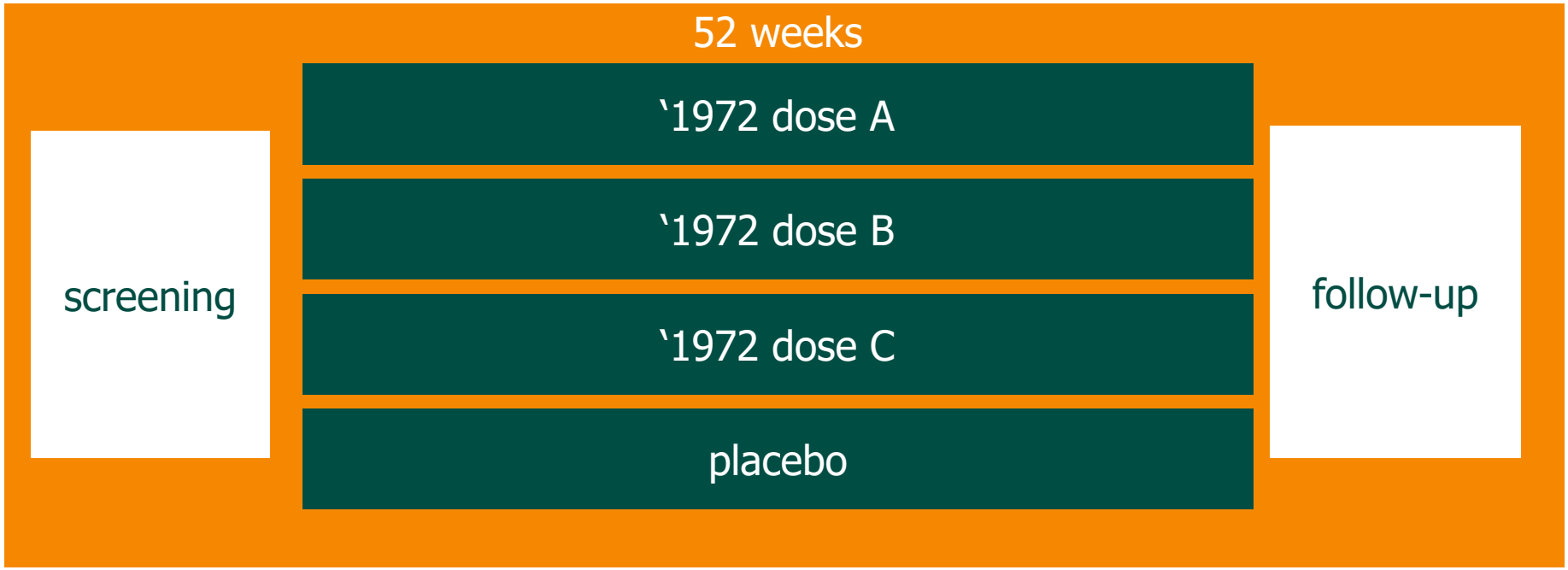
'1972 Phase 1b study in OA patients



Dose-dependent reduction of ARGS, well-tolerated in OA patients

Galápagos

ROCCELLA Phase 2b trial



- 850 patients with knee osteoarthritis, recruited globally
- Primary endpoint: reduction in cartilage loss at 52 weeks
- Secondary: structural & clinical parameters (incl. pain & function), safety/tolerability

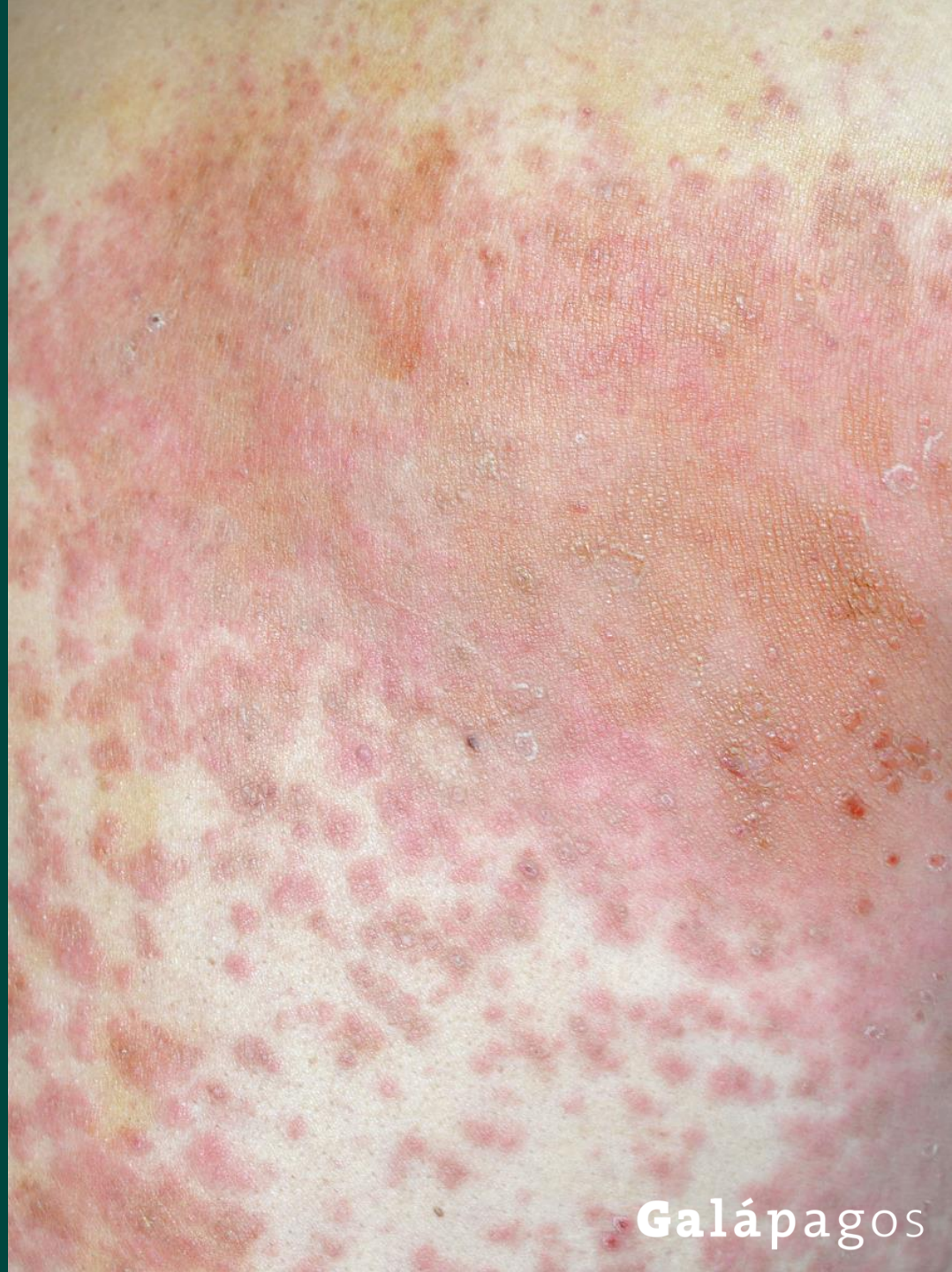
FDA granted fast track status
Fully recruited, topline expected H2 '20

Galápagos

MOR106
in atopic dermatitis

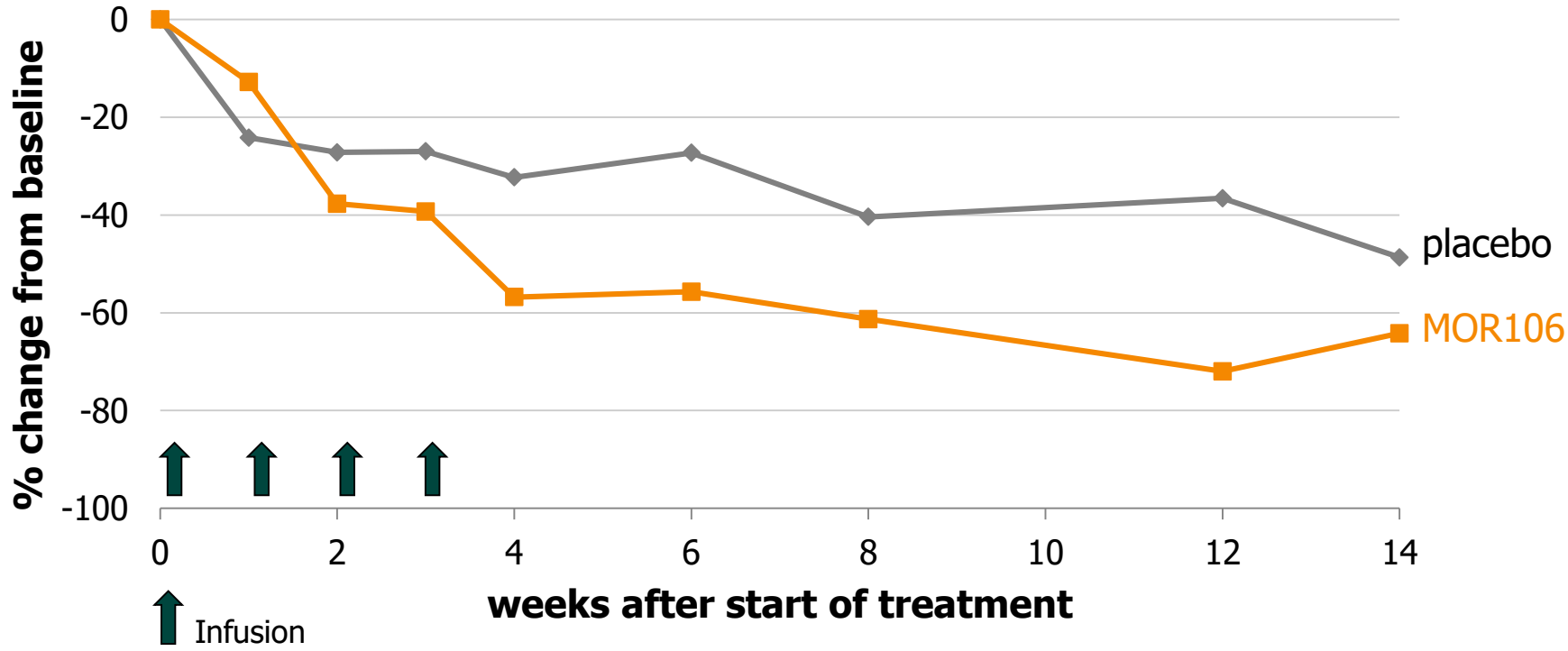
Chronic inflammatory skin disorder

- Affects up to 20% of children and 1 to 3% of adults
- 35M patients in US, Europe & Japan



MOR106 Phase 1b trial

EASI, % change from baseline, pooled data, median



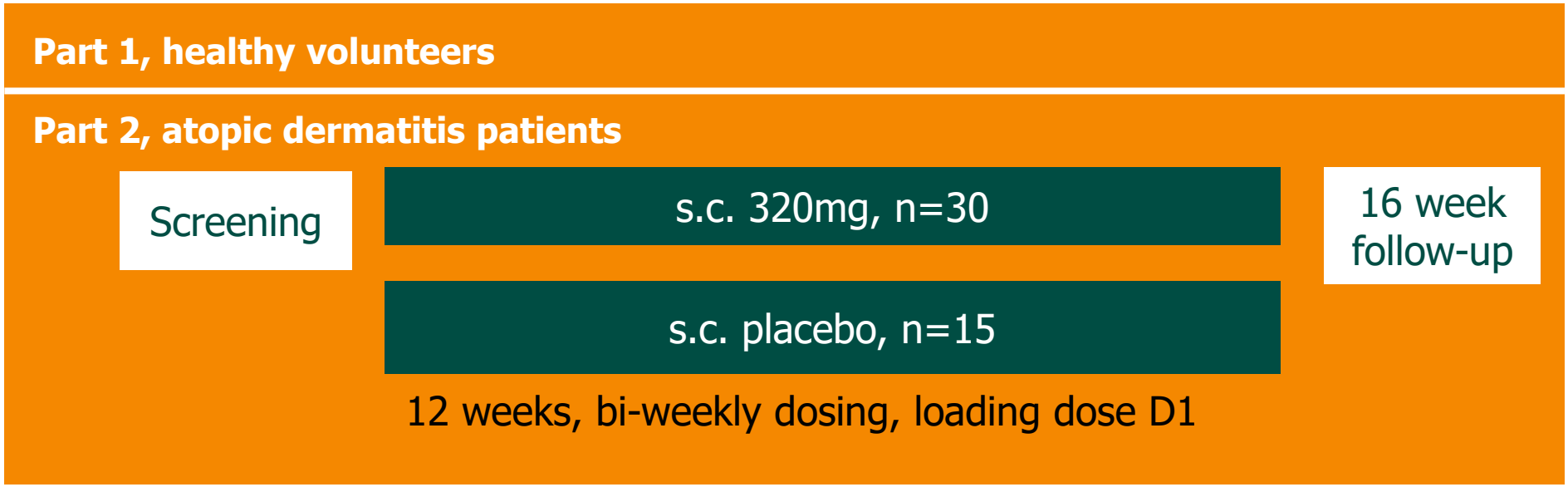
Source: Thaci et al, AAD 2018

Galápagos

IGUANA Phase 2 trial

- ~240 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 10mg/kg and placebo
- Recruitment in Europe
- Primary endpoint: % change from baseline in EASI score at week 12

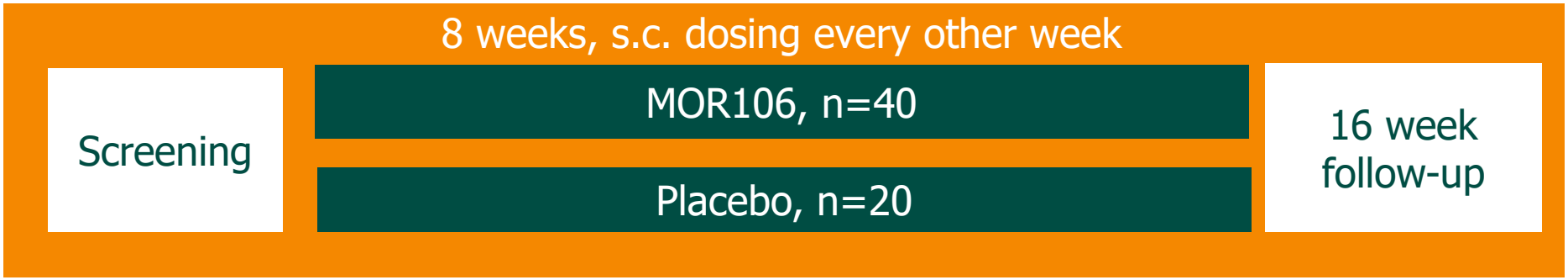
MOR106 Phase 1b bridging trial



- Primary endpoints: safety, tolerability, PK
- Recruitment in EU
- Secondary endpoints Part 2: EASI/other efficacy scores, patient reported outcomes

Galápagos

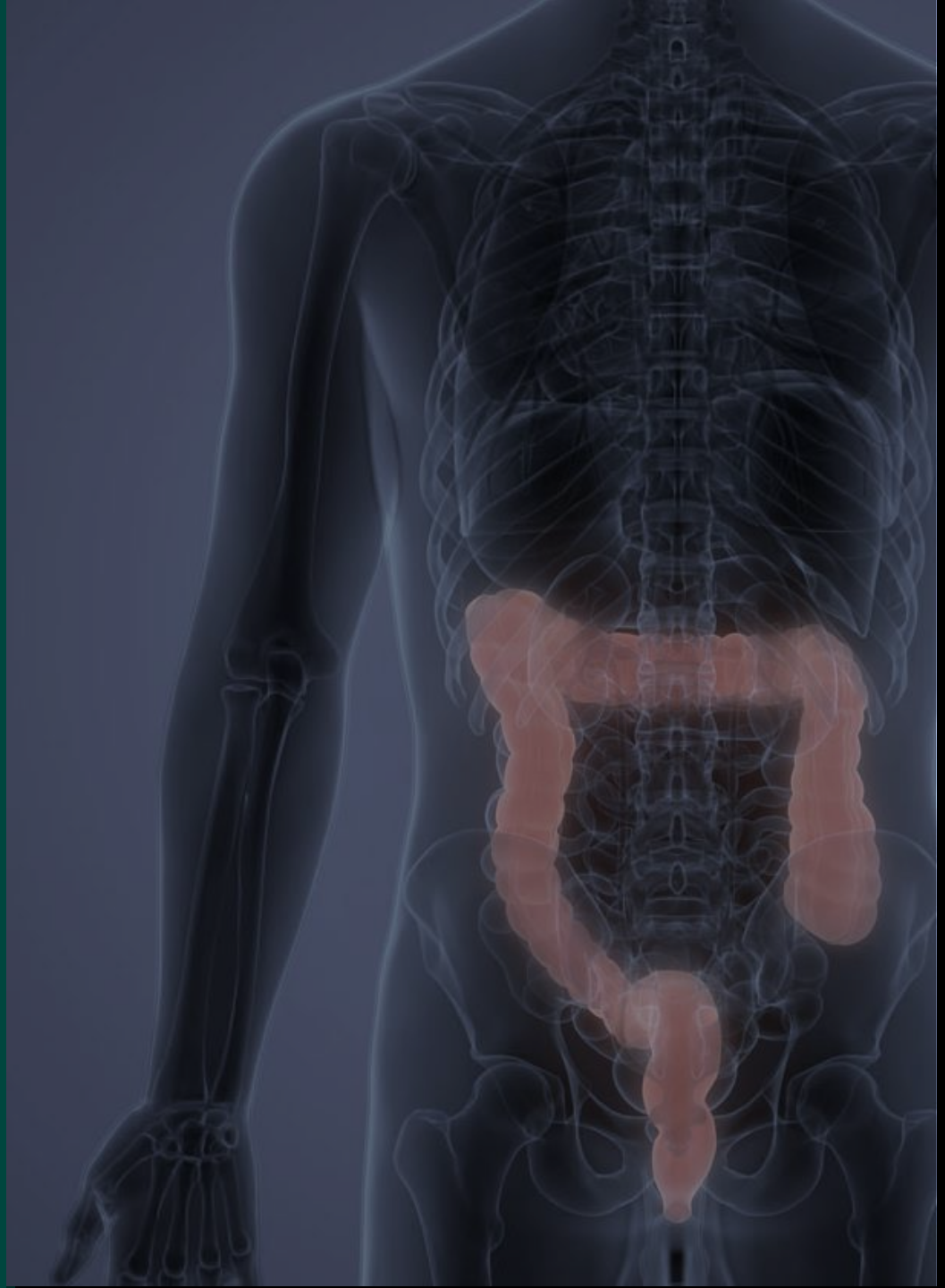
GECKO Phase 2 study



- Patients with moderate-to-severe AtD, remain on topical steroid
- Double (loading) dose on Day 1 only
- Primary endpoint: incidence of TEAEs and SAEs through day 169
- Secondary measures: PK & immunogenicity
- Exploratory measures: EASI and other efficacy scores
- Recruitment in Canada & US, IND opener

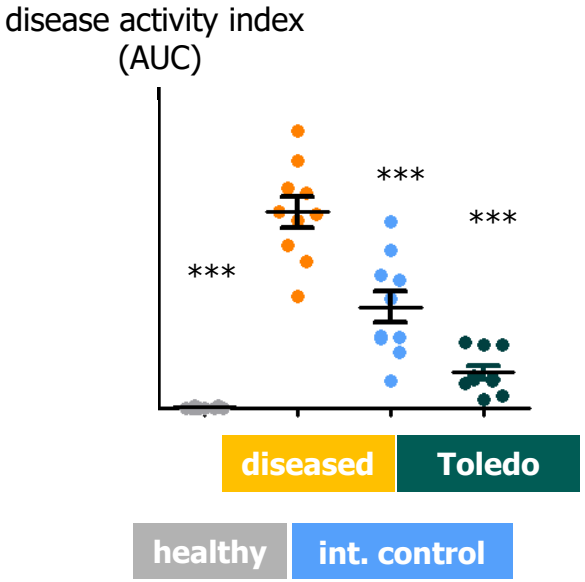
Toledo
in inflammation

- novel, undisclosed target
- dual action on inflammation
- IBD models show strong activity
- Ph1 started with ‘3312 & ‘3970

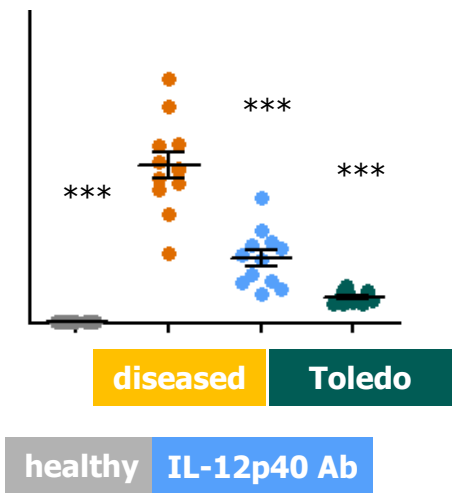


Promising preclinical results

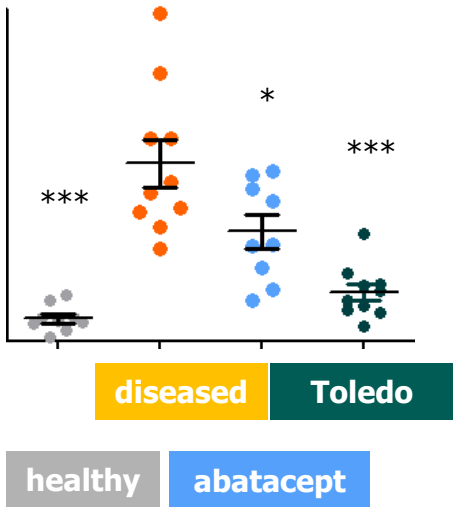
DSS model



T-cell transfer model



MDR1 model



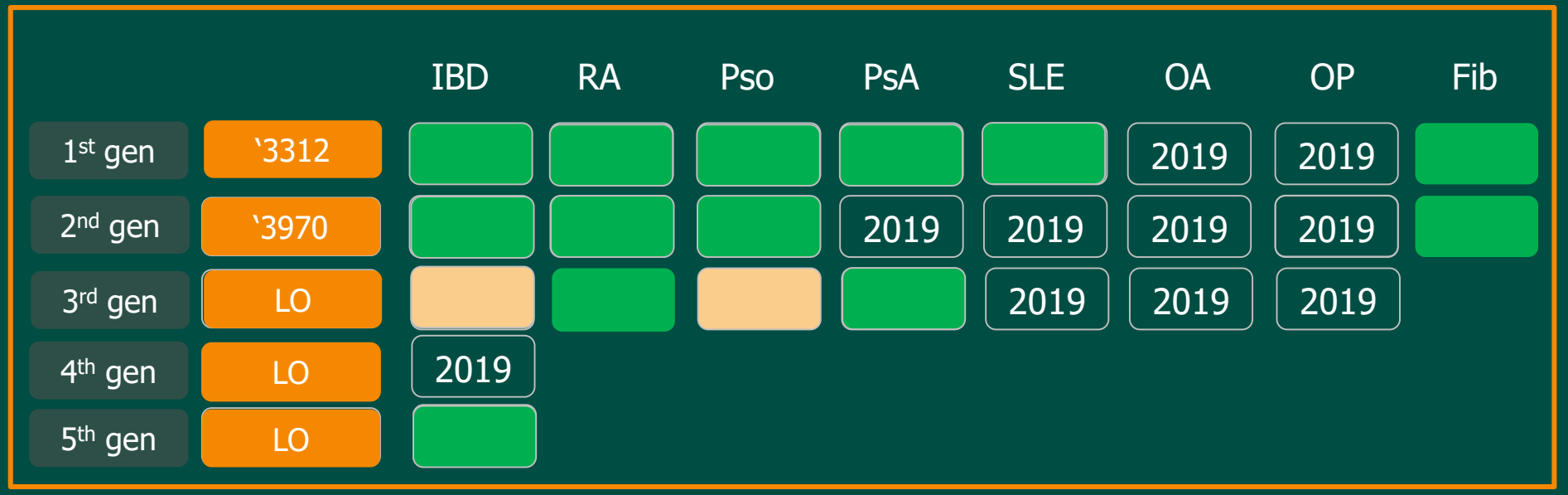
*p < 0.05; ***p < 0.001

Impressive activity of Toledo in 3 IBD models with different mechanisms

Galápagos

Our Toledo development strategy

- Develop multiple candidates across different profiles
- Test in broad panel of *in vivo* disease models
- Plan multiple PoC's in patients in parallel to maximize potential



Green: activity; Yellow: insufficient activity

Galápagos

Partnerships beyond Gilead

Galápagos

Servier: `1972 ex-US

$260M milestones
single digit % royalties

Novartis: MOR106

$111M upfront, $1B milestones
low-teens – low twenties royalties
all development paid
MorphoSys: 50/50 cost/benefit

AbbVie: CF

$45M upfront, $200M milestones
single to double digit % royalties

Note: all milestones are potential

Solid cash position

- H1 cash burn of €153M; cash of ≈€1.1B end of June
- Received ~$5 B from GILD in August
- FY19 cash burn guidance €320 – 340M (ex-GILD collaboration)
  - increase in spending in filgotinib, '1690, and other proprietary programs
  - expansion of the team to deliver on our deep clinical pipeline
  - setting up commercial organization to support potential launch as of 2020

Pioneering for patients

We are pioneering for patients.

Exploring new frontiers to improve people's lives.

We discover. We dare.
We care.