Galápagos

Q3 2019 results

Webcast presentation | 25 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, Galapagos' strategic R&D ambitions, "Bringing our innovation to patients", statements regarding the expected timing, design and readouts of ongoing and planned clinical trials (i) with filgotinib in RA, and other potential indications, (ii) with GLPG1690 and GLPG1205 in IPF/fibrosis, (iii) with GLPG1972 in OA, (iv) with MOR106 in atopic dermatitis, (v) Toledo in inflammation and other potential indications, and expectations regarding 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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Q3 2019 results

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

Gilead collaboration

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

Additional highlights Q3 2019

filgotinib	• Pre-NDA meeting Gilead with FDA; path to FDA submission in 2019 • Regulatory submissions in Europe & Japan in RA • Initiation of PENGUIN Ph3 in PsA • Building commercial organization in 7 EU countries
inflammation	• Started Ph1 trial with '3970 (2nd generation Toledo compound) • Started Ph1 trial with '3667 (inflammation)
MOR106	• Started Japanese ethnobridging trial (with MorphoSys & Novartis)

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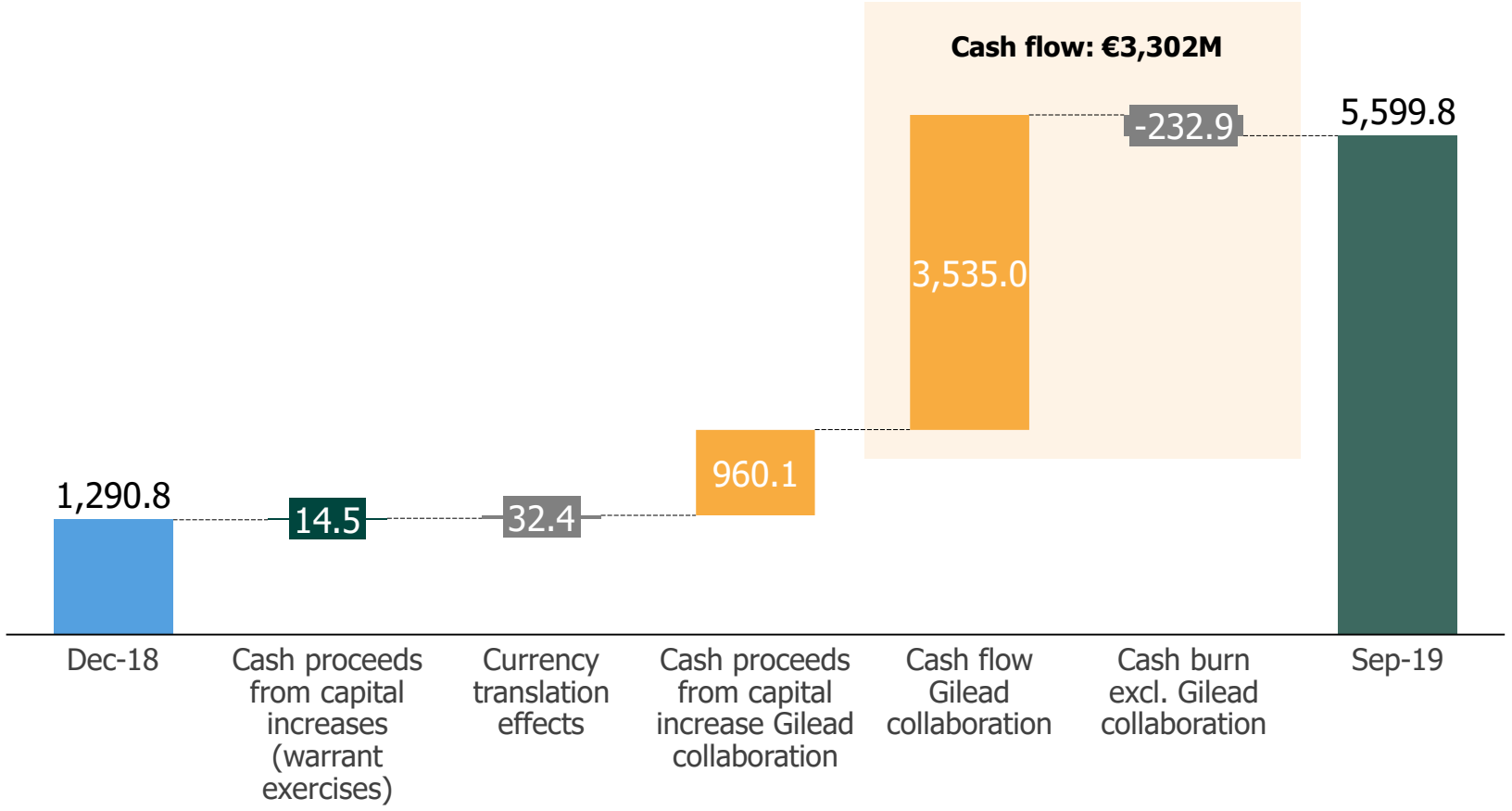
Cash & cash equivalents



Net proceeds from Gilead collaboration of €4.5B (incl. capital increase), Cash of ≈€5.6B end of September

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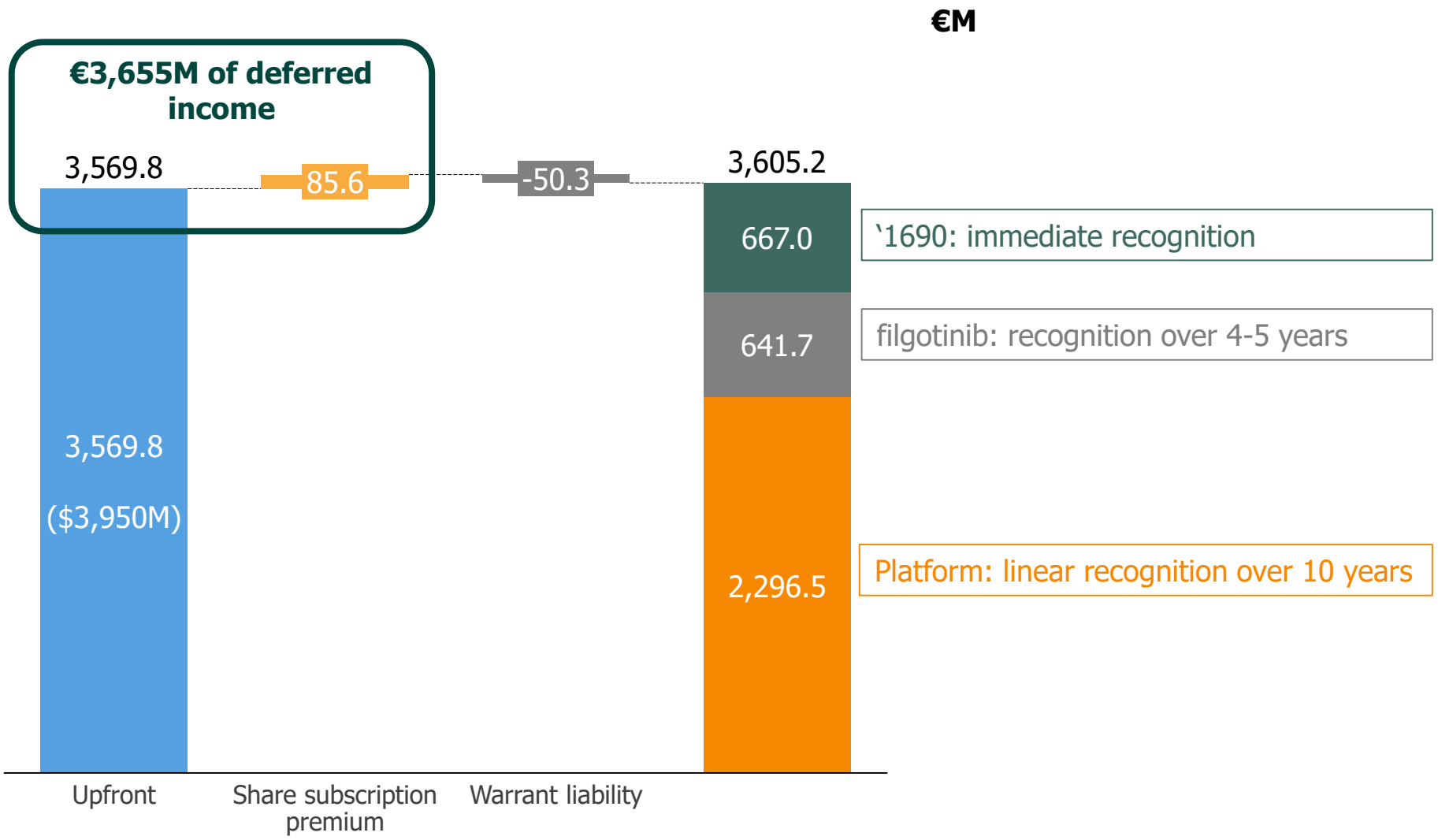
Upfront – allocation transaction price



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Impact Gilead collaboration YTD Q3 2019

P&L line item	Excl. Gilead collaboration	Gilead collaboration	Incl. Gilead collaboration
Revenues & other income	€156.1M	€596.4M	€752.5M
Operating expenses	-€330.4M	-€29.0M	-€359.4M
Financial result	€15.9M	-€160.3M	-€144.4M
Income taxes	-€0.2M	€16.9M	€16.7M
Net result	**-€158.7M**	**€424.0M**	**€265.3M**

€0.6B revenues from the collaboration recognized,
€3.1B deferred income remaining

Impact Gilead collaboration Q3 2019

P&L line item	Gilead collaboration	Included items	
Revenues & other income	€596.4M	‘1690: filgotinib: platform:	€667M -€94M €24M
Operating expenses	-€29.0M	‘1690 cost share: filgotinib cost share: bonuses: fees:	€4M -€10M -€20M -€3M
Financial result	-€160.3M	derivative accounting: Fx and other:	-€142M -€18M
Income taxes	€16.9M	deferred tax asset:	€17M
Net result	**€424.0M**		

Bringing our innovation to patients

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

2020
- Potential launch of filgotinib in RA
- Topline filgotinib Ph3 UC
- Topline ‘1972 Ph2b OA
- Results Ph1 ‘3312 & ‘3970 (Toledo)
- Multiple Ph2 PoC starts ‘3970 (Toledo)
- MOR106 Ph2 readouts

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

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