

Galapagos Genomics and Degussa enter into Nutraceutical Research Agreement

Mechelen, Belgium and Freising, Germany, April 7, 2003. Galapagos Genomics NV, the Belgian functional genomics company, and Degussa BioActives announced today that they have entered into a research collaboration to identify nutraceuticals beneficial in joint health management.

Under the agreement, Galapagos will design human cellular assays measuring key biological processes. This includes assay development, screening of libraries of natural compounds, and validation of identified leads with focus on the field of arthritis. Degussa has exclusive rights to commercialize nutraceuticals that result from this research collaboration. Galapagos is eligible for milestone payments and royalties on the commercialization of these products.

“The unique combination of Galapagos’ human cellular disease models with Degussa’s expertise in bioactives has high potential to identify new ingredients with proven health benefits. We are very pleased that Degussa has decided to work with Galapagos for its expertise in joint/bone related diseases, one of our core areas,” said Onno van de Stolpe, CEO of Galapagos. “This is our first agreement in the nutraceutical field and with a strong development and marketing partner like Degussa BioActives, this new collaboration has the potential to become an important income generator for Galapagos.”

“Galapagos’ success in identifying and validating disease relevant gene functions using human cellular assays, has convinced us that they are an outstanding partner to identify food ingredients that have beneficial effects in the field of arthritis” said Dr. Hans-Ullrich Hoppe, Degussa BioActives’ Vice President, Research and Development. “This collaboration will allow Degussa BioActives to utilize its libraries in a very beneficial way. We are very optimistic to identify good hits which can be used as nutraceuticals and contribute to Degussa’s strong position worldwide in that growing market.”

Galapagos Genomics is a privately held company headquartered in Mechelen, Belgium. The Company has built a functional genomics platform using arrayed adenoviruses containing human gene sequences. It’s knock-in PhenoSelect and knock-down SilenceSelect collections are in an arrayed format that enables high-throughput screening using cellular assays. Galapagos is using its technology platform for the discovery and validation of proprietary drug targets and for partnering with biotechnology and pharmaceutical companies. It’s research programs focus on three disease areas: Alzheimer’s disease, bone/joint diseases and psoriasis. The Company currently employs 92 people, including 22 PhD’s, and occupies a 2000 sq.m. research and production facility in Mechelen, with additional research laboratories in Leiden, The Netherlands. Galapagos’ current partners include Bayer, Euroscreen, Exelixis, Incyte, Johnson&Johnson, Organon, Pharmacia, Procter&Gamble, UCB Pharma and Vertex. The shareholders are Abingworth Management, Apex Partners, Burrill&Company, NIB Capital Private Equity, Crucell Holland BV (Nasdaq, Euronext: CRXL) and Tibotec-Virco NV. Galapagos’ web address is www.galapagosgenomics.com.

Represented with sales offices and R&D centers in Europe, Asia and the US Degussa BioActives specializes in a wide range of health-promoting ingredients for the food and

Galapagos



dietary supplement industry. Technical information on Degussa BioActives' full line of ingredients can be found on the web site at www.degussa-bioactives.com.

Degussa is a multinational corporation consistently aligned to highly profitable specialty chemistry. With sales of 11.8 billion euros and a workforce of some 48,000, it is Germany's third-largest chemical company and the world market leader in specialty chemicals. In fiscal 2002, the corporation generated operating profits (EBIT) of more than 900 million euros. Degussa's core strength lies in highly-effective system solutions that are tailored to the requirements of its customers in over 100 countries throughout the world. Degussa's activities are led by the vision "Everybody benefits from a Degussa product – every day and everywhere".

Contact details:

Galapagos Genomics

Onno van de Stolpe

CEO

onno@galapagos.be

Phone: +32 15 342 900

Degussa BioActives

Daniela Doering

Head of Communication

daniela.doering@degussa.com.

+49 8161 548 150