



Press release

14 October 2009

Galapagos expands strategic alliance in metabolic disease with Merck & Co., Inc.

- **Galapagos to discover small molecule candidate drugs for pre-clinical development in atherosclerosis**
- **Total alliance milestones more than double to over €400 million, plus royalties on worldwide sales**

Mechelen, Belgium 14 October 2009 - Galapagos NV (Euronext: GLPG) announced today that it has expanded its global strategic alliance in metabolic diseases with an affiliate of Merck & Co., Inc to incorporate the development of new therapies for atherosclerosis.

Galapagos will be responsible for the discovery and pre-clinical development of new small molecule candidate drugs based on novel Galapagos targets. The alliance will make use of Galapagos' proprietary target discovery platform for identification of novel targets in atherosclerosis, as well as in obesity and diabetes. After validation, targets will be selected by a joint steering committee and entered into screening and chemistry by Galapagos. Merck will have an exclusive option to license in each candidate for clinical development and commercialization on a worldwide basis. Upon exercise of such option, Merck will be responsible for the development and commercialization of the candidate drug. Galapagos may execute Phase I clinical studies and will have the right to further develop and commercialize certain compounds for which Merck does not exercise its exclusive option.

In January 2009, Galapagos announced an alliance with Merck in diabetes and obesity, with milestone payments with the potential to exceed €170 million. Under the terms of this expanded agreement, that now includes small molecule candidate drugs for pre-clinical development in atherosclerosis, Galapagos is eligible to receive research, regulatory and sales milestone payments that may total in excess of €400 million. In addition Galapagos is eligible to receive royalties upon commercialization of any products covered under the agreement.

The expansion announced today is separate from Galapagos' alliance with Merck in inflammatory diseases announced in April 2009.

"We are pleased to expand our relationship with Merck, a highly synergetic and decisive partner in the metabolic and inflammation alliances," said Onno van de Stolpe, CEO. "Today's expansion into atherosclerosis fits very well into our strategy of leveraging the novelty coming out of Galapagos' R&D approach."

"Merck's extended collaboration with Galapagos underscores our ongoing commitment to identifying novel therapeutic targets for fighting cardiovascular and metabolic diseases," said Catherine Strader, Vice President, External Basic Research, Merck Research Laboratories.

About atherosclerosis

Atherosclerosis, commonly referred to as hardening of the arteries, involves the thickening of the artery walls as a result of the build-up of fatty materials such as cholesterol. Atherosclerosis is considered the most common underlying cause of strokes, heart attacks, and most cardiovascular diseases in general, including congestive heart failure. Treatment includes lifestyle changes and



medicines. Global sales of cardiovascular drugs exceeded \$95 billion in 2008, making it the largest therapeutic area worldwide. Current research is focused on reducing side effects and costs for new atherosclerosis therapies.

About Galapagos

[Galapagos](#) (Euronext: GLPG; OTC: GLPYY) is a drug discovery and development company with small molecule programs in bone and joint diseases, bone metastasis, cachexia, anti-infectives, atherosclerosis, and metabolic diseases. It has established risk sharing alliances with GSK, Janssen Pharmaceutica, Eli Lilly and Merck & Co., Inc. Through an alliance with MorphoSys, Galapagos is also developing new antibody therapies in bone and joint diseases. Its division BioFocus offers a full suite of target-to-drug discovery products and services to pharmaceutical and biotech companies and to patient foundations, encompassing target discovery and validation, screening and drug discovery through to delivery of pre-clinical candidates. Galapagos currently employs 495 people and operates facilities in six countries, with global headquarters in Mechelen, Belgium. More info at: www.glpq.com

CONTACT

[Galapagos NV](#)

Onno van de Stolpe, CEO

Tel: +31 6 2909 8028

ir@glpg.com

This release may contain forward-looking statements, including, without limitation, statements containing the words "believes," "anticipates," "expects," "intends," "plans," "seeks," "estimates," "may," "will," "could," "stands to," and "continues," as well as similar expressions. Such forward-looking statements may 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 historic or future results, financial conditions, performance or achievements expressed or implied by such forward-looking statements. Given these uncertainties, the reader is advised not to place any undue reliance on such forward-looking statements. These forward-looking statements speak only as of the date of publication of this document. Galapagos expressly disclaims any obligation to update any such forward-looking statements in this document to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, unless required by law or regulation.