



## Prostrakan and Galapagos receive milestone payment in antibody collaboration

**Galashiels, Scotland ; 25 July 2007 - ProStrakan Group plc (LSE:PSK) and Galapagos NV (Euronext & LSE: GLPG) announce today the achievement of the second milestone under the collaboration between Galapagos and Novartis in antibodies for bone-related diseases. Today's milestone triggers a payment of \$1 million to Galapagos. Galapagos will pay \$750,000 of this amount to ProStrakan as part of their December 2006 agreement.**

The collaboration was initially formed between Novartis and ProSkelia SASU (formerly a subsidiary of ProStrakan) in September 2006. Under the terms of the original agreement with Novartis, total milestones could eventually exceed \$100 million, with undisclosed royalties payable on commercialization. The first milestone payment, which was related to intellectual property, was announced on 6 December 2006. The collaboration was then transferred to Galapagos as part of its acquisition of ProSkelia from ProStrakan on 22 December 2006. Under the terms of Galapagos' acquisition of ProSkelia, Galapagos and ProStrakan split milestone and royalty income from agreements existing at the time of the acquisition 25% for Galapagos and 75% for ProStrakan, while Galapagos retains all R&D fees.

Dr Wilson Totten, Chief Executive of ProStrakan added, "The terms and conditions of the sale of ProSkelia enabled us to retain an interest in future up-side from existing agreements. We are now beginning to see the cashflow from those programmes come through and we expect this revenue stream to continue to develop and add value over the coming years."

"We are pleased with the smooth integration of ProSkelia R&D under Galapagos management," said Onno van Stolpe, CEO of Galapagos. "This milestone demonstrates the progress our research teams have made since the acquisition in December."

### **About ProStrakan**

ProStrakan Group plc is a rapidly growing specialty pharmaceutical company engaged in the development and commercialisation of prescription medicines for the treatment of unmet therapeutic needs in major markets.

ProStrakan's head office and development facilities are situated in Galashiels in Scotland. EU-wide sales and marketing of ProStrakan's portfolio of products are handled by commercial subsidiaries in the UK, France, Germany, Spain and other EU countries. [www.prostrakan.com](http://www.prostrakan.com)

### **About Galapagos**

Galapagos (Euronext Brussels, GLPG; Euronext Amsterdam, GLPGA; London AiM: GLPG) is a drug discovery company with clinical and pre-clinical programs in bone and joint diseases, cachexia, and menopausal hot flashes. Its division BioFocus DPI offers a full suite of target-to-drug discovery products and services to pharmaceutical and biotech companies, encompassing target discovery and validation, screening and drug discovery through to delivery of pre-clinical candidates. BioFocus DPI also provides adenoviral reagents for rapid identification and validation of novel drug targets, compound libraries for drug screening as well as chemogenomics and ADMET<sup>1</sup> database products to select targets and compounds. Galapagos currently employs 450 people and operates facilities in eight countries, with global headquarters in Mechelen, Belgium. More information about Galapagos and BioFocus DPI can be found at [www.glp.com](http://www.glp.com) and [www.biofocusdpi.com](http://www.biofocusdpi.com).

---

<sup>1</sup> ADMET is the acronym for Absorption, Distribution, Metabolism, Excretion, and Toxicity: Meeting parameters against these five criteria is critical to the success of a pharmaceutical compound as a drug.

**CONTACT**

ProStrakan Group plc  
Paul Garvey, Chief Financial Officer  
Tel: +44 1896 664000

Financial Dynamics (for ProStrakan)  
David Yates / Ben Brewerton  
Tel: +44 20 7831 3113

Galapagos NV  
Onno van de Stolpe, CEO  
Tel: +31 6 2909 8028  
[ir@glpg.com](mailto: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.*