

Press release

27 September 2007

## **ProStrakan and Galapagos receive additional milestone payment in antibody collaboration**

**Galashiels, Scotland and Mechelen, Belgium; 27 September 2007 - ProStrakan Group plc (LSE: PSK) and Galapagos NV (Euronext & LSE: GLPG) announced today the achievement of the third milestone under Galapagos' collaboration with Novartis in antibodies for bone-related diseases. Today's milestone triggers a payment of \$1.5 million to Galapagos. Galapagos will pay \$1,125,000 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.

"We are pleased to announce another milestone achievement in this collaboration with Novartis," said Onno van Stolpe, CEO of Galapagos. "This milestone further testifies to the strong performance of the research teams."

Dr Wilson Totten, Chief Executive of ProStrakan added, "In addition to the commercialisation of existing products we continue to benefit from ongoing milestone payments associated with our ongoing arrangement with Novartis and Galapagos. I look forward to further revenues in due course as a result of this collaboration."

### **About ProStrakan**

ProStrakan Group plc is a rapidly growing international 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. More information about ProStrakan can be found at [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 pre-clinical programs in bone and joint diseases and cachexia. 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 database products to select



targets and compounds. Galapagos currently employs 460 people and operates facilities in seven countries, with global headquarters in Mechelen, Belgium. More information about Galapagos and BioFocus DPI can be found at [www.gjpg.com](http://www.gjpg.com) and [www.biofocusdpi.com](http://www.biofocusdpi.com).

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