

## **MorphoSys and Galapagos Start First-In-Patient Dosing of IL-17C Antibody MOR106 in Atopic Dermatitis**

- **Ongoing Phase 1 study in healthy volunteers now advanced to investigate MOR106 in patients with atopic dermatitis**
- **Favorable safety results shown in healthy volunteers receiving single ascending doses (SAD) in the study to date**
- **MOR106 first publicly disclosed antibody targeting IL-17C in clinical studies worldwide**

Mechelen, Belgium and Martinsried/Munich, Germany; 29 September 2016 – Galapagos NV (Euronext & NASDAQ: GLPG) and MorphoSys AG (FSE: MOR; Prime Standard Segment, TecDAX; OTC: MPSYY) announced today that the first patient with atopic dermatitis was dosed in an ongoing clinical phase 1 study with their jointly discovered and developed human monoclonal antibody MOR106 against IL-17C.

“Progression of MOR106 into clinical testing in patients suffering from atopic dermatitis is an important step forward in the development of this novel antibody. We look forward to finding out how this translates into safety and pharmacokinetics in patients,” says Dr. Piet Wigerinck, Chief Scientific Officer of Galapagos.

“We are delighted that MOR106 is now being investigated in patients after favorable safety results were shown in healthy volunteers. We see a high unmet medical need for novel antibody therapies in inflammatory skin disorders such as atopic dermatitis. MOR106 is designed to selectively target and inhibit IL-17C, a cytokine related to dermal inflammation,” commented Dr. Arndt Schottelius, Chief Development Officer of MorphoSys AG.

MOR106 is the first publicly disclosed monoclonal antibody targeting IL-17C in clinical development worldwide. IL-17C has been shown to be distinct from other members of the IL-17 cytokine family and to play an important and pro-inflammatory role in certain skin disorders.

The primary objective of the ongoing randomized, double-blind, placebo-controlled Phase 1 study is to evaluate the safety and tolerability. As secondary endpoints, the study will assess pharmacokinetics and potential immunogenicity of MOR106.

The first part of the study is being conducted as a single center study in 56 healthy volunteers, evaluating single ascending doses (SAD) as intravenous infusion compared to placebo. To date, MOR106 has shown favorable safety and PK results administered to healthy volunteers in the ongoing study. This has triggered the start of the second part of the study investigating multiple ascending doses (MAD) compared to placebo in approximately 24 patients with moderate to severe atopic dermatitis in several European study centers. As previously reported, topline results of the complete study, including the MAD part in patients and further results from the SAD part in healthy volunteers, are expected for the second half of 2017.

### **About IL-17C**

IL-17C has been shown to be distinct from other members of the IL-17 cytokine family. In inflammatory skin disorders, IL-17C has been identified as an important pro-inflammatory mediator.

## **About MOR106 and the collaboration in the field of antibodies**

MOR106 is the first publicly disclosed human monoclonal antibody designed to selectively target IL-17C in clinical development worldwide. It has been shown to potently inhibit the binding of IL-17C to its receptor and thus to inhibit its biological activity. Results in rodent inflammatory skin models of atopic dermatitis and psoriasis supports clinical development of MOR106.

MOR106 arises from a strategic discovery and co-development alliance between Galapagos and MorphoSys, in which both companies contribute their core technologies and expertise. Galapagos provides the disease-related biology including cellular assays and targets discovered using its target discovery platform. MorphoSys contributes its Ylanthia antibody technology to generate fully human antibodies directed against the target and contributes full CMC development of this compound. Galapagos and MorphoSys will continue to co-develop MOR106 further in the clinic.

## **About Atopic Dermatitis**

Atopic dermatitis, also known as atopic eczema, is a chronic pruritic (itching) inflammatory skin disease that most frequently starts in early childhood, often persists into adulthood, but may also have an adult onset. According to GlobalData (2015), there were 29.1 million moderate-affected and 16.4 million severe-affected patients out of total 66.3 million atopic dermatitis patients in the 9 major markets (US, Germany, UK, France, Italy, Spain, Japan, China, India) in 2014. The main features of atopic dermatitis are the impairment of the skin barrier and dysfunction of the immune system accompanied with dry skin and severe pruritus that is associated with cutaneous hyperactivity to various environmental stimuli. The pruritus (itching) may lead to sleep loss, anxiety, depression and impaired social life and is therefore considered as highest therapeutic need in atopic dermatitis.

## **About MorphoSys**

MorphoSys developed HuCAL, the most successful antibody library technology in the pharmaceutical industry. By successfully applying this and other patented technologies, MorphoSys has become a leader in the field of therapeutic antibodies, one of the fastest-growing drug classes in human healthcare.

Together with its pharmaceutical partners, MorphoSys has built a therapeutic [pipeline](#) of more than 100 human antibody drug candidates for the treatment of cancer, rheumatoid arthritis, and Alzheimer's disease, to name just a few. With its ongoing commitment to new antibody technology and drug development, MorphoSys is focused on making the healthcare products of tomorrow. MorphoSys is listed on the Frankfurt Stock Exchange under the symbol MOR. For regular updates about MorphoSys, visit <http://www.morphosys.com>.

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## **About Galapagos**

Galapagos (Euronext & NASDAQ: GLPG) is a clinical-stage biotechnology company specialized in the discovery and development of small molecule medicines with novel modes of action. Our pipeline comprises Phase 3, 2, 1, pre-clinical, and discovery programs in cystic fibrosis, inflammation, fibrosis, osteoarthritis and other indications. We have discovered and developed filgotinib: in collaboration with Gilead we aim to bring this JAK1-selective inhibitor for inflammatory indications to patients all over the world. Galapagos is focused on the development and commercialization of novel medicines that will improve people's lives. The Galapagos group, including fee-for-service subsidiary Fidelta, has approximately 460 employees, operating from its

Mechelen, Belgium headquarters and facilities in The Netherlands, France, and Croatia. More information at [www.glpj.com](http://www.glpj.com).

MorphoSys forward looking statements

*This communication contains certain forward-looking statements concerning the MorphoSys group of companies. The forward-looking statements contained herein represent the judgment of MorphoSys as of the date of this release and involve risks and uncertainties. Should actual conditions differ from the Company's assumptions, actual results and actions may differ from those anticipated. MorphoSys does not intend to update any of these forward-looking statements as far as the wording of the relevant press release is concerned.*

Galapagos forward looking statements

*This release may contain forward-looking statements, including statements regarding the anticipated timing of clinical studies with MOR106, the progression and results of such studies, the potential activity, safety profile and clinical efficacy of MOR106. Galapagos cautions the reader that forward-looking statements are not guarantees of future performance. Forward-looking statements involve known and unknown risks, uncertainties and other factors which might cause the actual results, financial condition and liquidity, performance or achievements of Galapagos, or industry results, to be materially different from any historic or future results, financial conditions and liquidity, performance or achievements expressed or implied by such forward-looking statements. In addition, even if Galapagos' results, performance, financial condition and liquidity, and the development of the industry in which it operates are consistent with such forward-looking statements, they may not be predictive of results or developments in future periods. Among the factors that may result in differences are the inherent uncertainties associated with competitive developments, clinical trial and product development activities and regulatory approval requirements (including that data from the ongoing clinical trial with MOR106 may not support registration or further development of MOR106 due to safety, efficacy or other reasons), estimating the commercial potential of MOR106 and Galapagos' reliance on collaborations with third parties (including its collaboration partner for MOR106, MorphoSys). A further list and description of these risks, uncertainties and other risks can be found in Galapagos' Securities and Exchange Commission (SEC) filings and reports, including in Galapagos' most recent 20-F filing and subsequent filings and reports filed by Galapagos with the SEC. 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 or that may affect the likelihood that actual results will differ from those set forth in the forward-looking statements, unless specifically required by law or regulation.*

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