

Gilead, Galapagos close their development collaboration

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Gilead and Galapagos Complete Closing of Their Transformative Research and Development Collaboration



Gilead Sciences and Galapagos have announced the closing of the global research and development collaboration agreement signed on July 14, 2019.

This agreement has received clearance from the U.S. Federal Trade Commission under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and merger control approval from the Austrian Federal Competition Authority.

Under the terms of the agreement, the closing of this transaction triggers an upfront license fee payment of \$3.95 billion by Gilead to Galapagos. In addition, Gilead has made an equity investment in Galapagos of approximately \$1.1 billion (or approximately €960 million) by subscribing for new shares at a price of €140.59 per share, including issuance premium. As a result, Gilead now owns 13,589,686 ordinary shares of Galapagos, representing approximately 22 percent of the currently outstanding share capital of Galapagos.

“We are excited to close this unique agreement, which will generate both long-term strategic value and mutual, immediate benefits,” said Daniel O’Day, Chairman and Chief Executive Officer of Gilead. “The collaboration reflects Gilead’s intent to grow our innovation network through diverse and creative partnerships.”

“This agreement is about maximizing innovation based on developing new mode of action medicines. With the capital provided by Gilead, we aim to progress innovation to patients,” said Onno van de Stolpe, Chief Executive Officer of Galapagos.