

Galapagos NV GLPG

Last Close
52.35

Quantitative Fair Value Estimate
53.68

Market Cap (Mil)
1,586.2

Sector
Healthcare

Industry
Biotechnology

Country of Domicile
Belgium

Galapagos NV is a clinical stage R&D biotech that develops drugs with novel modes of action for high unmet medical needs. The Company operates in one business segment, which is R&D.

Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	Narrow	77	81	69
Valuation	Fairly Valued	37	32	49
Quantitative Uncertainty High		71	73	55
Financial Health	Moderate	75	70	70



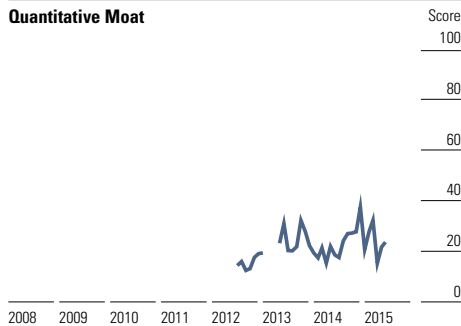
Valuation

	Current	5-Yr Avg	Sector Median	Country Median
Price/Quant Fair Value	0.98	—	0.82	0.96
Price/Earnings	—	23.3	28.4	18.8
Forward P/E	—	—	14.7	15.6
Price/Cash Flow	—	186.1	19.8	10.7
Price/Free Cash Flow	—	55.2	28.2	21.4
Dividend Yield %	—	—	1.36	2.85
Price/Book	7.7	1.3	3.7	1.5
Price/Sales	22.7	1.6	4.3	1.8

Profitability

	Current	5-Yr Avg	Sector Median	Country Median
Return on Equity %	17.8	-2.8	12.6	8.1
Return on Assets %	11.9	-2.0	6.7	3.3
Revenue/Employee (K)	166.4	139.4	299.0	296.1

Quantitative Moat



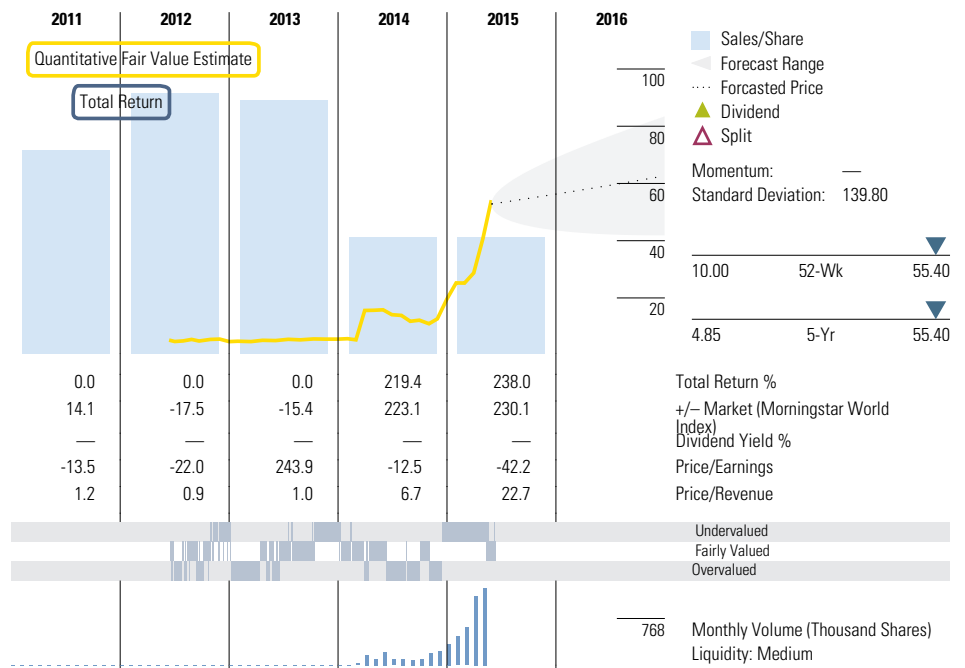
Financial Health

	Current	5-Yr Avg	Sector Median	Country Median
Distance to Default	0.7	—	0.6	0.6
Solvency Score	—	—	496.0	485.1
Assets/Equity	1.3	1.5	1.4	2.0
Long-Term Debt/Equity	—	—	0.1	0.2

Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	-9.5	-10.2	-5.7	24.5
Operating Income %	—	—	—	—
Earnings %	—	—	—	—
Dividends %	—	—	—	—
Book Value %	21.3	14.9	5.8	—
Stock Total Return %	217.4	121.0	60.9	22.3

Price Versus Quantitative Fair Value



	2010	2011	2012	2013	2014	TTM	Financials (Fiscal Year in K)
Revenue	122,410	95,887	136,268	137,699	69,368	69,368	Revenue
% Change	31.5	-21.7	42.1	1.1	-49.6	0.0	% Change
Operating Income	1,031	-32,935	-6,610	-11,020	-36,624	-36,624	Operating Income
% Change	-37.8	-3,294.5	—	—	—	—	% Change
Net Income	4,370	-33,097	-5,721	-8,079	33,211	33,211	Net Income
Operating Cash Flow	-18,573	-11,991	64,104	522	-75,555	-75,555	Operating Cash Flow
Capital Spending	-4,253	-5,833	-6,836	-7,873	-2,804	-2,804	Capital Spending
Free Cash Flow	-22,826	-17,824	57,268	-7,351	-78,359	-78,359	Free Cash Flow
% Sales	-18.6	-18.6	42.0	-5.3	-113.0	-113.0	% Sales
EPS	0.17	-1.25	-0.22	-0.28	1.10	1.10	EPS
% Change	30.8	-835.3	—	—	—	0.0	% Change
Free Cash Flow/Share	-0.94	-0.63	2.16	-1.39	-2.60	-2.60	Free Cash Flow/Share
Dividends/Share	—	—	—	—	—	—	Dividends/Share
Book Value/Share	5.63	4.48	4.42	5.66	6.80	6.80	Book Value/Share
Shares Outstanding (K)	26,421	26,771	29,794	30,299	—	30,299	Shares Outstanding (K)
Profitability	3.4	-24.8	-4.8	-5.7	17.8	17.8	Profitability
Return on Equity %	2.6	-18.7	-2.9	-3.1	11.9	11.9	Return on Equity %
Return on Assets %	3.6	-34.5	-4.2	-5.9	47.9	47.9	Return on Assets %
Net Margin %	0.73	0.54	0.69	0.53	0.25	0.25	Net Margin %
Asset Turnover	1.3	1.4	2.0	1.7	1.3	1.3	Asset Turnover
Financial Leverage	5.2	-30.4	5.8	-2.2	—	—	Financial Leverage
Gross Margin %	0.8	-34.4	-4.9	-8.0	-52.8	-52.8	Gross Margin %
Operating Margin %	—	—	—	—	—	—	Operating Margin %
Long-Term Debt	148,506	118,376	118,447	167,137	206,135	206,135	Long-Term Debt
Total Equity	5.7	4.4	7.2	7.3	4.7	4.7	Total Equity
Fixed Asset Turns	—	—	—	—	—	—	Fixed Asset Turns

Semi-Annual Revenue & EPS

Revenue (Mil)	Mar	Jun	Sep	Dec	Total
2014	—	35.5	—	33.9	69.4
2013	—	68.4	—	69.3	137.7
2012	—	56.2	—	80.1	136.3
2011	—	33.1	—	62.7	95.9
Earnings Per Share					
2014	—	1.87	—	-0.77	1.10
2013	—	-0.19	—	-0.09	-0.28
2012	—	-0.43	—	0.21	-0.22
2011	—	-1.17	—	-0.08	-1.25

Revenue Growth Year On Year %

