argenx Reports Third Quarter 2016 Financial Results and Provides Business Update

Breda, the Netherlands / Ghent, Belgium - argenx (Euronext Brussels: ARGX), a clinical-stage biopharmaceutical company focused on creating and developing differentiated therapeutic antibodies for the treatment of cancer and severe autoimmune diseases, today provided a business update and announced financial results for the third quarter ended 30 September 2016.

"This is a very exciting time for the company as we finalize later-stage clinical development plans for our two lead antibody programs, ARGX-113 and ARGX-110. Over the next six months, we expect to launch four Phase 2 studies, all in therapeutic settings with a strong scientific rationale. For ARGX-113, we have seen the potential of the drug to reduce IgGs, and look forward to initiating trials and reporting results in indications such as myasthenia gravis and immune thrombocytopenia, where pathogenic IgG's are a key contributor to disease. For ARGX-110, we plan to initiate two combination trials with the goal of enhancing standard of care for TCL and AML patients," commented Tim Van Hauwermeiren, Chief Executive Officer of argenx.

THIRD QUARTER 2016

Hosted inaugural R&D day in New York with updates on lead programs in auto-immune disease and oncology including:

- Myasthenia gravis (MG) and immune thrombocytopenia (ITP) will be the initial indications for Phase 2 studies of ARGX-113. The first of the studies in myasthenia gravis is expected to initiate by the end of 2016.
- T-cell lymphoma (TCL) and acute myeloid leukemia (AML) are the indications for Phase 2 combination studies of ARGX-110. The studies are expected to initiate by the end of 2016.

FINANCIAL HIGHLIGHTS (as of 30 September, 2016) (compared to financial highlights as of 30 September 2015)

- Operating income of EUR 12.5 million (30 September 2015: EUR 7.3 million).
- Net loss of EUR 12.6 million (30 September 2015: EUR 10.1 million).
- Cash position of EUR 103.1 million (cash, cash-equivalents and financial assets) allowing Company to pursue development of its product portfolio as planned.

DETAILS OF OPERATIONAL RESULTS

Products in Clinical Development:

ARGX-113

- Data set from Phase 1 single ascending dose (SAD) and multiple ascending dose (MAD) studies showed favorable safety profile and specific IgG reduction of up to 85 % with a long duration of effect, with repeated dosing of the drug.
- Complete MAD data will be presented at a workshop being held in conjunction with the American Society of Hematology (ASH) annual meeting.
- Start of Phase 2 study in MG by the end of 2016.
- Start of Phase 2 study in ITP in Q1 2017.

ARGX-110

T-cell lymphoma (TCL):

- Interim data of Phase 1b safety expansion study in TCL show partial responses and improvement of skin lesions in cutaneous TCL patients.
- Update from safety expansion study to be presented by the end of 2016 at a workshop being held in conjunction with the ASH annual meeting.
- First combination study with romidepsin to initiate by the end of 2016.

Acute myeloid leukemia (AML):

- Role of CD70 in newly diagnosed AML patients was presented during R&D day.
- First combination study with azacitidine to initiate by the end of 2016.
- Preclinical data to be presented by the end of 2016 at a workshop being held in conjunction with ASH annual meetinng.

ARGX-111

- Twenty-five patients have been treated in the dose escalation and safety expansion cohort of the Phase 1b study. No additional recruitment of MET-amplified patients is planned and the Company is focused on partnering the asset ahead of any Phase 2 study.

Products in Preclinical Development

ARGX-115

- In collaboration with AbbVie to develop and commercialize ARGX-115.
- Under agreement, argenx will conduct research and development through IND-enabling studies. Upon successful completion of IND-enabling studies, AbbVie may exercise the exclusive option to license ARGX-115 and assume responsibility for further clinical development and commercialization.

Corporate

- Increased FTEs to 71.3 in support of the expansion of the business.
- Recognized by the 2016 European Frost & Sullivan Award for Technology Innovation for SIMPLE Antibody(TM) discovery platform.
- The Company continues to collaborate with Shire, LEO Pharma and Bird Rock Bio. Milestone payments to be expected in 2017.
- Mr. Tony Rosenberg will serve as an independent advisor to the Board of Directors, effective 1 October 2016. Previously he served as Global Head, M&A and Licensing for Novartis and has held diverse leadership positions with Novartis predecessor company, Sandoz.

KEY FIGURES (CONSOLIDATED)

in thousands of euros	**Period ended Sept 30, 2016**	**Period ended Sept 30, 2015**	**Variance**
Revenue	10,515	4,981	5,535
Other operating income	2,010	2,320	(310)
Total operating income	**12,525**	**7,300**	**5,225**

Research and development expenses	(20,170)	(14,200)	(5,970)
General and administrative expenses	(4,927)	(3,345)	(1,581)
Operating profit/(loss)	**(12,572)**	**(10,245)**	**(2,327)**
Financial income/(expense)	55	51	4
Exchange gains/(losses)	(51)	119	(170)
Profit/loss for the period	**(12,568)**	**(10,075)**	**(2,494)**
Net increase (decrease) in cash, cash-equivalents and financial assets (compared to year end 2015 and 2014)	60,740	(9,336)	
Cash, cash-equivalents and financial assets at the end of the period	103,067	46,637	

THIRD QUARTER 2016 FINANCIAL RESULTS

On 30 September 2016, operating income reached EUR 12.5 million compared to EUR 7.3 million at the same date in 2015. The increase of EUR 5.2 million in operating income in 2016 results primarily from (i) the deferred revenue recognized from the collaboration agreement signed with Abbvie in April 2016 and (ii) the milestone payment received in February 2016 from the collaboration with LEO Pharma.

Research and development expenses totalled EUR 20.2 million and EUR 14.2 million for the nine-month period ended 30 September 2016 and 2015, respectively. The increase of EUR 6 million in R&D expenses in the first nine months of 2016 correspond principally to (i) increased clinical trial and product manufacturing activities (ii) the recruitment of additional R&D personnel and consultants in relation to increased R&D activities and (iii) the share based payment costs recognized in compensation for the grant of stock options to the R&D employees.

General and administrative expenses amounted to EUR 4.9 million on 30 September 2016, compared to EUR 3.3 million on 30 September 2015. The increase of EUR 1.6 million in G&A expenses in the first nine months of 2016 is principally explained by (i) the increase of personnel expenses related to the employees recruited to strengthen the Group's G&A activities and support R&D activities, (ii) increased expenses in relation with the growth of the operational activities of the Company (including notably the new offices and laboratory, travel, business development and ICT expenses), and (iii) the share based payment costs recognized in compensation for the grant of stock options to the G&A employees.
During the first nine months of 2016, the Company generated a net loss of EUR 12.6 million compared to a net loss of EUR 10.1 million in the same period of 2015.

On 30 September 2016 the Company's cash, cash equivalents and financial assets amounted to EUR 103.1 million compared to EUR 42.3 million on 31 December 2015 and EUR 46.6 million on 30 September 2015. The significant increase in the Company's cash, cash equivalents and financial assets is explained by (i) the two financings completed in January and June 2016 with institutional investors for total gross proceeds of EUR 46 million and (ii) the upfront payment of USD 40 million received following the signature of the collaboration agreement with Abbvie in April 2016.

About argenx

argenx combines the diversity of the llama immune system with antibody engineering to advance a clinical pipeline to treat patients with cancer and autoimmune diseases. Our platforms allow us to unlock novel and complex targets and develop antibody-based drugs designed for greater efficacy and longer duration of effect. The strength of our team, our deep understanding of the biology, and our committed collaborations with industry leaders contribute to the success of our journey.
argenx is listed on the Euronext Brussels exchange under the symbol ARGX.
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Forward-looking Statements

The contents of this announcement include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will", or "should", and include statements argenx makes concerning the intended results of its strategy. By their nature, forward-looking statements involve risks and uncertainties and readers are cautioned that any such forward-looking statements are not guarantees of future performance. argenx' actual results may differ materially from those predicted by the forward-looking statements. argenx undertakes no obligation to publicly update or revise forward-looking statements, except as may be required by law.