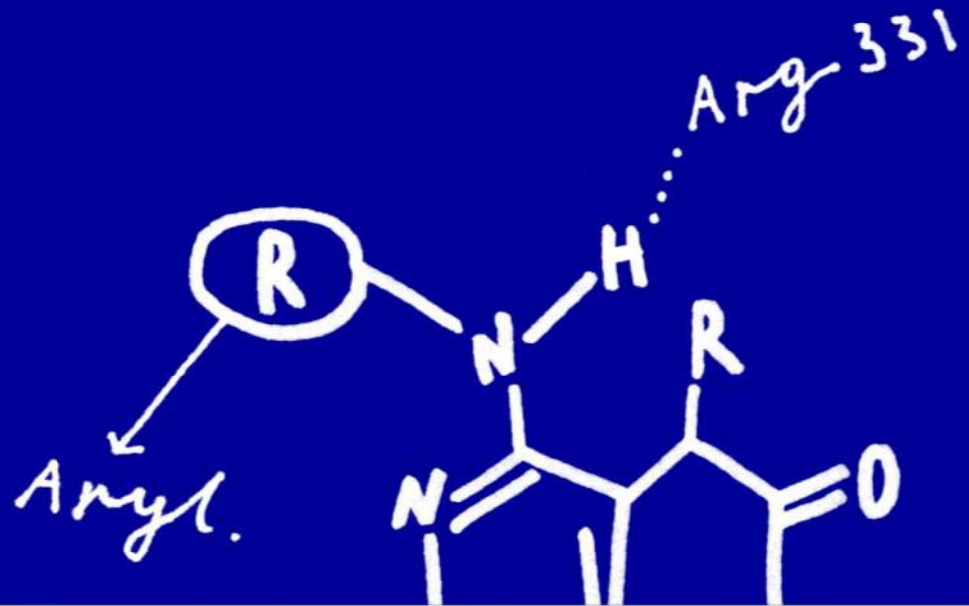


Best in Class Drug Discovery - Evotec Company Presentation

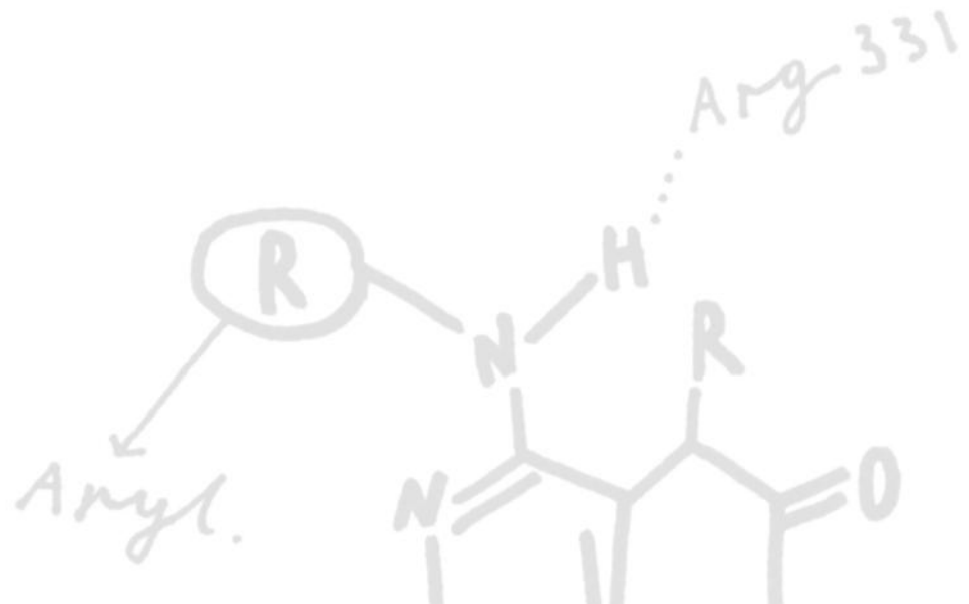


Forward-looking statements

Information set forth in this presentation contains forward-looking statements, which involve a number of risks and uncertainties. The forward-looking statements contained herein represent the judgement of Evotec as of the date of this report. Such forward-looking statements are neither promises nor guarantees, but are subject to a variety of risks and uncertainties, many of which are beyond our control, and which could cause actual results to differ materially from those contemplated in these forward-looking statements. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any such statements to reflect any change in our expectations or any change in events, conditions or circumstances on which any such statement is based.

Agenda

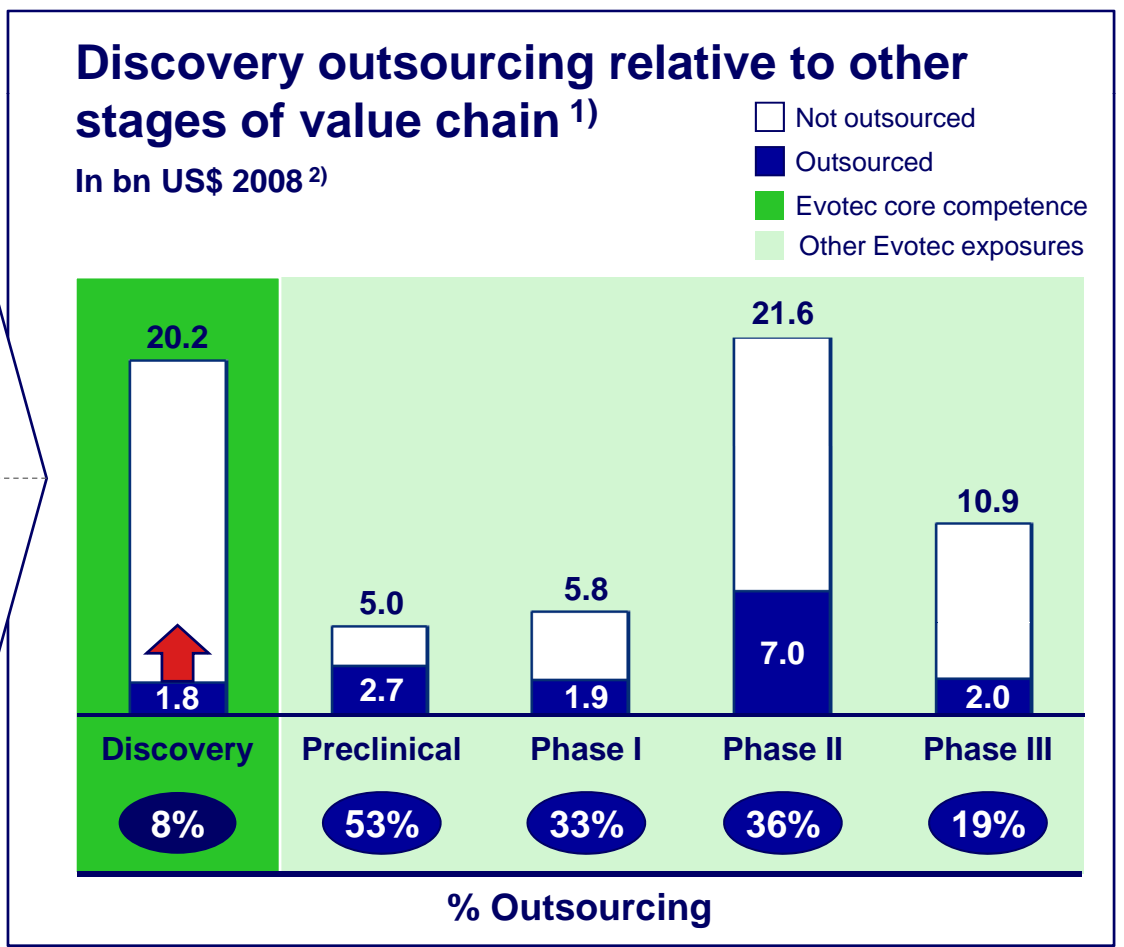
- **Strategic background**
- Discovery alliances & Development partnerships
- Financial strategy & Outlook



The external innovation opportunity

Key growth factors

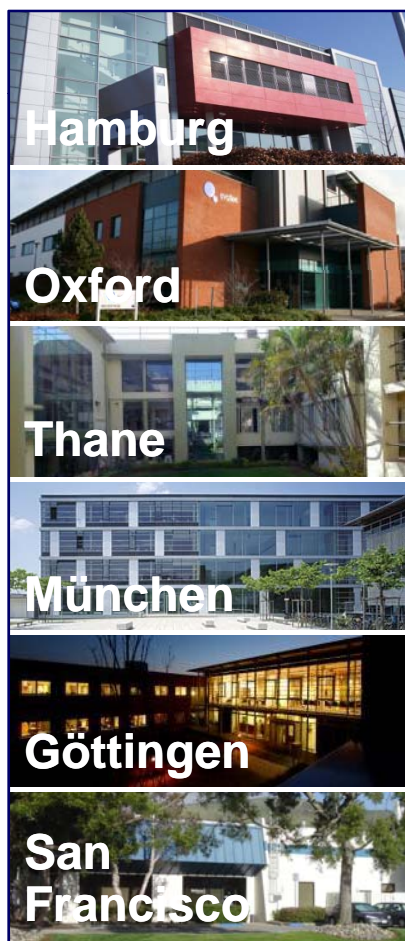
- 1 Strong demand for increased productivity in R&D
- 2 Outsourcing leads to higher capital efficiency
- 3 Fixed costs become variable
- 4 Only highest scientific and industrial quality drives new products



1) Major players: Wuxi Pharma, Biofocus, AMRI, PPD, Evotec, ... ca. 100 fragmented smaller players
 2) WallStreet research 2008; evaluate Pharma; BioWorld

Building drug hunting alliances

Solutions to accelerate innovation



- Strong track record after >15 years drug discovery history
 - >100 lead series
 - > 30 preclinical candidates
 - > 20 clinical compounds
- Comprehensive integrated approach in major therapeutic areas
- Innovative disease biology for new drug targets
- Three recent acquisitions to expand into metabolics, oncology and compound management¹⁾
- More than 500 top-scientists



Our value proposition

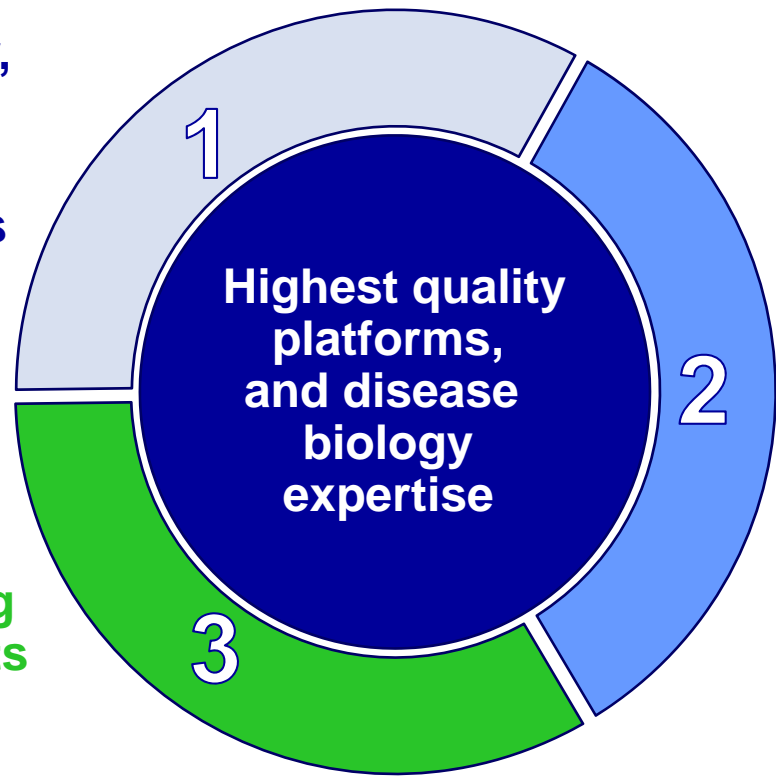
High quality drug discovery and development solutions to our partners

Systematic, unbiased, comprehensive investment decisions in Drug Discovery

Why people work with us

Highly differentiated technology platforms: e.g. HCS/HTS/FBS, e-physiology, GPCRs, ion channels, kinases, computational chemistry, proteomics/mass spec., response prediction, compound management ...

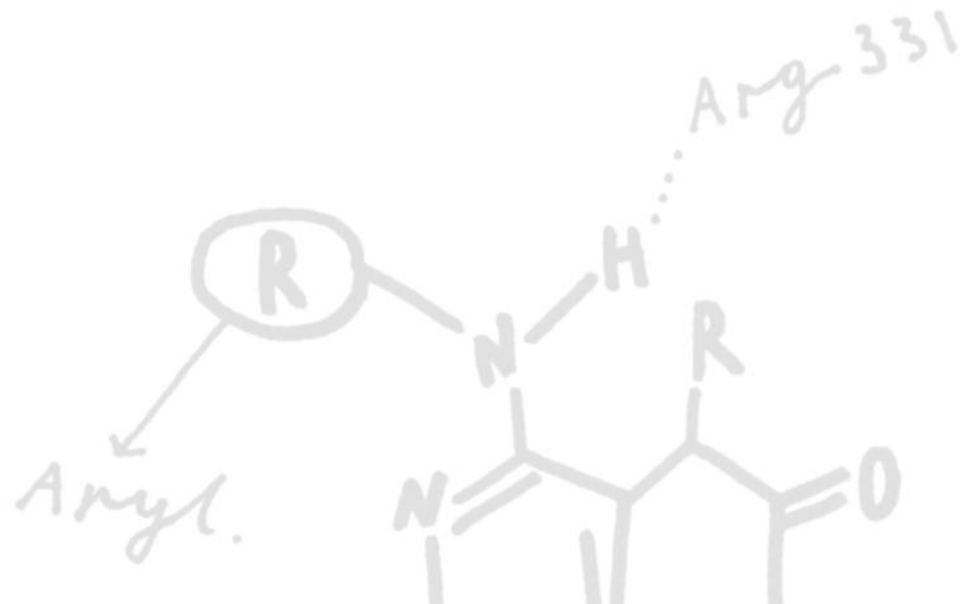
Mechanism-based screening for disease modifying targets in metabolic diseases, CNS, chronic kidney disease...



Fully integrated cutting edge disease-focused drug discovery platforms in metabolic diseases, CNS pain, inflammation, regenerative medicine...

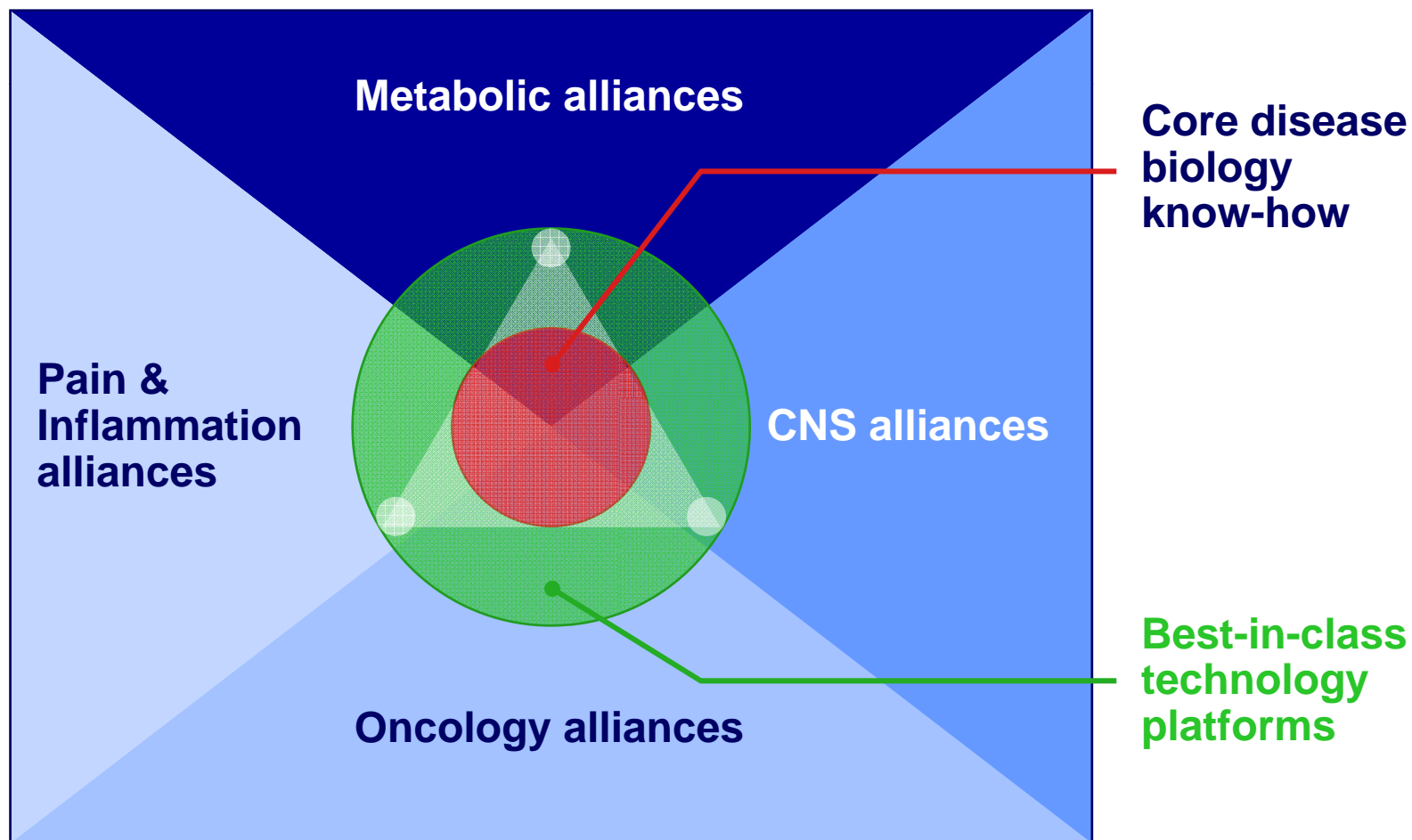
Agenda

- Strategic background
- **Discovery alliances & Development partnerships**
- Financial strategy & Outlook









Drug discovery alliances & more

Our business model







Well balanced portfolio of top-class partners

Selected integrated drug discovery alliances (1/2)

Partners	Focus area	Upside for Evotec	Description
 Boehringer Ingelheim	Oncology, pain, inflammation	+++	Performance-based, multi-target long-term alliance
 CHDI <small>PHARMACY</small>	Huntington disease	++	Long-term alliance, focused on the fight against Huntington disease
 Genentech <small>A Member of the Roche Group</small>	Various	++	Long-term alliance, focused on multiple targets
 ucb	CNS	++	Performance-based, long-term alliance, focused on CNS targets
 NOVARTIS	Pain	++	Performance-based alliance, focused on pain
 ONO	Various	++	Performance-based, multi-target long-term alliance

Upside through performance based business models

Selected integrated drug discovery alliances (2/2)

Partners	Focus area	Upside for Evotec	Description
	Metabolics, insulin sensitizer	++++	Diabetes, obesity and metabolic syndrome Research funding, € 7 m upfront, > € 230 m milestones, royalties
	BetaCell technology	++++	Type 1 and 2 diabetes, targeting beta cell mass, Research funding, € 5 m upfront, > € 250 m milestones, royalties
	Pain	+++	VR1 Antagonist, Performance-based alliance, > \$ 170 m milestones, royalties
	Response prediction	++	Performance-based alliance, focused on development of response predicting biomarkers; undisclosed financials


Partnering for a clinical pipeline without risk

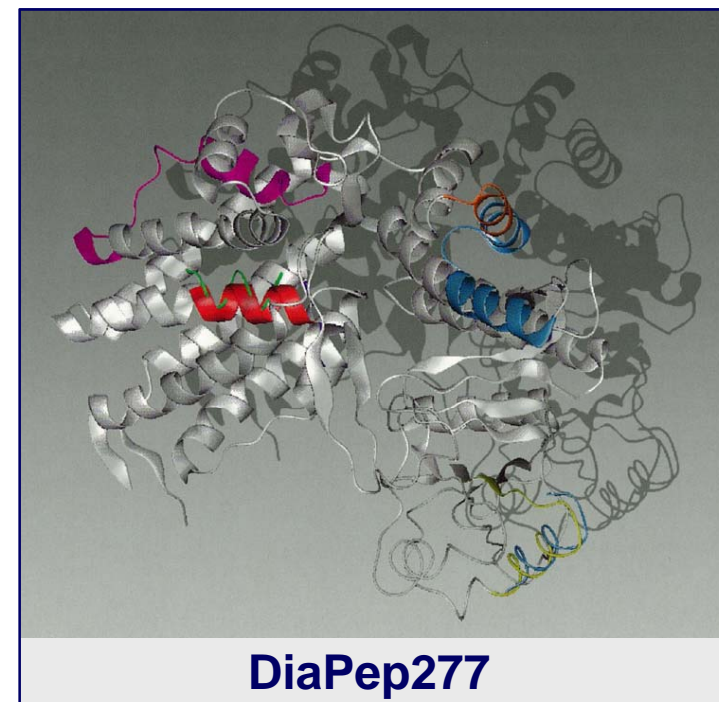
Portfolio of product development partnerships

Indication	Partner	Status	Upside for Evotec	Next milestone
Type 1 diabetes ¹⁾	 	Phase III	+++	Phase III data 2012
Alzheimer´s Disease 		Phase II	+++++	Phase IIb initiation
Treatment resistant depression (TRD)	open	Phase II	+++	New partnering initiative
Insomnia ²⁾		Phase II	++	Phase IIb data 2012
Pain		Phase I	++	Phase I data
Inflammatory diseases	Animal Health (undisclosed)	Phase I/II	+++	Phase II start in 2012
CNS; Pain, UI, others ³⁾	open	Pre-clinical	+++	Phase I / partnering

Treatment for newly diagnosed Type 1 Diabetes

Example: Andromeda Biotech/Teva Pharmaceuticals

Partner	Development Stage	Indication	Target
	Phase III	Type 1 Diabetes	Hsp60
<ul style="list-style-type: none"> • A novel therapeutic treatment for newly diagnosed type 1 diabetes patients and LADA patients <ul style="list-style-type: none"> – Synthetic peptide derived from human Hsp60 – Protects beta cells from autoimmune mediated destructions • Potential market (5-10% of diabetics have Type I diabetes) <ul style="list-style-type: none"> – Andromeda/Teva estimates market potential at more than \$500 m – Phase III data (DIA-AID 1) expected 2012 			



CureBeta

Assemble top-class beta cell team and top quality beta cell platform

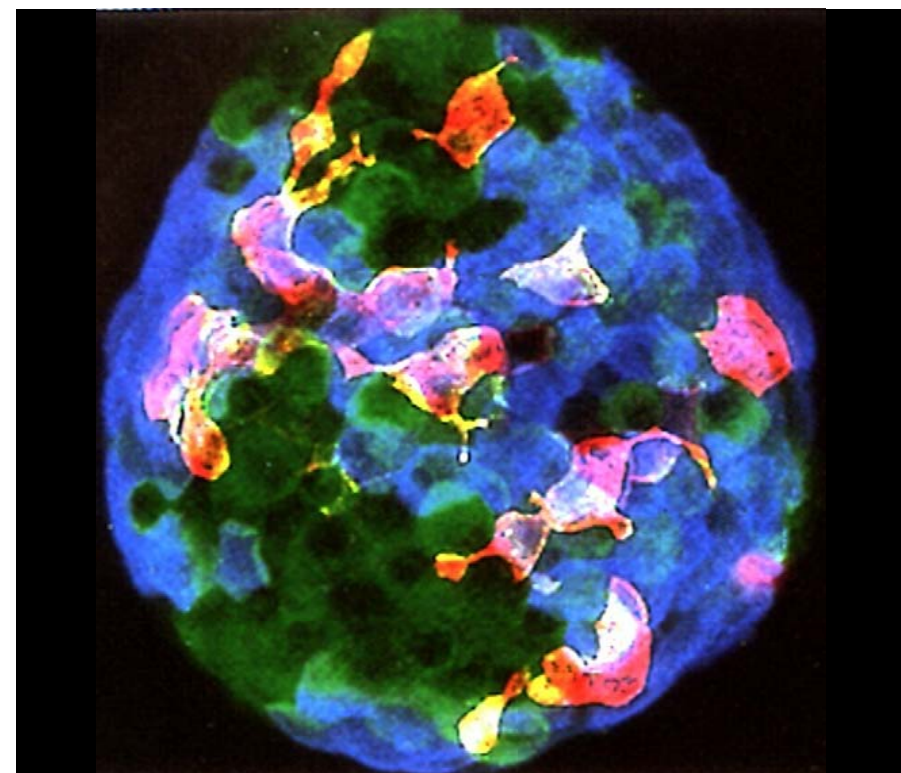
- Evotec & Harvard combine best of academia with leading process

Pursue a systematic, unbiased and comprehensive search for targets

- Identify physiological mechanisms that control beta cell mass
- Conduct mechanism-based screens for pathways and genes controlling beta cell mass

Select biologically most relevant targets irrespective of treatment modality

- Small molecules, biologicals, peptides...



Insulin, Glucagon
Pancreatic polypeptide
Ghrelin, Somatostatin

Next big initiatives

Regenerative medicine at Evotec

<p>Beta cell regeneration via small molecules</p>	<ul style="list-style-type: none"> • Diabetes is caused by loss of beta cells • Current drugs do not prevent beta cell loss • Approach: Target beta cell regeneration via orally available small molecules
<p>Chronic kidney disease (CKD)</p>	<ul style="list-style-type: none"> • CKD has high incidence, mortality and treatment costs • Dialysis is the only treatment option for patients with end stage renal disease (ESRD) • Approach: Podocyte protection / regeneration
<p>Muscle regeneration (e.g. heart failure)</p>	<ul style="list-style-type: none"> • Leading cause of morbidity and mortality world wide • Limited treatment options • Approach: Regeneration of myocytes
<p>Neurodegenerative diseases</p>	<ul style="list-style-type: none"> • Huntington disease, AD, PD, ALS • Limited treatment options • Approach: Stem cell based screening for disease modifying targets

Long time experts in CNS

CNS alliances

EVT 100¹⁾ / EVT 302

- EVT 101 /103 are high affinity, selective antagonists of N-methyl-D-aspartate (NMDA) receptor subtypes containing the NR2B subunit, for CNS diseases
- EVT 302 is an orally active MAO-B inhibitor for the development in Alzheimer's Disease (AD)


Other CNS alliances

- Status: Pre-clinical
- **CHDI** – Multi-year alliance to find new treatments for Huntington's disease using integrated discovery offering; collaboration extended twice since 2006
- Others: – **ONO Pharmaceutical** – Multi-target, multi-year alliance
– **Genentech** – Multi-target, multi-year alliance
– **Merck KGaA** – Neurological target, multi-year alliance

**Next value
points:
Partnering and
or milestones in
other programs**

Exclusive worldwide agreement to fight Alzheimer's Disease (AD)

Example: MAO-B inhibitor programme

Partner	Development Stage	Indication	Target
	Phase II	Alzheimer's Disease (AD)	MAO-B inhibitor

Evotec's MAO-B inhibitor programme (EVT 302) is an orally active, selective and reversible inhibitor of monoamine oxidase-B (MAO-B). Favourable preclinical profiles, well tolerated and excellent pharmacokinetic properties in clinical studies. The selective MAO-B inhibitor is targeted to treat AD symptoms and potentially slow disease progression

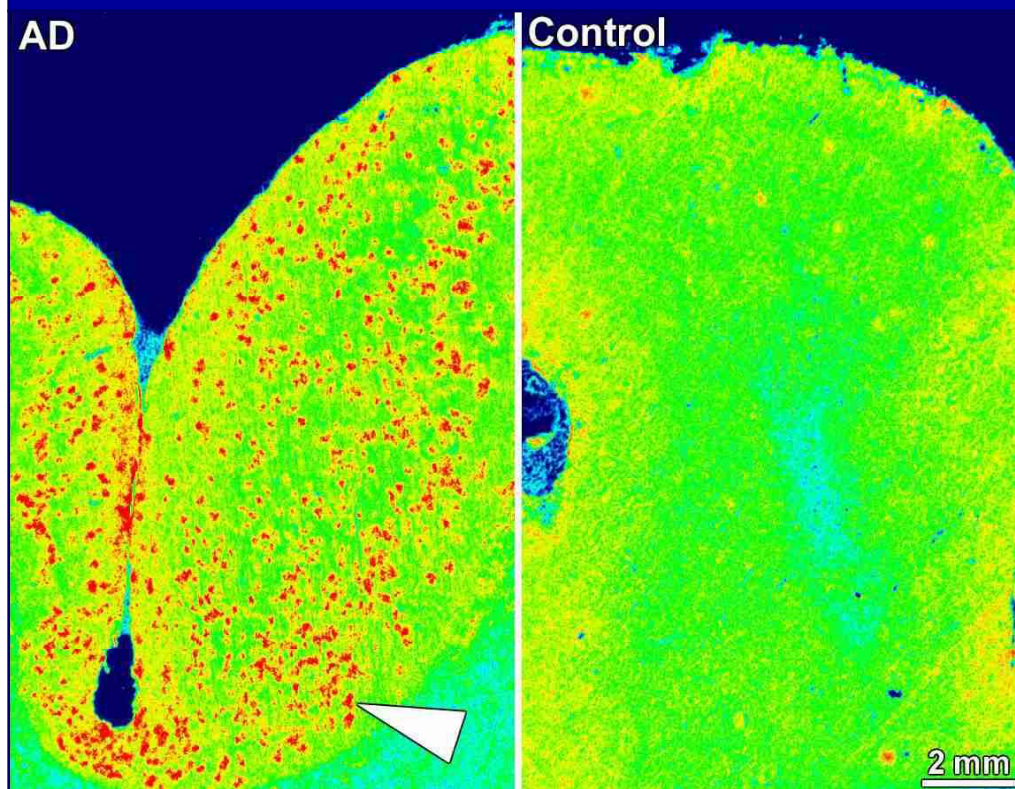
Upfront payment of \$10 m, \$ 820 m development and commercial milestones, tiered double-digit royalties



MAO-B should reduce oxidative stress and slow down progression of AD

MAO-B Mechanism of action

MAO-B expression in AD patient post-mortem brain ¹⁾



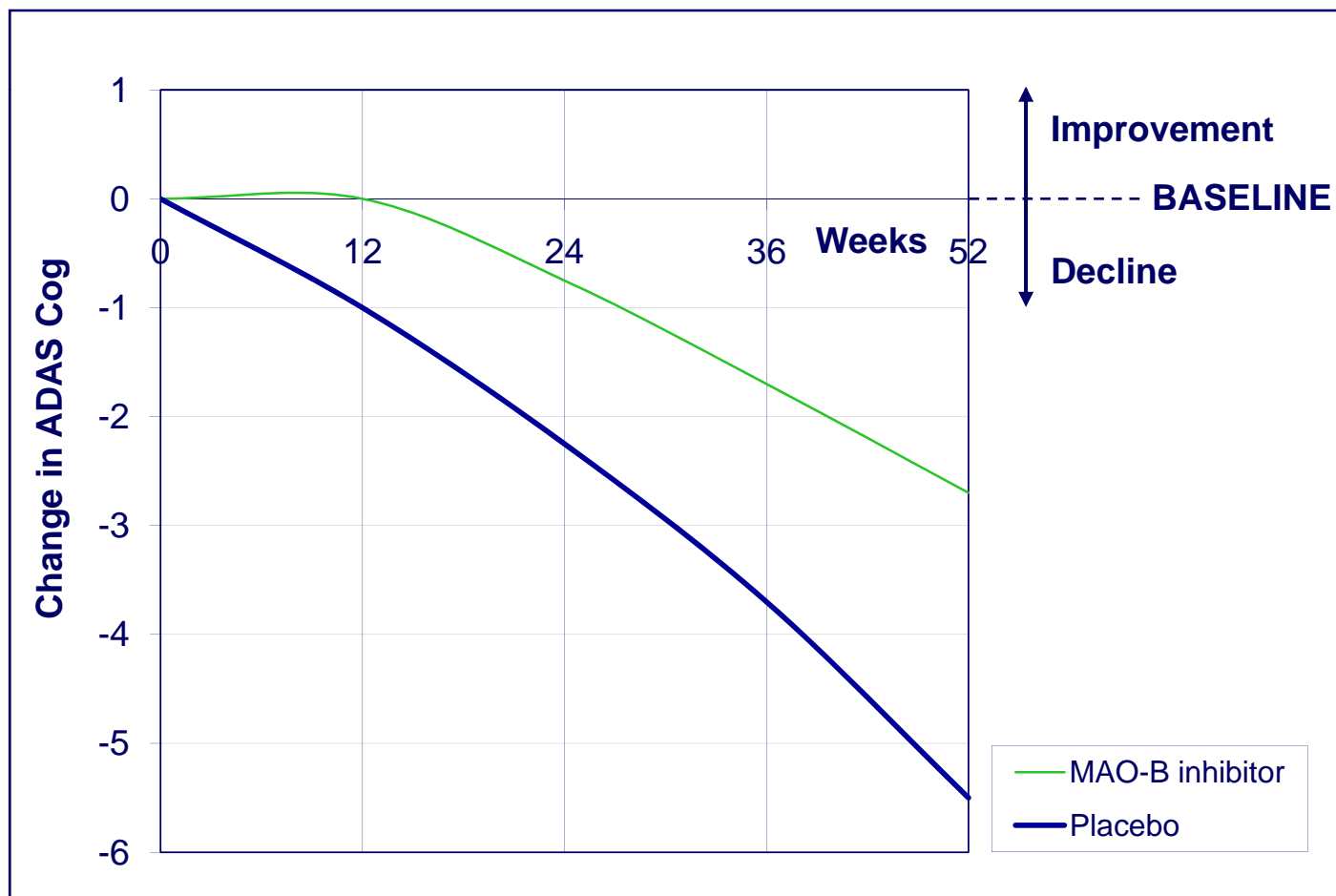
Alzheimer's Disease patient vs age-matched healthy individual

- MAO-B is normally present in the brain and is responsible for breakdown of certain neurotransmitters
- Activity of MAO-B is linked to production of reactive oxygen species, molecules that cause oxidative stress which can result in neuronal damage
- Excessive MAO-B activity in Alzheimer's Disease may contribute to neurodegeneration
- Blocking the activity of MAO-B should reduce oxidative stress and this may slow the progression of Alzheimer's Disease

Theoretical consequence of slowing progression of symptoms in AD

Slower rate of decline on cognitive tests such as ADAS-Cog¹⁾

- Slowing the progression of symptoms would be reflected in a slowing of the rate of decline in cognitive tests such as ADAS-Cog¹⁾
- This would result in a progressively increasing divergence between placebo and MAO-B-inhibitor treated groups
 - No acute symptomatic effect expected



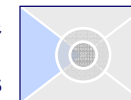
A unique approach to fight AD

Evotec – Roche Agreement

- Programme represents a unique approach in Alzheimer's Disease in later stage development
- Roche are committing substantial investment into Phase IIb to achieve proof-of-concept to trigger a pivotal Phase III programme
- Proof-of-concept could be achieved very fast with potential for fast regulatory filing
- Evotec has a significant interest in the huge upside potential for the programme through development and commercial milestones and royalties
- Roche cover all development costs going forward – no risk for Evotec



***“I now begin the journey
that will lead me into the
sunset of my life”***
***(from Ronald Reagan's letter to the
American people concerning his
diagnosis of Alzheimer disease)***



Pain & inflammation alliances

Pain & Inflammation alliance

- Partnership with **Boehringer Ingelheim** for e.g. treatment of neuropathic pain
- Significant number of other targets in pre-clinical stage
- Short-to-mid-term milestone potential, single-digit product royalties

Other Pain & Inflammation alliances

- Status: Pre-clinical
- Others:
 - **Genentech** – Multi-target, multi-year alliance
 - **Pfizer** – Alliance focused on VR1 antagonist
 - **Novartis** – Alliance focused on pain target

Next value points:

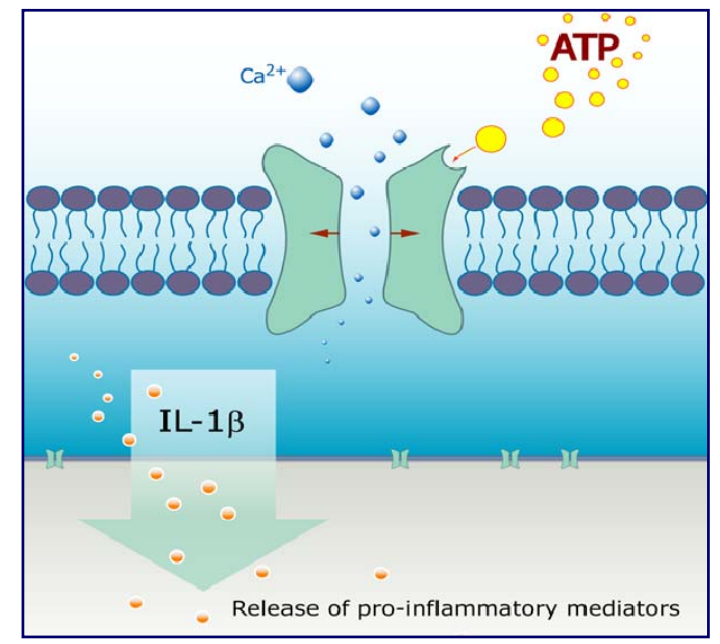
- **Clinical progress**
- **Nomination of clinical candidates**
- **Pre-clinical milestones**

World-wide license agreement

Example: EVT 401 in animal health

Partner	Development Stage	Indication	Target
Top tier global animal health company (undisclosed)	Phase I/II	Inflammatory disease	P2X7

- P2X7 receptor is an ATP-gated ion channel primarily expressed on cells of the immune system and is thought to play an important role in inflammatory processes
- Approx. 4 years to market
 - Technology-transfer payment, milestones, significant royalties
 - All costs taken up by major animal health company
 - **Phase II start in 2012**



Oncology alliances

Oncology alliance

- Optimal use of **Boehringer Ingelheim** target and biology know-how with Evotec science and technologies
- Biomarker development with **Roche**. Alliance for personalized healthcare in cancer research and development

Other oncology alliances (through Kinaxo)

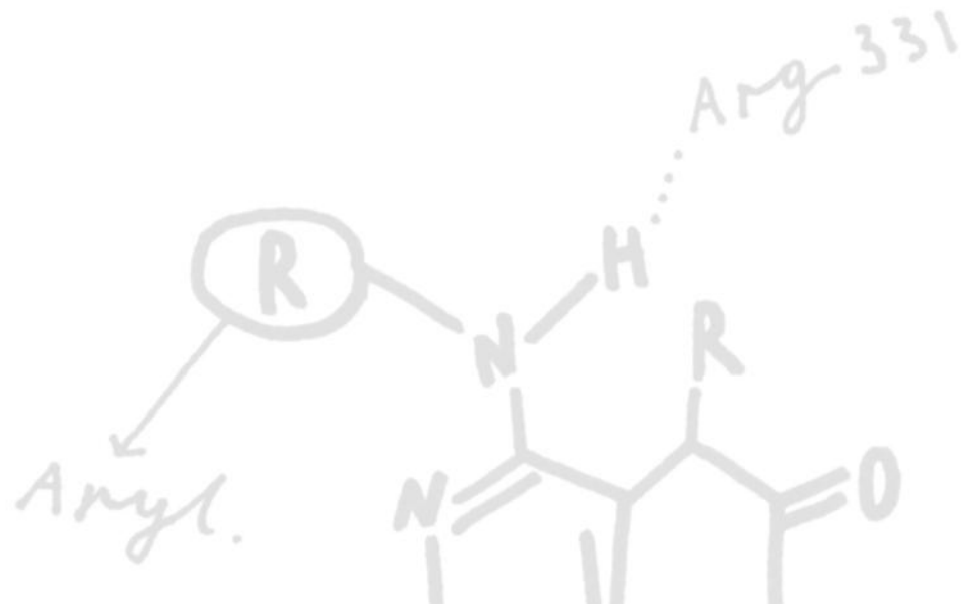
- **AstraZeneca** – Evotec support of oncology program
- **Daiichi Sankyo** – long-term partnership in cancer research
- **Janssen Pharmaceutical** – Evotec to apply its technologies and services

Next value points:

- **Nomination of clinical candidates**
- **Pre-clinical milestones**
- **Leverage of technologies in new alliances**

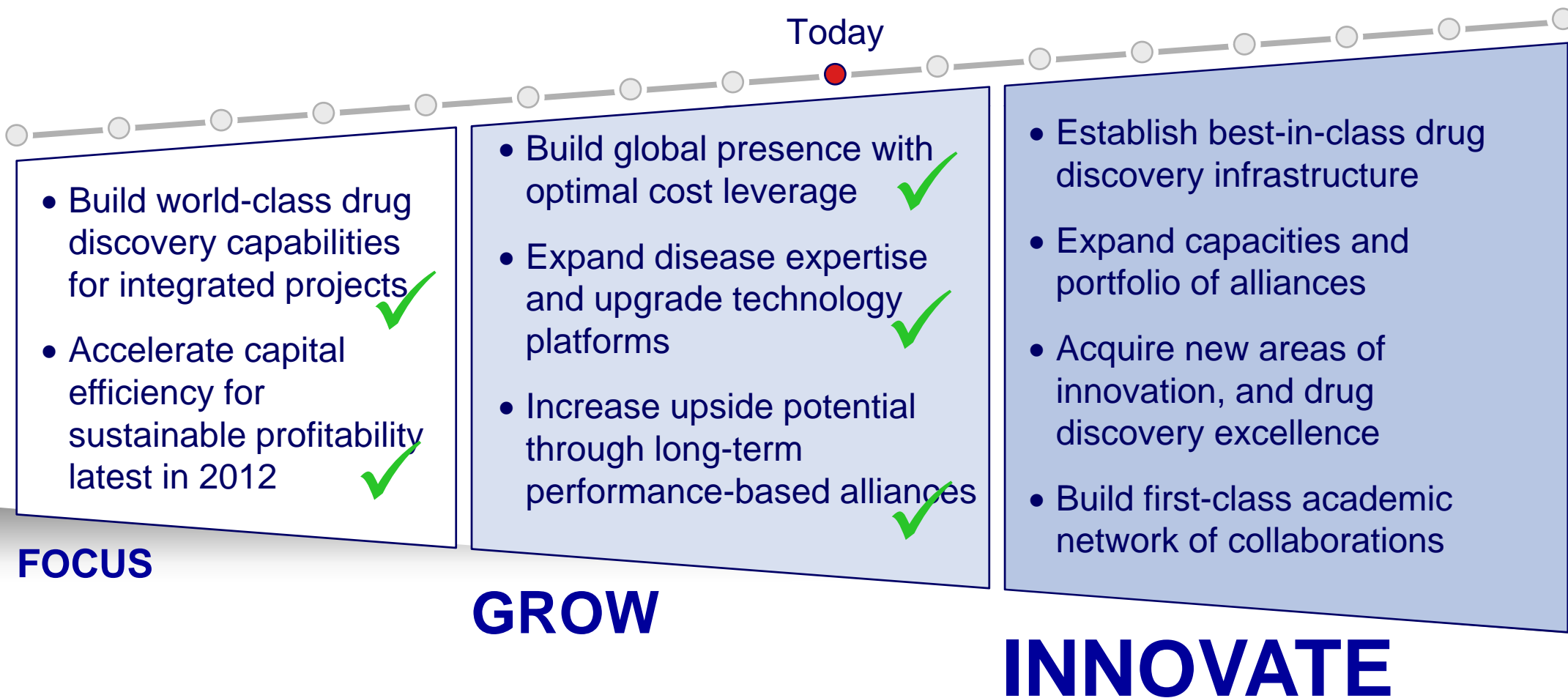
Agenda

- Strategic background
- Discovery alliances & Development partnerships
- **Financial strategy & Outlook**



Go for sustainable Growth!

Strategy overview



Strong operational performance and organic growth

H1 2011: Condensed consolidated statement of operations

in € m

	H1 2010	H1 2011	% vs. 2010
Revenues	25.0	33.4	+34%
Gross margin	45.1%	43.3%	
• R&D expenses	2.9	4.7	+59%
• SG&A expenses	7.7	7.6	-2%
• Amortisation	0.3	0.5¹⁾	
• Other op. (income) expense, net	0.0	0.7	
Operating income	0.3	0.9	+169%
Net income	0.1	0.8	+736%

Increased guidance for 2011

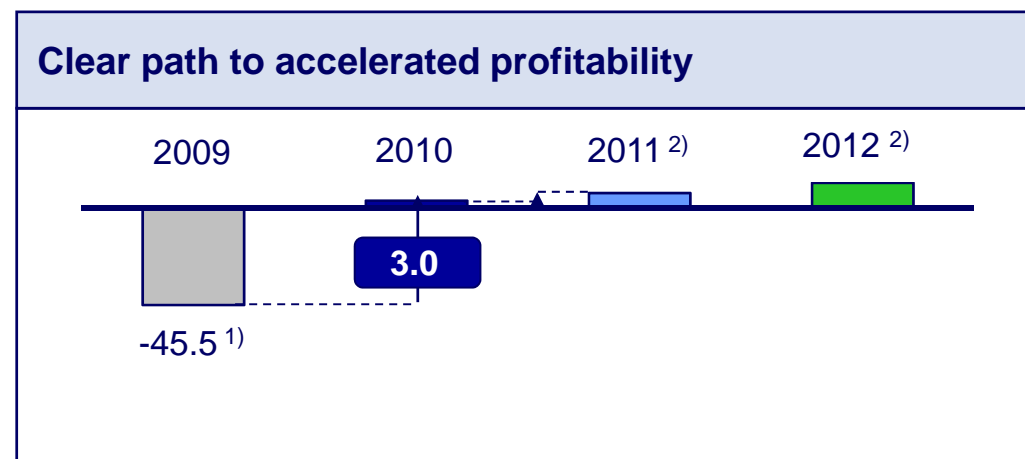
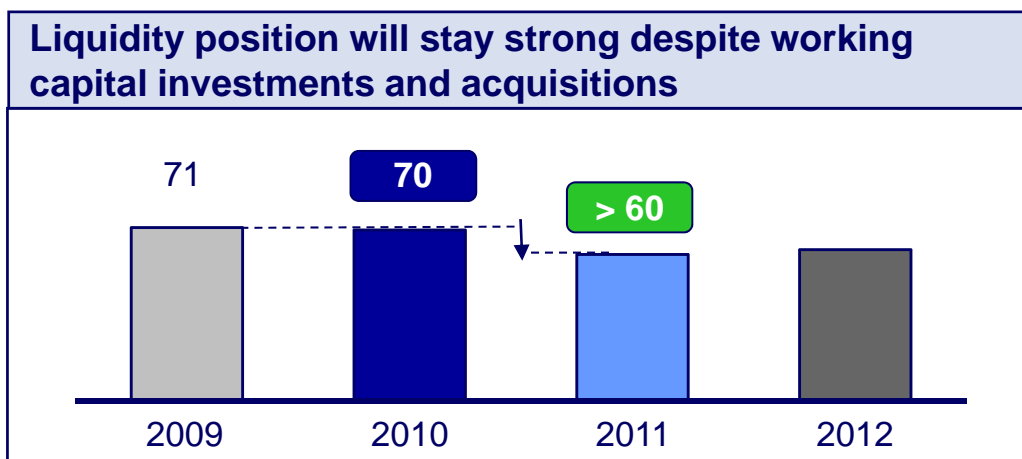
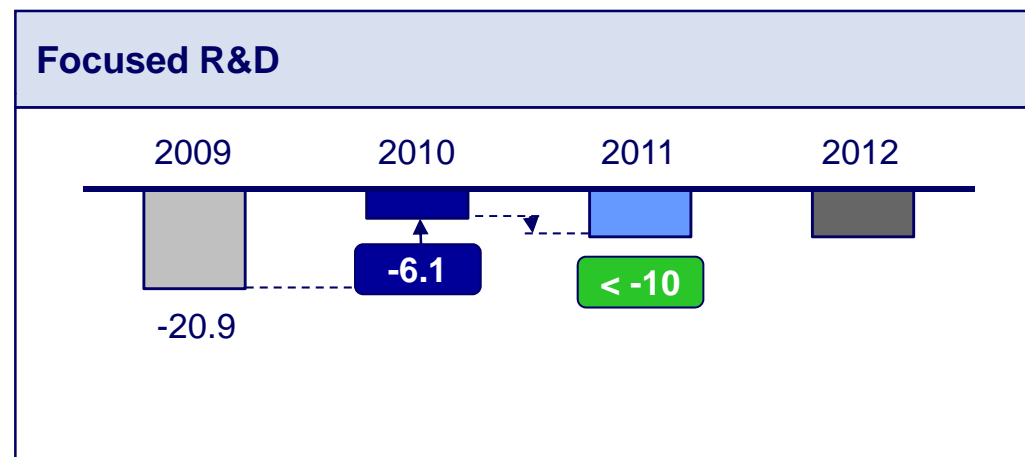
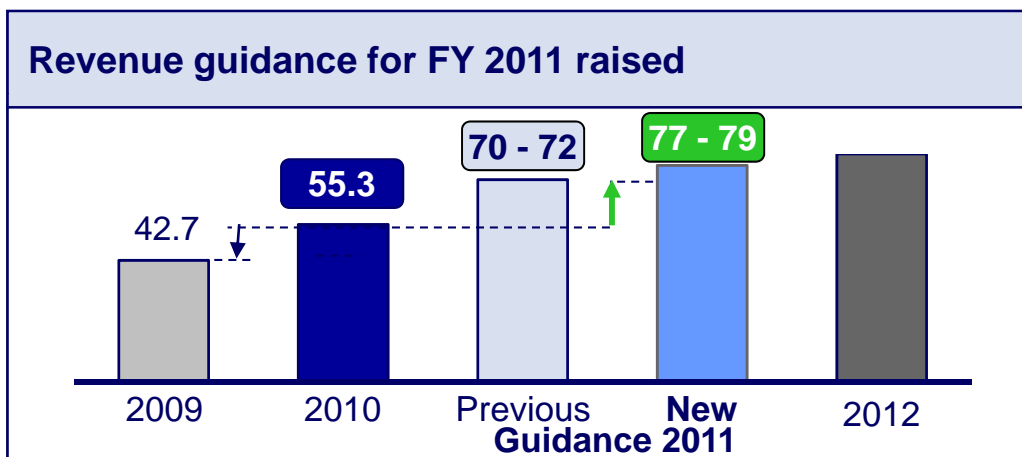
Updated operational business overview

In € m	Old guidance 2011	New guidance 2011	FY 2010
Revenues	70 -72 ¹⁾	77-79 ²⁾	55.3
Operating Income	Improved over 2010	Improved over 2010	1.7
Net Income	Improved over 2010	Improved over 2010	3.0
Unpartnered R&D expenses	Approx. 10	Approx. 10	6
Liquidity at period end	55 ^{1) 3)}	Above 60 ³⁾	70

Strong outlook for long term growth

Overview – Growth parameters

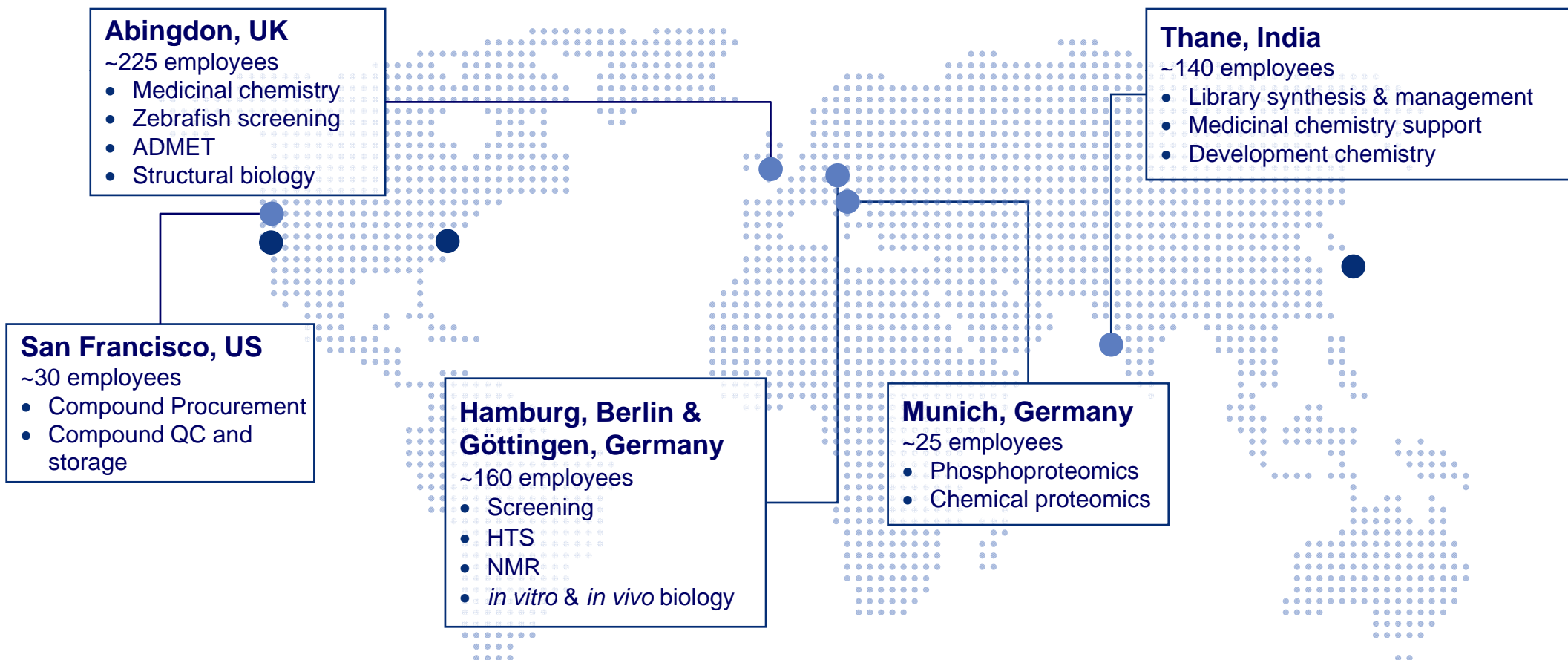
in € m



1) Including impairment and restructuring expenses of € 22.7m
 2) Net income before extraordinary effects

Global reach for global projects

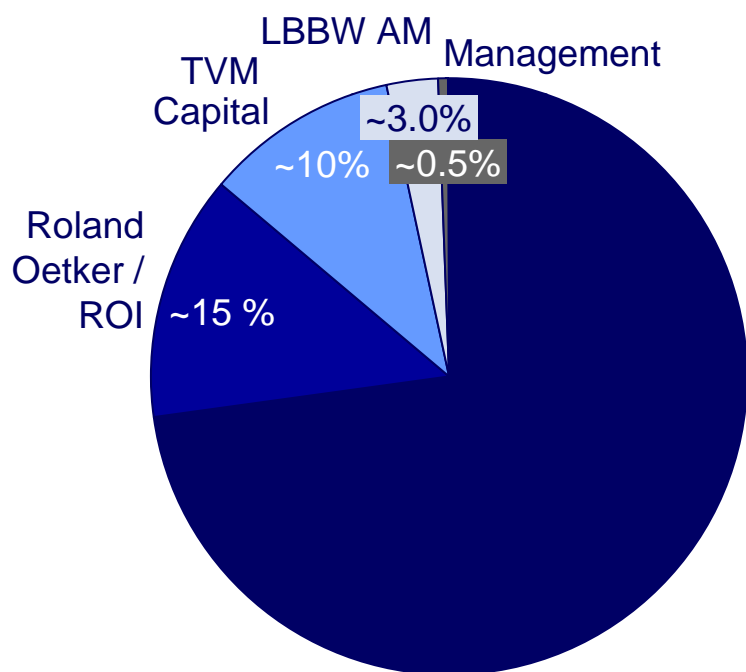
Ca. 600 Evotec employees worldwide



- Sales representation (San Diego, Boston, Tokyo)
- Operations & sales representation

Team committed to growth

Management & shareholder structure



- **Number of shares:** 118.2 m
- **Listing:** Frankfurt TecDAX, OTCBB
- **52 week high/low:** € 3.48 / € 1.58

Management Board

- **Werner Lanthaler (CEO)**
Long time experience in growth organisations, signed new five years contract in Q2
- **Mario Polywka (COO)**
18 years Evotec experience
- **Cord Dohrmann (CSO)**
Outstanding background in metabolics
- **Colin Bond (CFO)**
Big industry multi national background

Key scientific Advisors

- **Doug Melton**
Harvard University
- **William Jenkins**
Ex-Novartis

Supervisory Board

- **Flemming Ørnskov**
Bayer
- **Hubert Birner**
TVM Capital
- **Mary Tanner**
Peter J. Solomon
- **Walter Wenninger**
Ex Bayer
- **Roland Oetker**
ROI
- **Andreas Pinkwart**
Dean of Leipzig Graduate School of Management

Strong news flow to come

Outlook

Key milestones for 2011

- | | |
|--|--|
| <p>1 Grow discovery alliances, build joint innovation alliances</p> | <ul style="list-style-type: none"> • Build at least two significant new integrated DAB alliances (e.g. UCB) ✓ • Deliver significant and accelerated preclinical/clinical milestones ✓ • Show expansion success of existing alliances (e.g. ONO) ✓ • Show operational synergies of acquisitions ✓ |
| <p>2 Generate optimal pipeline progress & biotech values</p> | <ul style="list-style-type: none"> • Complete recruitment in 2011 for Phase II data of EVT 101 ⚡ • At least 1 strategic deal for an early asset (P2x7 and EVT 302) ✓ • Generate more innovation upsides (e.g. Harvard cooperation, ...) ✓ NEW |
| <p>3 Manage innovation and path to profitability</p> | <ul style="list-style-type: none"> • Prepare growth of revenues by more than 15% y-o-y into 2012ff • Build profitability, without infringing innovation power • Keep strong strategic cash position |

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