

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 presentation. 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.

Welcome to Evotec!

Your management team



Werner Lanthaler, CEO¹⁾



Colin Bond, CFO¹⁾



Mario Polywka, COO



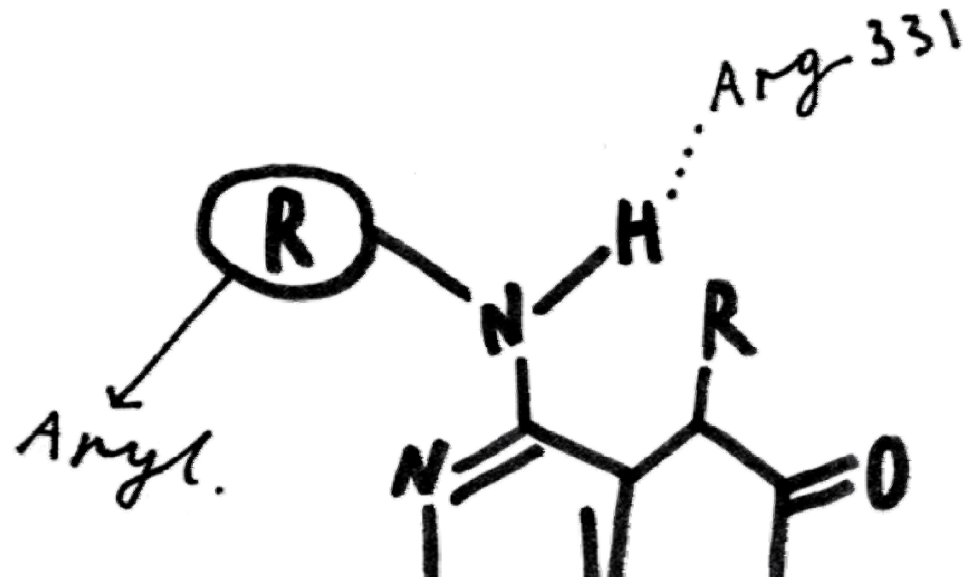
Cord Dohrmann, CSO

Agenda

Highlights nine months 2013

Business and strategy update – Innovation efficiency

Financial performance & outlook



Positive news flow characterises third quarter 2013

State of play – nine months 2013

1

- Revenues for the first nine months of 2013 of €60.3 m (2012: €64.2 m)
- Q3 2013 revenues of €23.6 m, an increase of 7% (2012: €22.2 m)
- Significant improvement of gross margin excluding milestones, upfronts and licences from 17% to 24%¹⁾
- €4.2 m operating loss mainly due to impairment charges as a consequence of the closure of Evotec's Indian operations¹⁾
- Strong liquidity position at €84.7 m

2

EVT Execute

- Extension and expansion of research collaboration with the Jain Foundation in skeletal muscular dystrophy diseases
- Strategic research collaboration with The Leukemia & Lymphoma Society²⁾

3

EVT Integrate

- Important pre-clinical and clinical milestones achieved in Boehringer Ingelheim alliance
- First milestone in multi-target deal with UCB achieved

4

EVT Innovate

- Integrated alliance with **AstraZeneca** in kidney diseases²⁾
- **TargetAD** (*Alzheimer's disease*) alliance to identify and develop Alzheimer's disease therapies with **J&J Innovation**²⁾
- **CureMN** (*CureMotorNeuron*) collaboration to advance ALS research with Harvard Stem Cell Institute
- **TargetEEM** (*Enteroendocrine Mechanisms*) with the laboratory of Doug Melton

Driving innovation and capital efficiency with strong liquidity position

Financial summary Q3 2013 and outlook for 2013

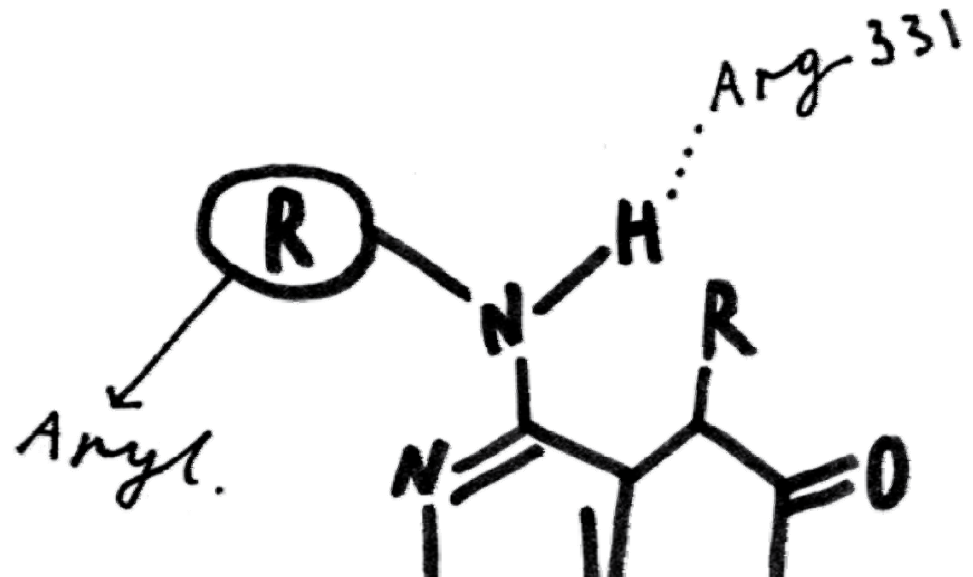
Revenue growth in Q3, growth in liquidity	<ul style="list-style-type: none">• Revenues for the first nine months decreased by 6% to € 60.3 m, revenues for the third quarter increased by 7% to € 23.6 m and included milestones of € 7.5 m• Strong liquidity position at € 84.7 m due to capital increase in Q3 2013• Higher equity ratio of 72.2% due to capital increase
Investments for first-in-class and best-in-class targets	<ul style="list-style-type: none">• Accelerated R&D expenses of € 7.5 m mainly invested in the fields of Target X initiatives, such as the collaboration with the Belfer Institute for Applied Cancer Science as well as the innovation alliance with Yale University
Financial guidance for 2013 confirmed; cash guidance adopted	<ul style="list-style-type: none">• Revenues are expected to grow to a level between € 90-100 m for 2013• Increasing full year adjusted operating profitability due to revenue growth and expected milestone payments¹⁾• Following the cash inflow from the capital increase liquidity guidance increased to > € 90 m at the end of 2013

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Addressing the innovation challenge

Innovation efficiency

EVT Innovate

- **Product development partnerships and *Cure X* and *Target X* initiatives**

Investments for upfronts, higher milestones and higher royalties

EVT Integrate

- **Integrated drug discovery alliances on partner targets**

Risk-shared performance-based alliances with research fees, milestones & royalties

EVT Execute

- **Stand-alone screening, medicinal chemistry, compound management, compound profiling, ...**

No risk exposure, lower margin, but long-term repeat business and build-up of infrastructure

Broad stand-alone highest quality execution services

Comprehensive drug discovery platform – “EVO Apps”



Closure of Indian facilities executed

Focus on “high-end” strategy for long term alliances

Increased focus on NPO¹⁾ and foundations

Growth driven by high-quality services

EVT Execute strategy 2013

Expand offering for more complete customer solutions

Expand footprint with services even closer to our customers,
e.g. US East Coast

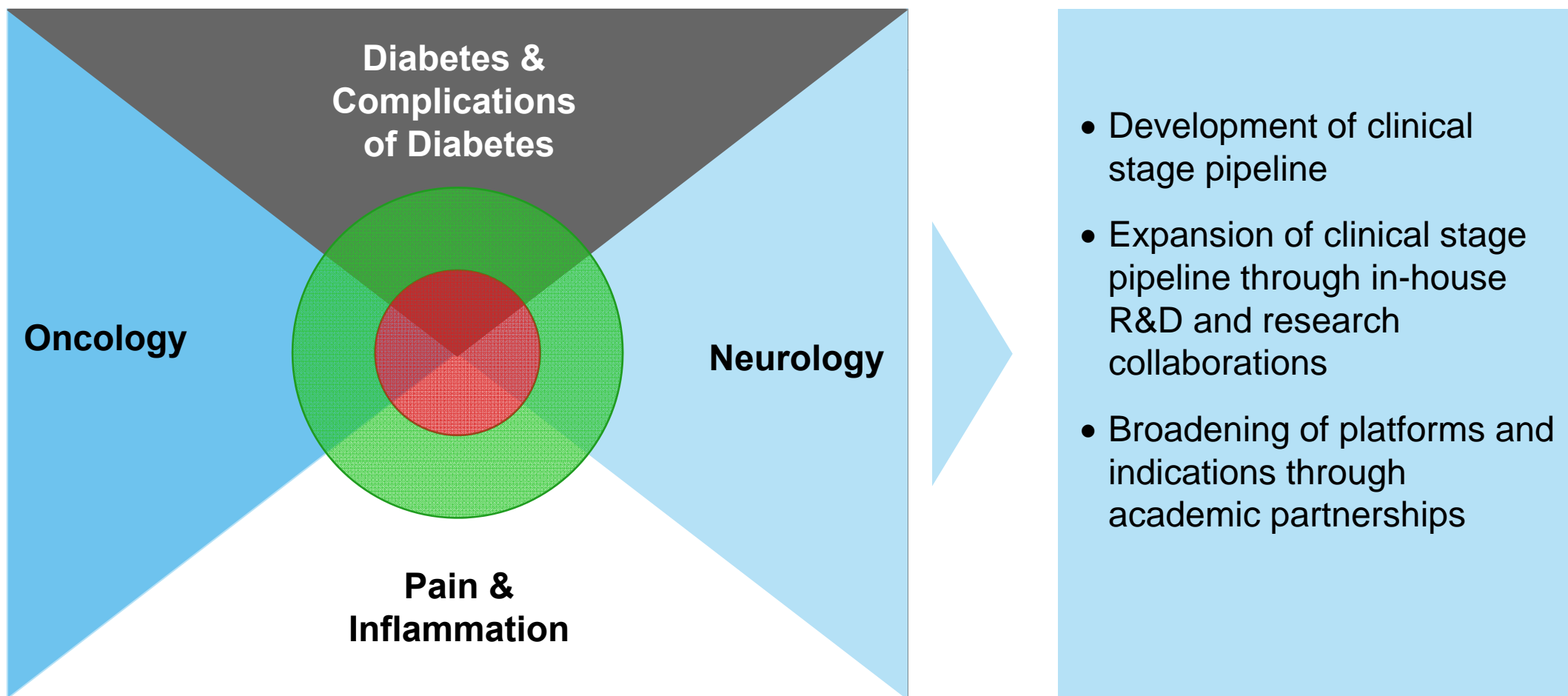


Further improve gross margins and profitability




















Systematic, unbiased and comprehensive approach

Cure X and Target X initiatives fuel Evotec's pipeline





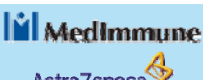




A fast growing product pipeline, significant upside opportunities without financial downside risk

Strong partnerships

	Molecule	Indication	Partner	Discovery	Pre-clinical	Phase I	Phase II	Phase III	Market	
Clinical	DiaPep277®	Diabetes – type 1	Andromeda Biotech 							
	EVT302 ¹⁾	AD								
	EVT201	Insomnia								
	Somatoprim	Acromegaly	Aspireo Pharmaceuticals							
	EVT103	TRD								
	EVT401	Inflammation								
	ND	Oncology								
Pre-clinical	ND	Pain								
	ND	Oncology								
	Various	Endometriosis								
	EVT770	Diabetes - type 2/1								
	ND	Pain								
Discovery	Various	Inflammation								
	EVT070	Diabetes – type 2								
	Various	Diabetes – type 2/1								
	Various	Diabetes – type 2/1								
	Various	Kidney disease	AstraZeneca 							
	Various	Alzheimer's disease								

New in diabetic complications and new mechanisms

Diabetes and diabetic complications pipeline overview

Project(s)	Indication	Partner	Status	Next milestone	Commercials
DiaPep277®	Type 1 diabetes (immunomodulation)		2nd Phase III recruitment closed	Final Phase III data	Up to € 40 m milestones, royalties, potential market approx. € 500 m
EVT770	Type 1 and 2 diabetes (beta cell regeneration)		Lead	Phase I	€ 5 m upfront, high margin research payments up to € 254 m milestones/product, significant royalties
ALM	Type 1 and 2 diabetes (beta cell regeneration)		Discovery	Phase I	€ 2 m upfront, high margin research payments up to € 183 m milestones/product, significant royalties
CureBeta	Type 1 and 2 diabetes (beta cell regeneration)		Target ID/validation	Validated target	€ 8 m upfront, high margin research payments up to \$ 300 m milestones/product, significant royalties
EVT070	Type 2 diabetes (insulin resistance)		Lead	PDC	€ 7 m upfront, high margin research payments up to € 237 m milestones, significant royalties
CureNephron	Chronic kidney disease		Discovery	Pharma Partnership	TBD
TargetEEM	Type 1 and 2 diabetes (enteroendocrine mechanisms)		Discovery	Pharma partnership	TBD
Various	Kidney disease		Discovery	ND	Undisclosed upfront, high margin research payments milestones/product, royalties

Kidney diseases with AstraZeneca

Project overview

Objective	Exploring compounds and targets with novel mechanisms that have disease-modifying potential for the treatment of chronic kidney disease
Target class	Small molecule targets
1° Therapeutic area	Chronic kidney disease
Start date	11/2013
Status	Discovery
Project strategy	AstraZeneca will receive access to a selected series of molecules identified in a screening effort
Commercials	Undisclosed upfront, high margin research payments, milestones/product, royalties









Target *EEM* (*Enderoendocrine mechanisms*)

Project overview

Objective	Identify novel enteroendocrine mechanisms, pathways and signals regulating key metabolic processes that have disease-modifying potential in diabetic patients
Target class	Small molecule targets and biologics
1° Therapeutic area	Diabetes type 1 and type 2
Start date	10/2013
Status	Target identification
Project strategy	Comprehensive screening effort by Harvard and Evotec designed to systematically search for novel pathways and targets that have the potential to address key pathophysiological mechanisms involved in insulin resistance and energy handling
Partners	Harvard University (Doug Melton)
Commercials	Shared research costs, milestones, royalties; partnering through Evotec

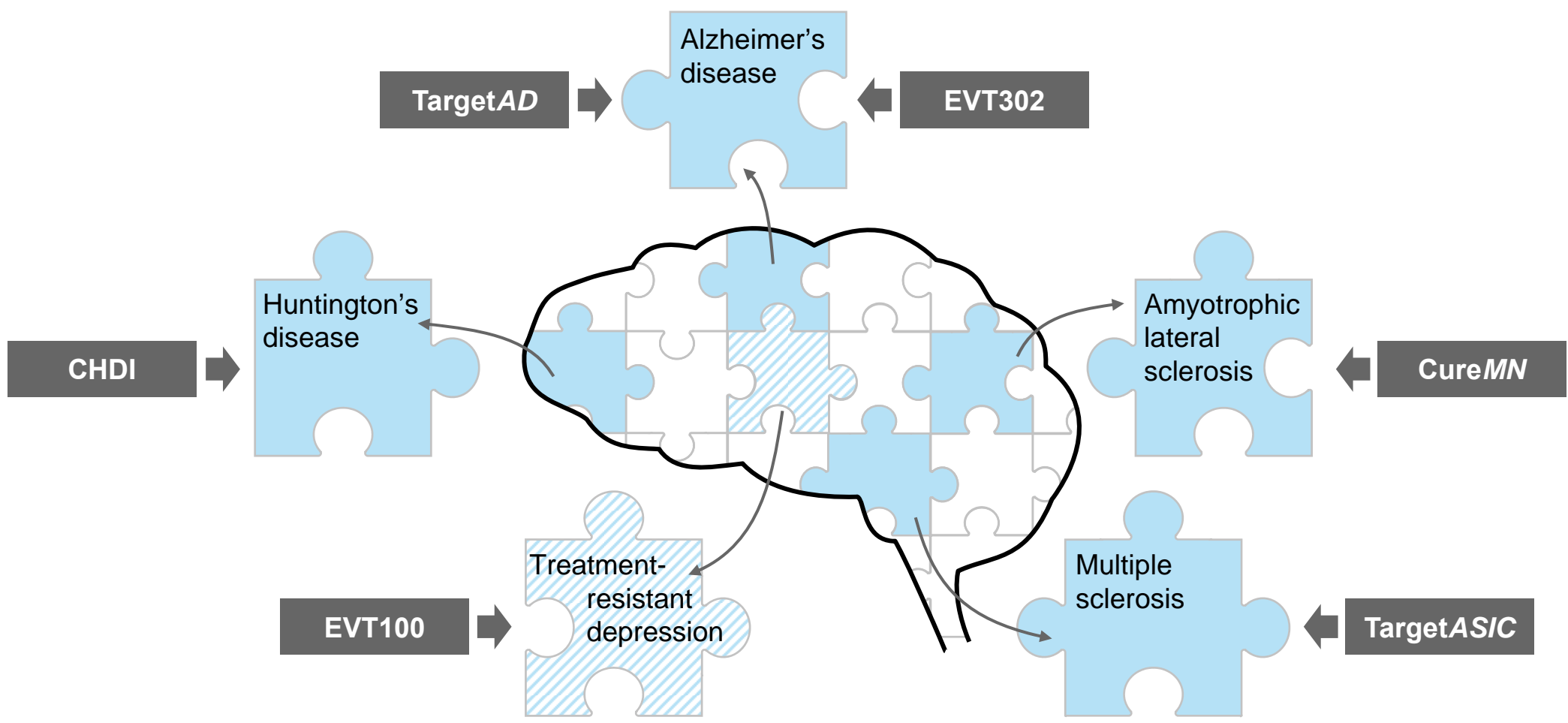
First-in-class innovation beyond “legacy portfolio” of EVT302 and EVT100

Neurology pipeline overview

Molecule(s)	Indication (mechanism)	Partner	Status	Next milestone	Commercials
EVT302	Alzheimer’s disease (MAO-B)		Phase II	Completion of Phase II Phase III start	\$ 12 m upfront, up to \$ 820 m milestones, significant royalties
EVT100 series	Treatment-resistant depression (NR2B)		Pre-clinical	Confirmation of pre-clinical study/ Phase II start	\$ 2 m upfront, up to \$ 160 m milestones, significant royalties
Various	Huntington’s disease		Target validation	ND	Research payments
Not disclosed	Neurodegeneration		Pre-clinical	ND	Research payments
Not disclosed	Neurodegeneration		Discovery	ND	Research payments
TargetAD	Alzheimer’s disease (Novel MoA)		Discovery	ND	Up to \$10 m research payments, approx. \$ 125 - \$145 m milestones, royalties
TargetAS/C	Multiple sclerosis	Undisclosed Pharma 	Lead generation	Lead status	Co-funded
CureMN	Amyotrophic lateral sclerosis (ALS)		Discovery	Pharma partnership	TBD

Strategic focus on neurodegeneration

Systematic in CNS



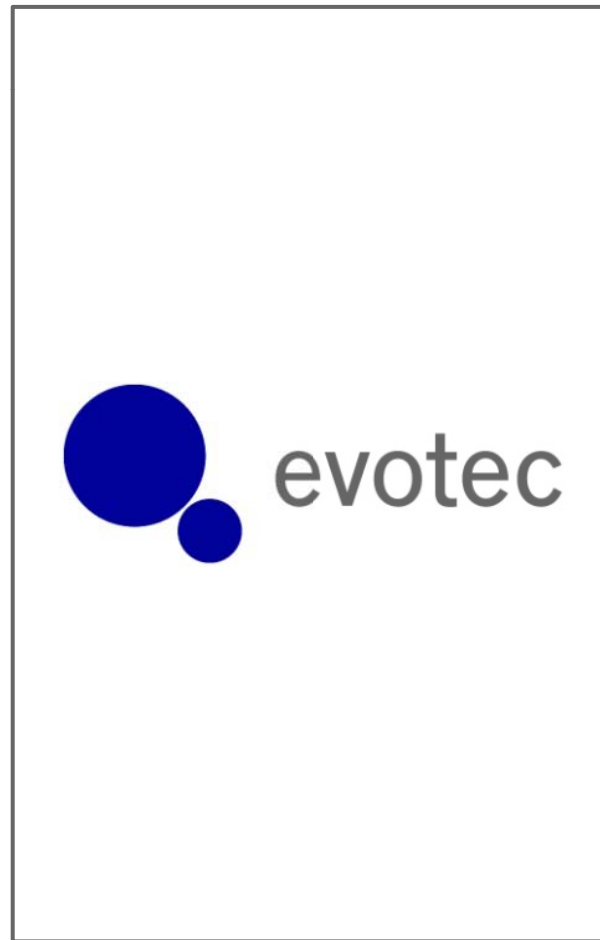
TargetAD with J&J Innovation

Project overview

Objective	Identify new drug targets for discovery of novel treatment approaches to Alzheimer's disease
Target class	Small molecule targets
1° Therapeutic area	Alzheimer's disease
Start date	11/2013
Status	Discovery
Project strategy	Janssen will have the opportunity to internalise selected targets and therapeutic candidates from the TargetAD database and progress them into pre-clinical and clinical development.
Partners	Johnson & Johnson Innovation (Janssen Pharmaceuticals, Inc.)
Commercials	Approx. \$ 10 m in FTE-based research costs, between \$ 125 m to \$ 145 m per programme upon achieving agreed-upon milestones, royalties

TargetAD – Novel targets for Alzheimer’s disease

Systematic, unbiased target ID and validation for novel AD targets



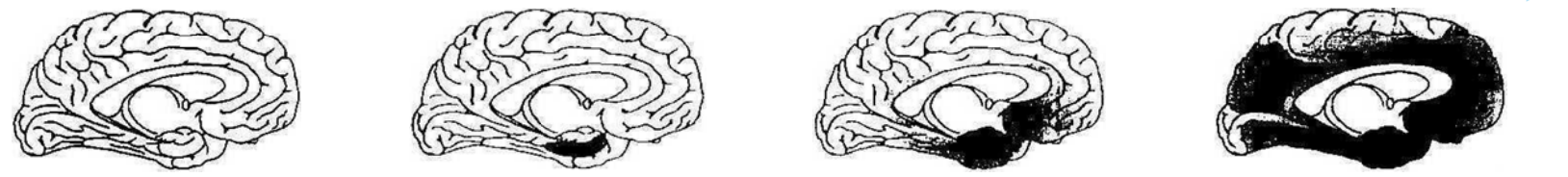
Comprehensive AD target database

- Highest quality brain samples
- Focus on novel mechanisms and targets on early Braak stages
- High-content readouts for quantifying neuronal and synaptic plasticity (Synapse formation)

Therapeutic windows in Alzheimer's disease

Disease-modifying approaches urgently needed

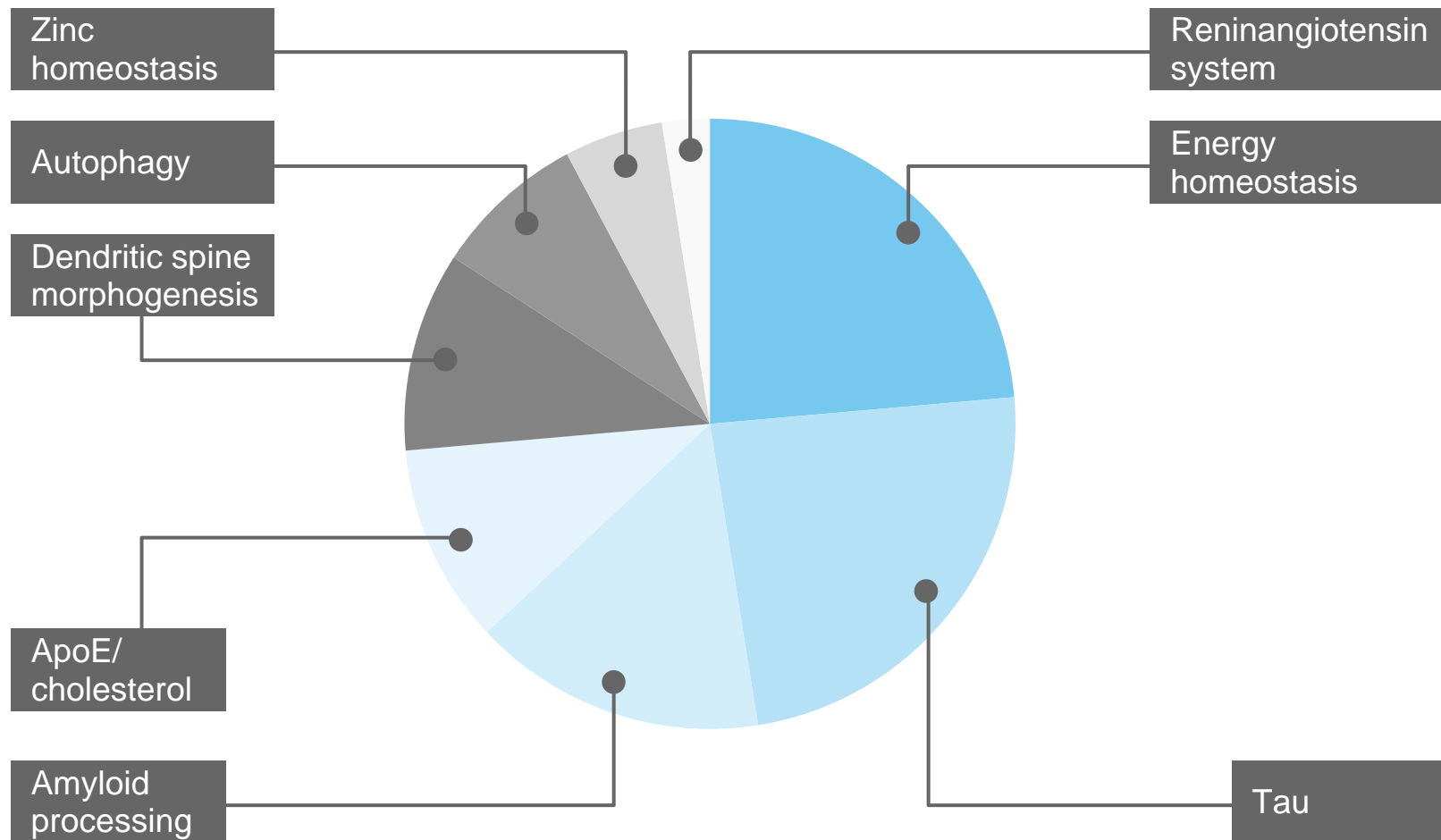
Normal brain Alzheimer's disease brain

Braak stages	0	1/2	3/4	5/6
Disease progression		Start of disease	Clinical onset	Advanced stages
Symptoms		No clinical symptoms/ minimal cognitive impairment	Mild cognitive impairment/ memory deficit	Dementia/debilitating cognitive deficit
Pathology		Tau (transentorhinal) Progressive synaptic/ neuronal loss	Tau (limbic)	Tau (isocortical) Loss of brain mass
Therapies		Disease-modifying mechanisms (Neuroprotection, Neuroregeneration)		Symptomatic therapies (AChE inhibitors, Memantine)

Novel target candidates for old and new mechanisms

Large number of dysregulated target candidates








CureMN (*Motor Neurons*)

Project overview

Objective	Through application of hiPSC technology identify cell autonomous mechanism targets, pathways and small molecule modulators to preserve motor neuron function in ALS
Target class	Small molecules
1° Therapeutic area	ALS
Start date	09/2013
Status	Discovery
Project strategy	HCS based disease relevant endpoints using hiPSC lines from patients with sporadic and familial ALS (clinical trial in dish)
Partners	Harvard University (Lee Rubin / Kevin Eggan), patientslikeme.com
Commercials	Shared research costs, milestones, royalties; partnering through Evotec





First milestones achieved in UCB alliance

Pain and inflammation pipeline overview

Molecule(s)	Indication (mechanism)	Partner	Status	Next milestone	Commercials
EVT401	Inflammation (P2X7 inhibitor)	 康恩贝集团 CONBA GROUP	Phase I/II	Phase II start	Up to € 60 m milestones, royalties
Various	Endometriosis		Pre-clinical	Pre-clinical candidate	€ 12 m upfront, total value up to approx. € 580 m, royalties
Various	Various/Pain		Pre-clinical	Phase I start	Research payments, milestones, royalties
Various	Inflammation		Pre-clinical	Preclinical	High margin research payments, up to € 183 m milestones/product, significant royalties
Undisclosed	Various/Pain	 NOVARTIS	Pre-clinical	Successful PoC	Research payments, milestones, royalties

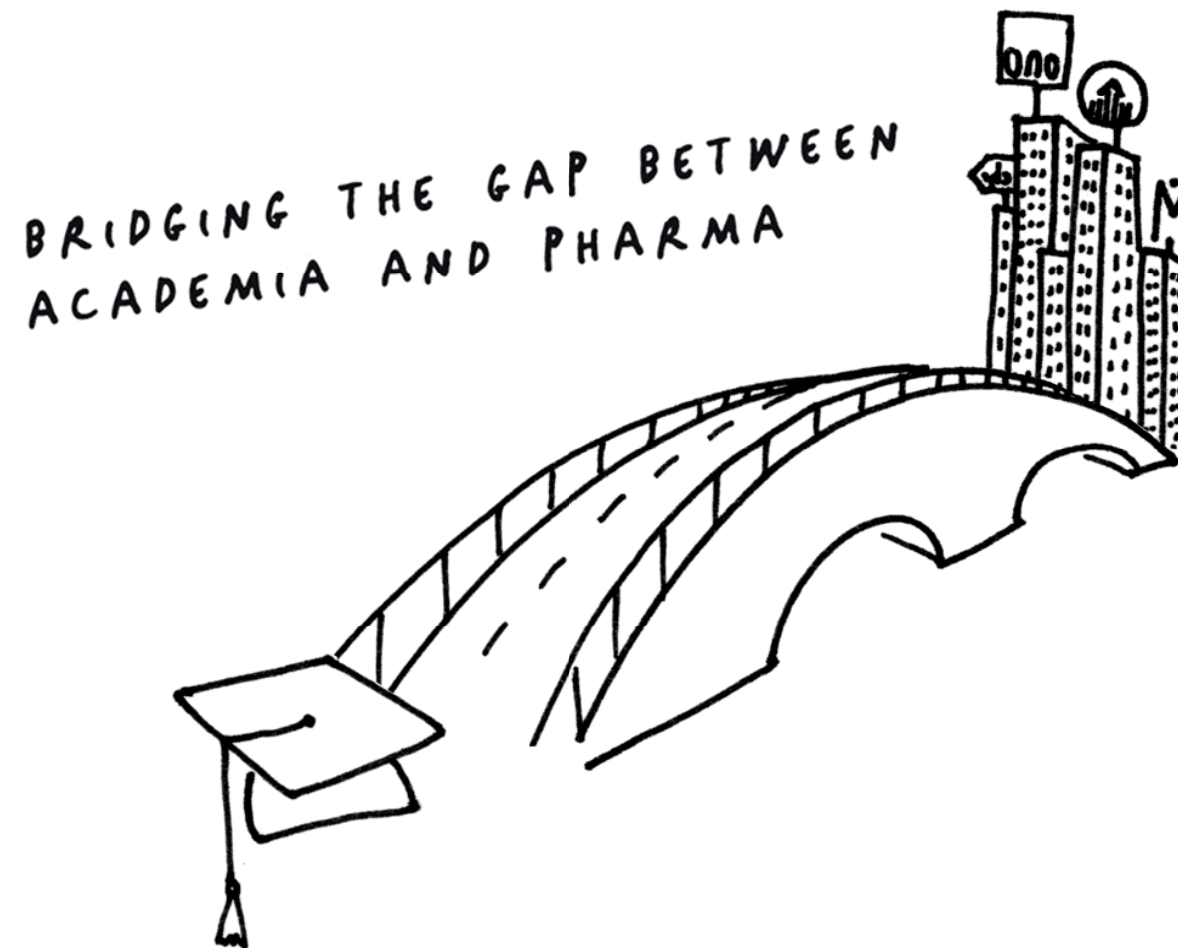
Building long-term vision in novel fields of oncology

Oncology pipeline overview

Molecule(s)	Indication (mechanism)	Partner	Status	Next milestone	Commercials
Somatropim (DG3173)	Acromegaly/NET	 Aspireo Pharmaceuticals	Phase IIa	Pharma partnership	Consulting fees, royalties
Various	ND	 Boehringer Ingelheim	Phase I	Various	Research payments, milestones, royalties
Target <i>Cbl-b</i>	Various (Immunotherapy)	 APEIRON BIOLOGICS	Pre-clinical	Pharma partnership	Shared research costs, milestones, royalties
Target <i>KDM</i>	Various (Epigenetic targets)	 Belfer Institute FOR APPLIED CANCER SCIENCE	Pre-clinical	Pharma partnership	ND
Target <i>FGFR3</i>	Bladder cancer	Internal	H2L	ND	ND
Target <i>IDH</i>	Various (Epigenetic targets)	Internal	H2L	ND	ND

Bridging the gap

The discovery highway



First-in-class product candidates and an even stronger portfolio of partnerships

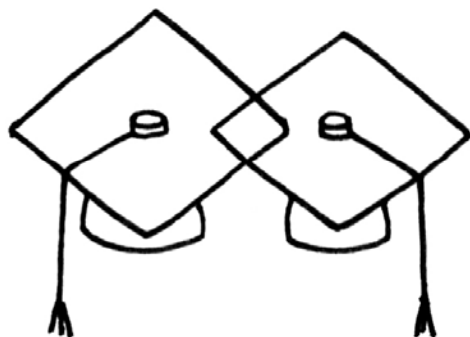
EVT Innovate and EVT Integrate strategy 2013

Start of several clinical trials within existing alliances

Further expansion of portfolio with new strategic alliances

Commercialise one **Cure X/Target X** initiative ✓

Initiate 3-5 more **Cure X/Target X** programmes ✓

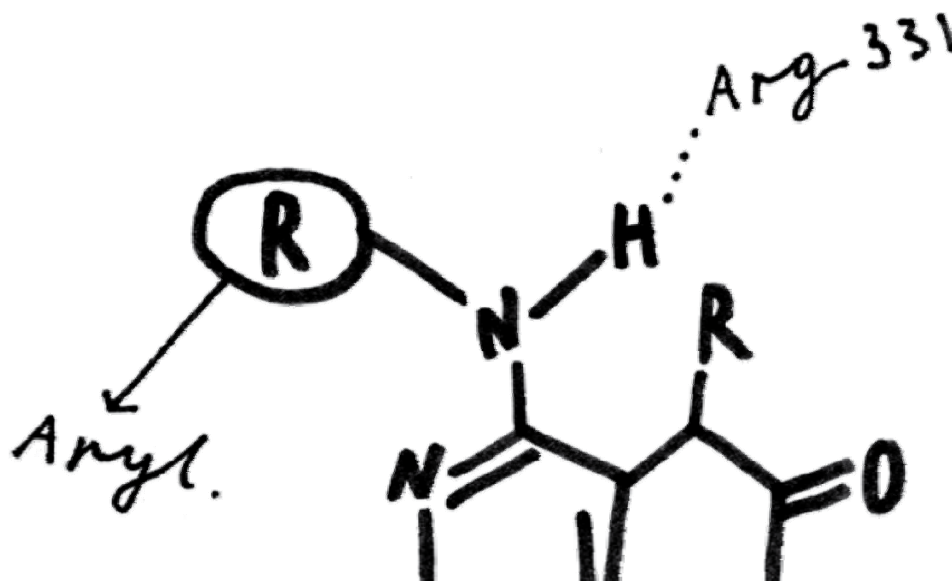


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Business and strategy update – Innovation efficiency

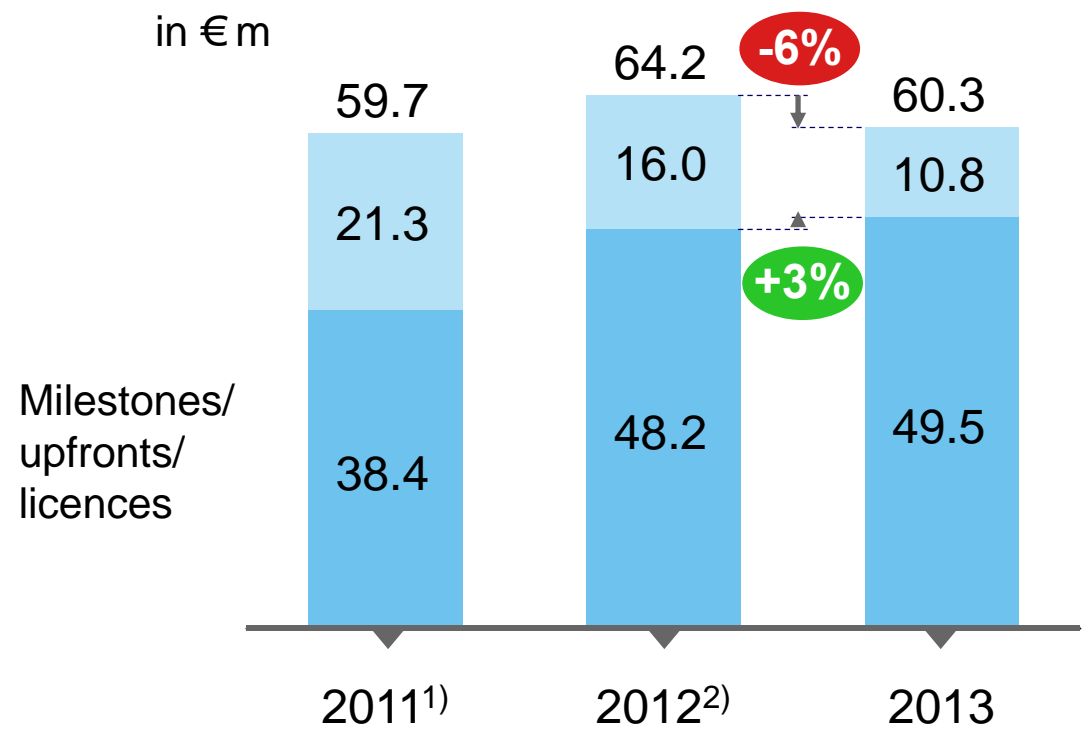
Financial performance & outlook



Year-over-year increase in base revenues

Revenues for the first nine months 2013

Base revenues for the first nine months increased by 3% compared to 2012



¹⁾ Incl. upfront payment of € 6.9m from Roche for partnering of EVT302

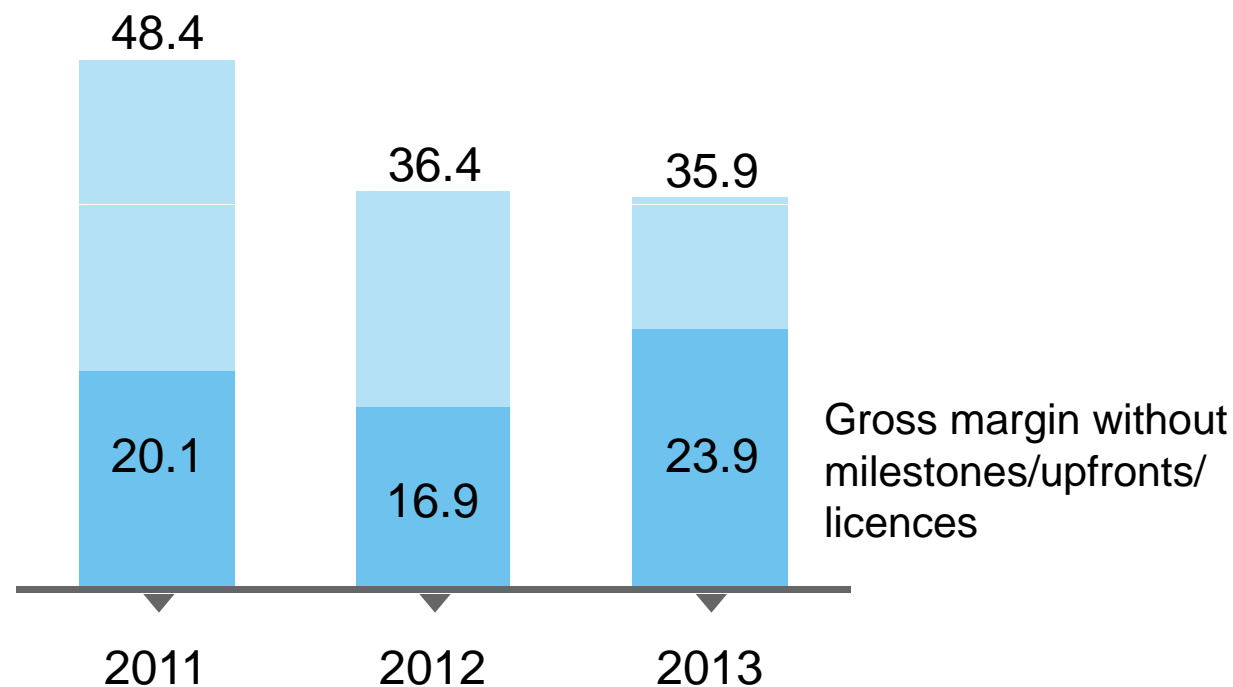
²⁾ Incl. milestone of € 3.9 m from Andromeda/Teva for Diapep277®

Underlying gross margin increase due to utilisation improvements

Gross margin for the first nine months of 2013

Gross margin w/o MS/upfronts/licences significantly improved from 17% to 24%

in %

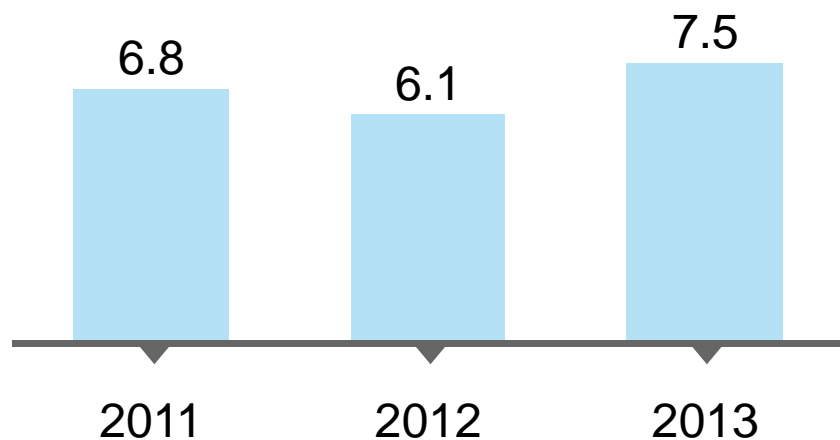


Increased R&D investments to drive innovation

First nine months 2013: R&D and SG&A

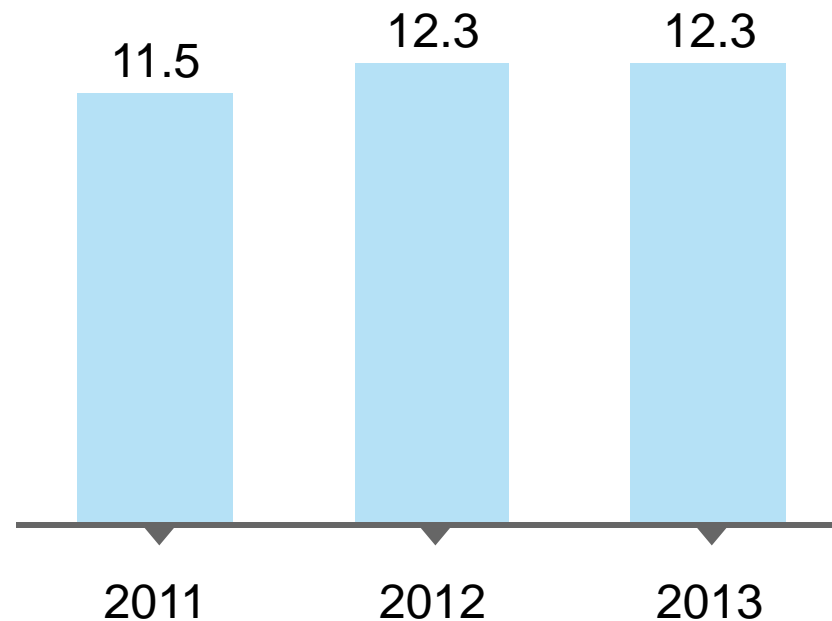
in €m

Unpartnered R&D investments



Acceleration of Cure X and Target X initiatives

SG&A expenses



SG&A unchanged due to cost containment

One-time impairment charges relating to the closure of India impacts result

First nine months 2013: Condensed consolidated income statement (IFRS)

in € m

	2012 ¹⁾	2013 ¹⁾	% vs. 2012 ¹⁾
Revenues	64.2	60.3	(6)%
Gross margin	36.4%	35.9%	
• R&D expenses	6.1	7.5	23%
• SG&A expenses	12.3	12.3	0%
• Amortisation	2.0	2.4	21%
• Restructuring expenses	0.0	0.4	-
• Impairment of goodwill & tangible assets	0.0	3.0	-
• Other op. income (expenses), net	(0.2)	(0.3)	
Operating income (loss)	2.9	(4.2)	
Operating result (adjusted)	1.4	(1.0)	
Net income (loss)	7.5	(4.9)	

- Excluding milestones, upfronts and licences gross margin increased significantly
- Increased investment in Innovate R&D
- Operating loss for the first nine months mainly due to impairment charges and restructuring expenses from closure of Evotec's Indian operations

Q3 revenue increased by 7% leading to significantly improved adjusted operating result

Q3 2013: Condensed consolidated income statement (IFRS)

in € m

	Q3 2012	Q3 2013	% vs. 2012
Revenues	22.2	23.6	7%
Gross margin	38.9%	46.9%	
• R&D expenses	2.2	2.7	23%
• SG&A expenses	4.2	4.2	0%
• Amortisation	0.8	0.7	(10)%
• Restructuring expenses	0.0	0.4	-
• Impairment of goodwill & tangible assets	0.0	3.0	-
• Other op. (income) expenses, net	0.1	0.0	
Operating income (loss)	1.5	0.2	
Operating result (adjusted)	0.8	3.2	
Net income (loss)	5.9	(0.3)	

- Revenues Q3 2013 included milestones from Boehringer Ingelheim and UCB
- One-time impairment charges due to closure of Evotec's Indian operations

Strong liquidity position further enhanced by cash inflow from capital increase

First nine months 2013: Condensed consolidated statements of CF (IFRS)

Liquidity in € m

	2012 ¹⁾	2013 ¹⁾	
Net cash provided by (used in)			
• Operating activities	0.3	(4.0)	<ul style="list-style-type: none"> • Reflects reduction in deferred revenues Q3 milestones invoiced, but not paid by end of Sept
• Investing activities	14.0	(23.4)	
• Financing activities	2.8	30.4	
Exchange rate difference	0.6	(0.3)	<ul style="list-style-type: none"> • Reflects the net purchase of investments in the amount of €18.1 m
Cash and cash equivalents at end of period	35.5	41.7	<ul style="list-style-type: none"> • Cash inflow in September 2013 mainly due to capital increase
+ Investments	20.4	43.0	
= Liquidity at end of period	55.9	84.7	
Liquidity at beginning of period	62.4	64.2	
Net increase/decrease in liquidity	(6.5)	20.5	

Others

Strengthening of management team	<ul style="list-style-type: none">• Dr Thomas Hanke as Head of Immunology & Inflammation¹⁾
Change in Supervisory Board	<ul style="list-style-type: none">• Dr Hubert Birner decided to resign from his position as member of the Supervisory Board¹⁾
Increase internal and external transparency of the business	<ul style="list-style-type: none">• Evotec intends to report two segments from 01 January 2014 onwards

Operating financial targets 2013 confirmed, cash guidance adjusted to reflect capital increase

Guidance overview

in € m

	2013 ¹⁾	2012 ¹⁾	Δ 2013/2012	FY 2013 Guidance	FY 2012
Revenues	60.3	64.2	-6%	90-100	87.3
Operating result, adjusted ²⁾	(1.0)	1.4		Improved over 2012	1.4
Unpartnered R&D expenses	7.5	6.1	+23%	approx. 10	(8.3)
Liquidity at period-end	84.7	55.9	+51%	>90 ³⁾	64.2

Growth driven by high-quality services

EVT strategy 2013

Key milestones for 2013

- Revenue growth and increasing gross margin ✓
- Expansion success of existing alliances ✓
- Significant long-term deals with big and mid-sized Pharma and Biotech ✓
- At least 1 significant new integrated technology/disease alliance ✓ ✓
- Accelerated pre-clinical/clinical milestones
- Strong progress in product development partnerships
- Expansion of network of academic alliances ✓
- Partnering of one pre-clinical asset/development programme ✓

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