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**DAC Selects Evotec as Strategic Partner for a Drug Discovery
Collaboration on the HSP90 Cancer Target**

**- DAC in-licences compound intellectual property identified using
Evotec's proprietary fragment screening platform -**

Hamburg, Germany | Oxford, UK | Milan, Italy – Evotec AG (Frankfurt Stock Exchange: EVT, TecDAX 30) today announced that DAC (a wholly owned subsidiary of Genextra SPA) has chosen Evotec as a strategic partner to identify small molecule therapeutics in a pharmaceutical discovery project on the HSP90 target, a key protein involved in a variety of oncogenic pathways in several cancer related diseases.

Under the agreement, DAC will access compound intellectual property that Evotec has generated on this disease target through its internal R&D activities. The aim of the collaboration will be to take compounds identified by Evotec as being active against the target and further optimise them to the point of clinical development.

Using its proprietary fragment screening platform (High Throughput Fragment Screening, HTFS), Evotec identified novel fragments that interact with the HSP90 target from Evotec's five thousand member fragment library. Active fragments were further characterised by co-crystallisation with the target protein. The X-ray crystal structures of the protein-ligand complexes identified a variety of binding modes some of which will give rise to novel approaches for inhibiting HSP90. Following due diligence DAC has decided to collaborate with Evotec with the aim of improving the potency and selectivity of the identified compounds. In the collaboration, which may run for an initial period of over 2 years, Evotec will use its medicinal chemistry, profiling and ADMET (Absorption, Distribution, Metabolism, Excretion and Toxicity) expertise to generate lead molecules for further progression into clinical trials.

For its contributions to the discovery project Evotec will potentially receive single digit millions R&D service revenues and will also be eligible for additional preclinical and clinical milestone payments.

“We are delighted that DAC and Genextra, one of the most innovative and active biopharmaceutical companies in Italy, appreciated the value of the HSP90 inhibitors that we had identified using our novel approach to fragment screening and have selected us for this project. We are very excited about the potential for analogues of these compounds to be novel treatments for diseases that require inhibition of the HSP90 protein,” **said Dr Mark Ashton, Executive Vice President Business Development Services at Evotec.** “This project represents another major milestone in our

strategy to strengthen our collaborative relationships by providing our partners access to selected promising proprietary drug discovery assets discovered using our state-of-the-art platform.”

“This project is an important extension of our lead discovery activities. From existing collaborations with Evotec, we remained positively impressed by Evotec’s medicinal chemistry capabilities and this, together with the results that Evotec had already generated against this disease target, convinced us to collaborate on this exciting project,” **commented Mr Paolo Fundarò, Chief Executive Officer of Genextra.**

About Evotec AG

Evotec is a leader in the discovery and development of novel small molecule drugs. Both through its own discovery programmes and through contract research partnerships, the Company is providing highest quality research results to its partners in the pharmaceutical and biotechnology industries.

In proprietary projects, Evotec specialises in finding new treatments for diseases of the central nervous system (CNS). Evotec has three Phase I clinical programmes: EVT 201, a GABA_A modulator for the treatment of insomnia, EVT 101, a subtype selective NMDA receptor antagonist for the treatment of Alzheimer’s disease and EVT 301, a selective and reversible inhibitor of MAO-B for the treatment of Alzheimer’s disease.

In contract research, Evotec has established itself as the partner of choice for pharmaceutical and biotechnology companies worldwide. The Company provides innovative and often integrated solutions from drug target to clinic through an unmatched range of capabilities, including early stage assay development and screening through to medicinal chemistry and drug manufacturing.

In 2005, Evotec has generated sales of EUR 80 million with approximately 600 people located in Hamburg, Germany and near Oxford and in Glasgow, UK.

www.evotec.com

About DAC, a Genextra Company, Milan

DAC is one of four operating companies owned by Genextra, a private Milan-based holding company with majority investments in early stage biotechnology and nanotechnology companies. Genextra’s focus is on treating diseases related to aging, oncology and metabolic disorders. Genextra’s portfolio companies have one compound in the clinic and are advancing preclinical stage lead compounds, including HDAC inhibitors and p66 modulators.

For further details, please refer to the company web site at <http://www.genextra.com>.