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Evotec Discontinues EVT 301 Development Programme

Hamburg, Germany | Oxford, UK – Evotec AG (Frankfurt Stock Exchange: EVT, TecDAX 30) today reported that during the one month safety and tolerability study with EVT 301 in young and elderly volunteers, several cases of asymptomatic elevated liver function tests in the elderly group have been observed. All cases reversed spontaneously. No cases of elevated liver function tests were observed within the young healthy volunteer group.

In the light of these findings Evotec has stopped the ongoing Phase I trials and has decided today to discontinue the development programme. As the planned Phase II trial with EVT 301 will not be executed this will free approximately EUR 20 million of R&D money over the next two to three years for other development programmes.

“Our strategy is to develop high-quality compounds to later stage development with the goal of monetising these assets for partnering. Successful drug development requires discipline. Although advancement of this programme would have been optimal, it is better that the investment in EVT 301 has been capped now rather than after a large investment in later stage trials. We continue to believe there is ample opportunity in our current proprietary portfolio of CNS candidates, including our insomnia drug EVT 201 and the potential of EVT 101 for the treatment of Alzheimer’s disease, neuropathic pain or other indications. The discontinuation of the EVT 301 programme will free up EUR 20 million, which will provide us a lot of flexibility in developing our pipeline,” **said Joern Aldag, President & Chief Executive Officer of Evotec.**

“Alzheimer’s disease is a large unmet medical need and Evotec continues to believe in the potential of MAO-B inhibition and its role in treating CNS related disorders. We will assess the findings of EVT 301 in full detail. In other respects, our pipeline is progressing well. EVT 201 and EVT 101 continue to meet their clinical milestones and we look forward to apprising you of their developments later this year,” **added John Kemp, Chief Research & Development Officer of Evotec.**

EVT 301 is an orally active, selective and reversible inhibitor of monoamine oxidase B (MAO-B) which was in development for Alzheimer’s disease.

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 generating the 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. Evotec has two programmes in clinical development: EVT 201, a partial positive allosteric modulator (pPAM) of the GABA_A receptor complex for the treatment of insomnia, and EVT 101, a subtype selective NMDA receptor antagonist for the treatment of Alzheimer's disease and/or neuropathic pain.

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 600 employees located in Hamburg, Germany and near Oxford and in Glasgow, UK.

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