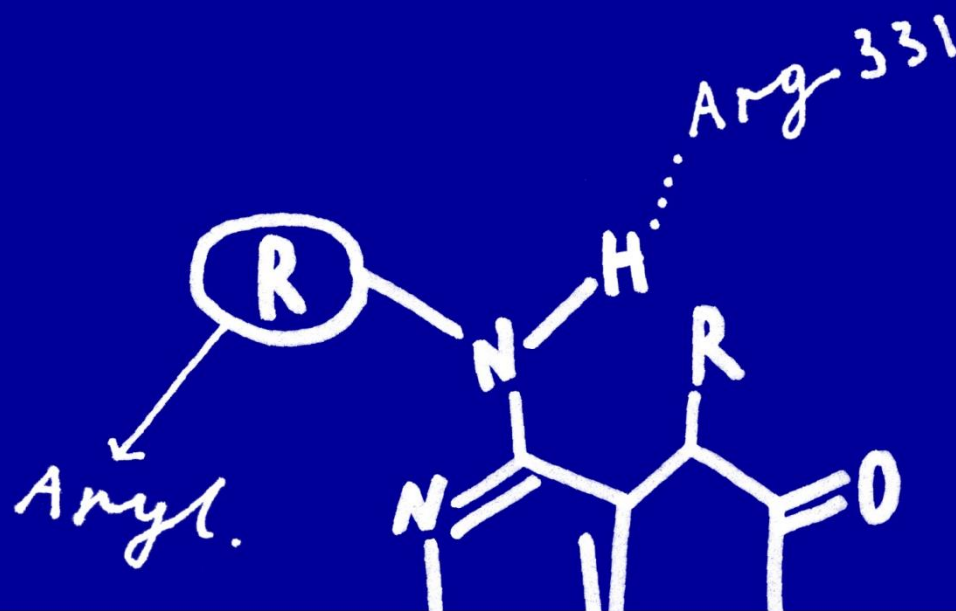

Quarterly Statement First Nine Months 2018 (unaudited)

Delivering on innovation



Forward-looking statement & General information

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.

Note:

The 2017 and 2018 results are not fully comparable. The difference stems from the acquisitions of Aptuit (effective 11 August 2017) and Evotec ID (Lyon) SAS (effective 01 July 2018). The results from Aptuit are only included from 11 August 2017 onwards while the results from Evotec ID (Lyon) SAS are only included from 01 July 2018 onwards. The accounting policies used to prepare this interim information are the same as those used to prepare the audited consolidated financial statements for the year ended 31 December 2017, except for the adoption of new standards effective as of 01 January 2018.

From 01 January 2018 onwards, Evotec applies IFRS 15 and IFRS 9. The comparison period 2017 is adjusted for the first time application of IFRS 15.

Focus on growth and scientific excellence

Significant events 9M 2018 – Evotec Group

EVT Execute

- Clinical Phase I and Phase II starts and good progress within ongoing alliances (e.g. Bayer endometriosis/chronic cough alliance)
- Strong performance across all business and service lines
- New contracts and increased demand for INDiGO solutions
- Signing of multiple new and extended drug discovery and development agreements (e.g. CHDI, Novo Nordisk)

EVT Innovate

- High-value milestone achievements in iPSC alliances, continued expansion of iPSC platform
- Focus on patient-centric approaches to drug discovery
- New long-term partnerships with Celgene in oncology (upfront payment: \$ 65 m) and targeted protein degradation
- Acquisition of Evotec ID (Lyon): Initiation of strategic efforts in infectious diseases
- New BRIDGE alliances signed

Corporate

- Aptuit integration according to plan – 50% of acquisition loan repaid within the first year
- Action Plan 2022 – “Leading External Innovation” launched
- Conversion into European Company (SE) initiated
- Evotec AG listed in MDAX and STOXX Europe 600
- Strong outlook for remainder of 2018 confirmed
- Craig Johnstone replaces Mario Polywka as COO effective 01 January 2019

Strong financials even with new business mix

Condensed income statement 9M 2018 – Evotec Group

in € m¹⁾

	YTD 2018	YTD 2017 ⁵⁾	% vs. 2017
Revenues	270.0	171.5	57%
Gross margin ²⁾	31.0%	34.8%	–
• R&D expenses	(20.9)	(12.5)	67%
• SG&A expenses	(40.8)	(29.3)	39%
• Impairment of intangible assets	(4.2)	(1.2)	–
• Income from bargain purchase ³⁾	15.4	–	–
• Other op. income (expenses), net	26.3	8.8	–
Operating income	59.5	25.5	133%
Adjusted Group EBITDA⁴⁾	68.7	38.9	77%
Net income	52.3	12.7	–

- Revenue growth due to performance in base business, Aptuit contribution (2018: € 83.6 m; 2017: € 15.0 m) and milestones
- Expected increase in R&D following addition of infectious disease unit Evotec ID (Lyon)
- SG&A expenses increase due to addition of Aptuit, Evotec ID (Lyon) and core growth
- One-time effect – Income from bargain purchase with regards to Evotec ID (Lyon); Purchase price allocation (PPA) still preliminary
- Other operating income increased due to Evotec ID (Lyon), higher R&D tax credits and release of earn-out accruals following impairment of EVT770

¹⁾ Differences may occur due to rounding

²⁾ Gross margin in 2018 considers amortisation of acquisitions from Aptuit and Cyprotex. Gross margin in 2017 only considers amortisation from Cyprotex acquisition and approx. 2 months from Aptuit. Evotec AG | Quarterly Statement 9M 2018 (unaudited) | 13 November 2018

³⁾ No impact on adjusted Group EBITDA

⁴⁾ Before contingent considerations, income from bargain purchase and excl. impairments on goodwill, other intangible & tangible assets as well as the total non-operating result

⁵⁾ 2017 figures adjusted for the first time application of IFRS 15

Significant upswing in base business and high milestones lead to a very strong Q3

Condensed income statement Q3 2018 – Evotec Group

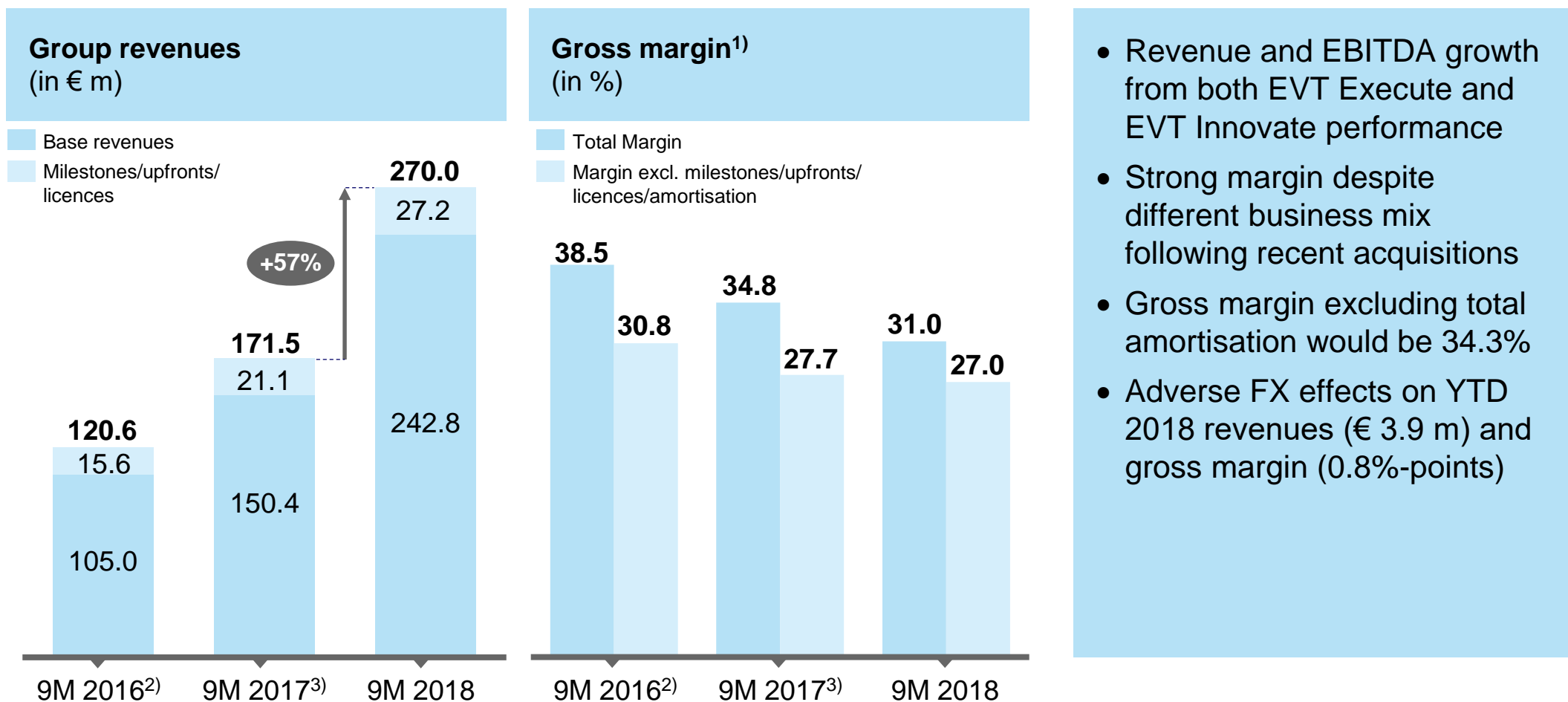
in € m

	Q3 2018	Q3 2017 ²⁾
Revenues	96.3	67.2
Gross margin	34.7%	33.4%
• R&D expenses	(10.9)	(4.0)
• SG&A expenses	(13.6)	(13.5)
• Impairment of intangible assets	–	(1.2)
• Income from bargain purchase	15.4	–
• Other op. income (expenses), net	13.6	3.3
Operating income	37.8	7.1
Adjusted Group EBITDA¹⁾	30.1	12.7
Net income	34.4	2.4

- Strong revenue growth of 43% due to strong base business, Aptuit contribution and high milestone achievements
- Gross margin reflecting high milestone achievements
- R&D expenses from July 2018 onwards increased by addition of Evotec ID (Lyon)
- SG&A on similar level as in prior quarters
- One time effect – Income from bargain purchase with regards to Evotec ID (Lyon) – PPA still preliminary
- Higher R&D tax credits contributing to other operating income
- Increase in adjusted Group EBITDA of 137%

Strong growth continued, new margin composition

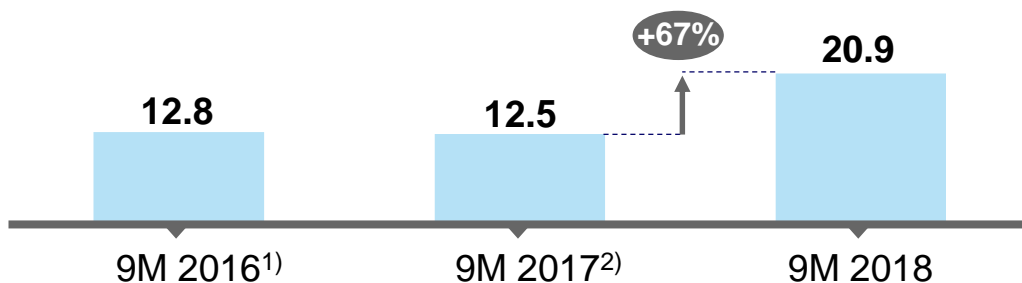
Revenues & Gross margin overview 9M 2018



R&D and SG&A expenses impacted by new efforts in infectious diseases and Company growth

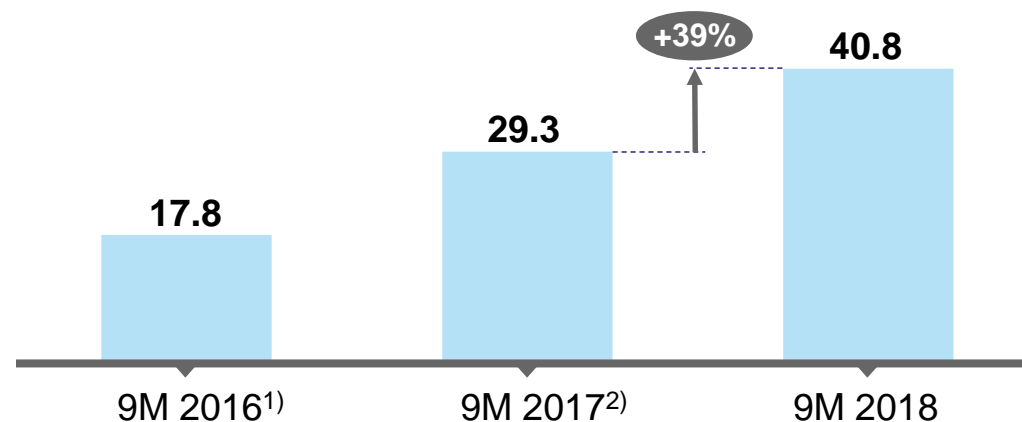
R&D and SG&A expenses overview 9M 2018

R&D expenses (in € m)



- R&D expenses in 9M 2018 increased as planned following new strategic efforts in infectious diseases at Evotec ID (Lyon)
- Continued focus on initiatives in the field of iPSC, R&D platforms as well as academic BRIDGE initiatives

SG&A expenses (in € m)



- Expected increase in SG&A expenses in 2018 mainly due to expenses of Aptuit and Evotec ID (Lyon) as well as M&A-related expenses
- Increased headcount in response to strong Company growth

Both segments showing strong performance

Segment information 9M 2018 – Evotec Group

in € m¹⁾

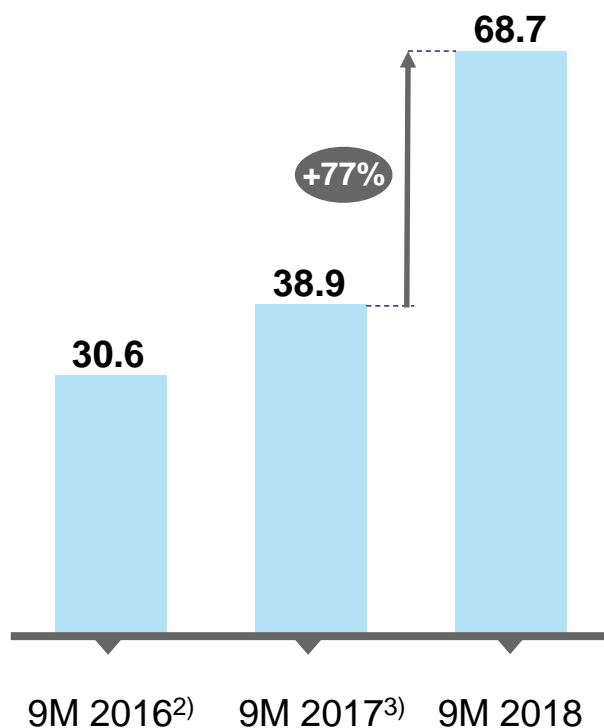
	EVT Execute	EVT Innovate	Inter- segment elimination	Not allocated	Evotec Group
Revenues	254.3	51.3	(35.6)	–	270.0
Gross margin	24.6%	48.8%	–	–	31.0%
• R&D expenses	(0.6)	(24.1)	3.8	–	(20.9)
• SG&A expenses	(34.5)	(6.3)	–	–	(40.8)
• Impairment of intangible assets	–	(4.2)	–	–	(4.2)
• Income from bargain purchase	–	–	–	15.4	15.4
• Other op. income (expenses), net	13.0	13.3	–	–	26.3
Operating income	40.4	3.7	–	15.4	59.5
Adjusted EBITDA²⁾	62.1	6.6	–	–	68.7

- Growth in EVT Execute due to strong base business including Aptuit contribution
- Strong milestone achievements and new partnerships in EVT Innovate
- Increased R&D expenses in EVT Innovate following new infectious disease efforts
- Income from bargain purchase not allocated to segments and one-time effect
- EVT Innovate other operating income increase due to cost coverage ID R&D by Sanofi
- Higher R&D tax credits
- Positive adjusted EBITDA in EVT Innovate following milestone achievements

Strong growth trend in EBITDA

Adjusted Group EBITDA overview 9M 2018

Adjusted Group EBITDA¹⁾
(in € m)



in € m ⁴⁾	EVT Execute	EVT Innovate	Interseg- ment elimination	Not allocated	Evotec Group
Operating income	40.4	3.7	–	15.4	59.5
• plus depreciation of tangible assets	12.9	0.8	–	–	13.7
• plus amortisation of intangible assets	8.8	0.2	–	–	9.0
• plus impairment of intangible assets	–	4.2	–	–	4.2
• less income from bargain purchase	–	–	–	(15.4)	(15.4)
• less change in contingent consideration	–	(2.3)	–	–	(2.3)
Adjusted EBITDA¹⁾	62.1	6.6	–	–	68.7

- Strong adjusted Group EBITDA growth reflects growth in base business, new partnerships, milestone achievements and contributions from acquired business
- Higher R&D tax credits in France, UK and Italy lead to increase in other operating income in 9M 2018

¹⁾ Before contingent considerations, income from bargain purchase and excl. impairments on goodwill, other intangible & tangible assets as well as the total non-operating result

²⁾ Not adjusted according to IFRS 15

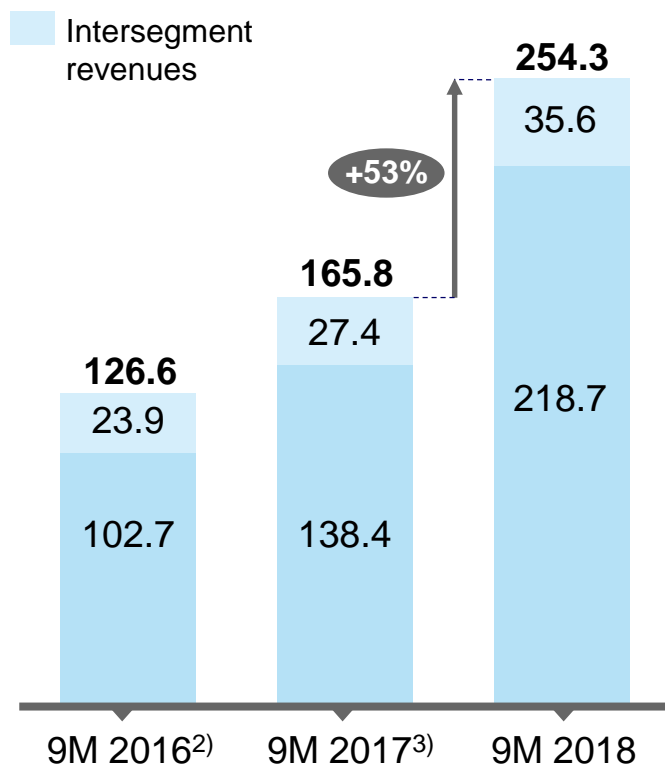
³⁾ 2017 figures adjusted for the first time application of IFRS 15

⁴⁾ Differences may occur due to rounding

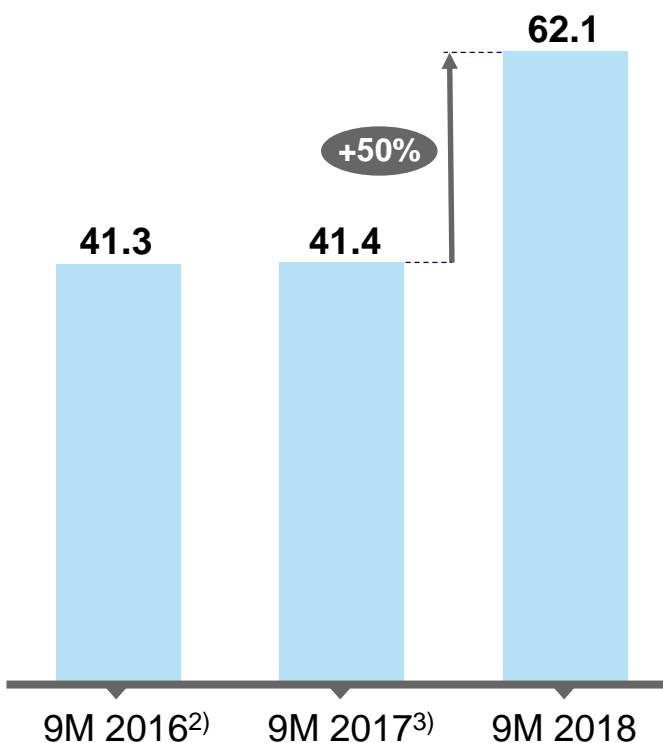
EVT Execute shows continued strong growth

EVT Execute – Key performance indicators 9M 2018

Revenues¹⁾ (in € m)



Adjusted EBITDA⁴⁾ (in € m)



- Significant upswing in revenues due to growth in the base business and nine months Aptuit contribution
- Increase in adjusted EBITDA follows revenue growth across all service lines

¹⁾ Including intersegment revenues

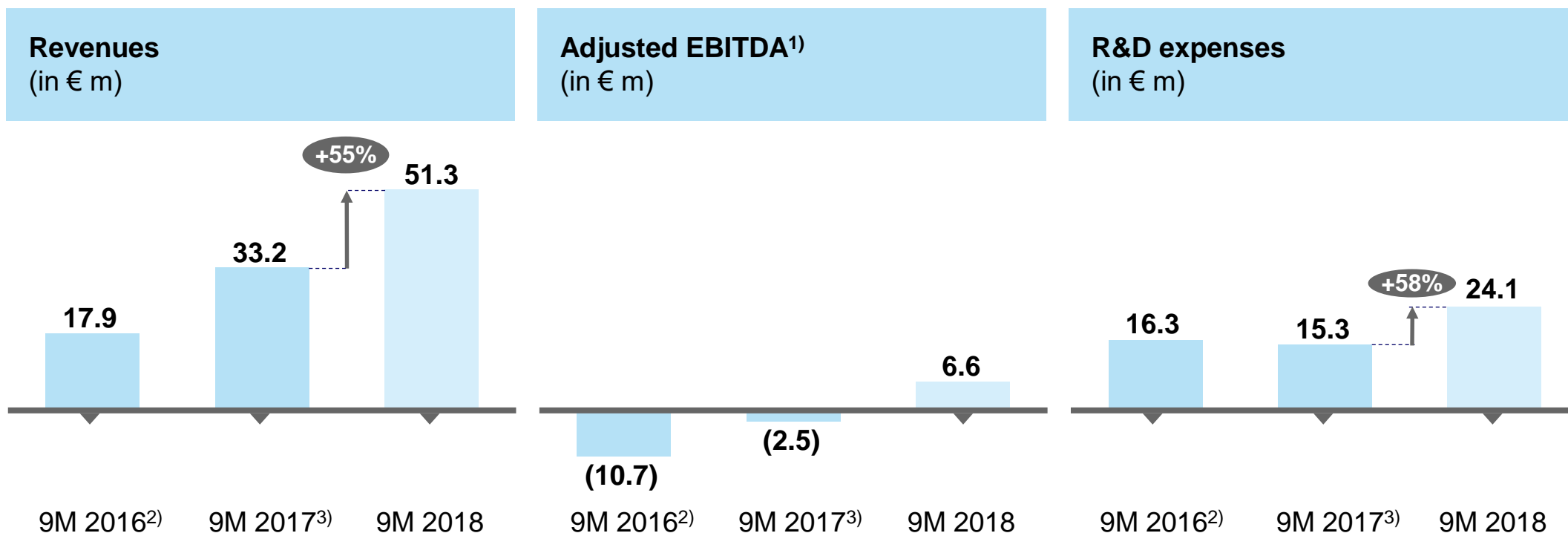
²⁾ Not adjusted according to IFRS 15

³⁾ 2017 figures adjusted for the first time application of IFRS 15

⁴⁾ Before contingent considerations, income from bargain purchase and excl. impairments on goodwill, other intangible & tangible assets as well as the total non-operating result

Milestones, new partnerships and accelerated R&D

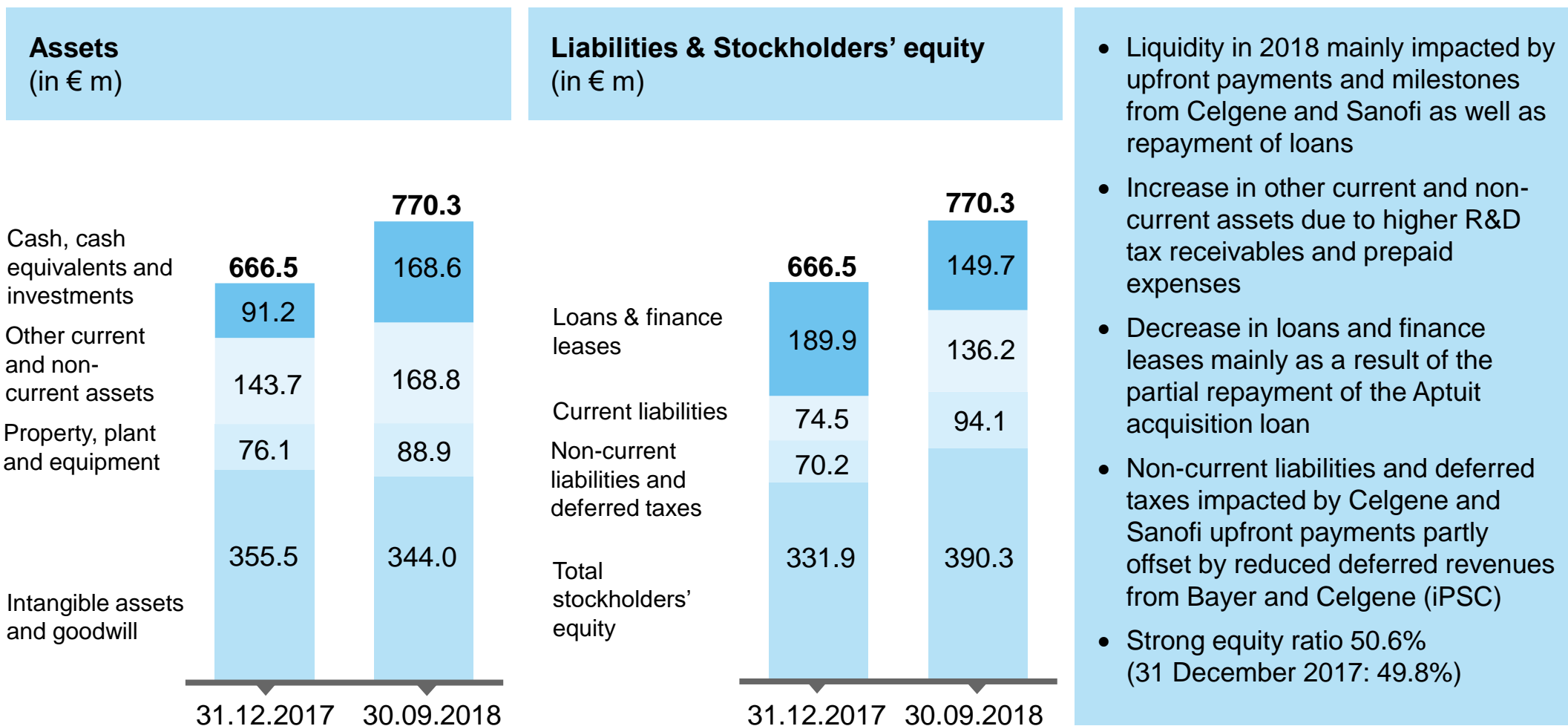
EVT Innovate – Key performance indicators 9M 2018



- Revenue growth of 55% and increase in adjusted EBITDA in 2018 driven by high milestone achievements in key alliances, signing of new long-term partnerships as well as solid base revenue growth
- New strategic efforts in infectious diseases at Evotec ID (Lyon) increases R&D expenses from H2 2018 onwards (additional ID-related R&D expenses covered by other operating income in context of new agreement with Sanofi); continued focus on iPSC, R&D platforms and academic BRIDGES

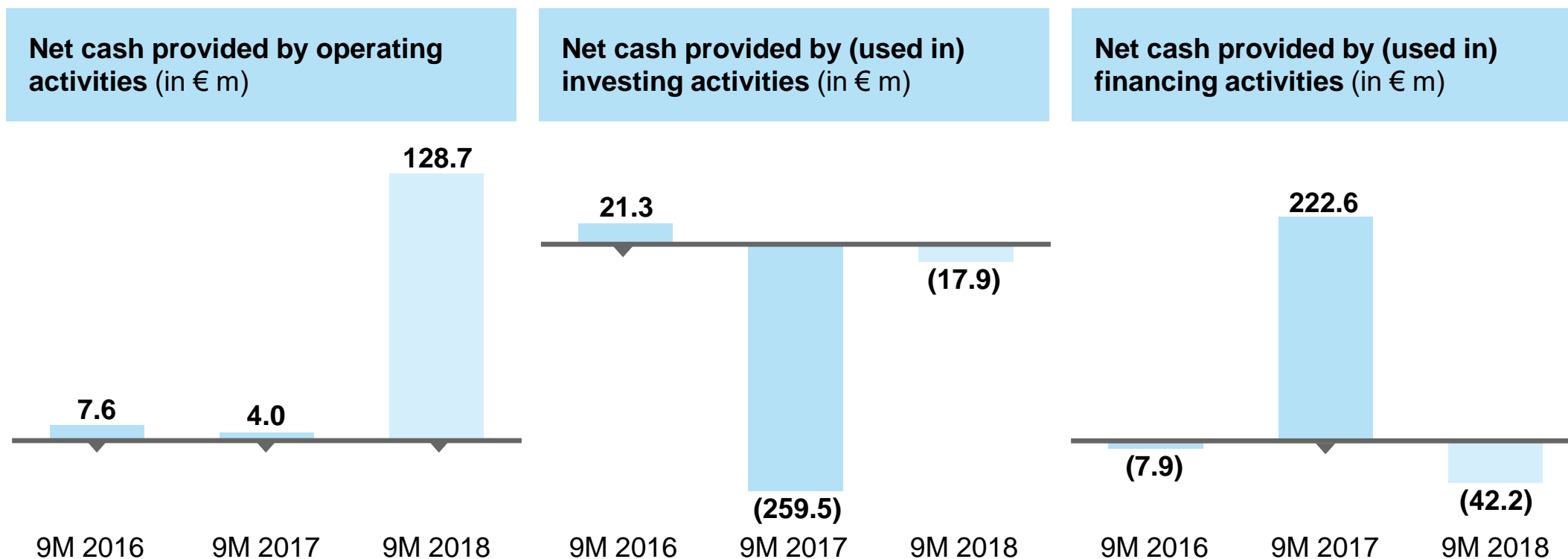
Strong balance sheet and liquidity

Balance sheet and liquidity¹⁾ – 9M 2018 versus 31 December 2017



Upfronts and loan repayment reflected in cash flow

Cash flow – 9M 2018 versus prior-year period



- Increase in operating cash flow for 9M 2018 following upfront payments from Sanofi in the context of the newly acquired ID unit in Lyon and from Celgene in the context of the new oncology partnership and positive operating result of the first nine months, partly offset by an increase in working capital resulting primarily from R&D tax receivables
- Investing cash flow for 9M 2018 affected by capital expenditure (€ 22.7 m) and equity investments in Topas Therapeutics, Forge Therapeutics and FSHD Unlimited (total of € 3.1 m)
- Cash flow from financing activities mainly impacted by partial repayment of Aptuit acquisition loan in 2018 (€ 70 m)

Guidance confirmed

Guidance 2018

in € m

KPIs	Guidance 2018	Actual 2017 ³⁾
Group revenues	More than 30% Group revenue growth	€ 257.3 m
Adjusted Group EBITDA¹⁾	Expected to improve by approx. 30%	€ 58.4 m
R&D expenses	Group R&D expenses of € 35-45 m ²⁾ (previously: € 20-30 m)	€ 17.6 m

APPENDIX (unaudited)

Consolidated interim statement of financial position as of 30 September 2018

Balance sheet¹⁾ – Evotec Group

<i>in T€ except share data</i>	<i>As of 30 September 2018</i>	<i>As of 31 Dec 2017</i>
ASSETS		
Current assets:		
Cash and cash equivalents	135,140	67,017
Investments	33,506	24,139
Trade accounts receivables	48,907	45,590
Accounts receivables from related parties	1,289	523
Inventories	6,738	5,002
Current tax receivables	8,800	6,903
Not yet invoiced accounts receivables	15,054	11,174
Other current financial assets	429	791
Prepaid expenses and other current assets	24,155	16,644
Total current assets	274,018	177,783
Non-current assets:		
Investments accounted for using the equity method and other long-term investments	22,814	22,113
Property, plant and equipment	88,862	76,069
Intangible assets, excluding goodwill	122,496	135,033
Goodwill	221,491	220,447
Deferred tax asset	22,626	19,233
Non-current tax receivables	13,411	11,168
Other non-current financial assets	24	28
Other non-current assets	4,601	4,601
Total non-current assets	496,325	488,692
Total assets	770,343	666,475

<i>in T€ except share data</i>	<i>As of 30 September 2018</i>	<i>As of 31 Dec 2017</i>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current loan liabilities	98,167	167,763
Current portion of finance lease obligations	1,228	705
Trade accounts payable	24,226	26,078
Provisions	26,321	22,090
Deferred revenues	69,251	16,164
Current income tax payables	1,756	2,033
Other current financial liabilities	5,061	1,666
Other current liabilities	9,662	6,446
Total current liabilities	235,672	242,945
Non-current liabilities:		
Non-current loan liabilities	48,347	20,295
Long-term finance lease obligations	1,943	1,165
Deferred tax liabilities	21,718	23,692
Provisions	19,603	17,042
Deferred revenues	52,109	28,680
Other non-current financial liabilities	696	741
Total non-current liabilities	144,416	91,615
Stockholders' equity:		
Share capital	147,584	147,533
Additional paid-in capital	781,987	778,858
Accumulated other comprehensive income	(27,398)	(28,903)
Accumulated deficit	(512,795)	(566,565)
Equity attributable to shareholders of Evotec AG	389,378	330,923
Non-controlling interest	877	992
Total stockholders' equity	390,255	331,915
Total liabilities and stockholders' equity	770,343	666,475

Consolidated interim income statement for the period from 01 January – 30 September 2018

Profit and loss¹⁾ – Evotec Group

<i>in T€ except share and per share data</i>	<i>Nine months ended 30 September 2018</i>	<i>Nine months ended 30 September 2017</i>	<i>Three months ended 30 September 2018</i>	<i>Three months ended 30 September 2017</i>
Revenues	270,017	171,545	96,259	67,210
Costs of revenue	(186,325)	(111,861)	(62,859)	(44,744)
Gross profit	83,692	59,684	33,400	22,466
Operating income and (expenses)				
Research and development expenses	(20,943)	(12,521)	(10,928)	(3,979)
Selling, general and administrative expenses	(40,753)	(29,299)	(13,636)	(13,509)
Impairment of intangible assets	(4,167)	(1,180)	–	(1,180)
Income from bargain purchase	15,400	–	15,400	–
Other operating income	40,822	18,611	18,507	6,082
Other operating expenses	(14,533)	(9,803)	(4,915)	(2,827)
Total operating expenses	(24,174)	(34,192)	4,428	(15,413)
Operating income	59,518	25,492	37,828	7,053
Non-operating income (expense)				
Interest income	419	818	118	252
Interest expense	(1,685)	(701)	(572)	(326)
Share of the loss of associates accounted for using the equity method	(2,434)	(1,312)	(1,021)	(698)
Other income from financial assets	6	197	2	147
Other expense from financial assets	–	(492)	–	(118)
Foreign currency exchange gain (loss), net	684	(6,092)	11	(2,383)
Other non-operating income	76	38	4	19
Total non-operating income (expense)	(2,934)	(7,544)	(1,458)	(3,107)
Income before taxes	56,584	17,948	36,370	3,946
Current tax expense	(7,390)	(6,493)	(3,290)	(2,755)
Deferred tax income (expense)	3,081	1,255	1,328	1,176
Total taxes	(4,309)	(5,238)	(1,962)	(1,579)
Net income	52,275	12,710	34,408	2,367
thereof attributable to:				
Shareholders of Evotec AG	52,390	12,951	34,521	2,369
Non-controlling interest	(115)	(241)	(113)	(2)
Weighted average shares outstanding	147,299,051	144,251,616	147,311,368	145,579,340
Net income per share (basic)	0.35	0.09	0.23	0.02
Net income per share (diluted)	0.35	0.09	0.23	0.02

Condensed consolidated interim statement of cash flows for the nine months ended 30 September 2018

Cash flow¹⁾ – Evotec Group

<i>in T€</i>	<i>Nine months ended 30 Sept 2018</i>	<i>Nine months ended 30 Sept 2017</i>
Cash flows from operating activities:		
Net income	52,275	12,710
Adjustments to reconcile net income to net cash provided by operating activities	14,327	16,294
Change in assets and liabilities	62,059	(24,993)
Net cash provided by operating activities	128,661	4,011
Cash flows from investing activities:		
Purchase of current investments	(16,035)	(79,469)
Purchase of investments in affiliated companies net of cash acquired	18,065	(249,623)
Purchase of investments in associated companies and other long-term investments	(3,136)	(5,818)
Purchase of property, plant and equipment	(20,659)	(12,489)
Purchase of intangible assets	(489)	(19)
Payment of subsequent contingent considerations	(2,140)	–
Proceeds from sale of property, plant and equipment	40	65
Proceeds from sale of current investments	6,483	87,869
Net cash used in investing activities	(17,871)	(259,484)
Cash flows from financing activities:		
Proceeds from capital increase	–	90,248
Proceeds from option exercise	51	2,070
Proceeds from loans	47,732	159,918
Repayment finance lease obligation	(691)	(153)
Repayment of loan notes	–	(203)
Repayment of loans	(89,287)	(29,252)
Net cash provided by (used in) financing activities	(42,195)	222,628
Net increase (decrease) in cash and cash equivalents	68,595	(32,845)
Exchange rate difference	(472)	5,714
Cash and cash equivalents at beginning of year	67,017	83,940
Cash and cash equivalents at end of the period	135,140	56,809

Segment information for the period from 01 January – 30 September 2018

Segment information¹⁾ 9M 2017 & 2018 – Evotec Group

2018 in T€	EVT Execute	EVT Innovate	Intersegment eliminations	Not allocated	Evotec Group
External revenues	218,745	51,272	–	–	270,017
Intersegment revenues	35,607	–	(35,607)	–	–
Costs of revenue	(191,845)	(26,256)	31,776	–	(186,325)
Gross profit	62,507	25,016	(3,831)	–	83,692
Operating income and (expenses)					
Research and development expenses	(652)	(24,122)	3,831	–	(20,943)
Selling, general and administrative expenses	(34,478)	(6,275)	–	–	(40,753)
Impairment of intangible assets	–	(4,167)	–	–	(4,167)
Income from bargain purchase	–	–	–	15,400	15,400
Other operating income	26,346	14,476	–	–	40,822
Other operating expenses	(13,337)	(1,196)	–	–	(14,533)
Total operating income and (expenses)	(22,121)	(21,284)	3,831	15,400	(24,174)
Operating income	40,386	3,732	–	15,400	59,518
Interest result					(1,266)
Share of the loss of associates accounted for using equity method					(2,434)
Other income (expense) from financial assets, net					6
Foreign currency exchange gain (loss), net					684
Other non-operating income					76
Income before taxes					56,584
Adjusted EBITDA	62,143	6,574	–	–	68,717

2017 in T€	EVT Execute	EVT Innovate	Intersegment eliminations	Evotec Group
External revenues	138,391	33,154	–	171,545
Intersegment revenues	27,433	–	(27,433)	–
Costs of revenue	(118,257)	(17,823)	24,219	(111,861)
Gross profit	47,567	15,331	(3,214)	59,684
Operating income and (expenses)				
Research and development expenses	(420)	(15,315)	3,214	(12,521)
Selling, general and administrative expenses	(24,249)	(5,050)	–	(29,299)
Impairment of intangible assets	–	(1,180)	–	(1,180)
Other operating income	14,223	4,388	–	18,611
Other operating expenses	(7,145)	(2,658)	–	(9,803)
Total operating income and (expenses)	(17,591)	(19,815)	3,214	(34,192)
Operating income (loss)	29,976	(4,484)	–	25,492
Interest result				117
Share of the profit or loss of associates accounted for using equity method				(1,312)
Other income (expense) from financial assets, net				(295)
Foreign currency exchange gain (loss), net				(6,092)
Other non-operating income				38
Income before taxes				17,948
Adjusted EBITDA	41,369	(2,455)	–	38,914

Stay tuned

Financial calendar 2019

Annual Report 2018	28 March 2019
Quarterly Statement Q1 2019	14 May 2019
Annual General Meeting 2019	19 June 2019
Half-year 2019 Interim Report	13 August 2019
Quarterly Statement 9M 2019	12 November 2019

Your contact:

Dr Werner Lanthaler
Chief Executive Officer

+49.(0).40.560 81-242
+49.(0).40.560 81-333 Fax
werner.lanthaler@evotec.com

