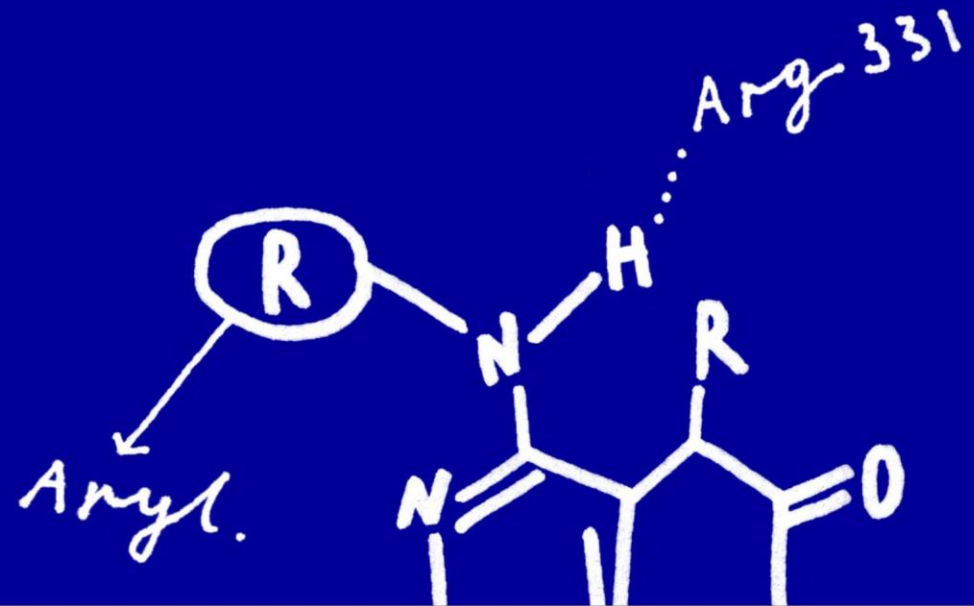


Quarterly Statement Q1 2018 (unaudited)

# Good start for external innovation



# Forward-looking statements & General information

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*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 acquisition of Aptuit, effective 11 August 2017. The results from Aptuit are only included from 11 August 2017 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.*

*From 01 January 2018 onwards, Evotec applies IFRS 15 in the financial year 2018. The comparison period in 2017 is also presented according to IFRS 15 in this quarterly statement, affecting data in the consolidated interim statement of financial positions as well as in the consolidated interim income statement.*

# New mix of business after Aptuit acquisition shows good start – Strong outlook for 2018 confirmed

Significant events Q1 2018 – Evotec Group

## EVT Execute

- Significant progress within ongoing alliances
- Launch of INDiGO solution to accelerate drug candidate delivery
- New and extended integrated drug discovery and development agreements

## EVT Innovate

- Continued focus on iPSC platform and patient-centric approaches
- BRIDGE model gaining momentum: First project selected in LAB150, further three projects selected in LAB282
- Alliance with Sanofi to accelerate infectious disease R&D<sup>1)</sup>

## Corporate

- Aptuit integration according to plan
- Preparation to convert into European Company (SE)
- New strategic framework in place: Action Plan 2022 – “Leading External Innovation”
- Strong outlook for 2018 confirmed

# Strong performance in base business, milestones still missing in Q1 2018

Condensed income statement Q1 2018 – Evotec AG and subsidiaries

in € m\*

	Q1 2018	Q1 2017 <sup>3)</sup>	% vs 2017
Revenues	<b>79.0</b>	50.9	55%
Gross margin <sup>1)</sup>	<b>23.4%</b>	37.3%	–
• R&D expenses	<b>(4.6)</b>	(4.7)	(1)%
• SG&A expenses	<b>(13.3)</b>	(7.3)	82%
• Other op. income (expenses), net	<b>6.0</b>	2.9	106%
<b>Operating income</b>	<b>6.5</b>	<b>9.9</b>	<b>(34)%</b>
<b>Adjusted Group EBITDA<sup>2)</sup></b>	<b>14.0</b>	<b>13.4</b>	<b>4%</b>
<b>Net income</b>	<b>3.5</b>	<b>7.1</b>	<b>(51)%</b>

- Group revenue growth mainly due to performance in the base business and contribution from Aptuit (€ 25.3 m)
- Higher milestone revenues in Q1 2017 compared to Q1 2018
- New business mix and amortisation following acquisitions resulting in new gross margin setup
- SG&A increased as expected due to addition of Aptuit and increased headcount resulting from Company growth
- Other operating income increased due to higher R&D tax credits in France and Italy

<sup>1)</sup> Gross margin in 2018 considers amortisation of acquisitions of Aptuit and Cyprotex

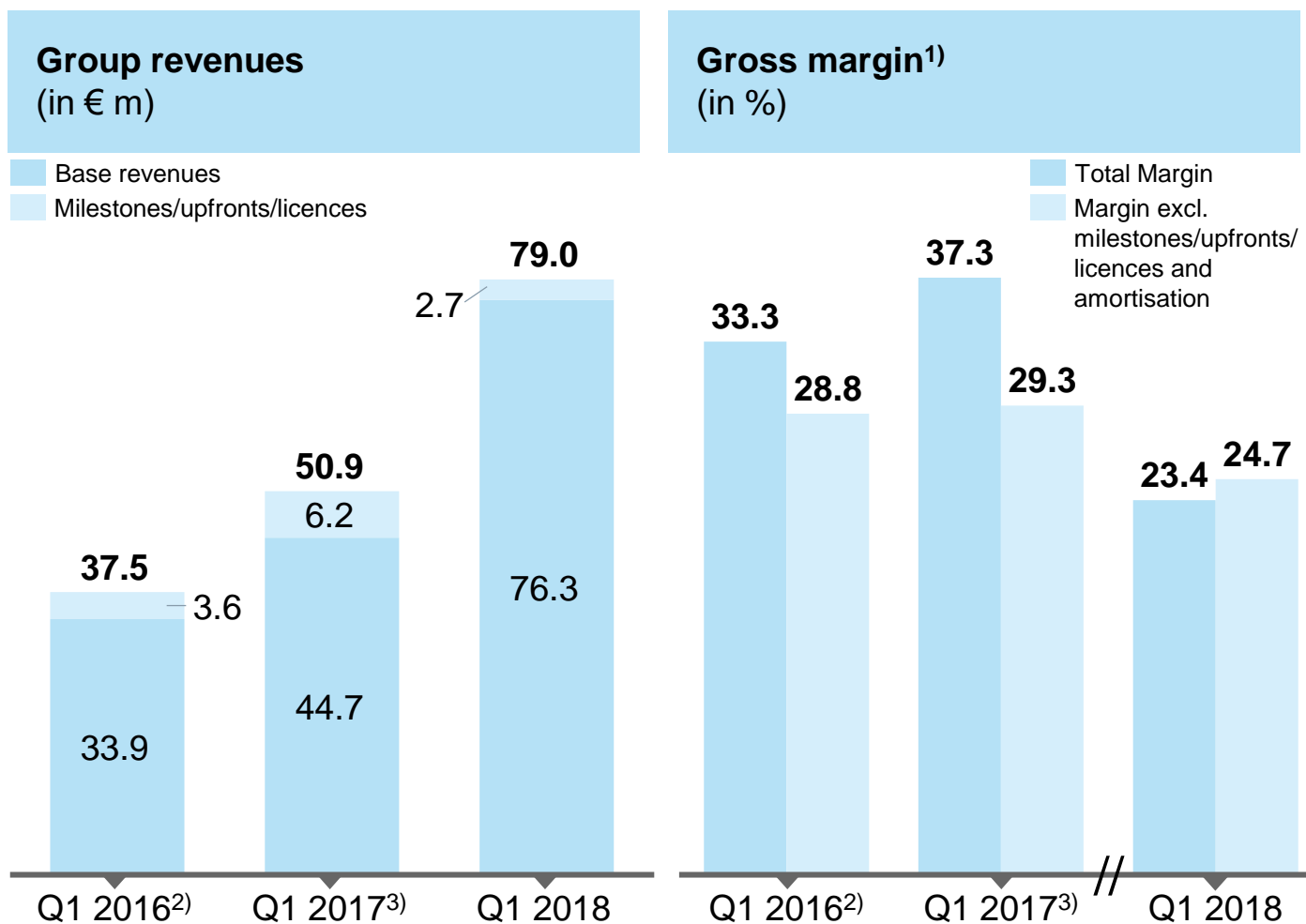
<sup>2)</sup> Before contingent considerations, income from bargain purchase and excluding impairments on goodwill, other intangible and tangible assets as well as the total non-operating result

<sup>3)</sup> 2017 data adjusted according to IFRS 15

\* Differences may occur due to rounding

# Strong underlying operational performance and contribution of Aptuit reflect new business mix

## Revenues & Gross margin overview



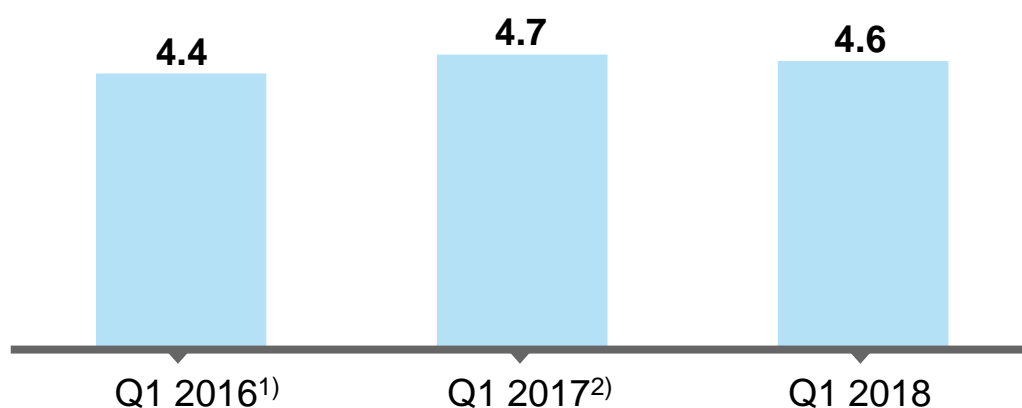
- Revenue growth due to strong performance in the base business and positive contribution from Aptuit (€ 25.3 m)
- Gross margin in Q1 2018 represents a different business mix and is affected by increased amortisation resulting from the PPA of strategic acquisitions and timing of milestone revenues
- Gross margin excluding total amortisation from M&A would be at 27.3%
- Adverse FX effect on Q1 2018 revenues (€ 3.3 m) and gross margin (1.8%-points)

<sup>1)</sup> Gross margin in the future may be volatile due to the dependency of receipt of potential milestone or out-licensing payments. In addition, the amortisation of the purchase price allocation of the recent strategic acquisitions will impact costs of revenue and thus the gross margin.  
<sup>2)</sup> Not adjusted according to IFRS 15  
<sup>3)</sup> 2017 data adjusted according to IFRS 15

# R&D driving EVT Innovate, SG&A reflecting new footprint

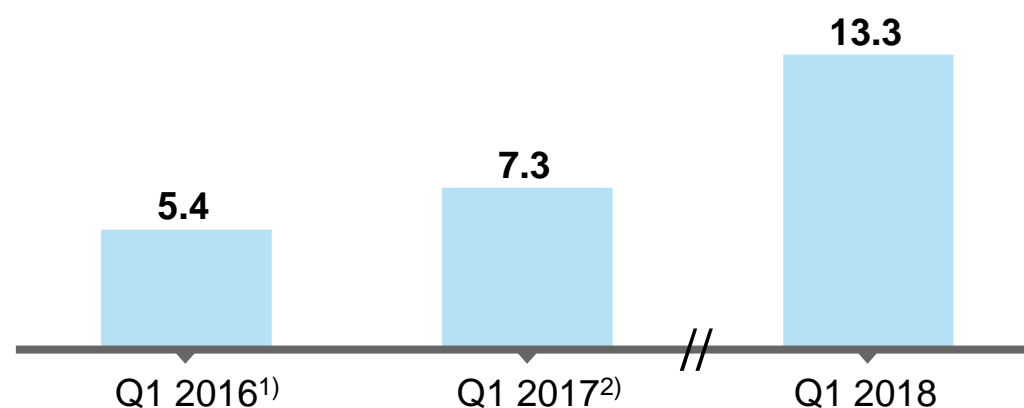
## R&D and SG&A expenses overview

**R&D expenses**  
(in € m)



- Continued focused R&D investments

**SG&A expenses**  
(in € m)



- SG&A expenses in Q1 2018 similar to Q4 2017 and impacted mainly by
  - Three months expenses of Aptuit
  - Increased headcount in response to Company growth

# EVT Execute expanded, EVT Innovate on strategy

Segment information Q1 2018 – Evotec AG and subsidiaries

in € m\*

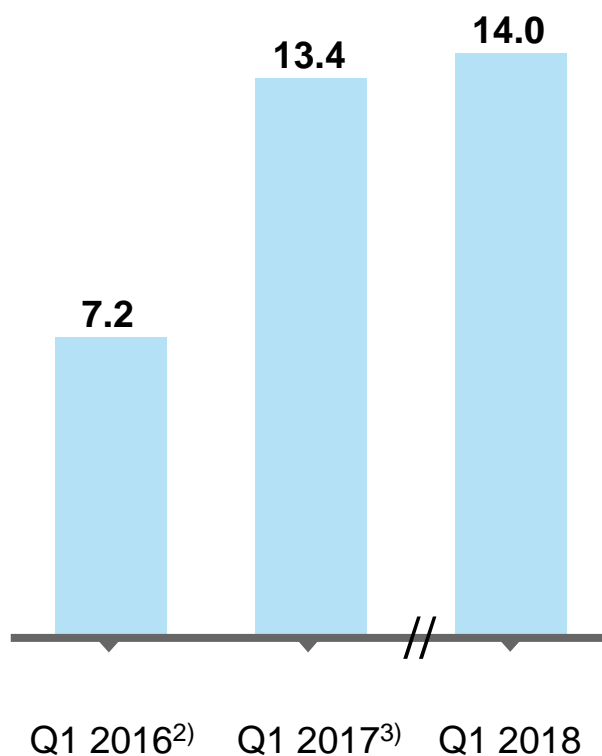
	<b>EVT Execute</b>	<b>EVT Innovate</b>	<b>Inter- segment elimination</b>	<b>Evotec Group</b>
Revenues	<b>78.5</b>	<b>10.4</b>	(9.9)	<b>79.0</b>
Gross margin	<b>20.8%</b>	<b>31.1%</b>		<b>23.4%</b>
• R&D expenses	<b>(0.1)</b>	<b>(5.6)</b>	1.1	<b>(4.6)</b>
• SG&A expenses	<b>(11.5)</b>	<b>(1.8)</b>	–	<b>(13.3)</b>
• Other op. income (expenses), net	<b>5.3</b>	<b>0.7</b>	–	<b>6.0</b>
<b>Operating income</b>	<b>10.0</b>	<b>(3.5)</b>	–	<b>6.5</b>
<b>Adjusted EBITDA<sup>1)</sup></b>	<b>17.2</b>	<b>(3.2)</b>		<b>14.0</b>

- Revenue growth in EVT Execute driven by performance in the base business and contribution from acquisition
- Gross margin decrease due to new business mix, amortisation (EVT Execute only), adverse FX effects and timing of milestones
- Higher R&D tax credits affecting other operating income in Q1 2018
- Significantly improved EBITDA for EVT Execute (Q1 2017: € 12.4 m)

# Solid adjusted Group EBITDA even without significant milestones

## Adjusted Group EBITDA overview

**Adjusted Group EBITDA<sup>1)</sup>**  
(in € m)



in € m*	EVT Execute	EVT Innovate	Interseg- ment elimination	Evotec Group
Operating income (expense)	10.0	(3.5)	–	6.5
• plus depreciation of tangible assets	4.2	0.2	–	4.4
• plus amortisation of intangible assets	3.0	0.1	–	3.1
<b>Adjusted EBITDA<sup>1)</sup></b>	<b>17.2</b>	<b>(3.2)</b>	<b>–</b>	<b>14.0</b>

- Adjusted Group EBITDA increase of 4% reflects growth in the base business and contributions from strategic acquisitions despite lower milestone revenues
- Higher R&D tax credits in France and Italy lead to increase in other operating income in Q1 2018

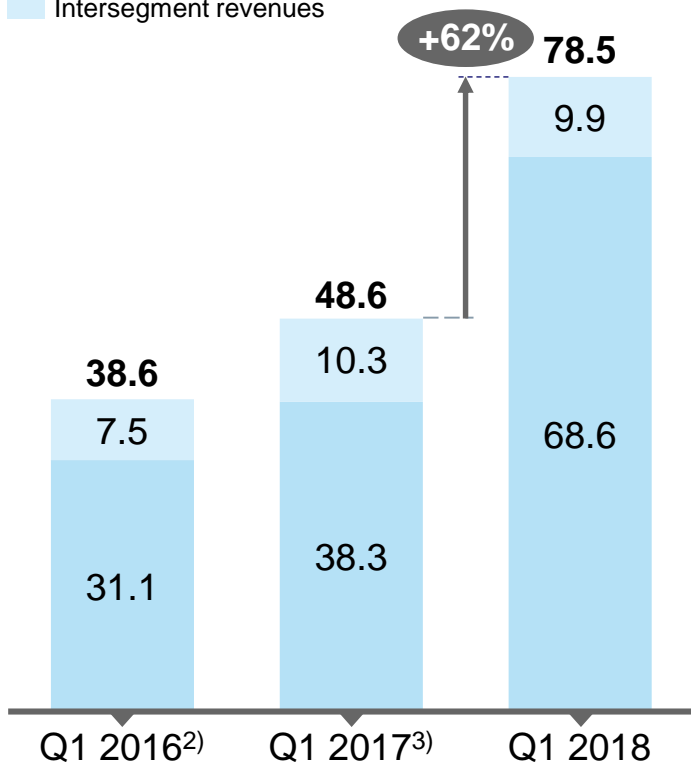


# Strong organic and inorganic growth in EVT Execute

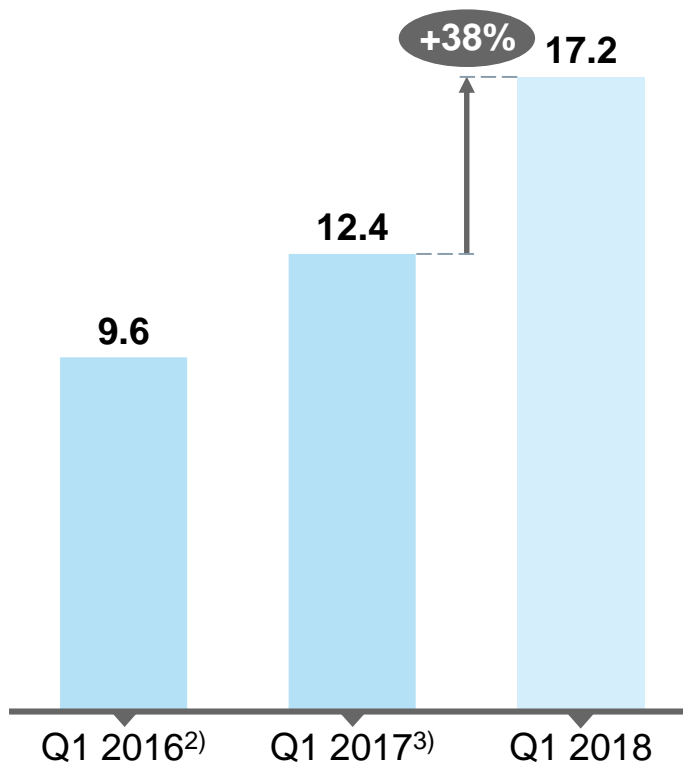
## EVT Execute – Key performance indicators Q1 2018

### Revenues (in € m)

■ Base revenues  
■ Intersegment revenues



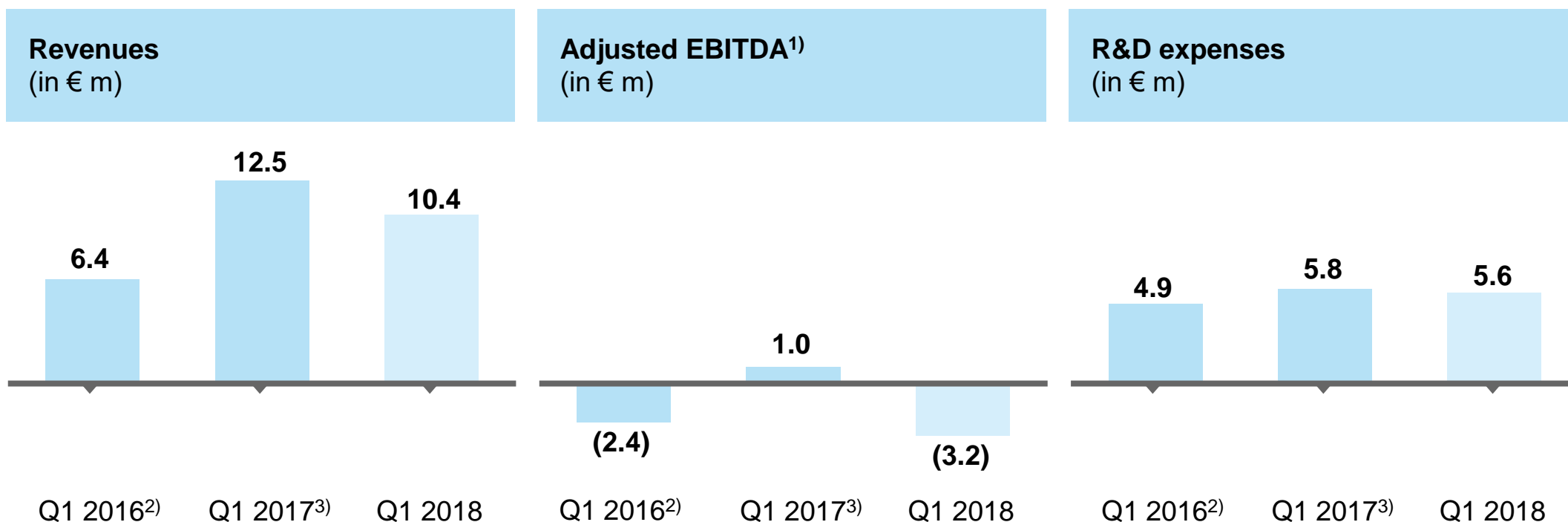
### Adjusted EBITDA<sup>1)</sup> (in € m)



- Increase in EVT Execute revenues mainly attributable to growth in the base business and three months Aptuit contribution
- Significant upswing of adjusted EBITDA mainly due to the strong growth in revenues

# Continued focus on accelerating EVT Innovate

## EVT Innovate – Key performance indicators Q1 2018

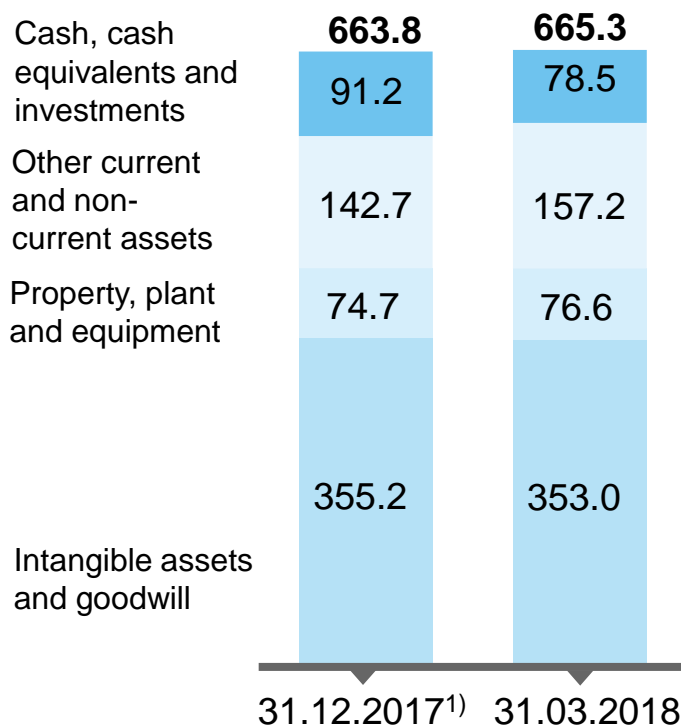


- Revenues in Q1 2018 include small milestone which is lower than milestone achievements in prior-year period
- Adjusted EBITDA in Q1 2017 affected by milestone achievements of € 4.5 m
- R&D expenses in Q1 2018 with a focus on CNS, metabolic disease, oncology and academic BRIDGE initiatives

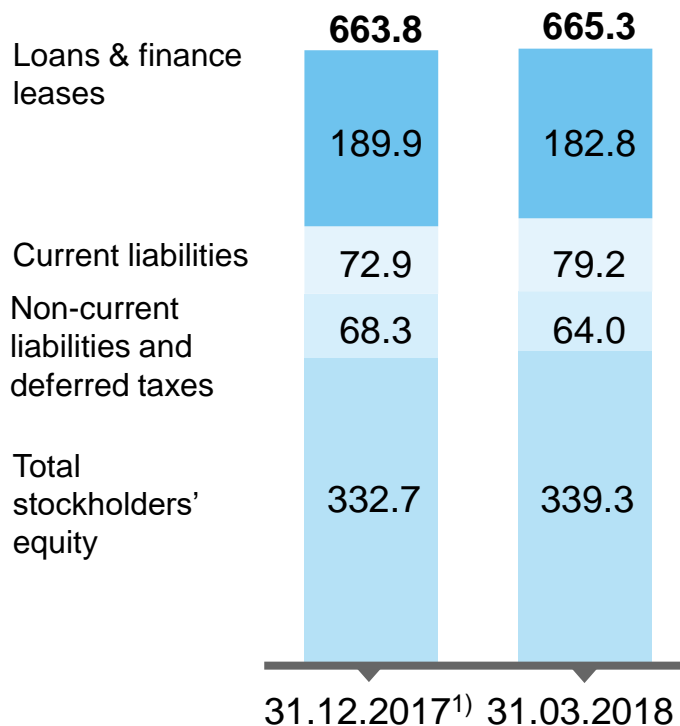
# Strong balance sheet supports further growth

Balance sheet and liquidity<sup>1)</sup> – Q1 2018 versus 31 December 2017

## Assets (in € m)



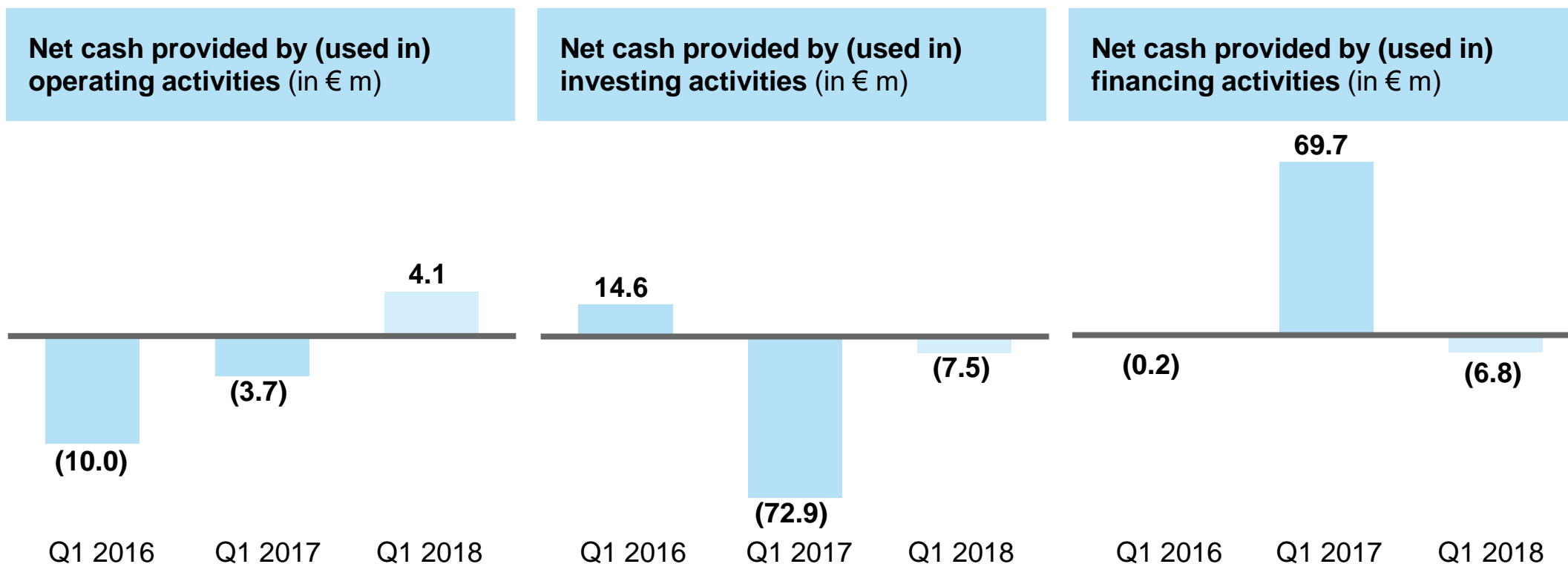
## Liabilities & Stockholders' equity (in € m)



- Decrease in liquidity position mainly driven by repayment of loans, increased capital expenditure, equity investments and bonus payments
- Increase in other current and non-current assets primarily resulting from higher R&D tax credits, higher accrued revenues and increased prepayments at the beginning of the year
- Strong equity ratio of 51.0% (31 December 2017: 50.1%)

## Cash flow according to plan

Cash flow – Q1 2018 versus prior-year period



- Operating cash flow in Q1 2018 further improved compared to prior-year periods despite traditional high cash outflow in Q1
- Investing cash flow in Q1 2018 affected by higher capital expenditure (€ 6.2 m) and equity investments (€ 2.7 m)
- Cash flow from financing activities in Q1 2018 mainly impacted by the repayment of bank loans (€ 6.6 m) and earn-out payments (€ 1.5 m)
- Cash, cash equivalents and investments amount to € 78.5 m (31 December 2017: € 91.2 m)

# “3x30” guidance 2018 confirmed

## Overview – Guidance 2018

in € m

KPIs	Guidance 2018	Actual 2017
Group revenues	<b>More than 30% growth</b>	€ 257.6 m
Adjusted Group EBITDA <sup>1)</sup>	<b>Improve by approx. 30% compared to 2017</b>	€ 58.0 m
R&D expenses	<b>Group R&amp;D expenses of € 20-30 m</b>	€ 17.6 m

## APPENDIX (unaudited)

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# Consolidated interim statement of financial position as of 31 March 2018

## Balance sheet<sup>1)</sup> – Evotec AG and subsidiaries

<i>in T€ except share data</i>	<i>As of 31 March 2018</i>	<i>As of 31 Dec 2017</i>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	57,352	67,017
Investments	21,158	24,139
Trade accounts receivables	44,345	45,590
Accounts receivables from related parties	1,593	523
Inventories	6,102	5,568
Current tax receivables	11,601	6,903
Other current financial assets	13,260	10,419
Prepaid expenses and other current assets	19,935	16,644
<b>Total current assets</b>	<b>175,346</b>	<b>176,803</b>
<b>Non-current assets:</b>		
Investments accounted for using the equity method and other long-term investments	23,953	22,113
Property, plant and equipment	76,642	74,662
Intangible assets, excluding goodwill	132,165	135,033
Goodwill	220,880	220,178
Deferred tax asset	20,506	19,233
Non-current tax receivables	11,167	11,168
Other non-current financial assets	28	28
Other non-current assets	4,613	4,601
<b>Total non-current assets</b>	<b>489,954</b>	<b>487,016</b>
<b>Total assets</b>	<b>665,300</b>	<b>663,819</b>

<i>in T€ except share data</i>	<i>As of 31 March 2018</i>	<i>As of 31 Dec 2017</i>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Current loan liabilities	161,472	167,763
Current portion of finance lease obligations	1,103	705
Trade accounts payable	27,986	26,078
Provisions	20,056	22,090
Deferred revenues	22,312	14,618
Current income tax payables	2,701	2,033
Other current financial liabilities	166	1,666
Other current liabilities	5,951	6,446
<b>Total current liabilities</b>	<b>241,747</b>	<b>241,399</b>
<b>Non-current liabilities:</b>		
Non-current loan liabilities	19,667	20,295
Long-term finance lease obligations	560	1,165
Deferred tax liabilities	23,266	23,499
Provisions	15,764	15,366
Deferred revenues	24,170	28,680
Other non-current financial liabilities	841	741
<b>Total non-current liabilities</b>	<b>84,268</b>	<b>89,746</b>
<b>Stockholders' equity:</b>		
Share capital	147,547	147,533
Additional paid-in capital	779,755	778,858
Accumulated other comprehensive income	(26,658)	(28,903)
Accumulated deficit	(562,349)	(565,806)
<b>Equity attributable to shareholders of Evotec AG</b>	<b>338,295</b>	<b>331,682</b>
Non-controlling interest	990	992
<b>Total stockholders' equity</b>	<b>339,285</b>	<b>332,674</b>
<b>Total liabilities and stockholders' equity</b>	<b>665,300</b>	<b>663,819</b>

# Consolidated interim income statement for the period from 01 January – 31 March 2018

## Profit and loss<sup>1)</sup> – Evotec AG and subsidiaries

<i>in T€ except share and per share data</i>	<i>Three months ended 31 March 2018</i>	<i>Three months ended 31 March 2017</i>
Revenues	78,984	50,911
Costs of revenue	(60,496)	(31,917)
<b>Gross profit</b>	<b>18,488</b>	<b>18,994</b>
<b>Operating income and (expenses)</b>		
Research and development expenses	(4,616)	(4,651)
Selling, general and administrative expenses	(13,294)	(7,314)
Other operating income	10,718	6,706
Other operating expenses	(4,765)	(3,813)
<b>Total operating expenses</b>	<b>(11,957)</b>	<b>(9,072)</b>
<b>Operating income</b>	<b>6,531</b>	<b>9,922</b>
<b>Other non-operating income (expense)</b>		
Interest income	177	253
Interest expense	(447)	(239)
Share of the loss of associates accounted for using the equity method	(728)	(233)
Other income from financial assets	3	–
Other expense from financial assets	–	(202)
Foreign currency exchange gain (loss), net	(1,527)	(383)
Other non-operating income	3	17
<b>Total non-operating income (expense)</b>	<b>(2,519)</b>	<b>(787)</b>
<b>Income before taxes</b>	<b>4,012</b>	<b>9,135</b>
Current tax expense	(1,530)	(2,144)
Deferred tax income	973	105
<b>Total taxes</b>	<b>(557)</b>	<b>(2,039)</b>
<b>Net income</b>	<b>3,455</b>	<b>7,096</b>
<b>thereof attributable to:</b>		
Shareholders of Evotec AG	3,457	7,273
Non-controlling interest	(2)	(177)
<b>Weighted average shares outstanding</b>	<b>147,292,602</b>	<b>139,717,125</b>
<b>Net income (loss) per share (basic)</b>	<b>0.02</b>	<b>0.05</b>
<b>Net income (loss) per share (diluted)</b>	<b>0.02</b>	<b>0.05</b>



# Condensed consolidated interim statement of cash flows for the three months ended 31 March 2018

## Cash flow<sup>1)</sup> – Evotec AG and subsidiaries

<i>in T€</i>	<i>Three months ended 31 March 2018</i>	<i>Three months ended 31 March 2017</i>
<b>Cash flows from operating activities:</b>		
Net income	3,455	7,096
Adjustments to reconcile net loss to net cash provided by (used in) operating activities	8,224	4,635
Change in assets and liabilities	(7,540)	(15,454)
<b>Net cash provided by (used in) operating activities</b>	<b>4,139</b>	<b>(3,723)</b>
<b>Cash flows from investing activities:</b>		
Purchase of current investments	–	(72,223)
Purchase of investments in affiliated companies net of cash acquired	–	(366)
Purchase of investments in associated companies and other long-term investments	(2,689)	(4,278)
Purchase of property, plant and equipment	(6,212)	(3,070)
Payment of subsequent contingent considerations	(1,460)	–
Proceeds from sale of property, plant and equipment	–	65
Proceeds from sale of current investments	2,835	6,969
<b>Net cash provided by (used in) investing activities</b>	<b>(7,526)</b>	<b>(72,903)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from capital increase	–	90,248
Proceeds from option exercise	15	183
Proceeds from issuance of loans	4,000	–
Repayment finance lease obligation	(208)	(63)
Repayment of loan notes	–	(203)
Repayment of loans	(10,596)	(20,438)
<b>Net cash provided by (used in) financing activities</b>	<b>(6,789)</b>	<b>69,727</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(10,176)</b>	<b>(6,899)</b>
Exchange rate difference	511	575
Cash and cash equivalents at beginning of year	67,017	83,940
<b>Cash and cash equivalents at end of the period</b>	<b>57,352</b>	<b>77,616</b>

# Segment information for the period from 01 January – 31 March 2018

## Segment information<sup>1)</sup> 2017 & 2018 – Evotec AG and subsidiaries

2018 in T€	EVT Execute	EVT Innovate	Intersegment eliminations	Evotec Group
External revenues	68,565	10,419	–	78,984
Intersegment revenues	9,979	–	(9,979)	–
Costs of revenue	(62,185)	(7,177)	8,866	(60,496)
<b>Gross profit</b>	<b>16,359</b>	<b>3,242</b>	<b>(1,113)</b>	<b>18,488</b>
<b>Operating income and (expenses)</b>				
Research and development expenses	(142)	(5,587)	1,113	(4,616)
Selling, general and administrative expenses	(11,524)	(1,770)	–	(13,294)
Other operating income	9,535	1,183	–	10,718
Other operating expenses	(4,260)	(505)	–	(4,765)
<b>Total operating expenses</b>	<b>(6,391)</b>	<b>(6,679)</b>	<b>1,113</b>	<b>(11,957)</b>
<b>Operating income</b>	<b>9,968</b>	<b>(3,437)</b>	<b>–</b>	<b>6,531</b>
Interest result				(270)
Share of the loss of associates accounted for using equity method				(728)
Other income (expense) from financial assets, net				3
Foreign currency exchange gain (loss), net				(1,527)
Other non-operating income				3
<b>Income before taxes</b>				<b>4,012</b>
<b>EBITDA adjusted</b>	<b>17,163</b>	<b>(3,148)</b>		<b>14,015</b>



2017 in T€	EVT Execute	EVT Innovate	Intersegment eliminations	Evotec Group
External revenues	38,364	12,547	–	50,911
Intersegment revenues	10,270	–	(10,270)	–
Costs of revenue	(35,425)	(5,402)	8,910	(31,917)
<b>Gross profit</b>	<b>13,209</b>	<b>7,145</b>	<b>(1,360)</b>	<b>18,994</b>
<b>Operating income and (expenses)</b>				
Research and development expenses	(222)	(5,789)	1,360	(4,651)
Selling, general and administrative expenses	(5,816)	(1,498)	–	(7,314)
Other operating income	5,237	1,469	–	6,706
Other operating expenses	(3,250)	(563)	–	(3,813)
<b>Total operating expenses</b>	<b>(4,051)</b>	<b>(6,381)</b>	<b>1,360</b>	<b>(9,072)</b>
<b>Operating income</b>	<b>9,158</b>	<b>764</b>	<b>–</b>	<b>9,922</b>
Interest result				14
Share of the loss of associates accounted for using equity method				(233)
Other income (expense) from financial assets, net				(202)
Foreign currency exchange gain (loss), net				(383)
Other non-operating income				17
<b>Income before taxes</b>				<b>9,135</b>
<b>EBITDA adjusted</b>	<b>12,397</b>	<b>1,048</b>		<b>13,445</b>

## Important dates

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### Financial calendar 2018

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<b>Annual Report 2017</b>	28 March 2018 
<b>Quarterly Statement Q1 2018</b>	09 May 2018 
<b>Annual General Meeting 2018</b>	20 June 2018
<b>Half-year 2018 Interim Report</b>	09 August 2018
<b>Quarterly Statement 9M 2018</b>	13 November 2018

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