EVT Execute & EVT Innovate

Strong start 2017 –
Leading innovation efficiency
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.

Note:
The 2016 and 2017 results are not fully comparable. The difference stems from the acquisition of Cyprotex PLC (“Cyprotex”), effective 14 December 2016. The results from Cyprotex are only included from 14 December 2016 onwards. The accounting policies used to prepare interim information are the same as those used to prepare the audited consolidated financial statements for the year ended 31 December 2016.
Welcome

The Management Team

Werner Lanthaler, CEO¹

Enno Spillner, CFO¹

Mario Polywka, COO¹

Cord Dohrmann, CSO¹

¹ On the call for the Quarterly Statement Q1 2017
Agenda

Highlights Q1 2017

EVT Execute

EVT Innovate

Financial performance and outlook
Strong operations and first-in-class innovation

Highlights Q1 2017

**EVT Execute**
- Significant progress within ongoing alliances
- New integrated drug discovery agreements, e.g. with Dermira (USA) and Asahi Kasei Pharma (Japan)
- Strong start for Cyprotex and integration ongoing

**EVT Innovate**
- Initial milestone achievements in kidney disease alliance with Bayer
- First significant milestone in diabetes alliance with Sanofi

**Corporate**
- Novo A/S new strategic long-term investor committing €90.3 m
- Nomination for election to Supervisory Board at the AGM (Michael Shalmi, Novo A/S) (after period-end)
- Continuing equity financing activities (e.g. Forge Therapeutics, Eternygen)
Very strong financial performance in Q1 2017

Financial highlights Q1 2017 & Guidance

Further improved financial performance

- Group revenues up 34% to €50.2 m (2016: €37.5 m)
  - EVT Execute revenues up 24%
  - EVT Innovate revenues up 96%
- Strong adjusted Group EBITDA\(^1\) at €13.2 m (2016: €7.2 m)
  - Adj. EBITDA of €12.2 m for EVT Execute
  - Adj. EBITDA for €1.0 m for EVT Innovate
- Increased R&D expenses +6% to €4.7 m
- Strong liquidity position of €185.0 m

Confirmed guidance 2017

- More than 15% Group revenue growth\(^2\)
- Adjusted Group EBITDA significantly improved compared to prior year
- R&D expenses of approx. €20 m

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\(^1\) 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.

\(^2\) Revenue guidance from 2017 onwards will be based on total Group revenues and not on base revenues excluding milestones, upfronts and licences.
Long-term strategy fully intact

Leading service company and first-in-class partnered product pipeline

- Restructuring
- Capital efficiency for sustainability
- First Cure X investments
- Business segmentation
- Investments in discovery service platform
- Performance-based integrated discovery and clinical alliances
- Cure X/Target X strategy
- Royalty income from legacy pipeline
- Highest quality drug discovery and pre-clinical services
- Cure X/Target X alliances & “Academic BRIDGE” strategy
- Company formations to accelerate drug discovery and product development
Global expansion

Evotec’s global footprint – 1,272 employees, >1,000 scientists in EU & USA

Princeton, Branford, Watertown, Kalamazoo and San Francisco, USA
~110 employees
- Compound ID, selection and acquisition
- Compound QC, storage and distribution
- Cell & protein production
- ADME-Tox, DMPK

Abingdon, Manchester/ Alderley Park, UK
~400 employees
- Medicinal chemistry
- ADME-Tox, DMPK
- Structural biology
- *In vitro & in vivo* anti-infective platform/screening

Toulouse, France
~300 employees
- Compound management
- Hit identification
- *In vitro & in vivo* oncology
- Medicinal chemistry
- ADME & PK
- Early drug formulation & Solid form screening
- Cell, protein & antibody production

Hamburg (HQ), Göttingen and Munich, Germany
~430 employees
- Hit identification
- *In vitro & in vivo* biology
- Chemical proteomics & Biomarker discovery and validation
- Cell & protein production
- Antibody discovery

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- Cell & protein production
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Highlights Q1 2017

EVT Execute

EVT Innovate

Financial performance and outlook
Core business continues to be strong

**EVT Execute** – First quarter of 2017

- Good progress in existing collaborations
- New integrated alliances, e.g. lead discovery collaboration with Dermira (USA); integrated drug discovery collaboration with Asahi Kasei (Japan) on an ion channel target
- Strong start for Cyprotex; relocation of its UK operations successfully completed
Strong growth in EVT Execute

EVT Execute – Key performance indicators Q1 2017

- Increase in EVT Execute revenues attributable to growth in the base business and three months Cyprotex contribution
- In the first quarter of 2017, Cyprotex contributed revenues of € 6.0 m
- Significant upswing of adjusted EBITDA mainly due to the strong growth in revenues at higher gross margin

<table>
<thead>
<tr>
<th>Revenues¹) (in € m)</th>
<th>Intersegment revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2015</td>
<td>23.1</td>
</tr>
<tr>
<td>Q1 2016</td>
<td>38.6</td>
</tr>
<tr>
<td>Q1 2017</td>
<td>47.9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Adjusted EBITDA²) (in € m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2015</td>
</tr>
<tr>
<td>Q1 2016</td>
</tr>
<tr>
<td>Q1 2017</td>
</tr>
</tbody>
</table>

¹) Including intersegment revenues
²) 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
Well balanced customer mix

EVT Execute – Selected customer and revenue metrics

**Revenues by customer segment ytd 2017**¹ (in %)

- Remaining: 15%
- Top 10-30 Customers: 19%
- Top 10 Long-term Strategic Alliances: 66%

**Customer type ytd 2017**¹ (in %)

- Top 10-30 Pharma: 44%
- Top 20 Pharma: 35%
- Biotech: 13%
- Foundations: 9%

**Revenues by region ytd 2017**¹ (in %)

- Europe: 55%
- USA: 43%
- ROW: 2%

¹Third-party revenues only
Cyprotex’ successful integration

Cyprotex – Initial achievements & outlook

**Summary of Transaction**¹)
- Acquisition completed in December 2016
- Cyprotex delisted from AIM
- Final payment of €66.3 m in cash for acquisition and funding of company debt
- Revenues 2016: €18.8 m
- EBITDA 2016: €3.1 m

**Organisation, leadership and systems integration**
- Strong leadership team in place
- Relocation of UK operations from Macclesfield to Alderley Park completed in Jan 2017
- Cyprotex continues to operate and serve its client base in all segments under the brand ‘Cyprotex – An Evotec company’

**New business and further opportunities on horizon**
- Very good integration in complete Evotec offering
- Revenues Q1 2017: €6.0 m
- Large, strategic contract with major Pharma company signed in Q1 2017
- Approx. €20 m revenues expected in 2017

¹) Full-year 2016 Cyprotex numbers. Evotec is only eligible for consolidating the last two weeks of 2016 Cyprotex business
Strong growth outlook

EVT Execute – Expected key milestones 2017

- New long-term alliances with large and mid-sized Pharma
  ✔

- New performance-based integrated technology/disease alliance
  ✔

- Expansion of foundations and biotech network in USA/Europe

- Milestones from existing alliances
Agenda

Highlights Q1 2017

EVT Execute

EVT Innovate

Financial performance and outlook
First-in-class Cure X/Target X strategy

EVT Innovate – First quarter of 2017

- Initial milestone achievements in multi-target alliance with Bayer in kidney diseases (CureNephron)
- First significant milestone in demonstrating pre-clinical proof of concept within diabetes alliance with Sanofi (TargetBCD)
### Revenue growth reflects partnering of R&D projects

**EVT Innovate – Key performance indicators Q1 2017**

<table>
<thead>
<tr>
<th>Revenues (in € m)</th>
<th>Adjusted EBITDA(^1) (in € m)</th>
<th>R&amp;D expenses (in € m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2015</td>
<td>Q1 2016</td>
<td>Q1 2017</td>
</tr>
<tr>
<td>3.8</td>
<td>6.4</td>
<td>4.6</td>
</tr>
<tr>
<td>+96%</td>
<td></td>
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<tr>
<td>Q1 2017</td>
<td></td>
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<tr>
<td>12.6</td>
<td></td>
<td>5.8</td>
</tr>
</tbody>
</table>

- Revenue growth of 96% and improved adjusted EBITDA resulting from new partnership with Celgene signed in 2016 as well as milestone achievements
- Increased R&D expenses due to intensified efforts in metabolic diseases and oncology

\(^1\) 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
### > 70 co-owned product opportunities and growing

#### Partnership portfolio

<table>
<thead>
<tr>
<th>Molecule</th>
<th>Therapeutic Area/Indication</th>
<th>Partner</th>
<th>Discovery</th>
<th>Pre-clinical</th>
<th>Phase I</th>
<th>Phase II</th>
<th>Phase III</th>
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</thead>
<tbody>
<tr>
<td>EVT3021</td>
<td>CNS – Alzheimer’s disease</td>
<td>Pinsel Bio</td>
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<tr>
<td>EVT201</td>
<td>CNS – Insomnia</td>
<td>Janssen</td>
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<tr>
<td>EVT1001</td>
<td>CNS – Depression</td>
<td>Janssen</td>
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<td>EVT401</td>
<td>Immunology &amp; Inflammation</td>
<td>Boehringer Ingelheim</td>
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<tr>
<td>ND1</td>
<td>Oncology</td>
<td>Boehringer Ingelheim</td>
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<tr>
<td>ND1</td>
<td>Oncology</td>
<td>Boehringer Ingelheim</td>
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<tr>
<td>Various</td>
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<td>Novartis</td>
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<tr>
<td>EVT3022</td>
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<td>EVT201</td>
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<tr>
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<td>Boehringer Ingelheim</td>
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<tr>
<td>EVT770</td>
<td>Metabolic – Diabetes (type 2/1)</td>
<td>MedImmune AstraZeneca</td>
<td></td>
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<tr>
<td>ND1</td>
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<td>Various</td>
<td>Women’s health – Endometriosis</td>
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<tr>
<td>EVT801</td>
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<td>Sanofi</td>
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<td>EVT701</td>
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<tr>
<td>ND1</td>
<td>Nephrology</td>
<td>Novartis</td>
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<tr>
<td>Various</td>
<td>Immunology &amp; Inflammation</td>
<td>Novartis</td>
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</tr>
<tr>
<td>Various</td>
<td>Metabolic – Diabetes (type 2/1)</td>
<td>MedImmune AstraZeneca</td>
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<tr>
<td>Various</td>
<td>Metabolic – Diabetes (type 2/1)</td>
<td>MedImmune AstraZeneca</td>
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<tr>
<td>Various</td>
<td>Nephrology</td>
<td>AstraZeneca</td>
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<tr>
<td>Various</td>
<td>Metabolic – Diabetes</td>
<td>Sanofi</td>
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<tr>
<td>Various</td>
<td>Oncology – Immunotherapy</td>
<td>Sanofi</td>
<td></td>
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<tr>
<td>Various</td>
<td>Immunology &amp; Inflammation – Tissue fibrosis</td>
<td>Apeiron</td>
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<td>Various</td>
<td>Neurodegeneration</td>
<td>Novartis</td>
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<tr>
<td>Various</td>
<td>Metabolic – Diabetes</td>
<td>Sanofi</td>
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<tr>
<td>Various</td>
<td>CNS</td>
<td>Sanofi</td>
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<tr>
<td>Various</td>
<td>Oncology</td>
<td>Sanofi</td>
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<td></td>
</tr>
<tr>
<td>Various</td>
<td>CNS – Pain &amp; Inflammation</td>
<td>Sanofi</td>
<td></td>
<td></td>
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</tbody>
</table>

- 
- 1) EVT302 and EVT100: Partner stopped development; Evotec has regained the licence rights (EVT100 series: Patents have been discontinued in 2016)
- 2) Not disclosed
First-in-class alliances with significant upside

Key innovation alliances – Selection

**Chronic kidney disease (“CKD”)**
Highly innovative therapeutics in diabetic complications (e.g. CKD)

*Commercials*¹)
Undisclosed upfront payment, potential milestones > € 300 m, double-digit royalties

**Immuno-oncology**
Development of small molecule based cancer immunotherapies to complement current offerings of checkpoint inhibitors (together with Apeiron Biologics)

*Commercials*¹)
Substantial research payments, potential milestones > € 200 m, double-digit royalties

**Fibrosis**
Novel mechanisms as targeted anti-fibrotics in multi-organ fibrosis

*Commercials*¹)
Undisclosed upfront payment, potential milestones > € 100 m

**Endometriosis/Pain**
World-leading efforts in non-hormonal treatments in endometriosis

*Commercials*²)
€ 12 m upfront, potential milestones > € 500 m, double-digit royalties

¹) Recognised in EVT Innovate
²) Recognised in EVT Execute
iPSC alliances represent paradigm shift

### iPSC – Alliances

#### iPSC alliance in neurodegeneration
Development of novel therapies for a broad range of neurodegenerative diseases based on Evotec’s unique patient-derived iPSC platform

**Focus on**
- ALS  Amyotrophic lateral sclerosis
- AD   Alzheimer’s disease
- HD   Huntington’s disease
- PD   Parkinson’s disease

**Commercials**
Upfront $ 45 m, potential milestones > $ 250 m per project, low double-digit royalties

#### iPSC alliance in diabetes
Development of beta cell replacement therapy and drug discovery based on functional human beta cells derived from Evotec’s unique iPSC platform

**iPSC alliance in diabetes**
- Beta cell replacement therapy
- Drug discovery – Small molecules

**Commercials**
Upfront € 3 m, research payments, potential milestones > € 300 m, double-digit royalties
Addressing diabetes by restoring beta cell function

Stem cell derived insulin producing human beta cells

- Beta cell loss and dysfunction is a key driver of diabetes
- Access to human beta cells has been limiting for beta cell replacement therapy and drug screening
- Breakthroughs in the stem cell field offer the opportunity to generate unlimited supply of human beta cells
- Unlimited supply of human beta cells is the basis for the development of disease-modifying diabetes therapies

Images from Pagliuca et al., Cell 2014; see also Rezania et al., Nature Biotechnology 2014
BRIDGE across the valley of death in drug discovery

The Evotec BRIDGE

Source: Derived from an article by Sustainable Development Technology Canada (2013)
Upside participation in first-in-class innovation

Strategic rationale & examples for Evotec’s innovation acceleration

Accelerating innovation on EVT platform

- Spin off valuable platforms outside of Evotec’s main areas of interest for potential broader/later stage applications
- Participate in financing rounds of promising companies, built on Evotec’s platforms, via strategic investments
- Company formations with the aim of developing assets to next value inflection points
## Strong outlook

**EVT Innovate – Expected key milestones 2017**

- New clinical initiations and good progress of clinical pipeline within partnerships
- Expansion of academic BRIDGE network
- Strong R&D progress within Cure X/Target X initiatives
- Strong focus on iPSC (induced pluripotent stem cells) platform
Agenda

Highlights Q1 2017

EVT Execute

EVT Innovate

Financial performance and outlook
Growth driven by core business and milestones
Condensed income statement Q1 2017 – Evotec AG and subsidiaries

<table>
<thead>
<tr>
<th></th>
<th>Q1 2017</th>
<th>Q1 2016</th>
<th>% vs 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>50.2</td>
<td>37.5</td>
<td>34%</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>37.4%</td>
<td>33.3%</td>
<td></td>
</tr>
<tr>
<td><strong>R&amp;D expenses</strong></td>
<td>(4.7)</td>
<td>(4.4)</td>
<td>6%</td>
</tr>
<tr>
<td><strong>SG&amp;A expenses</strong></td>
<td>(7.3)</td>
<td>(5.4)</td>
<td>36%</td>
</tr>
<tr>
<td><strong>Impairment of intangible assets</strong></td>
<td>-</td>
<td>(1.4)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Other op. income (expenses), net</strong></td>
<td>2.9</td>
<td>1.4</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>9.7</td>
<td>2.7</td>
<td>254%</td>
</tr>
<tr>
<td><strong>Adjusted Group EBITDA(^1)</strong></td>
<td>13.2</td>
<td>7.2</td>
<td>83%</td>
</tr>
<tr>
<td><strong>Net income (loss)</strong></td>
<td>6.9</td>
<td>(1.2)</td>
<td></td>
</tr>
</tbody>
</table>

- Group revenue growth due to increase in base revenues, milestones, and contribution from Cyprotex (€ 6.0 m)
- Gross margin mainly increased due to higher milestone payments
- SG&A increased due to Cyprotex and increased headcount from Company growth
- Other operating income increased due to R&D tax credits in France (€ 1.2 m increase)

\(^1\) 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
* Differences may occur due to rounding
Adjusted EBITDA continues to grow

Segment information Q1 2017 – Evotec AG and subsidiaries

<table>
<thead>
<tr>
<th>in € m*</th>
<th>EVT Execute</th>
<th>EVT Innovate</th>
<th>Inter-segment elimination</th>
<th>Evotec Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>47.9</td>
<td>12.6</td>
<td>(10.3)</td>
<td>50.2</td>
</tr>
<tr>
<td>Gross margin</td>
<td>27.1%</td>
<td>56.9%</td>
<td></td>
<td>37.4%</td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>(0.2)</td>
<td>(5.8)</td>
<td>1.3</td>
<td>(4.7)</td>
</tr>
<tr>
<td>SG&amp;A expenses</td>
<td>(5.8)</td>
<td>(1.5)</td>
<td>-</td>
<td>(7.3)</td>
</tr>
<tr>
<td>Other op. income (expenses), net</td>
<td>2.0</td>
<td>0.9</td>
<td>-</td>
<td>2.9</td>
</tr>
<tr>
<td>Operating income (loss)</td>
<td>9.0</td>
<td>0.7</td>
<td>-</td>
<td>9.7</td>
</tr>
<tr>
<td>Adjusted EBITDA&lt;sup&gt;1)&lt;/sup&gt;</td>
<td>12.2</td>
<td>1.0</td>
<td></td>
<td>13.2</td>
</tr>
</tbody>
</table>

- Revenue growth in EVT Execute due to strong base business and three months 2017 contribution from Cyprotex
- Significantly improved revenues in EVT Innovate due to milestone achievements
- Higher SG&A in EVT Execute due to expenses of Cyprotex including its move in UK

<sup>1</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

* Differences may occur due to rounding
Even further improved gross margin

Revenues & Gross margin overview

- 3-year trend shows strong improvement in revenues and margins
- Group revenue growth due to increase in base revenues, three months 2017 contribution from Cyprotex and higher milestone achievements
- Increased gross margin reflects growth in base revenues, high milestone achievements, improved capacity utilisation as well as favourable foreign exchange rate effects

<table>
<thead>
<tr>
<th></th>
<th>Group revenues (in € m)</th>
<th>Gross margin (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1 2015</td>
<td>Q1 2016</td>
</tr>
<tr>
<td>Milestones/upfronts/licences¹)</td>
<td>21.5</td>
<td>37.5</td>
</tr>
<tr>
<td>Base revenues</td>
<td>18.5</td>
<td>3.0</td>
</tr>
</tbody>
</table>

¹) Including software licences
Novo A/S as new strategic shareholder

Shareholder overview

- 10% Novo A/S
- 9% Roland Oetker/ROI
- 5% AGI
- 3% DAMI
- 72% Free float
- 1% Management

Number of shares: 146.7 m
Listing: Frankfurt Stock Exchange (TecDAX), OTCBB
52 week high/low: €11.95/€3.10
## Strong growth and accelerated innovation

Guidance 2017\(^1\) confirmed

<table>
<thead>
<tr>
<th></th>
<th>Double-digit top-line growth</th>
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<tbody>
<tr>
<td>1</td>
<td>• More than 15% Group revenue growth(^1)</td>
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<th>Profitable and growing</th>
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<tr>
<td>2</td>
<td>• Adjusted Group EBITDA(^2) expected to improve significantly compared to 2016</td>
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<th>Focused investments</th>
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<tr>
<td>3</td>
<td>• Group R&amp;D expenses of approx. € 20 m</td>
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\(^1\) Revenue guidance from 2017 onwards will be based on total Group revenues and no longer on revenues excluding milestones, upfronts and licences. Due to an increasing number of milestone-bearing projects and factoring in a probability of success, total milestone-based revenues become more predictable and contribute more and more to the Company’s total revenue and profitability.

\(^2\) 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