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Evotec and Research Support International Limited Announce the Formation of Evotec-RSIL Ltd, a Joint Venture for the Design, Synthesis, Management and Commercialisation of Compound Libraries

Hamburg, Germany | Oxford, UK – Evotec AG (Frankfurt Stock Exchange: EVT) and Research Support International Limited (RSIL), a subsidiary of DIL Ltd, announced today the formation of a joint venture in India, Evotec-RSIL Ltd, to design, synthesise and manage compound libraries as a service. The joint venture will combine Evotec's expertise in library design, synthesis, analysis, purification and project management with RSIL's first class scientists coupled with a low cost structure in India to provide a high quality, cost efficient solution for the provision and management of compound libraries to the pharmaceutical industry.

The pharmaceutical industry is seeking cost efficient solutions for the continual enhancement of their screening libraries. Whilst looking for cost effectiveness, the design and synthesis of high quality compounds using strong project management is critical. Evotec has a strong track record in this field as exemplified by collaborations with companies such as Bayer, Merck & Co. Inc, Almirall Prodesfarma, Roche and Solvay. RSIL is a well established contract research organisation located on a scientific campus in Thane, a suburb of Mumbai, India. It has offered chemistry services for over two decades to pharmaceutical and biotech companies worldwide.

The joint venture will be located in Thane, India, and will use newly constructed, state-of-the-art laboratories. Evotec will contribute its proprietary technologies, years of experience and expertise in library synthesis in addition to providing a range of parallel synthesis equipment, high throughput analytical apparatus and expert training in the design, synthesis and management of compound libraries.

Evotec-RSIL Ltd will design compound libraries of low hundreds to thousands of compounds per scaffold by accessing chemistries already validated at Evotec and/or RSIL. As well as being able to design and synthesise compound libraries the joint venture will also offer library management services in which it will be able to analyse and purify large screening libraries in a cost efficient manner.

“Evotec has enjoyed an enviable reputation in the synthesis of large screening and focused libraries for many years. Through this joint venture we are able to team up with the excellent scientists and management at RSIL to continue to provide this invaluable service at competitive prices for our customers. We are very pleased to collaborate with RSIL, one of India's

premier chemistry services business”, **commented Dr Mario Polywka, Chief Operating Officer of Evotec.** “With the formation of this joint venture through a contribution in kind of Evotec’s library business, Evotec is making another significant step in its strategy to focus its core business in Europe on high value solutions and products for the pharmaceutical industry.”

Commenting on the joint venture RSIL’s Director, Irfan Bandukwalla, said: “We are delighted to partner with Evotec in offering the design, synthesis and management of compound libraries to the pharmaceutical industry. This joint venture will be able to address the ever growing need of pharmaceutical and biotechnology companies who want to outsource their library synthesis needs to highly skilled partners who offer expertise, experience and solutions at cost effective rates.

Both RSIL and Evotec have an excellent and well established understanding and track record of providing services to the global pharmaceutical industry. Through our complimentary skills our customers will derive added value, which is so necessary to grow in this competitive business, thus addressing the ever growing desire for a win-win situation for all concerned.”

Adjusted for the library business, Evotec’s 2006 revenues would have amounted to EUR 60.8 million (2006 revenues reported: EUR 67.4 million).

Notes to the editor

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 research collaborations, 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 three programmes in clinical development: EVT 201, a partial positive allosteric modulator (pPAM) of the GABA_A receptor complex for the treatment of insomnia, EVT 101, a subtype selective NMDA receptor antagonist for the treatment of Alzheimer’s disease and/or pain, and EVT 302, a MAO-B inhibitor in development for smoking cessation.

In research collaborations, 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.

www.evotec.com

About Research Support International Ltd (RSIL)

RSIL, a wholly owned subsidiary of DIL Ltd, (*formerly Duphar-Interfran Ltd*), is a well established Contract Research Organisation, offering a strong & reliable research platform to enable its pharmaceutical and biotech customers to accelerate their drug discovery programmes efficiently and cost effectively.

RSIL is located within a lush green scientific campus at Thane, a suburb of Mum-

bai, having its facilities spread over 45,000 sq. ft. equipped with state-of-the-art facilities for the synthesis of virtually all types of organic compounds from milligrams to kilogram scale.

RSIL being conferred the “Partner of Choice in Contract Research – Chemistry Based Services” award for the year 2007 by Frost & Sullivan is a recognition of its over two decades of experience in offering reliable, efficient and cost effective services to its pharmaceutical and biotech customers worldwide.

www.rsil.biz

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