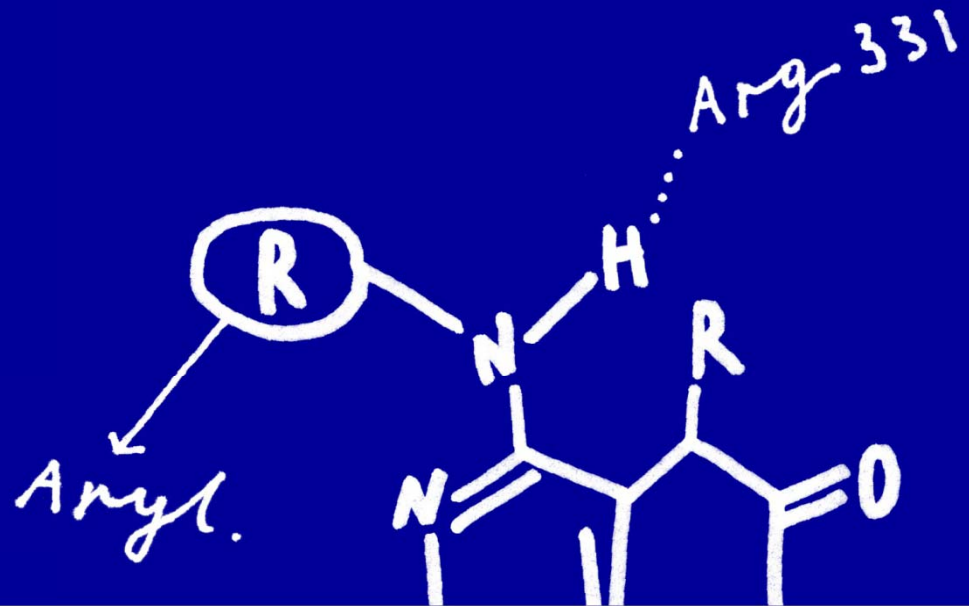

Go for profitable growth!



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 report. 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.

Welcome to Evotec!

Your management team



Werner Lanthaler, CEO



Colin Bond, CFO



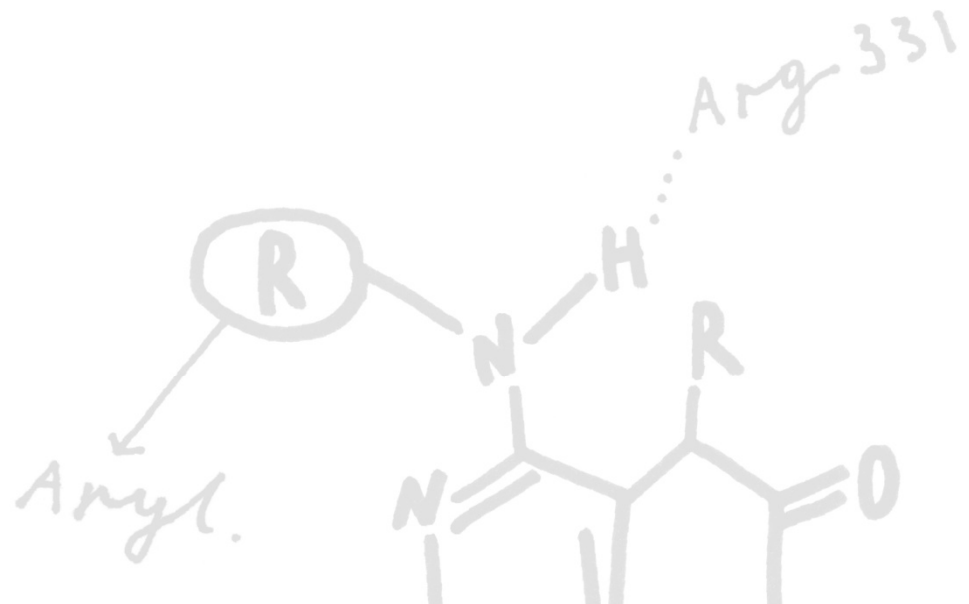
Mario Polywka, COO



Cord Dohrmann, CSO

Agenda

- **Highlights H1 2011**
- Update on drug discovery alliances & development partnerships
- Financial performance & growth outlook



Strongest H1 in company history

H1 2011 highlights & *lowlights*

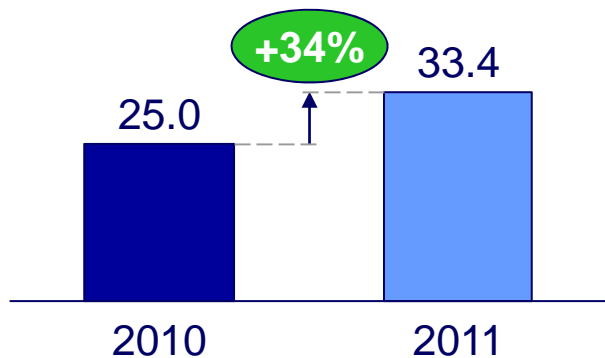
- 1 34% top-line growth, strongly improved profitability, strong gross margins, strong strategic cash position, increased FY revenue guidance
- 2 Advanced product development alliance through P2X7 licensing agreement in animal health applications* with major pharma partner
- 3 Closing of acquisitions of Kinaxo (Evotec Munich) and Compound Focus (Evotec San Francisco), first synergies through Roche response prediction alliance
- 4 New drug discovery alliance with UCB, strong performance in full drug discovery alliances portfolio
- 5 Good progress in Phase III recruitment of DiaPep 277 in diabetes,
Termination of EVT 101 clinical Phase II in TRD
- 6 Roland Oetker and Andreas Pinkwart elected as new Supervisory Board members

Strong profitable growth

Key figures overview – Status H1 2011 vs. H1 2010

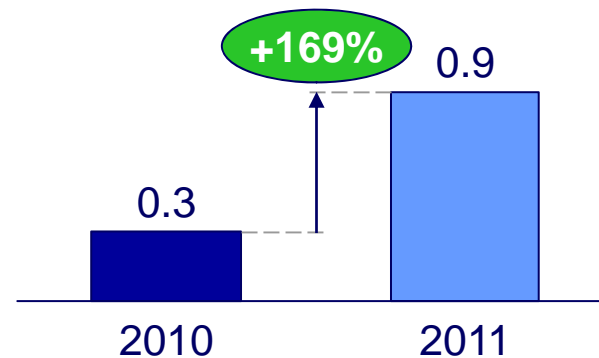
Strong growth in discovery alliance business

in € m



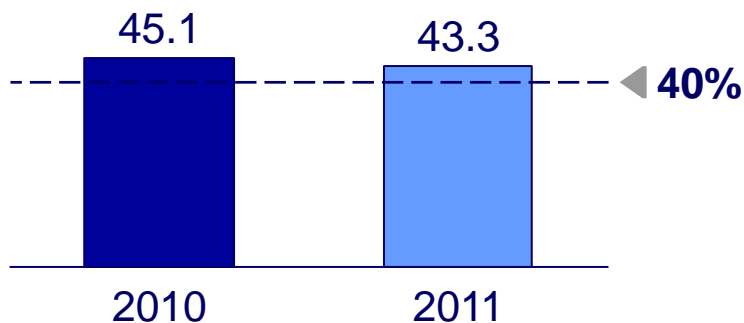
Strong improvement of operating result

in € m



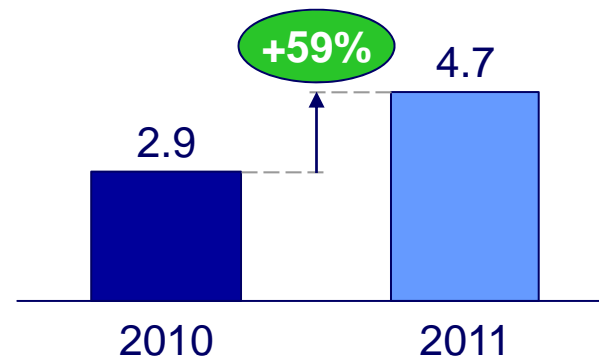
Solid gross margins

in %



Focused R&D

in € m



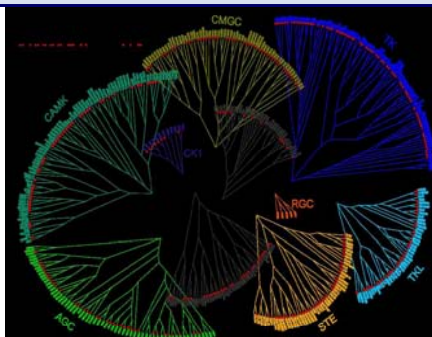
Organic growth complemented by acquisitions

Acquisitions in H1 2011

Acquisition of Kinaxo (Evotec Munich)

Rational:

- Best-in-Class capability in comprehensive drug profiling (efficacy & safety, mechanism of action)
- Innovative technology for novel biomarker development (response prediction)



Transaction:

- Upfront: € 3 m cash, 2.6 m shares,
- Earn-out: Based on revenues and deals, up to € 4 m

Success parameters:

- Approx. € 2.0 m revenues in 2011; strong growth rate
- New alliances in response prediction

Acquisition of Compound Focus (Evotec San Francisco)

Rational:

- Expansion of solution offering with fully automated storage supply of small molecules
- Most efficient data management, screening collections and handling



Transaction:

- Upfront: € 10.25 m cash
- Earn-out: Based on revenues and new deals, up to € 2.25 m

Success parameters:

- Revenues approx. € 4 m in 2011
- NIH contract extension and new alliances

Two major strategic alliances

EVT 401 in animal health & response prediction alliance

Major animal health company (undisclosed)

P2X7 antagonist licensed to top tier animal health company

About EVT 401:

- P2X7 is an ATP-gated ion channel that plays an important role in inflammatory processes

Deal terms:

- Technology-transfer payment, milestones, significant royalties

Development:

- Ca. 4 years to market, inflammatory diseases, for market that represents ca. \$ 200 m opportunity limited competition

Cost:

- All costs taken up by animal health partner



Alliance for personalized healthcare in cancer research and development

About PhosphoScout®:

- High end mass spectrometry to identify and quantify cellular phosphorylation events

Deal terms:

- Three year agreement. Upfront technology access payments, milestone payments

Development:

- Development in parallel with potentially several oncology programmes of Roche

Cost:

- All costs taken up by Roche

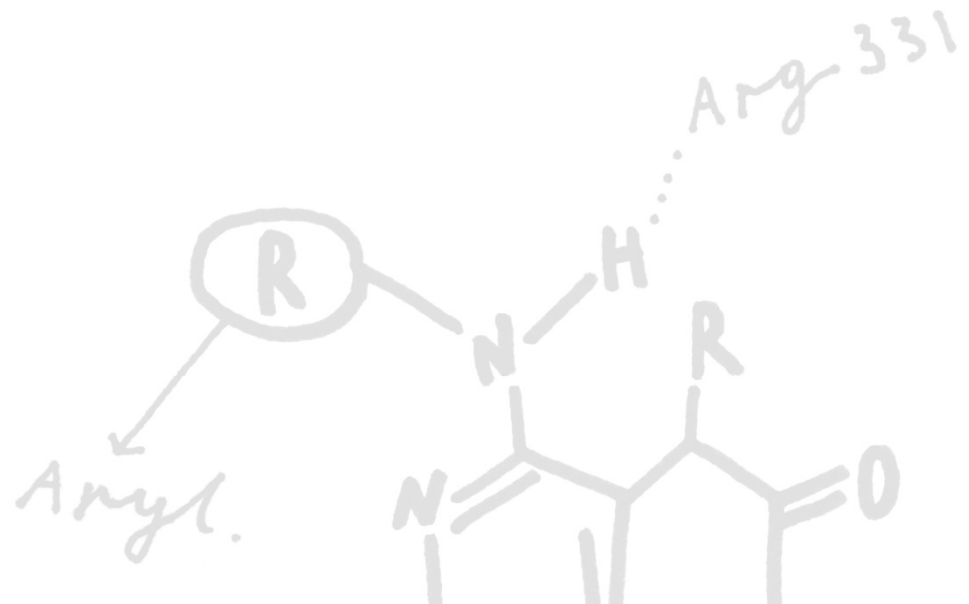
Increased revenue guidance

Operational business overview

In € m	Old guidance 2011	New guidance 2011	FY 2010
Revenues	68–70 ¹⁾	70–72	55.3
Operating Income	Improved over 2010	Improved over 2010	1.7
Net Income	Improved over 2010	Improved over 2010	3.0
Unpartnered R&D expenses	Approx. 10	Approx. 10	6
Liquidity at period end	55 ^{1) 2)}	55 ²⁾	70

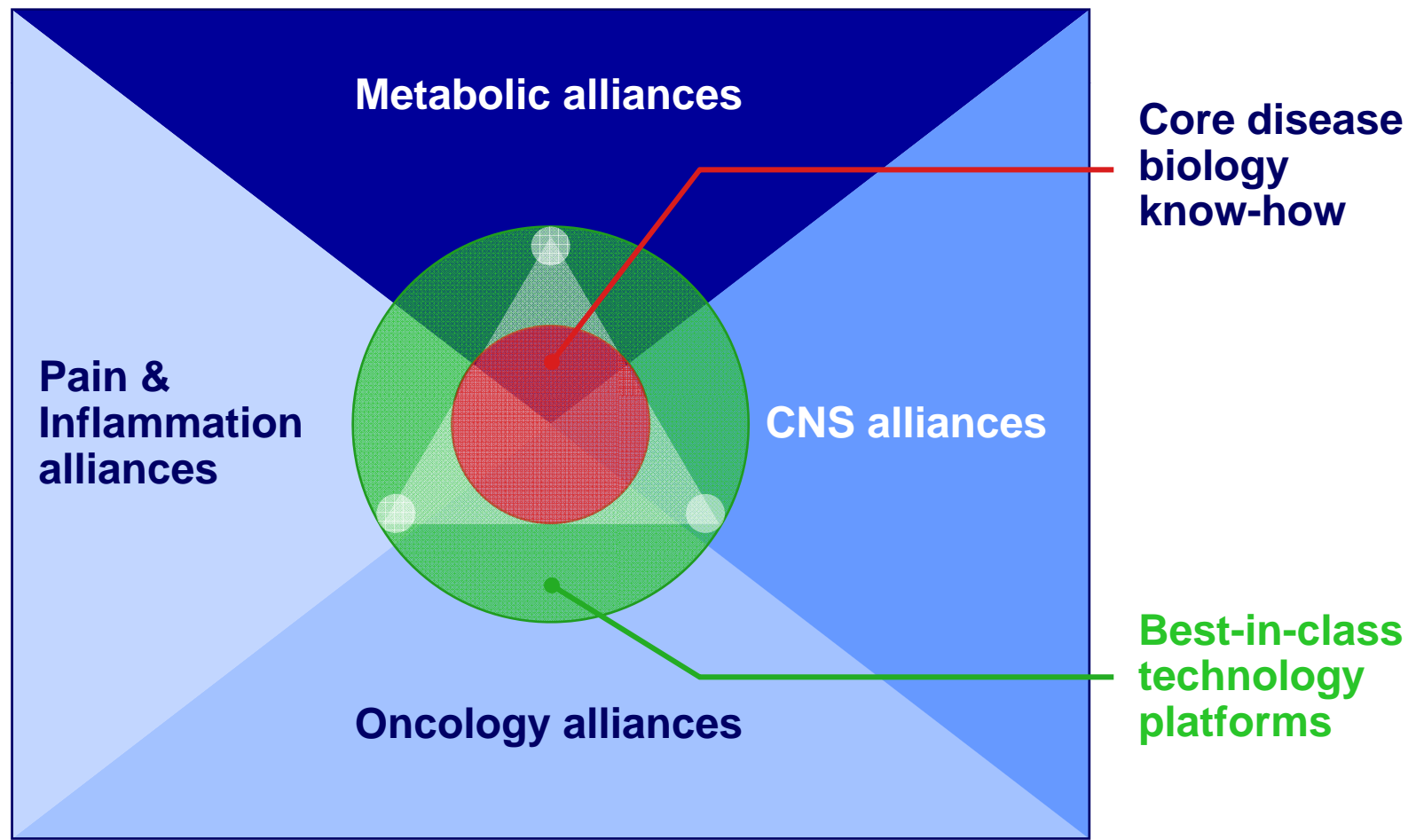
Agenda

- Highlights H1 2011
- **Update on drug discovery alliances & development partnerships**
- Financial performance & growth outlook









Drug discovery alliances & more

Our business model

















New UCB alliance underpins quality leadership

Selected drug discovery alliances (1/2)

Partners	Focus area	Upside for Evotec	Description
	Oncology, pain, inflammation	+++	Performance-based, multi-target long-term alliance
	Huntington disease	++	Long-term alliance, focused on the fight against Huntington disease
	Various	++	Long-term alliance, focused on multiple targets
	CNS	++	Performance-based, long-term alliance, focused on CNS targets
	Pain	++	Performance-based alliance, focused on pain
	Various	++	Performance-based, multi-target long-term alliance.







Roche ideal partner for entry into biomarker strategy

Selected drug discovery alliances (2/2)

Partners	Focus area	Upside for Evotec	Description
	Metabolics, insulin sensitizer	++++	Diabetes, obesity and metabolic syndrome Research funding, € 7 m upfront, > € 230 m milestones, royalties
 	BetaCell technology	++++	Type 1 and 2 diabetes, targeting beta cell mass, Research funding, € 5 m upfront, > € 250 m milestones, royalties
	Pain	+++	VR1 Antagonist, Performance-based alliance, > \$ 170 m milestones, royalties
 	Response prediction	++	Performance-based alliance, focused on development of response predicting biomarkers
       	Various	Various	Multi-target long-term alliances

Despite termination of EVT 101 multiple opportunities in clinical upside

Portfolio of product development partnerships

Indication	Partner	Status	Upside for Evotec	Next milestone
Type 1 diabetes ¹⁾	 	Phase III	+++	Phase III data 2012
Treatment resistant depression (TRD)	open	Phase II	+++	New partnering initiative
Insomnia ²⁾		Phase II	++	Phase IIb data 2012
Pain		Phase I	++	Phase I
Inflammatory diseases	 Animal Health company (undisclosed)	Phase I/II	+++	Phase II start in 2012
CNS; Pain, UI, others ³⁾		Pre-clinical	+++	Phase I / partnering

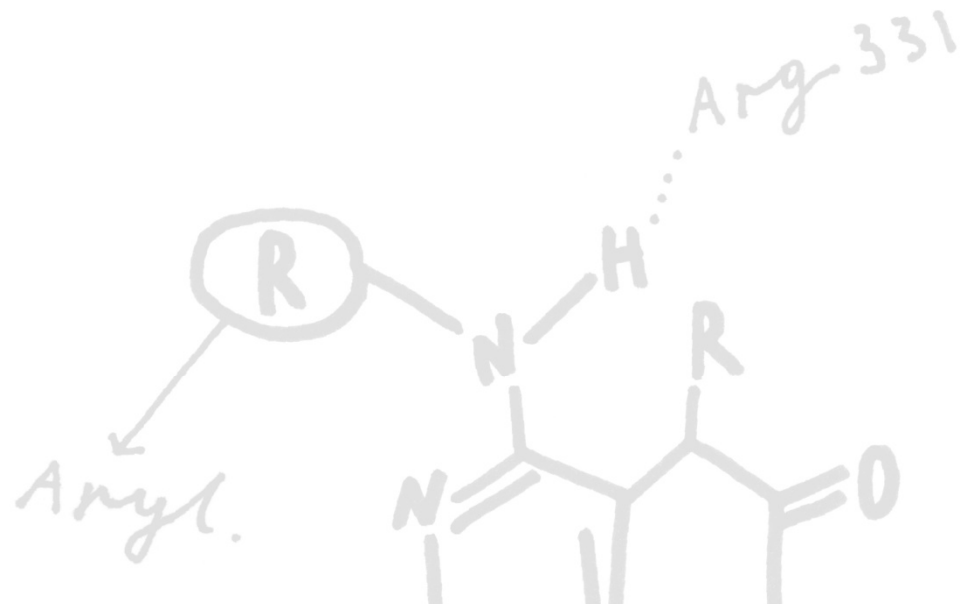
1) DiaPep277 is being developed by Andromeda Biotech Ltd and has been partnered with TEVA Pharmaceuticals Industries Ltd

2) Chinese rights only; Safety and Phase IIb study planned starting 2011

3) EVT 501(H3), P2X3, EVT 401 (P2x7), EVT 302 ...

Agenda

- Highlights H1 2011
- Update on drug discovery alliances & development partnerships
- **Financial performance & growth outlook 2011ff**



Operating and net income significantly improved

H1 2011: Condensed consolidated statement of operations

in €m

	H1 2010	H1 2011	% vs. 2010
Revenues	25.0	33.4	+34%
Gross margin	45.1%	43.3%	
• R&D expenses	2.9	4.7	+59%
• SG&A expenses	7.7	7.6	-2%
• Amortisation	0.3	0.5 ¹⁾	
• Other op. (income) expense, net	0.0	0.7	
Operating income	0.3	0.9	+169%
Net income	0.1	0.8	+736%

Growth in core business leads to profitable second quarter

Q2 2011: Condensed consolidation statement of operations

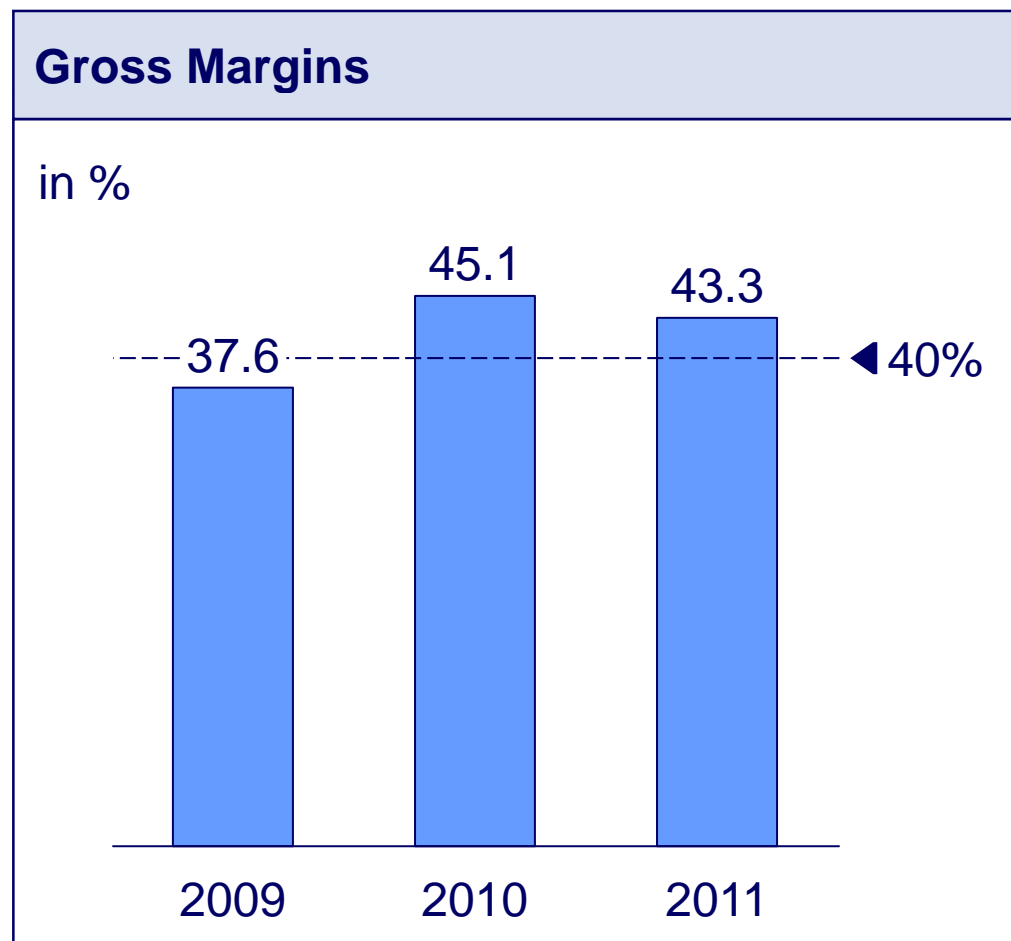
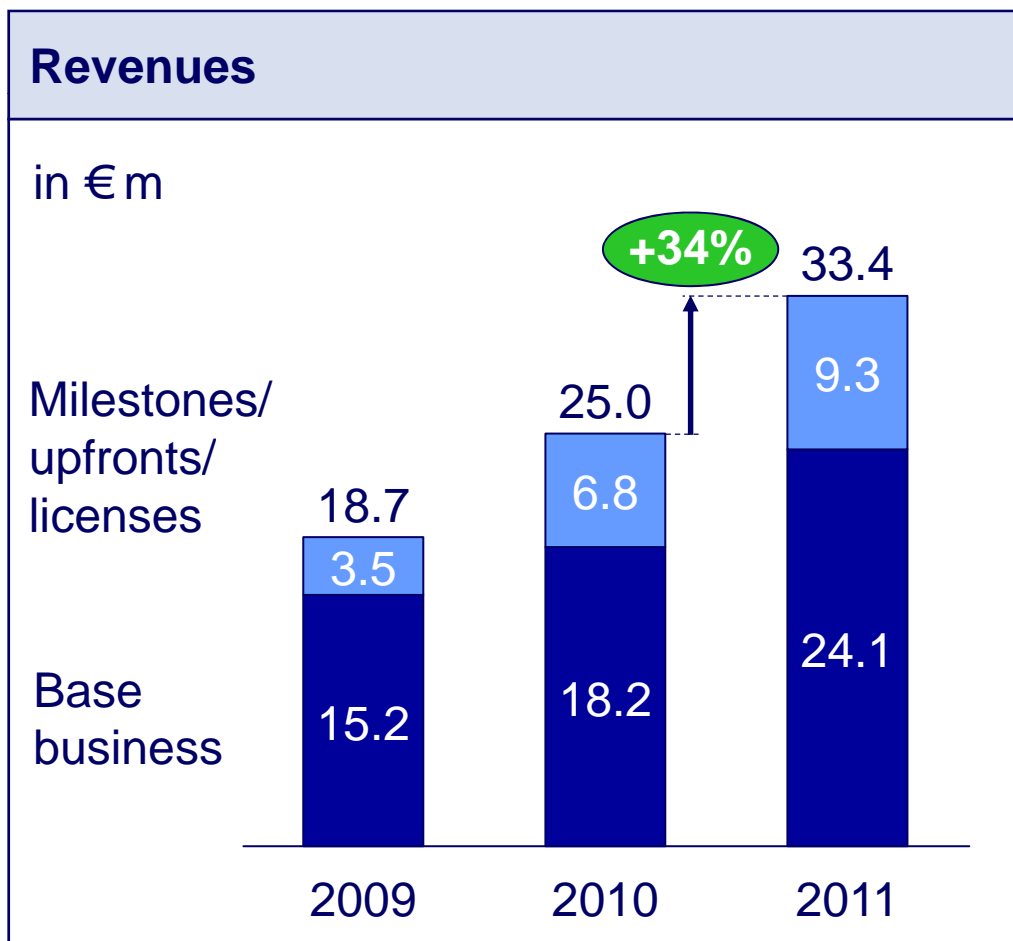
in € m

	Q2 2010	Q2 2011
Revenues	15.1	18.3
Gross margin	49.8%	46.5%
• R&D expenses	1.2	2.4
• SG&A expenses	4.4	3.8
• Amortisation	0.1	0.3 ¹⁾
• Other op. (income) expense, net	0.0	0.4
Operating income	1.8	1.7
Net income	1.3	1.2

Strong growth and strong gross margins

Revenues & gross margins H1

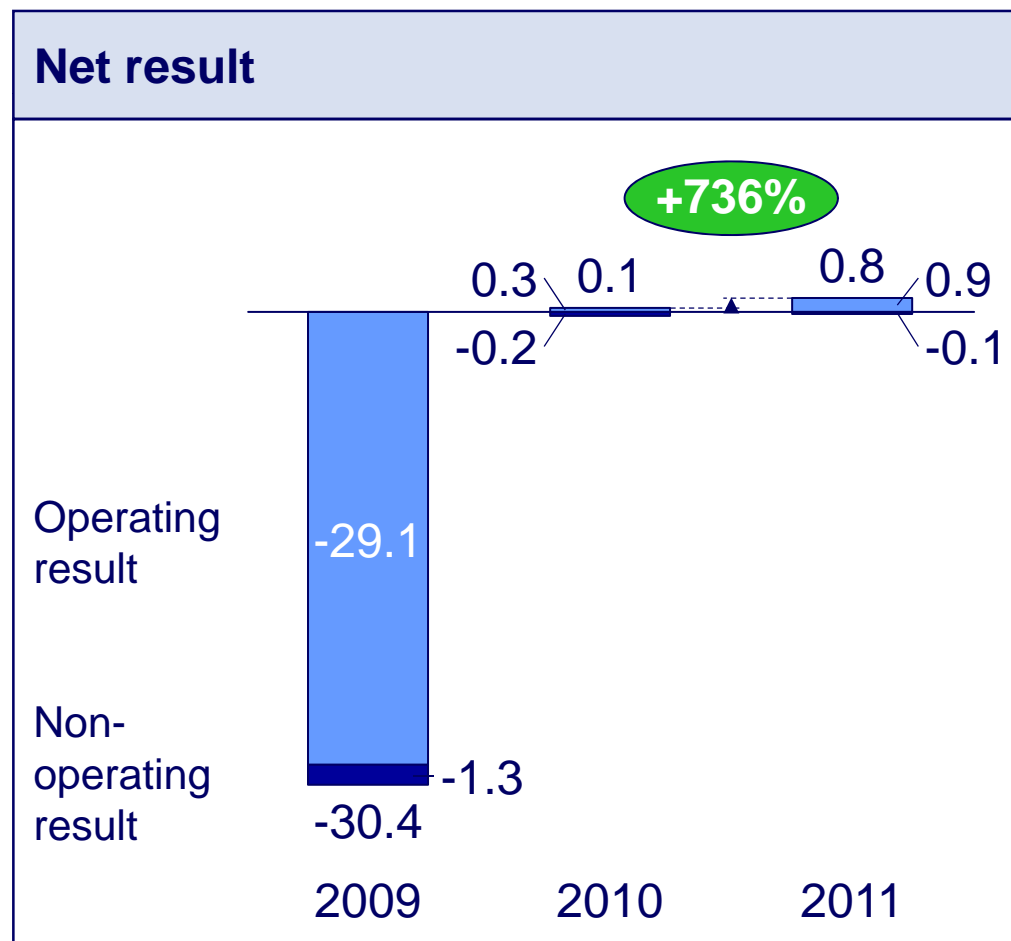
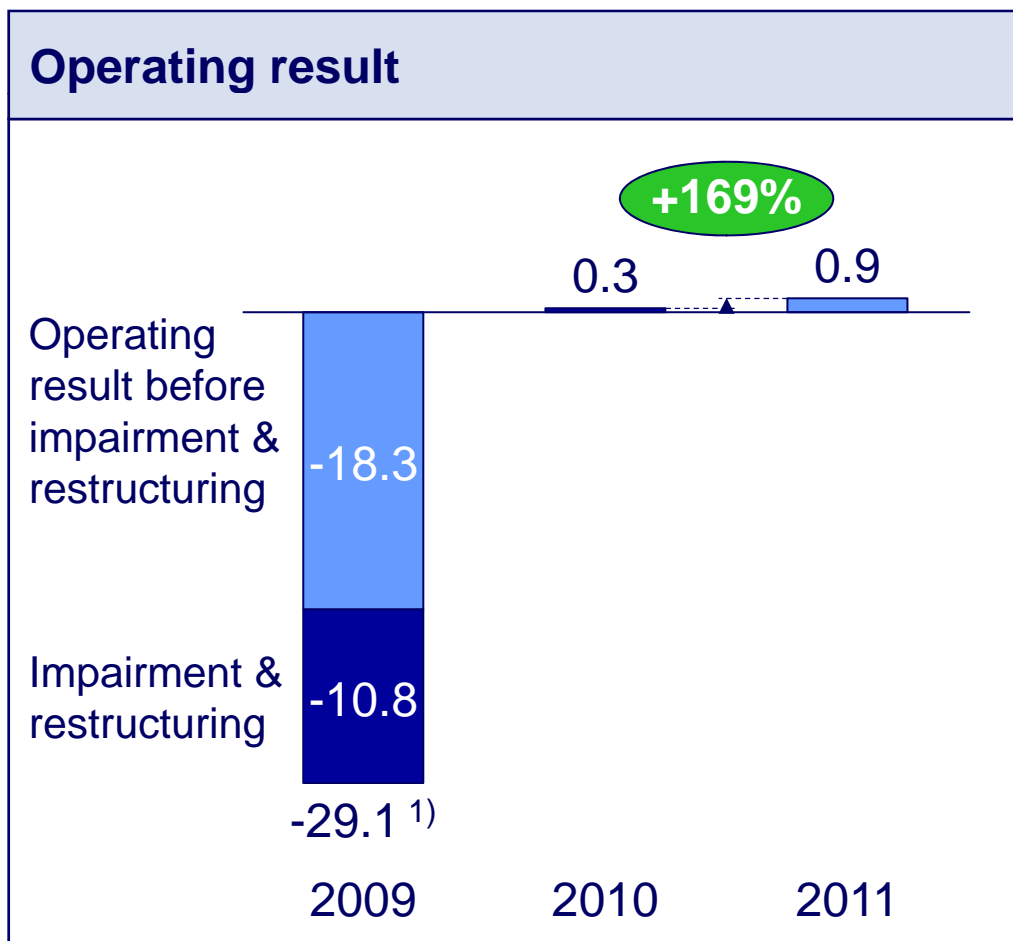
in € m



Operating result of €0.9 m, net result €0.8 m

Results H1 2011

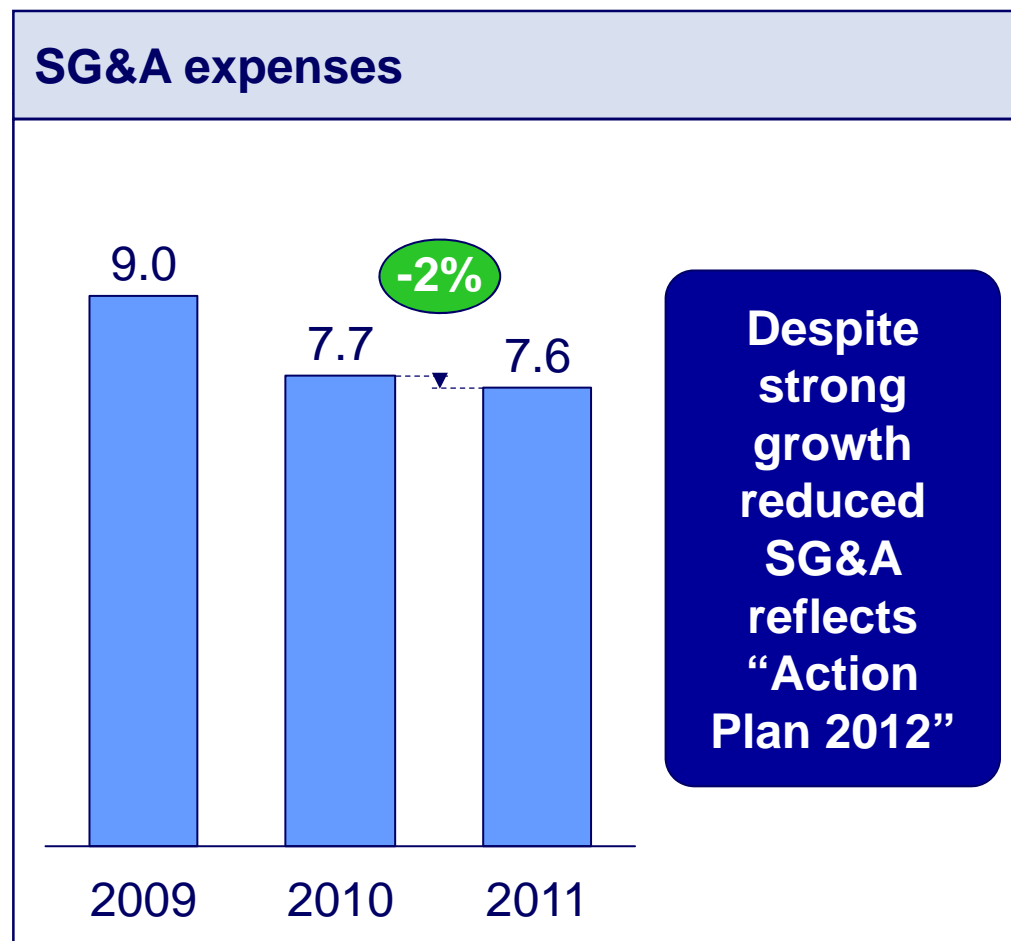
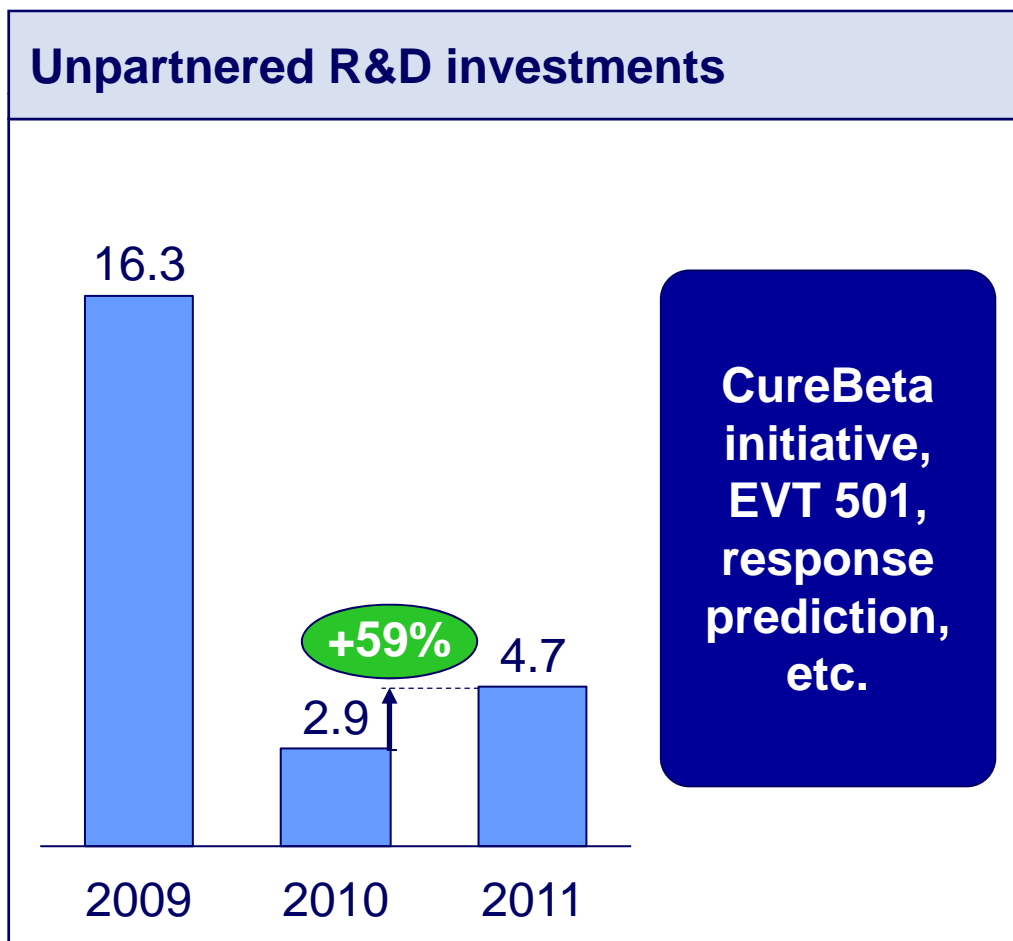
in € m



Focused R&D investments for long term growth

R&D and SG&A

in €m



Operating cash flow well under control

H1 2011: Condensed consolidated statement of cash flows

Liquidity in € m

	H1 2010 ¹⁾	H1 2011 ¹⁾
Net cash provided by (used in)		
• Operating activities	-5.1	3.6
• Investing activities	5.9	-1.1
• Financing activities	-0.6	-0.4
Exchange rate difference	0.3	0.8
Cash and cash equivalents at end of period	33.4	24.1
• Investments	34.5	32.4
Liquidity at beginning of period	70.6	70.4
Net increase/decrease in liquidity	-2.7	-13.9
Liquidity at end of period	67.9	56.5

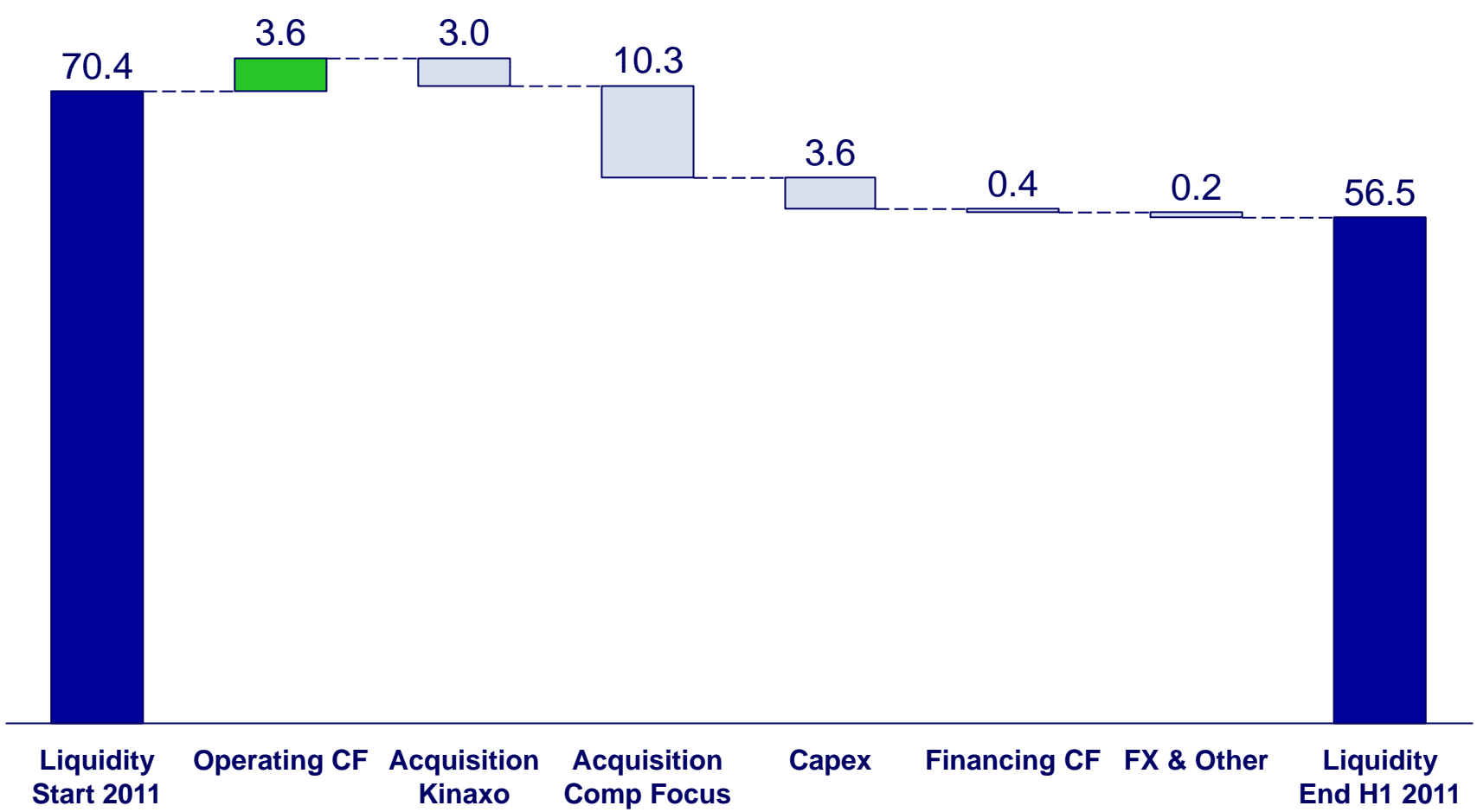
- Cash-generative operating result
- Decrease in working capital €2.7 m

- Includes acquisitions of €13.3 m
- Includes significant Capex investments of €3.6 m
- Financed by reduction in investments

Investments for growth based on cash generating business and strong cash position

Cash development H1 2011

in € m



Acquisitions:

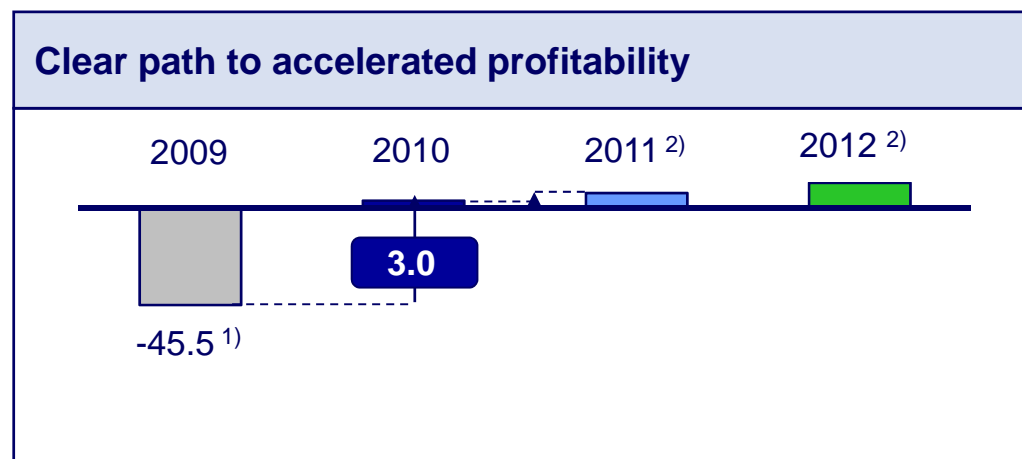
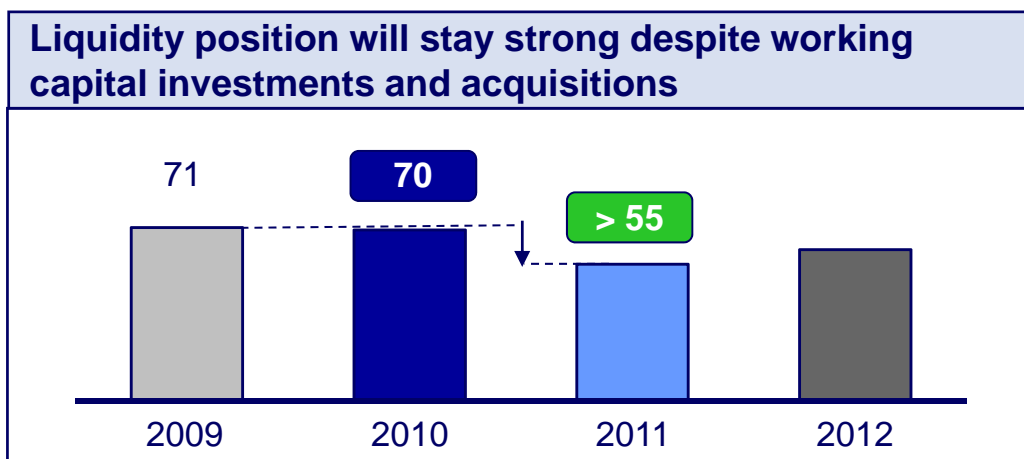
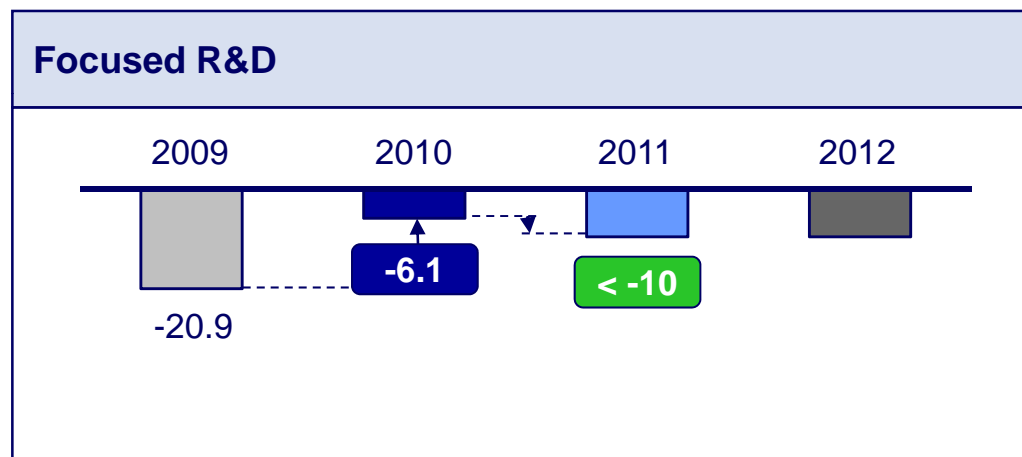
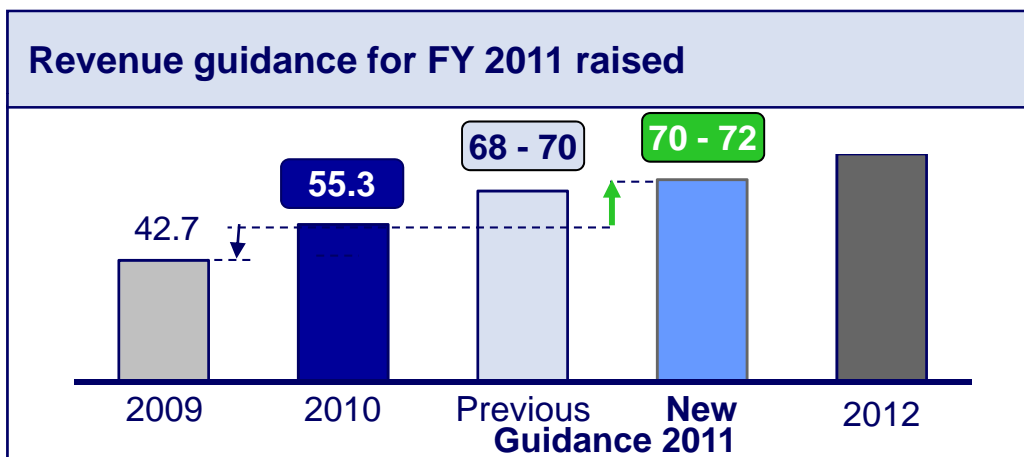
- Kinaxo € 3 m
- Compound Focus €10.3 m

2011
High tech up-
grading initiative
ca. €8 m

Strong outlook for long term growth

Overview – Growth parameters

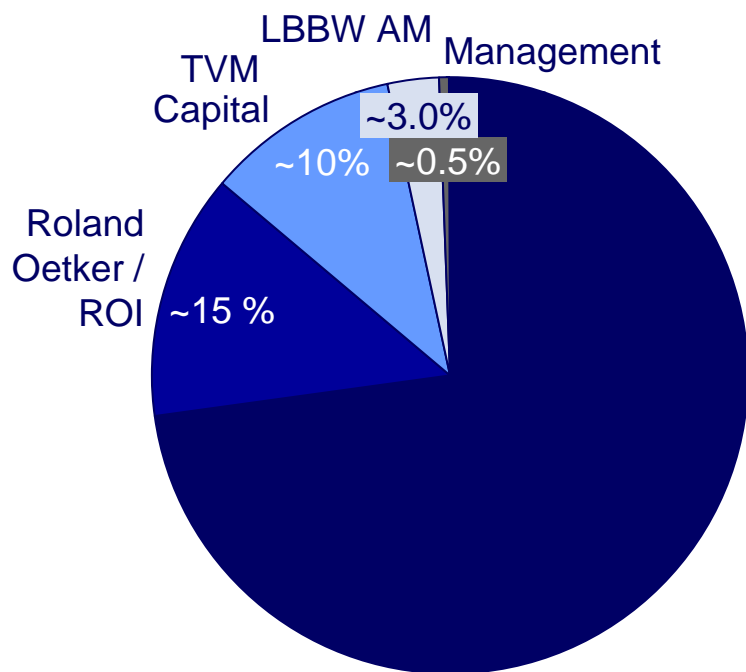
in € m



1) Including impairment and restructuring expenses of € 22.7m
 2) Net income before extraordinary effects

Team committed to growth

Management & shareholder structure



- **Number of shares:** 118.2 m
- **Listing:** Frankfurt TecDAX, OTCBB
- **52 week high/low:** € 3.48 / € 1.62 ⚡

Management Board
<ul style="list-style-type: none"> • Werner Lanthaler (CEO) Long time experience in growth organisations, signed new five years contract in Q2 • Mario Polywka (COO) 18 years Evotec experience • Cord Dohrmann (CSO) Outstanding background in metabolics • Colin Bond (CFO) Big industry multi national background
<hr/> <p>Key scientific Advisors</p> <ul style="list-style-type: none"> • Doug Melton Harvard University • William Jenkins Ex-Novartis

Supervisory Board
<ul style="list-style-type: none"> • Flemming Ørnskov Bayer • Hubert Birner TVM Capital • Mary Tanner Peter J. Solomon • Walter Wenninger Ex Bayer • Roland Oetker ROI • Andreas Pinkwart Dean of Leipzig Graduate School of Management

Action Plan 2012 is meeting its objectives¹⁾

Key performance indicators – status H1 2011

Key parameters		Better		Neutral	Worse	
		+2	+1	0	-1	-2
Defend and expand discovery alliances	• Overall cost impact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Status of order book	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Extension of technology offering	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Extension of customer reach	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Focus on high value development programmes	• Value of supported own programmes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Status of clinical progress	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	• Value of partnered programmes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Number of INDs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Balance risk for sustainable growth	• Costs in unpartnered research	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Milestone/upfront income	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Alliance formation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Overall cash reach & path to profitability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Strong news flow to come

Outlook

Key milestones for 2011

- 1 Grow discovery alliances, build joint innovation alliances**
 - Build at least two significant new integrated DAB alliances (e.g. UCB) ✓
 - Deliver significant and accelerated preclinical/clinical milestones ✓
 - Show expansion success of existing alliances (e.g. ONO) ✓
 - Show operational synergies of acquisitions ✓
- 2 Generate optimal pipeline progress & biotech values**
 - Complete recruitment in 2011 for Phase II data of EVT 101 ⚡
 - At least 1 strategic deal for an early asset ✓
 - Generate more innovation upsides (e.g. Harvard cooperation, ...) ✓
- 3 Manage innovation and path to profitability**
 - Prepare growth of revenues by more than 15% y-o-y into 2012ff
 - Build profitability, without infringing innovation power
 - Keep strong strategic cash position

Your contact:

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