

10 May 2012

'RESEARCH NEVER STOPS'

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Evotec reports continued strong revenue growth in Q1 2012

- **33% REVENUE GROWTH**
- **NEW PHARMA COLLABORATIONS THROUGH GROWTH INITIATIVES**
- **GUIDANCE 2012 CONFIRMED**

Hamburg, Germany – 10 May 2012: Evotec AG (Frankfurt Stock Exchange: EVT, TecDAX) today reported financial results and corporate updates for the first quarter of 2012.

— **Growth trend continues; implementation of Action Plan 2016 reflected in Q1 financial results**

- Group revenues +33% to €20.1 m
- Marginal operating loss of €1.3 m due to high upfront investments and ramp up of EVT Execute
- Continued strong liquidity position of €57.1 m excluding already achieved Phase III milestone from Andromeda/Teva (€3.9 m)

— **EVT Execute: Upfront investments for business growth with planned temporary effect on gross margin; Evotec's Drug Discovery platform significantly expanded with state-of-the-art protein production capabilities and capacity**

- Extension of proteomics agreement with Janssen Pharmaceutica
- \$10 m multi-year agreement with the United States Environmental Protection Agency (EPA) for Compound Management (after period-end)

— **EVT Integrate: Expanding portfolio of discovery alliances and good progress in on-going collaborations**

- Evotec and Active Biotech extend and expand medicinal chemistry collaboration (after period-end)
- Evotec and IR Pharma establish drug discovery alliance in the field of respiratory diseases

— **EVT Innovate: Development partnerships and focused research investments in innovation for significant upside potential**

- Phase III DiaPep277 programme delivers €3.9 m milestone from Andromeda/Teva
- EVT 401 partnered in China with Conba especially for inflammation (after period-end)
- Evotec and Harvard University build strategic alliance in Kidney Diseases ('CureNephron')
- Evotec and 4-Antibody form strategic alliance to innovate antibody identification and selection (after period-end)
- €0.5 m option fee achieved under the beta cell regeneration collaboration with MedImmune

— **Squeeze-out process for DeveloGen completed**

— **Financial guidance for 2012 confirmed**

- Continued double-digit revenue growth to €88 to 90 m
- Further increase in operating result compared to 2011
- Strong liquidity position above €60 m, despite significant research expenses and investments in upgrading capabilities and capacity

1. Operational performance

Evotec's operational performance for the first quarter of 2012 reflected the continued strong growth path of the Company as well as the investments necessary to support and sustain long-term collaborations following the implementation of Evotec Action Plan 2016.

Total Group **revenues** for the first quarter of 2012 increased by 33% to €20.1 m (2011: €15.1 m) including a milestone earned in Evotec's development partnership with Andromeda/Teva with DiaPep277 (€3.9 m) as well as contributions from the acquisitions of Evotec Munich and Evotec San Francisco totalling €2.9 m. As anticipated, higher cost of revenues and higher operating expenses resulted in an **operating loss** for the first quarter of 2012 of €(1.3) m (2011: €(0.8) m). As has been repeatedly stated, the operating result of Evotec varies significantly between quarters as a result of the specific timing of performance based milestones and partnering events having a major impact on specific quarterly reporting periods. Overall, the Company is on track to achieve increased full-year profitability over 2011 (before impairment and changes in contingent consideration, if any). **Liquidity** including cash, cash equivalents and investments at the end of March 2012 amounted to €57.1 m excluding the milestone payment for DiaPep277 that was recorded as a receivable at 31 March 2012.

2. Evotec Action Plan 2016 – Innovation Efficiency

Update on discovery alliances, development partnerships and status of pre-clinical programmes

A. EVT Execute: Business growth leads to upfront investments with temporary effect on gross margin; Evotec's Drug Discovery platform further expanded with state-of-the-art protein production capabilities and capacity

The need to improve R&D productivity is increasing pressure on pharmaceutical companies to outsource drug discovery and development. There is a clear trend towards large, multi-year contracts. EVT Execute delivers an increasingly industrialised high-tech infrastructure to Evotec's partners in long-term relationships. The goal is to optimise the capital and innovation efficiency of the resources dedicated to each target that our partners are working on. Partners working with Evotec can access the latest science, and globally the best-in-class technology infrastructures.

Extension of proteomics agreement with Janssen Pharmaceutica

In March 2012, Evotec extended its long-term collaboration with Janssen Pharmaceutica. The alliance was originally signed in 2007 with Kinaxo (Evotec Munich), and further extended in 2009. Under the agreement Evotec will apply its proprietary high-end proteomics technologies to enable comprehensive cellular analyses of Janssen's oncology drugs under development. Evotec's unique proteomics platform dissects cancer signal transduction processes and their response to drug treatment, delivering unrivalled cellular mode of action information.

Multi-year agreement with the United States Environmental Protection Agency (EPA) for Compound Management (after period-end)

In April 2012, Evotec entered into a multi-year compound management agreement with the United States EPA. The contract covers a period of five years and has a total value of up to €7.7 m

(approximately \$10 m). Under the agreement Evotec, through its San Francisco operations, will provide chemical procurement, analysis, sample preparation, and management services in support of the EPA's National Computational Centre for Toxicology (NCCT). Services provided will support bioactivity profiling of the EPA's ToxCast™ (Prioritisation of Environmentally Relevant Chemicals) Compound Library.

B. EVT Integrate: Expanding portfolio of discovery alliances and good progress in on-going collaborations

Evotec is one of the few drug discovery businesses that can execute a comprehensive outsourcing strategy. EVT Integrate represents the most comprehensive and systematic integrated drug discovery process for drug targets in Evotec's key areas of expertise. In this process, Evotec does not simply lower costs for its customers; most importantly, the Company significantly reduces the time to go no-go decision points for these projects. Evotec continues to expand its core business expertise around metabolic disease, pain, oncology, and CNS drug targets. In these integrated approaches, Evotec shares some discovery risks with its partners in exchange for future returns.

Evotec and Active Biotech extend and expand medicinal chemistry collaboration (after period-end)

In April 2012, Evotec extended and expanded its medicinal chemistry collaboration with Active Biotech to further advance an existing programme, which has entered the lead optimisation phase after successful hit identification activities. The programme aims to find novel small molecule modulators of a priority biological target, selected by Active Biotech, involved in immune disorders and cancer. The programme was initiated in 2010 with a high throughput screen followed by extensive hit validation and hit-to-lead activities, leveraging Evotec's hit identification and integrated medicinal chemistry platforms.

Evotec and IR Pharma establish drug discovery alliance in the field of respiratory diseases

In February, Evotec and IR Pharma entered into an exclusive strategic alliance to provide integrated drug discovery solutions to pharmaceutical and biotech companies in the field of respiratory diseases. IR Pharma has outstanding expertise in respiratory pharmacology including a range of highly validated models, focusing on Asthma, Cough and Chronic Obstructive Pulmonary Disease (COPD), which ideally complement Evotec's powerful drug discovery platform. As part of this exclusive collaboration, Evotec is now positioned to offer a seamless, fully integrated respiratory and inflammation focused drug discovery process to its partners, from target to nomination of pre-clinical development candidates.

C. EVT Innovate: Development partnerships and focused research investments in innovation provide upside potential

Evotec is committed to delivering solutions for some of the largest and most pressing global medical needs. With EVT Innovate the Company brings forward the most promising scientific ideas to make a difference in key medical areas. As part of Evotec's ongoing research initiatives, certain pre-clinical assets (e.g. BetaCell relevant molecules, etc.) are progressed to potential entry points for drug discovery alliances. Evotec partners its proprietary assets to pharmaceutical companies for upfront payments, ongoing research fees and significant milestones and royalties. Through this strategy Evotec is building a pipeline without bearing the digital risk normally involved in such projects. To reduce Evotec's risk profile the Company continues to seek strategic product development partnerships to fund the further development of its clinical assets. Evotec's current clinical stage portfolio comprises several development partnerships fully funded by its partners.

DiaPep277 programme delivers €3.9 m milestone from Andromeda/Teva

The first Phase III study conducted by Andromeda Biotech and Teva Pharmaceutical (Andromeda/Teva) with DiaPep277, a synthetic peptide in development for the treatment of type 1 diabetes, was largely completed in 2011 and met all primary endpoints. A €3.9 m milestone was triggered upon completion of the report of this Phase III study and continued clinical development in Q1 2012. The clinical data fully supports the continuation of the development programme.

EVT 401 partnered in China with Conba especially for inflammation (after period-end)

In April 2012, Evotec granted Zhejiang Jinhua Conba Bio-pharm. Co., Ltd. (Conba Pharmaceutical) a development and marketing license for its P2X7 antagonist, EVT 401, in China for human indications with exception of ophthalmological, chronic obstructive pulmonary disease (COPD) and endometriosis pain. Evotec will obtain a small upfront payment and is eligible for development and commercial milestone payments in excess of €60 m, and tiered double-digit royalties on net sales. The agreement grants Conba Pharmaceutical exclusive rights to develop and commercialise the compound for the Chinese market. Evotec will have the right to reference clinical data produced by Conba Pharmaceutical to support potential further development of EVT 401 in other territories.

P2X7 receptor antagonism may provide a novel approach for the treatment of inflammatory conditions. Evotec completed the first Phase I, single dose study of EVT 401 in 2010. Conba Pharmaceutical will initiate further clinical trials with EVT 401 in China in inflammatory diseases.

Evotec and Harvard University build strategic alliance in kidney disease ('CureNephron')

In January 2012, Evotec announced a second strategic alliance with Harvard University, this time including Brigham and Women's Hospital aimed at discovering and developing new biomarkers and treatments in the field of kidney disease ('CureNephron'). The first collaboration ('CureBeta') was established in March 2011 to develop new diabetes therapies targeting beta cell regeneration.

The alliance will pursue systematic and unbiased approaches towards the identification of kidney disease relevant mechanisms with particular interest in mechanisms with disease modifying potential. This programme is designed to deliver and exploit novel therapeutic targets as well as biomarkers that allow more accurate diagnosis, monitoring and treatment of chronic and acute kidney disease, conditions associated with high morbidity and mortality.

This new collaboration is a great example of joining forces across traditional academic and industrial boundaries to rapidly advance ground-breaking science into medicines.

Evotec and 4-Antibody form strategic alliance to innovate antibody identification and selection (after period-end)

In May 2012, Evotec and 4-Antibody entered into a strategic collaboration agreement under which Evotec will offer a fully integrated antibody discovery and development service expanding on its leading small molecule drug discovery and development expertise. Evotec's novel and unique high throughput and high content screening approach coupled with 4-Antibody's high throughput antibody selection approach will allow screening of large and diverse antibody populations for desired functionality and activity at a much earlier stage of selection. This unique combined approach is expected to substantially reduce attrition rates at later development stages. Evotec will initially pay a € 2m access fee to 4-Antibody, which will be fully reimbursed from future returns. Going forward the parties will share profits.

€0.5 m option fee achieved under the beta cell regeneration collaboration with MedImmune

In March 2012, a small €0.5 m expansion option fee was achieved under the beta cell regeneration collaboration with MedImmune, which was signed in 2010. This clearly underlines the strategic commitment of both parties for this project.

3. Acquisition update**Squeeze-out process for DeveloGen completed**

In January 2012, Evotec completed the squeeze-out process for DeveloGen AG, which has been renamed to Evotec (Göttingen) AG, by formal registration at the trade register. This triggered payments to the former minority shareholders of DeveloGen of €12.75 per share, summing up to a total of €176,217.75.

In addition, all tranches of shares from the acquisition of Kinaxo in April 2011 are no longer subject to any lock-up provisions as of 17 April 2012.

4. Guidance 2012**Financial guidance for 2012 confirmed**

All financial targets published on 20 March 2012 in Evotec's 2011 Annual Report (page 64) remain unchanged. In 2012, Evotec forecasts double-digit growth of Group revenues to reach €88 to 90 m. R&D expenses in 2012 will remain broadly in line with 2011 levels at approximately €10 m. The Company will continue to focus on first-in-class innovation. Evotec's Group operating result before impairment and changes in contingent consideration, if any, for the year 2012 is expected to further improve over 2011. However, operating result may vary significantly between quarters and prior year periods as the timing of performance based milestones and partnering events cannot be predicted within specific quarterly reporting periods.

2012 will be another year of significant investment in capital expenditures, even exceeding the high levels of 2011. More than €10 m are planned to be invested in the long-term upgrading of Evotec's capacities. As a significant proportion of the cash generated from operations is thus reinvested, the Company expects to maintain its liquidity above €60 m at the end of 2012, at constant year-end 2011 currencies, excluding any potential cash outflow for M&A transactions and related payments.

Webcast / Conference Call

The Company is going to hold a conference call to discuss the results as well as to provide an update on its performance:

Conference call details:

Date: Thursday, 10 May 2012

Time:

09.30 a.m. CEST

08.30 a.m. BST

03.30 a.m. US time (East Coast)

From Europe:

+49-(0)-6103-485-3001 (Germany)

+44-207-153-2027 (UK)

From the US: +1-480-629-9822

Access Code: 4534463

A simultaneous slide presentation for participants dialing in *via* phone is available at www.equitystory.com, password: `evotec0512`.

Webcast details

To join the *audio webcast* and to access the *presentation slides* you will find a link on our home page www.evotec.com shortly before the event.

A replay of the conference call will be available for 24 hours and can be accessed in Europe by dialing +49 69 58 99 90 567 (Germany) or +44 207 959 6720 (UK) and in the US by dialing +1 303 590 3030. The access code is 4534463#. The on-demand version of the webcast will be available on our website:

<http://www.evotec.com/Investors/Financial-Reports-2010-2012>

ABOUT EVOTEC AG

Evotec is a drug discovery alliance and development partnership company focused on rapidly progressing innovative product approaches with leading pharmaceutical and biotechnology companies. We operate worldwide providing the highest quality stand-alone and integrated drug discovery solutions, covering all activities from target-to-clinic. The Company has established a unique position by assembling top-class scientific experts and integrating state-of-the-art technologies as well as substantial experience and expertise in key therapeutic areas including neuroscience, pain, metabolic diseases as well as oncology and inflammation. Evotec has long-term discovery alliances with partners including Boehringer Ingelheim, CHDI, Genentech, Medimmune/Astra Zeneca, Novartis and Ono Pharmaceutical. In addition, the Company has existing development partnerships and product candidates both in clinical and preclinical development. These include partnerships with Boehringer Ingelheim, MedImmune and Andromeda (Teva) in the field of diabetes, and with Roche in the field of Alzheimer's disease. For additional information please go to www.evotec.com.

FORWARD LOOKING STATEMENTS — *Information set forth in this press release 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.*