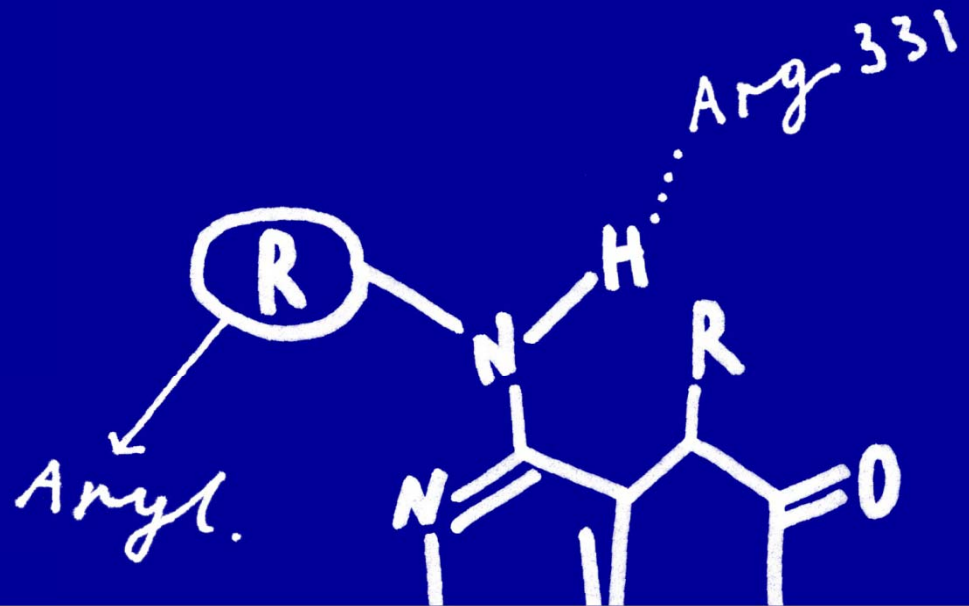


Evotec 2014 – Execute on Innovate



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.

Welcome to Evotec!

Your management team



Werner Lanthaler, CEO¹⁾



Colin Bond, CFO¹⁾



Mario Polywka, COO¹⁾



Cord Dohrmann, CSO

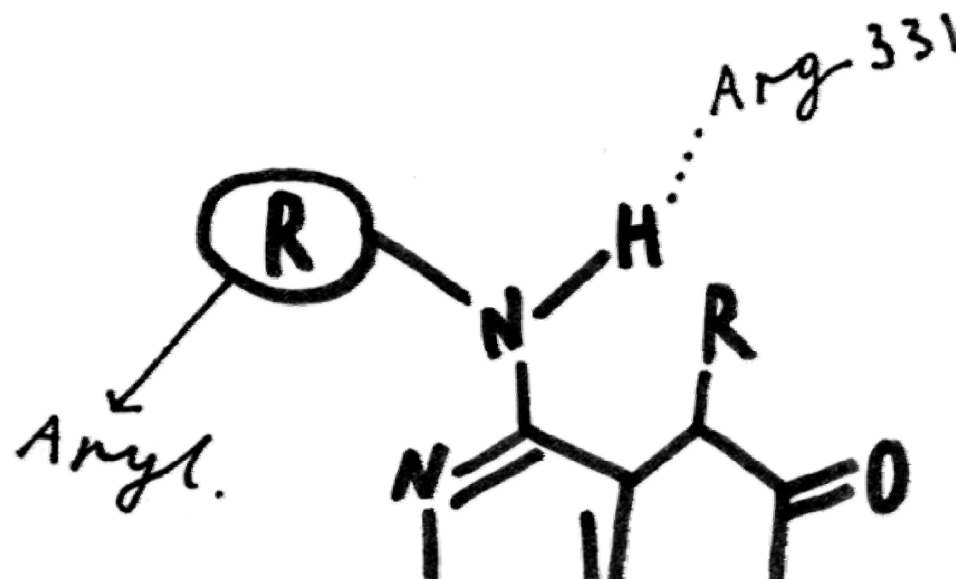
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Executing on innovation strategy towards Action Plan 2016, solid start into 2014

State of play, March 2014

Highlights

- New alliances and extended collaborations with Genentech, Active Biotech, Dow AgroSciences, Jain Foundation and The Leukemia & Lymphoma Society
- Five milestones achieved within Boehringer Ingelheim alliance and first milestones with UCB
- New compound management facility in Branford, US, led to new contracts with new clients
- TargetAD (Alzheimer's disease) alliance with J&J Innovation
- Integrated alliance in kidney diseases with AstraZeneca
- Even broader Cure X and Target X portfolio with Apeiron (TargetImmuniT¹⁾), Belfer Institute (TargetKDM), Harvard University with TargetEEM, CureMN and TargetPGB and Yale (TargetDBR)
- Strategic financing of € 30 m with Biotechnology Value Fund ("BVF")
- Acquisition of Bionamics (after period-end)

Lowlights

- Impairments and one-time restructuring expenses in 2013 mainly due to:
 - Closure of Chemistry operations in India
 - Loss of significant milestone payment for EVT100 series

Strongest financial position in 20 years history

Highlights 2013

Strong liquidity position strengthens flexibility for innovation investments

- Total Group revenues of € 85.9 m (2012: € 87.3 m)
- Positive adjusted operating result at € 1.2 m (2012: € 1.4 m)¹⁾
- Group EBITDA +37% to € 12.9 m
- Significant **one-time impairments** led to operating loss of € 21.4 m; net loss of € 25.4 m
- Operating cash flow continued to be positive at € 6.7 m (2012: € 12.0 m)
- Strongest liquidity position of € 96.1 m in Company's history
- Focused investments in first-in-class discovery research and academic alliances: R&D expenses of € 9.7 m

Guidance 2014 – Trying to reduce the “unpredictable”, but milestones will stay critical

- Revenues: high single-digit percentage growth – excluding milestones, upfronts and licences
- Positive EBITDA at a similar level to 2013²⁾
- R&D expenses between € 10 m to € 14 m
- Liquidity is expected to exceed € 90 m at the end of 2014³⁾

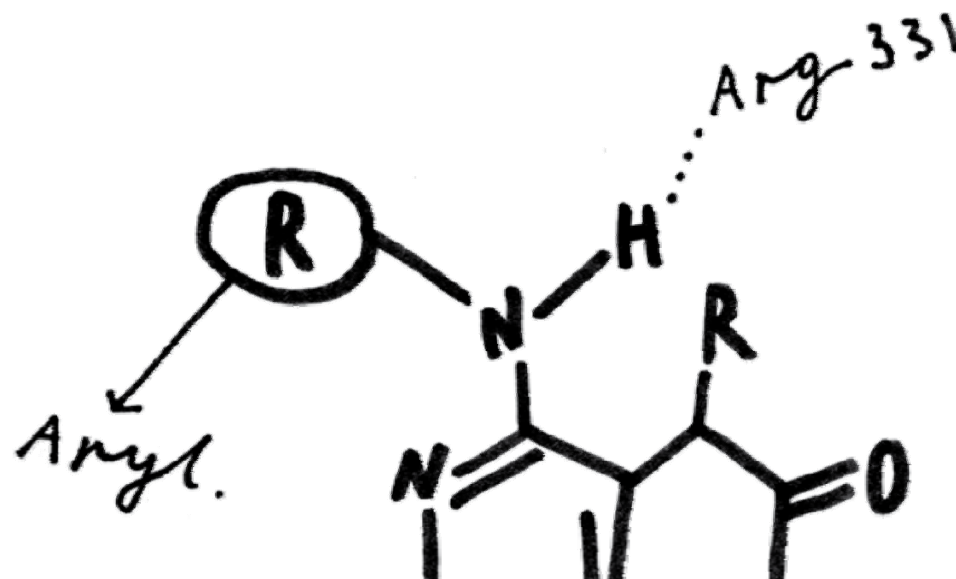
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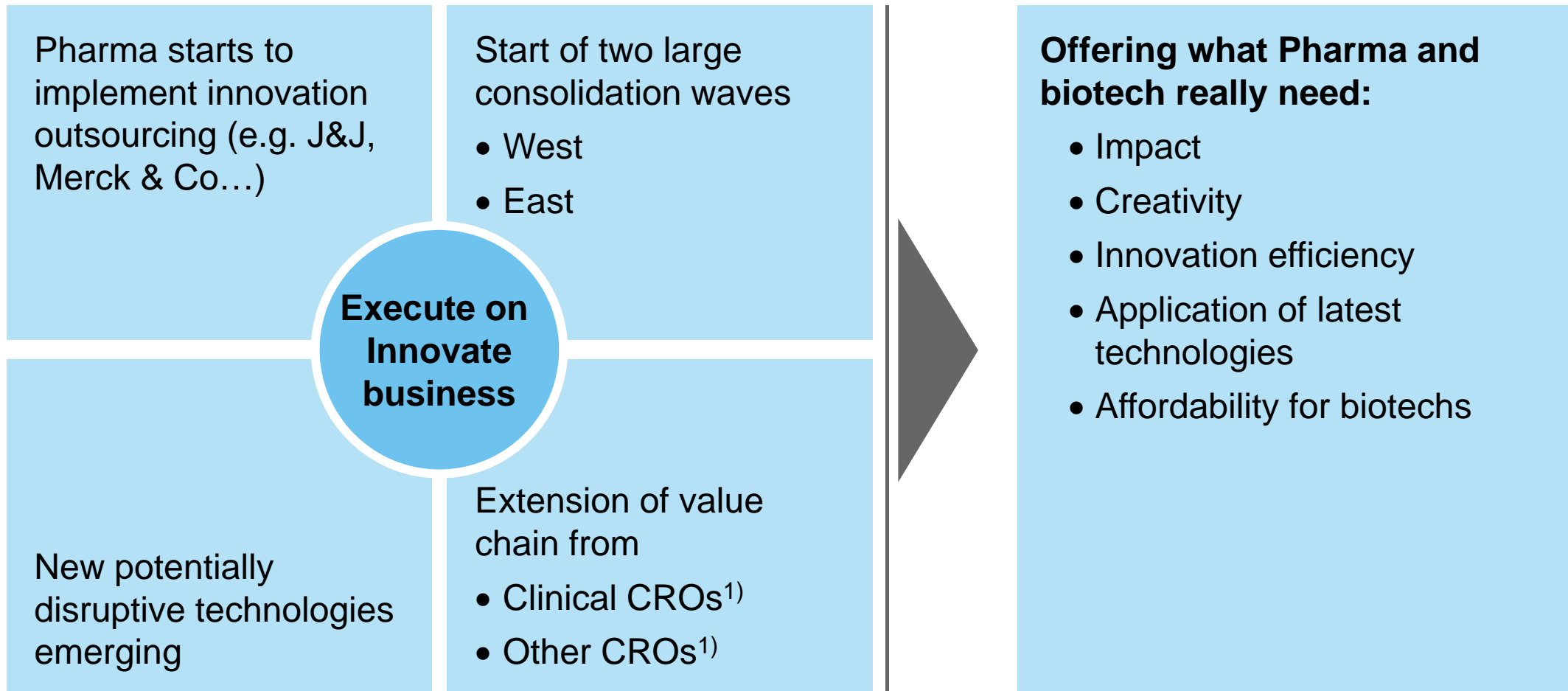
Financial performance 2013

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Accelerated market dynamics in drug discovery support long-term strategy

Market dynamics – Forces at work

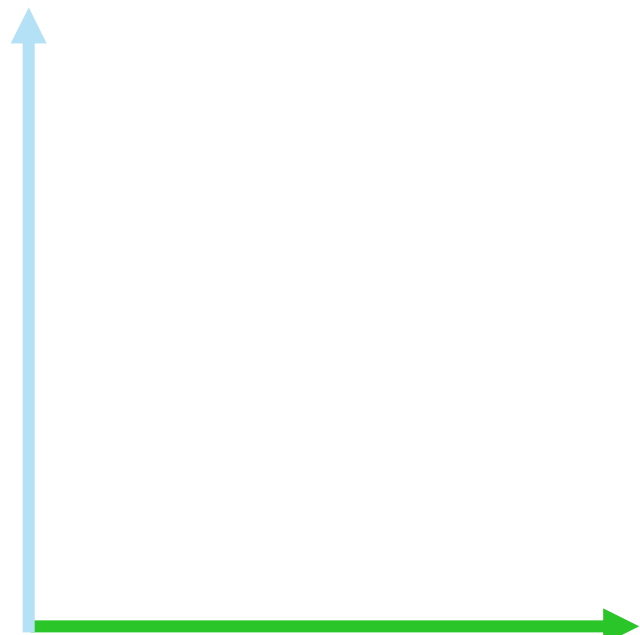


Introducing segments for even better clarity

ONE company – TWO segments

EVT Execute

“Low risk,
service business”



EVT Innovate

“High risk – high
reward innovation business”

EVT Execute

- Strict fee for service, highest quality offering
- Platform selling with low risk
- Selectively milestone and royalty derived projects

EVT Innovate (Cure X/Target X)

- First-in-class investments within core competences
- Early partnering strategy
- Performance-based alliances with upfronts, milestones and product royalties

Broad stand-alone innovation services

EVT Execute



 <p>Compound Management</p>	 <p>Hit-to-lead Platform</p>	 <p>Protein Production Structural Biology</p>
 <p>Target Deconvolution Compound Profiling</p>	 <p><i>In vitro</i> and <i>in vivo</i> Pharmacology</p>	 <p>Computational and Medicinal Chemistry</p>

Highlights 2013:

- Improved gross margins and profitability
- Increased focus on NPO¹⁾
- Expanded footprint with services closer to our customers, e.g. US East Coast
- Successful integration of CCS²⁾

¹⁾ Non-profit organisations

²⁾ CCS Cell Culture Service GmbH

Growth driven by long-term alliances and technology upgrade strategy

EVT Execute strategy 2014

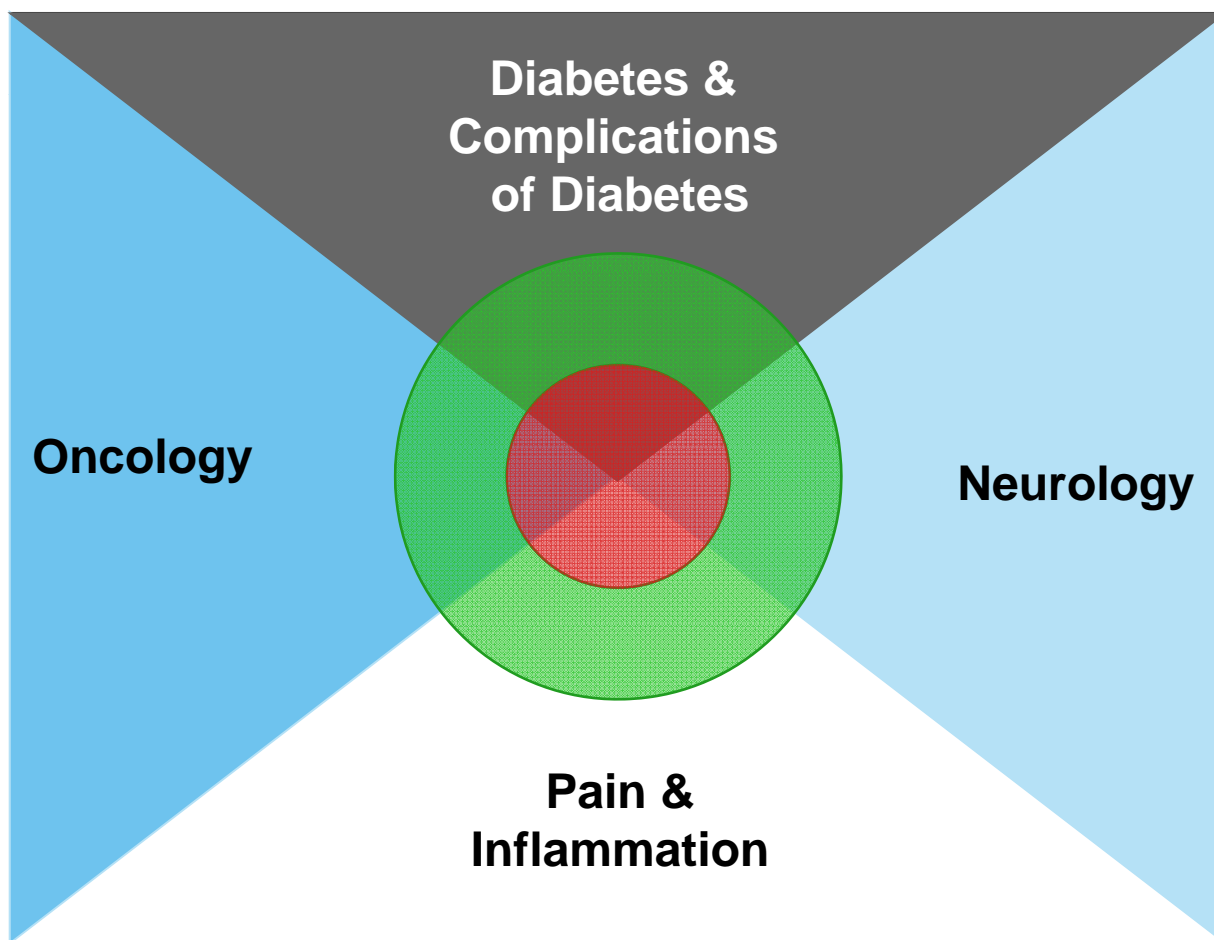
- Expansion of existing Pharma alliances

- New long-term alliances with big and mid-sized Pharma and biotech
- New integrated alliances with EU biotech and especially US East Coast start-ups

- Expansion of technology/disease portfolio offering

Systematic, unbiased and comprehensive pipeline building

Cure X and Target X initiatives





















Highlights 2013:

- Strong progress of partnered “risk-free” clinical stage pipeline
- Expansion of pipeline through in-house R&D and academic research collaborations









Significant product upside with limited downside

Partnership portfolio

	Molecule	Indication	Partner	Discovery	Pre-clinical	Phase I	Phase II	Phase III	Market	
Clinical	DiaPep277 [®]	Diabetes – type 1								
	EVT302 ¹⁾	AD								
	EVT201	Insomnia								
	Somatoprim	Acromegaly								
	EVT100 ²⁾	TRD								
	EVT401	Inflammation								
	ND	Oncology								
Pre-clinical	ND	Pain								
	ND	Oncology								
	Various	Endometriosis								
	EVT770	Diabetes – type 2/1								
	ND	Pain								
Discovery	Various	Inflammation								
	EVT070	Diabetes – type 2								
	Various	Diabetes – type 2/1								
	Various	Diabetes – type 2/1								
	Various	Kidney disease								
	Various	Alzheimer's disease								










Key competence in new mechanisms in metabolics

Diabetes and diabetic complications – 2013 progress

Project(s)	Indication	Partner	Status	Next milestone	Comments
DiaPep277®	Type 1 diabetes (immunomodulation)		2nd Phase III recruitment closed	Final Phase III data	Transfer of marketing rights to Andromeda, change of ownership expected
EVT770	Type 1 and 2 diabetes (beta cell regeneration)		Lead	Phase I	
ALM	Type 1 and 2 diabetes (beta cell regeneration)		Discovery	Phase I	
CureBeta	Type 1 and 2 diabetes (beta cell regeneration)		Target ID/validation	Validated target	
EVT070	Type 2 diabetes (insulin resistance)		Lead	PDC	
CureNephron	Chronic kidney disease		Discovery	Pharma Partnership	New Cure X initiative
TargetEEM	Type 1 and 2 diabetes (enteroendocrine mechanisms)		Discovery	Pharma partnership	New Target X initiative
Various	Kidney disease		ND	ND	First alliance out of CureNephron initiative, upfronts and significant milestones and royalties






Despite set-back in EVT100, multiple options in CNS

Neurology pipeline overview – 2013 progress

Molecule(s)	Indication (mechanism)	Partner	Status	Next milestone	Comment
EVT302	Alzheimer's disease (MAO-B)		Phase II	Completion of Phase II, Phase III start	Phase IIb recruitment almost completed
EVT100 series	Treatment-resistant depression (NR2B)		Pre-clinical	Confirmation of pre-clinical study/ Phase II start ¹⁾	Further development under evaluation
EVT201	Insomnia		Phase II	Start clinical trials	Clinical programme in China initiated
Various	Huntington's disease		Target validation	ND	
Not disclosed	Neurodegeneration		Pre-clinical	ND	
Not disclosed	Neurodegeneration		Discovery	ND	
TargetAD	Alzheimer's disease (Novel MoA)		Discovery	ND	New deal with up to \$ 10 m research payments, approx. \$ 125-145 m milestones, royalties
TargetASIC	Multiple sclerosis	Undisclosed Pharma 	Lead generation	ND	
CureMN	Amyotrophic lateral sclerosis (ALS)		TBD	Pharma partnership	New Cure X initiative






Increasingly strong franchise in pain

Pain & inflammation pipeline overview – 2013 progress

Molecule(s)	Indication (mechanism)	Partner	Status	Next milestone	Comment
EVT401	Inflammation (P2X7 inhibitor)	 CONBA GROUP	Phase I/II	Phase II start	Up to €60 m milestones, royalties
Various	Endometriosis	 BAYER	Pre-clinical	Pre-clinical candidate	
Various	Various/Pain	 Boehringer Ingelheim	Pre-clinical	Phase I start	Milestones and further clinical starts expected
Various	Inflammation	 ucb	Pre-clinical	Pre-clinical candidate	
Undisclosed	Various/Pain	 NOVARTIS	Pre-clinical	Successful PoC	Clinical start expected

Long-term vision in novel fields of oncology

Oncology pipeline overview – 2013 progress

Molecule(s)	Indication (mechanism)	Partner	Status	Next milestone	Comment
Somatoprim (DG3173)	Acromegaly/NET	 Aspireo Pharmaceuticals	Phase IIa	Pharma partnership	
Various	ND	 Boehringer Ingelheim	Phase I	Start of Phase II	
TargetImmuniT	Various (Immunotherapy)	 APEIRON BIOLOGICS	Pre-clinical	Pharma partnership	
TargetX	Various (Epigenetic targets X)	ND	H2L ¹⁾	ND	
TargetKDM	Various (Epigenetic targets)	 Belfer Institute FOR APPLIED CANCER SCIENCE	Pre-clinical	Pharma partnership	ND
TargetDBR	Cancer	 Yale University	Pre-clinical	Pharma partnership	ND
TargetFGFR3	Bladder cancer	Internal	H2L ¹⁾	ND	ND

First-in-class network for even stronger portfolio of partnerships

EVT Innovate strategy 2014

- Expansion of network of top-class academic alliances
- Accelerated investments in existing and new **Cure X/Target X** initiatives
- Progress of clinical pipeline within partnerships
- Partnering of at least one **Cure X/Target X** initiative

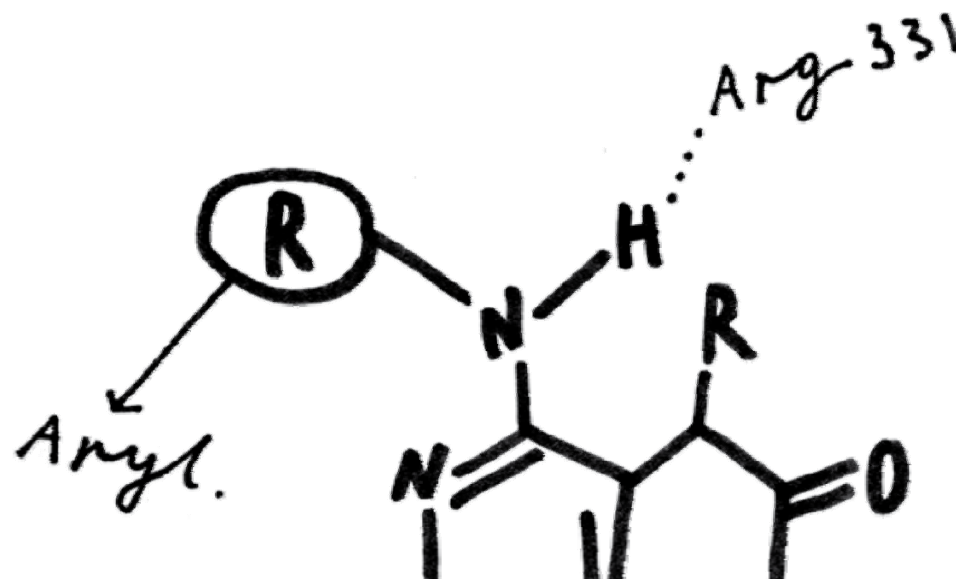
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In-line with adjusted guidance

Results and guidance history 2013

in € m

	2013	Guidance Dec. ¹⁾	Guidance March
Revenues	85.9	84-86	90-100
R&D expenses	9.7	~ 10	~ 10
Operating result, adjusted	1.2	Profitable	Improved over 2012
Liquidity at year-end	96.1	> 90 ²⁾	> 60

EBITDA significantly improved over 2012 – One-time impact from impairments in 2013

Key financials FY 2013: Condensed profit & loss statement (IFRS)

in € m

	2012 Actual	2013 Actual	% vs. 2012
Revenues	87.3	85.9	-2%
Gross margin	35.6%	36.3%	
• R&D expenses	8.3	9.7	+16%
• SG&A expenses	16.3	16.6	+2%
• Amortisation of intangible assets	2.8	3.2	+16%
• Impairments, net	3.5	25.0	–
• Restructuring	0.0	0.5	–
• Other op. income (expenses), net	3.3	(2.4)	–
Operating income (loss)	(3.2)	(21.4)	
Operating result (adjusted)	+1.4	+1.2	
EBITDA	+9.4	+12.9	
Net income (loss)	+2.5	(25.4)	

- At constant 2012 FX rate revenue increase to € 87.7 m
- Increased investment in Innovate R&D
- Impairment charges mainly for EVT100 series and restructuring expenses from closure of Evotec's Indian operations

High profitability in EVT Execute, increased investment in Cure X and Target X in EVT Innovate

Condensed income statement based on segments for 2013

in € m

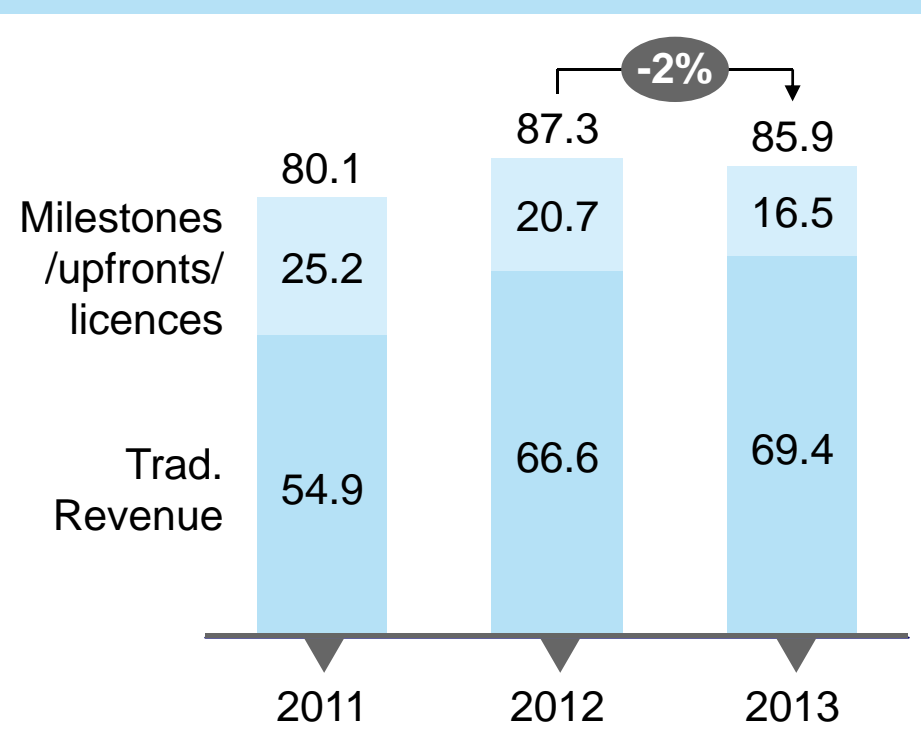
	EVT Execute	EVT Innovate	Inter- segment elimination	Evotec Group
Revenues	86.1	9.7	(9.9)	85.9
Gross margin	35.6%	15.0%		36.3%
• R&D expenses	2.2	8.4	(0.9)	9.7
• SG&A expenses	12.6	4.0	-	16.6
• Amortisation of intangible assets	2.4	0.8	-	3.2
• Impairment result, net	5.7	19.3	-	25.0
• Restructuring expenses, net	0.5	0.0	-	0.5
• Other op. income (expenses), net	0.2	(2.6)	-	(2.4)
Operating income (loss)	7.1	(28.5)	-	(21.4)
Operating result (adjusted)	13.0	(11.8)	-	1.2
EBITDA ¹⁾	19.7	(6.8)	-	12.9

- Third party revenues of € 76.2 m includes € 14.3 m milestones and licence income within EVT Execute
- Increased investment in Cure X and Target X initiatives within EVT Innovate
- Strong EBITDA of EVT Execute of € 19.7 m at high gross margin

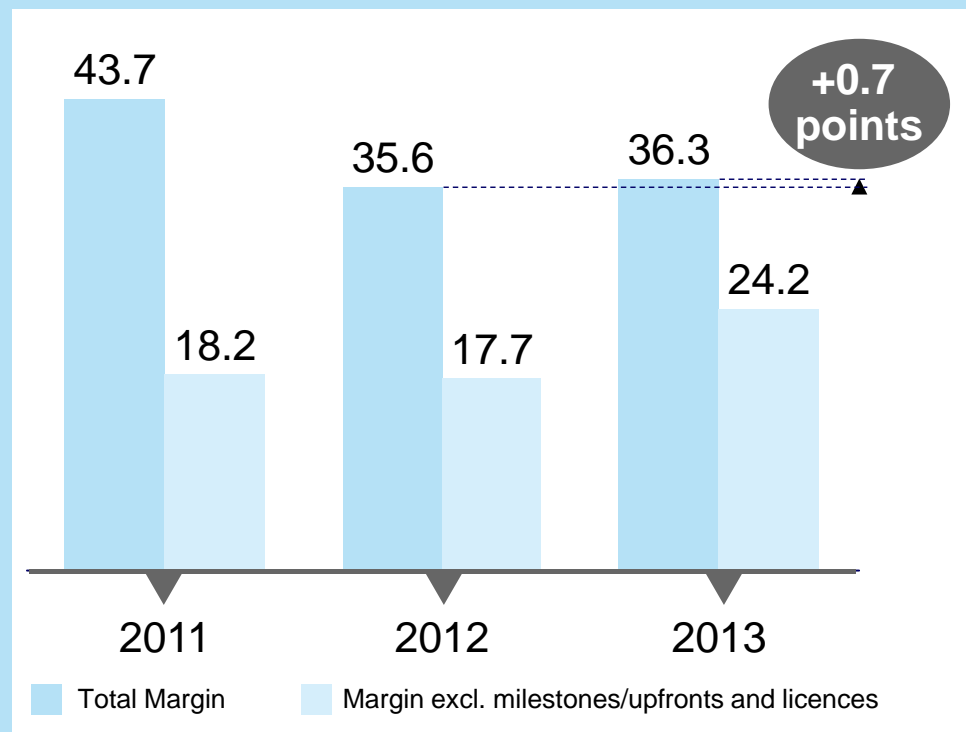
Shortfall in milestones versus plan, but margin increase despite lower share of milestones

Key milestones and upfronts

2013 impacted by loss of milestone for EVT103, in € m



Strong Group gross margins in %

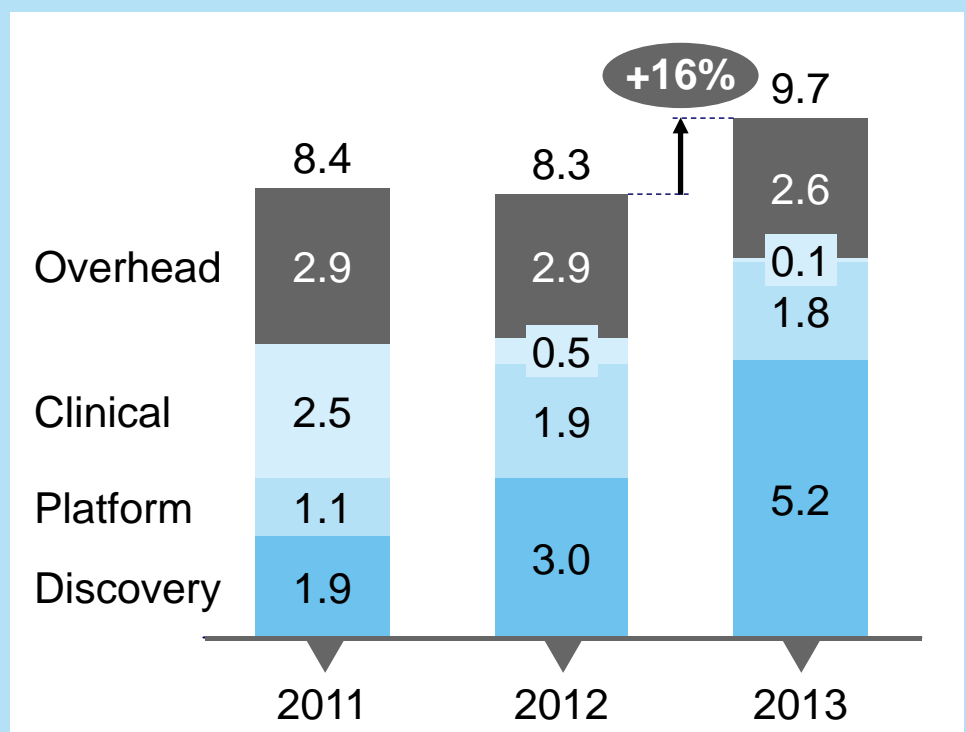


Investment focus on Cure X and Target X initiatives, costs under control

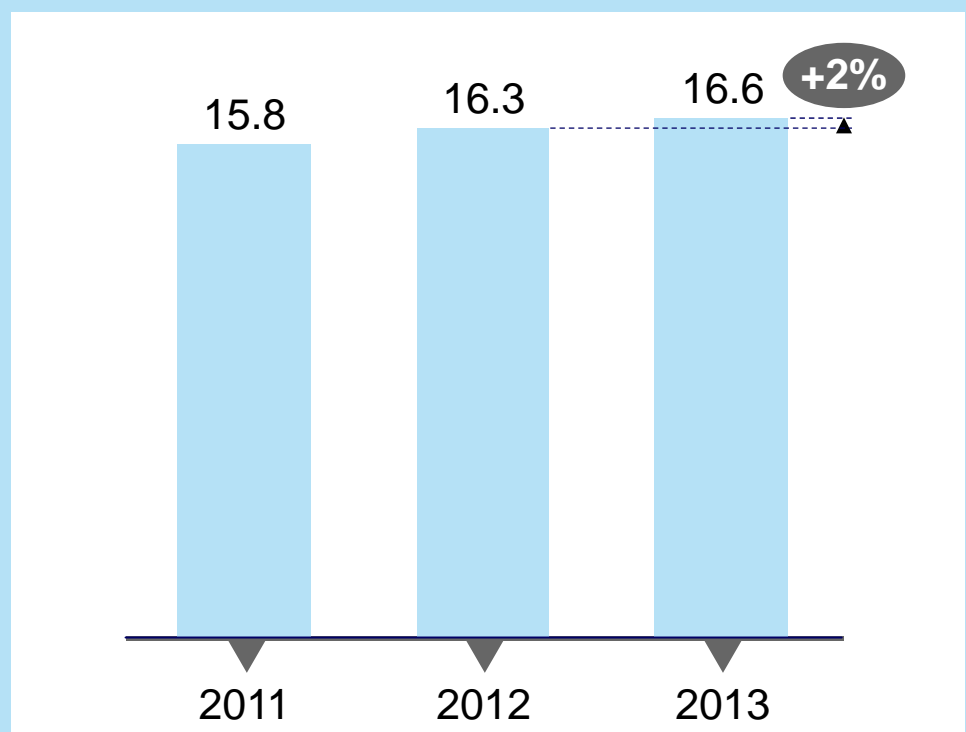
R&D expenditure and SG&A overview

in € m

Focused unpartnered R&D expenses



SG&A containment from 2011-2013 despite significant growth

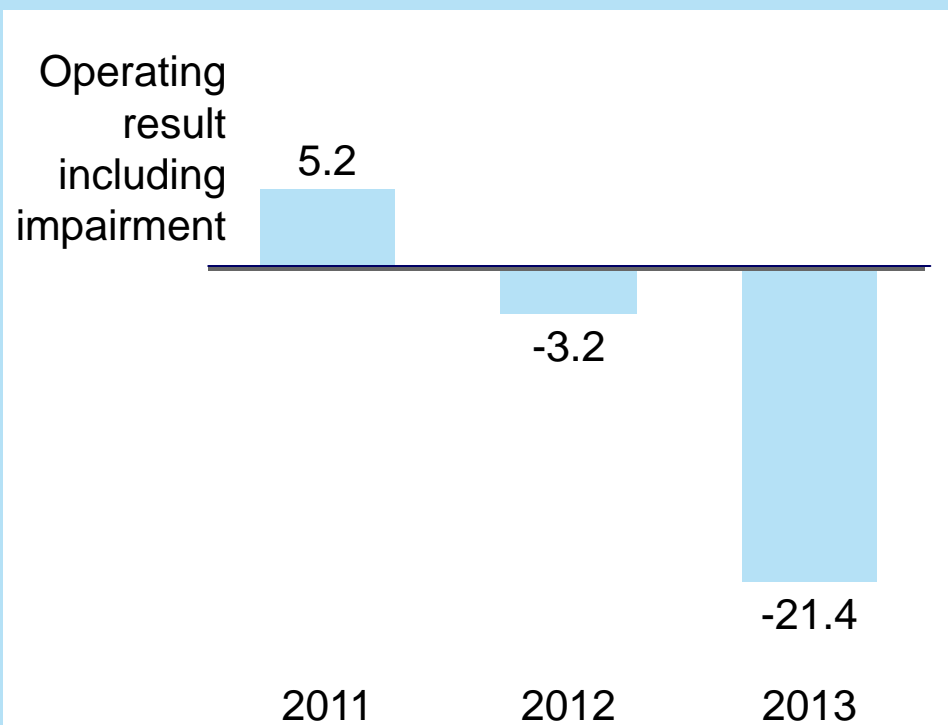


Decrease in operating result due to one-time impairments, adjusted operating result positive

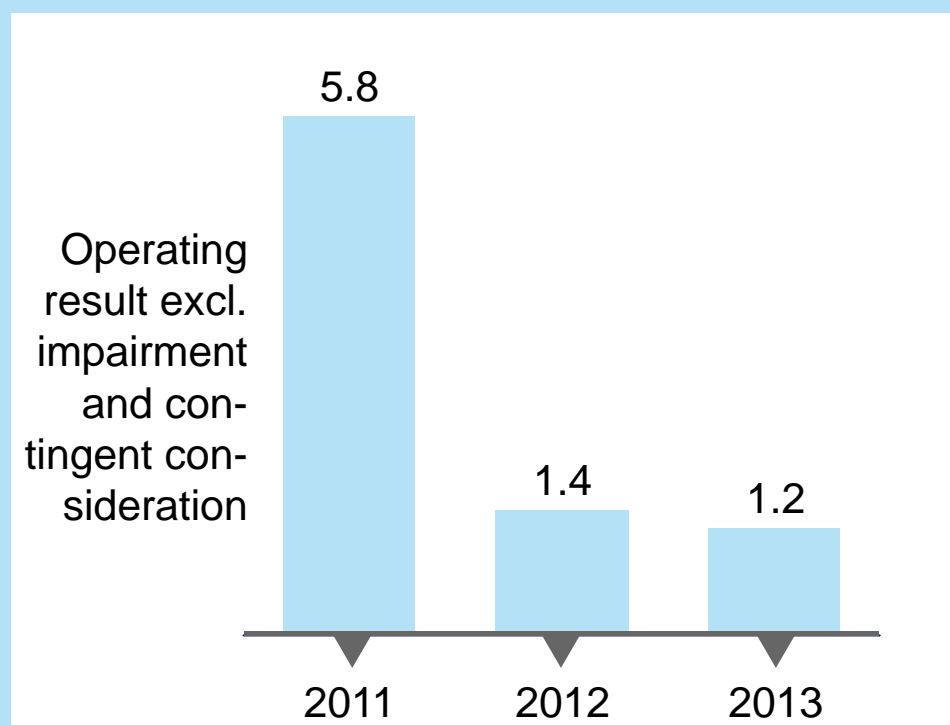
Operating result trend

in € m

Operating result (including impairment)



Adjusted Operating result (excl. impairment & contingent consideration)

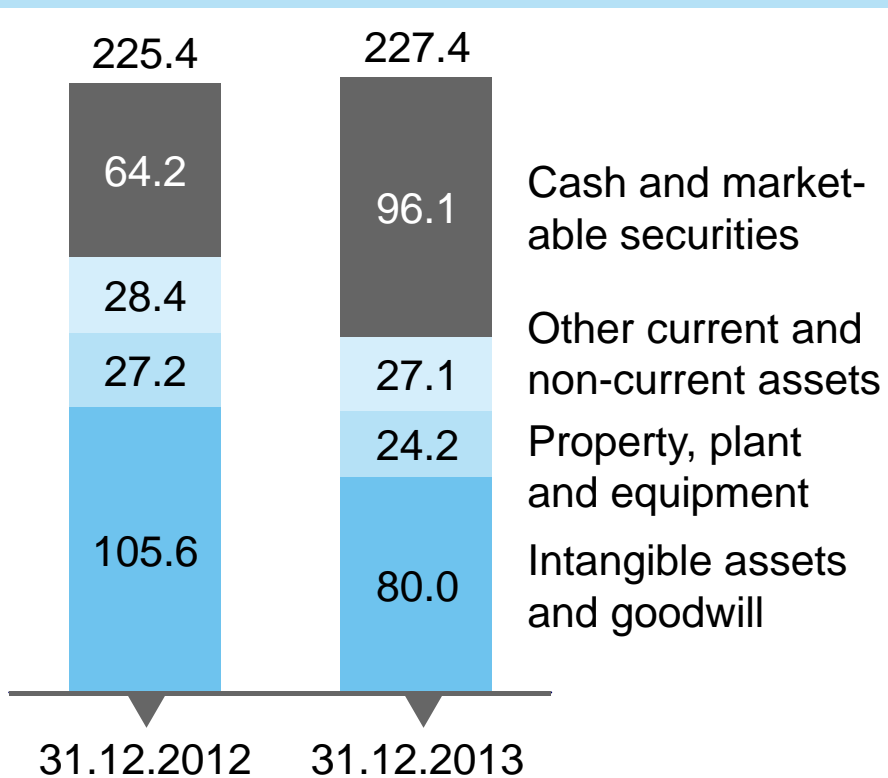


Capital increase had a major impact on Evotec's balance sheet

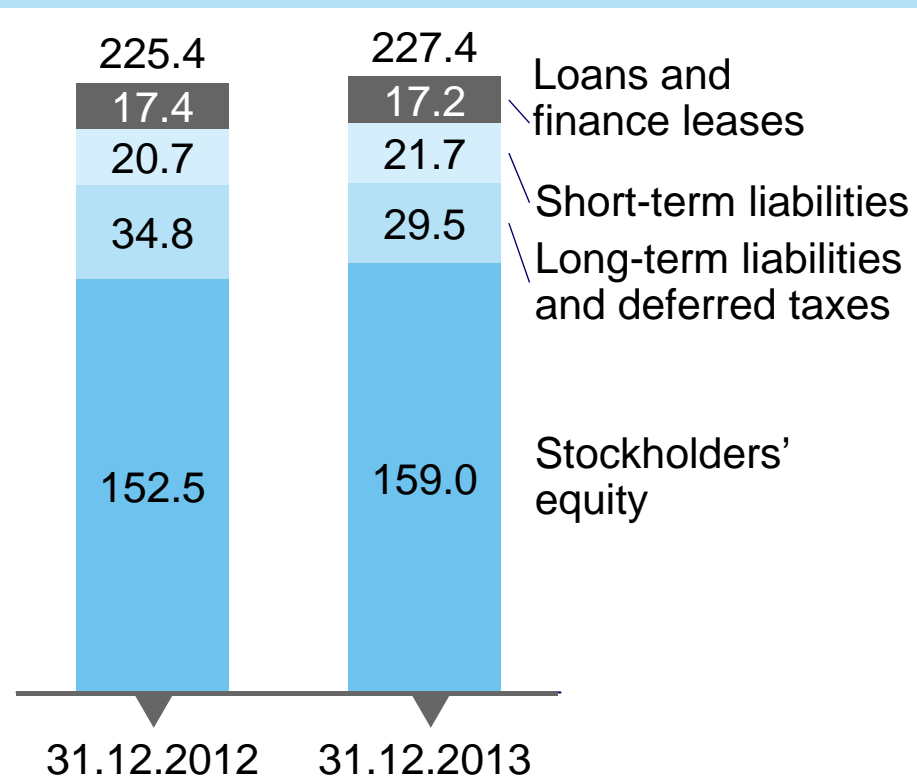
Balance sheet overview

in € m

Strong asset base & liquidity maintained



Very high equity ratio of 69.9%



Q4 2013 with highest revenues in 2 years, negative impact from impairments

Q4 2013 results

in € m

	Q4 2012 Actual	Q4 2013 Actual	% vs. 2012
Revenues	23.1	25.6	+11%
Gross margin	33.1%	40.0%	
• R&D expenses	2.2	2.2	+0%
• SG&A expenses	4.0	4.3	+8%
• Amortisation	0.8	0.8	+0%
• Restructuring expenses	0.0	0.1	–
• Impairment of goodwill & tangible assets	3.5	22.0	–
• Other op. income (expenses), net	3.1	(2.7)	–
Operating income (loss)	(6.1)	(16.5)	
Operating result (adjusted)	0.0	2.2	
Net income (loss)	(5.1)	(19.9)	

- Revenues and gross margin increased significantly due to revenues from milestones received in Q4
- Operating loss in Q4 2013 due to impairment charges

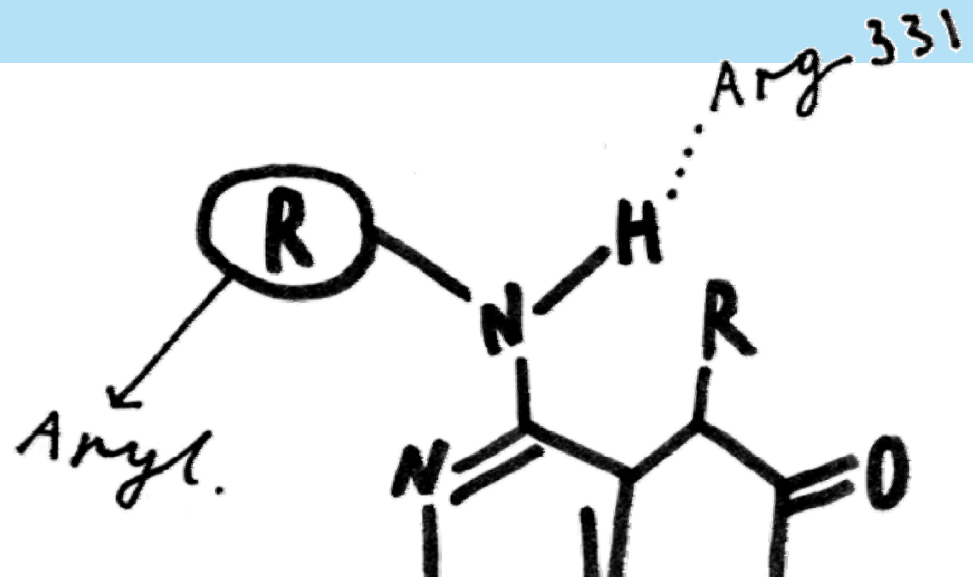
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Financial performance 2013

Outlook 2014



Good revenue growth and improved financial performance in 2014 expected

Guidance 2014: Organic growth, higher profitability, more innovation

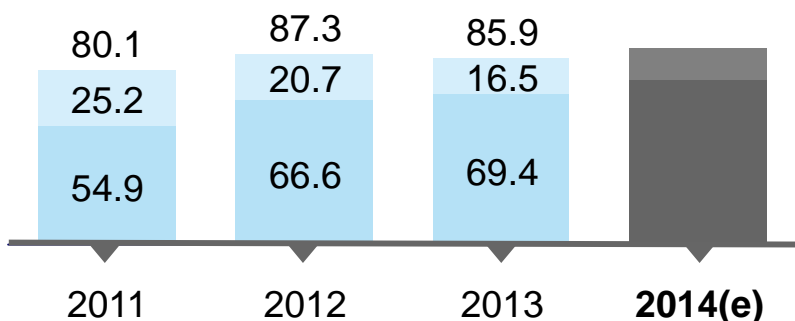
1	Revenues	<ul style="list-style-type: none">• High single-digit percentage growth excluding milestones, upfronts and licences• Ongoing high volatility of milestones from quarter to quarter
2	Improved profitability	<ul style="list-style-type: none">• Positive EBITDA¹⁾ before changes in contingent considerations at a similar level to 2013• Positive operating cash flow²⁾• Liquidity is expected to exceed € 90 m at the end of 2014
3	R&D investments	<ul style="list-style-type: none">• Investments of approx. € 10 - € 14 m mainly in the strategic Cure X and Target X initiatives• Capacity and capability building continued with approx. € 5 - € 7 m

Self sustainable and driving first-in-class innovation

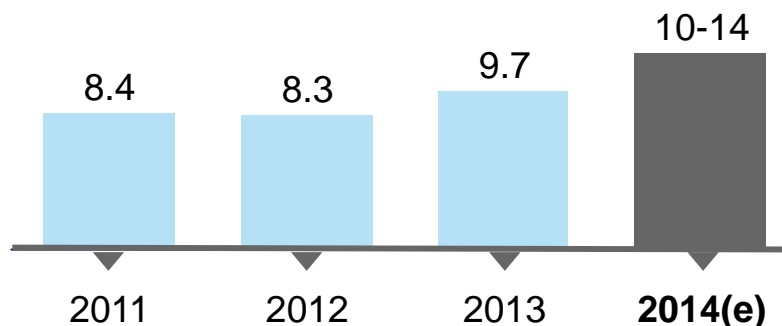
Key metrics for 2013 and trends for 2014

in € m Milestones/Upfronts/Licences Trad. Revenue

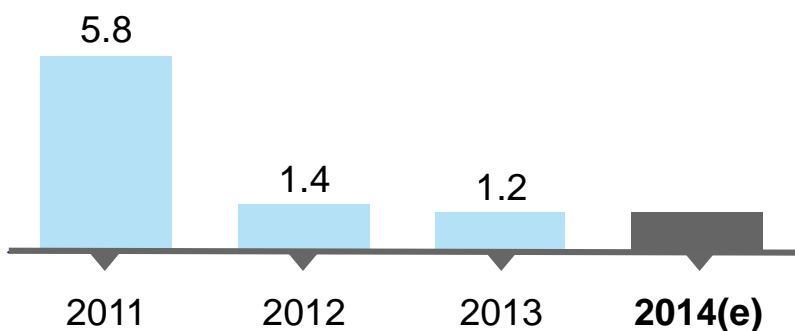
High single-digit percentage growth excluding milestones



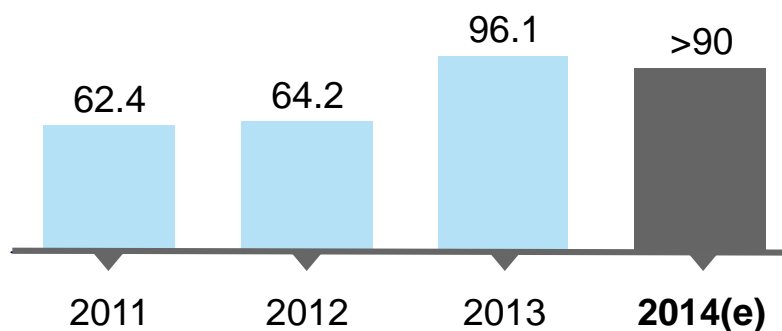
Focused R&D investments for first-in-class innovation



Operating profitability¹⁾



Strong liquidity



Key trends for 2014

- Sales ▲
- Gross margin % ▶
- R&D ratio ▲
- SG&A ratio ▶
- Free cash flow ▲
- CAPEX ▼

Growth driven by high-quality services and alliances

EVT key events 2014

Key milestones for EVT Execute & EVT Innovate in 2014

- Expansion of existing alliances
- New long-term deals with big and mid-sized Pharma and biotech
- At least 1 new integrated technology/disease alliance

- Expansion of network of top-class academic alliances
- Increased investments in existing Cure X/Target X initiatives
- Significant progress of clinical pipeline within partnerships (at least 2 clinical starts in 2014)
- Partnering of at least one Cure X/Target X initiative

Reporting dates 2014

- 3M/Q1 Interim Report 14 May
- AGM in Hamburg 17 June
- 6M/Q2 Interim Report 12 August
- 9M/Q3 Interim Report 12 November

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