News Release

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Evotec Successfully Completes Single Ascending Dose Component of Phase I Trial with EVT 101 for Alzheimer's Disease

Hamburg, Germany | Oxford, UK – Evotec AG (Frankfurt Stock Exchange: EVT, TecDAX 30, "Evotec") today announced the successful completion of the single ascending dose component of the Phase I clinical study with EVT 101, a subtype-specific NMDA receptor antagonist for the treatment of Alzheimer's disease. The study in 48 young healthy subjects of whom 36 received EVT 101 showed that EVT 101 was well absorbed, achieving good exposure levels, was extremely well tolerated with no significant adverse events and had a good pharmacokinetic profile consistent with once or twice daily oral dosing.

This result is significant given the unfavourable side-effect profile of non-selective NMDA antagonists. EVT 101 has now moved into the multiple ascending dose stage of the Phase I study in both young and elderly volunteers. Evotec expects to publish final results of the complete Phase I trials for EVT 101 in Q3 2006.

Notes to the editor

About EVT 101
EVT 101 is being developed for the treatment of Alzheimer's disease. It is a highly potent and selective antagonist of NR2B subunit containing NMDA receptors. In preclinical studies, the compound shows strong efficacy and an improved side effect profile compared to non-selective NMDA receptor antagonists and has good oral bioavailability and *in vivo* pharmacokinetics.

NMDA background
Apart from their normal physiological role in nerve-to-nerve cell communication NMDA receptors are important players in certain pathological disease states such as Alzheimer's disease, Parkinson's disease, neuropathic pain and epilepsy. The hypothesis is that when NMDA receptor over-activation is reduced in these conditions with an "antagonist", disease symptoms are reduced. Extensive studies over the last 15 years have indicated a potential for NMDA receptor antagonists in the treatment of these diseases. However, the clinical development of non-selective antagonists has been limited by unfavourable side-effects, such as hallucinations. In the early 1990's it was found that multiple NMDA receptor subtypes exist which contain different NR2(A-D) subunits. Compounds selectively targeting NR2B subunit-containing receptors retain many of the beneficial effects of earlier non-selective compounds but have much improved side effect profiles. Separating side effects from beneficial effects by selectively targeting the NR2B-subunit allows higher dosing and hence the potential to increase efficacy of the drug.

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 contract research partnerships, 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 CNS. Evotec has three Phase I clinical programmes: EVT 201, a $GABA_A$ modulator for the treatment of insomnia, EVT 101, a subtype selective NMDA receptor antagonist for the treatment of Alzheimer's disease, Parkinson's disease and neuropathic pain and EVT 301, a selective and reversible inhibitor of MAO-B for the treatment of Alzheimer's disease.
In contract research, 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.
In 2005, based on preliminary numbers Evotec has generated sales of EUR 79 million with 600 employees located in Hamburg, Germany and near Oxford and in Glasgow, UK.
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