

## ***EVOTEC AND BAYER PARTNER TO DEVELOP NEW TREATMENTS TO FIGHT KIDNEY DISEASES***

**- Multi-target alliance translating first-in-class science and drug discovery into investigational new drugs (INDs)**

**- Performance-based incentive structure with milestone potential above € 300 m and tiered royalties**

**Hamburg, Germany, 21 September 2016:**

Evotec AG (Frankfurt Stock Exchange: EVT, TecDAX, ISIN: DE0005664809) today announced that Evotec and Bayer have entered into a five-year, multi-target research partnership. The goal is the development of multiple clinical candidates for the treatment of kidney diseases such as chronic kidney disease in diabetes patients. Both companies will contribute novel drug targets and a comprehensive set of high-quality technology platforms to jointly develop innovative treatment options for these severe conditions. The partners will share responsibilities during pre-clinical development of potential clinical candidates.

“Chronic kidney disease is a severe medical condition with insufficient treatment options for patients. This new research alliance with Evotec will perfectly complement Bayer’s current research activities in this area of high unmet medical need”, **said Professor Andreas Busch, member of the Executive Committee of Bayer AG’s Pharmaceuticals Division and Head of Drug Discovery.** “Evotec is already a strong partner of ours, and we look forward to continuing the relationship to develop novel drug candidates for the benefit of patients.”

**Dr Cord Dohrmann, Chief Scientific Officer of Evotec, commented:** “This research alliance will particularly target chronic kidney diseases, which are the leading cause of end-stage renal disease. Currently, patients with end-stage renal disease face dialysis or kidney transplantation as the only available treatment options. There are no effective treatments that can significantly slow or reverse disease progression. We are very proud and excited to expand our efforts in kidney diseases together with Bayer in this area of enormous unmet medical need.”

Under the terms of the agreement, Bayer will receive exclusive access to selected candidates as well as to Evotec's CureNephron target pipeline. Bayer will be responsible for any subsequent clinical development and commercialisation. Evotec will receive a minimum of € 14 m over the contract period including research payments and an undisclosed licence fee. In addition, Evotec is eligible to receive pre-clinical, clinical and sales milestones of potentially over € 300 m as well as tiered royalties of up to low double-digit percentage of net sales.

In 2012, Bayer and Evotec already entered into a five-year partnership in the therapeutic area of endometriosis. Currently in its fourth year, this alliance has delivered four pre-clinical candidates and one first-in-class clinical programme has been initiated.

#### **ABOUT KIDNEY DISEASES**

Chronic kidney disease ("CKD") is a progressive loss of function over several months to years, characterised by gradual replacement of normal kidney architecture (nephrons) with interstitial fibrosis. The progressive destruction of nephrons causes a decreased glomerular filtration rate, which very often leads to end-stage renal disease ("ESRD") requiring dialysis treatment or kidney transplantations. The main causes underlying chronic kidney disease are: diabetes, high blood pressure and glomerulonephritis. Diabetic kidney disease ("DKD"), globally the most common cause of ESRD, is caused by metabolic and hemodynamic changes of type 1 or type 2 diabetes mellitus.

#### **ABOUT CURENEPHRON**

CureNephron is a joint initiative in the field of kidney disease between Evotec and Harvard University, Brigham and Women's Hospital and University of Southern California. The initiative has been initiated in 2012 and underlines the value of Evotec's academic bridge model, which translates excellent science from academic institutions to Pharma. Within CureNephron, systematic and unbiased approaches are pursued towards the identification of kidney disease relevant mechanisms with particular interest in mechanisms with disease-modifying potential. CureNephron 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.

#### **ABOUT BAYER**

*Bayer is a global enterprise with core competencies in the Life Science fields of health care and agriculture. Its products and services are designed to benefit people and improve their quality of life. At the same time, the Group aims to create value through innovation, growth and high earning power. Bayer is committed to the principles of sustainable development and to its social and ethical responsibilities as a corporate citizen. In fiscal 2015, the Group employed around 117,000 people and had sales of EUR 46.3 billion. Capital expenditures amounted to EUR 2.6 billion, R&D expenses to EUR 4.3 billion. These figures include those for the high-tech polymers business, which was floated on the stock market as an independent company named Covestro on October 6, 2015. For more information, go to [www.bayer.com](http://www.bayer.com).*

**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, academics, patient advocacy groups and venture capitalists. We operate worldwide providing the highest quality stand-alone and integrated drug discovery solutions, covering all activities from target-to-clinic to meet the industry's need for innovation and efficiency in drug discovery (EVT Execute). 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, diabetes and complications of diabetes, pain and inflammation, oncology and infectious diseases. On this basis, Evotec has built a broad and deep pipeline of more than 70 partnered product opportunities at clinical, pre-clinical and discovery stages (EVT Innovate). Evotec has established multiple long-term discovery alliances with partners including Bayer, CHDI, Sanofi or UCB and development partnerships with e.g. Janssen Pharmaceuticals in the field of Alzheimer's disease, with Sanofi in the field of diabetes and with Pfizer in the field of tissue fibrosis. For additional information please go to [www.evotec.com](http://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 press release. 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.*