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Ono Enters into New Fragment-Based Drug Discovery Agreement on a Protease Target with Evotec AG

Ono Pharmaceutical Co., Ltd. (Osaka, Japan; President and Representative Director: Toshiharu Korekane) announced today that the company and Evotec AG (Germany, President & CEO: Jörn Aldag), signed a fragment based drug discovery agreement targeting a protease.

Under the agreement, Ono will pay to Evotec initial payments, research funding as well as success-based milestones based on the research progress. By applying its proprietary drug discovery technology, EVOlutionTM, Evotec will seek to identify and optimize novel, small molecular weight compounds targeting a protease of Ono's choice. Meanwhile Ono will have worldwide rights to develop and sell a pharmaceutical product containing the compound discovered through the collaboration.

"We are extremely pleased that Evotec's capabilities in drug discovery and, in particular, our proprietary EVOlutionTM platform for fragment-based drug discovery, have been so highly regarded by Ono and that they have chosen us as their partner for this collaboration. We are confident that Evotec will contribute to Ono's drug discovery program." said Mark Ashton, Ph.D., Executive Vice President Business Development Services at Evotec.

"We have the highest regard for the wide range of drug discovery technologies Evotec possesses and highly anticipate the collaboration will result in identifying a novel drug having high potentials" said Daikichi Fukushima, Ph.D., Managing Director, Research Headquarters at Ono.

About Evotec AG

Evotec AG is a biopharmaceutical company which possesses a wide range of drug discovery skills and technologies. Evotec is engaged in discovery research to create novel drug candidates of therapeutic potential using its powerful drug discovery platform which integrates, among other things, its proprietary high-sensitive screening and protein X-ray crystallography technologies* in combination with its high-quality fragment libraries.

Evotec has extensive experience of drug discovery collaborations with pharmaceutical and biotechnology companies which put a high value on Evotec's cutting-edge technologies.

For more information on Evotec, please go to <u>www.evotec.com</u>.

* Protein X-ray crystallography: Three-dimensional structure of a protein is visualized using data of X-ray diffraction by a crystal of the protein.

Fragment-based drug discovery

Fragment-based drug discovery is a method of drug design by selecting small molecular weight compounds (fragments) which interact with specific sites of the target protein and subsequent linkage and modification of the fragments utilizing protein X-ray crystallography. It enables speedy and efficient discovery of compounds which strongly interact with target proteins.

EVOlution[™]

EVOlution[™] is Evotec's proprietary drug discovery technology, focusing on Fragment-based Drug Discovery. The platform integrates, among other things, protein X-ray crystallography, structural biology, biochemical, and NMR based fragment screening in combination with its high-quality fragment libraries. In the collaboration it is combined with Evotec's expertise in medicinal chemistry.