



Corporate Factsheet

Summer 2010

■ The Company

MorphoSys is one of the world's leading biotechnology companies focusing on fully human antibodies. With its proprietary technologies, MorphoSys is developing not only the next generation of therapeutic antibodies, but also antibodies for research and diagnostics purposes. HuCAL® (Human Combinatorial Antibody Library) is a very powerful technology for the rapid and automated production of specific antibodies. The most distinctive feature of the library is the capability to optimize fully human antibodies to pre-defined specifications, allowing MorphoSys researchers and their partners to "Engineer the Medicines of Tomorrow".

■ Business Strategy

Presently, MorphoSys prosecutes its business in three operating segments. The segments Proprietary Development and Partnered Discovery develop drug candidates for commercial partners as well as MorphoSys's own proprietary product pipeline. In this regard, the Company has been successful in establishing a number of partnerships with several renowned biotechnology and pharmaceutical companies involving some 60 different partnered therapeutic development programs. Additionally, it has also generated several proprietary therapeutic antibody candidates, presently targeting inflammation and cancer indications, for future out-licensing to partners. Based on the Company's strategic alliance with Novartis, one of the largest R&D-based agreements ever signed between biotech and pharma in the industry, MorphoSys intends to expand its proprietary drug development efforts. MorphoSys's third operating segment, AbD Serotec, delivers high-quality antibodies to the research and diagnostic markets. Two successful acquisitions of U.S. and U.K.-based antibody suppliers with strong catalog and industrial antibody production business have significantly strengthened and broadened MorphoSys's position in the research antibody market.

The resulting combined activities of MorphoSys's AbD Serotec unit serve all segments of the research and diagnostics markets.

■ Technologies

MorphoSys has developed several new technologies relating to the generation of fully human antibodies, which set the standard for how antibodies will be made in the future. These technologies provide rapid and direct access to human antibodies as research tools, diagnostics and therapeutics. Foremost among these technologies is HuCAL,



HuCAL PLATINUM® – the latest and most powerful antibody library developed by MorphoSys.

the Human Combinatorial Antibody Library, a collection of several billion functional, distinct, fully human antibodies. Importantly, HuCAL antibody libraries possess features which enable systematic optimization of fully human antibodies – an essential differentiating feature compared to other human antibody generation technologies, and one which is of significant value. MorphoSys's core technology is protected in the U.S.A., Europe, Japan and Australia by issued patents. Further patent applications are pending. Additionally MorphoSys has in-licensed several technologies and has complete freedom to develop and commercialize its technologies.

■ Partnering Activities

A central objective of MorphoSys is to establish its HuCAL technology as a standard technology for antibody generation, spanning the research, diagnostic and therapeutic markets. MorphoSys is seeking partnerships with other organizations with complementary interests, research, technologies and expertise. Furthermore, MorphoSys is particularly interested in parties with novel antibody-druggable targets and/or early stage antibody programs for the

MorphoSys AG

Stock Exchange: Prime Standard, Frankfurt, Germany

Index: TecDAX 30

Security Code Number: MOR/663200

ISIN: DE 0006632003

U.S. Security Code: (Cusip) 617760103 (MPSYY)

No. of Shares Issued (June 30, 2010): 22,667,078

Share Price (June 30, 2010): EUR 14.52 (XETRA)

No. of Employees Corporate Group (June 30, 2010): 432

Revenues 2009 (IFRS): EUR 81.0 million

Net Income 2009 (IFRS): EUR 9.0 million

Diluted Net Profit per Share 2009 (IFRS): EUR 0.40

Morphosys
Engineering the Medicines of Tomorrow

development of therapeutic products. MorphoSys is open to consider different partnering structures, from pure licensing through co-development arrangements.

Product Pipeline

1. Partnered Product Pipeline

Currently, MorphoSys's partnered product pipeline comprises some 60 antibody programs within various partnerships and indications. Of this number, seven development programs are presently in human clinical trials, with roughly 30 in preclinical evaluation.

For all projects resulting from partnered collaboration, MorphoSys incurs no corporate risk, because the partner covers all costs. MorphoSys profits from successful development in the form of milestone payments and should a drug candidate reach the market and achieve product sales, MorphoSys will benefit from a percentage of sales through royalties.

2. Proprietary Product Pipeline

MorphoSys has developed proprietary therapeutic antibody candidates in the area of inflammation and oncology. These candidates are available for future partnering. Going forward, MorphoSys intends to further intensify its own internal drug development efforts. The Company's proprietary antibody pipeline includes the following programs:

MOR103

MOR103 is a fully human HuCAL antibody directed against GM-CSF, a therapeutic target for the treatment of inflammatory diseases, i.e. rheumatoid arthritis, where current treatment options are inadequate. MOR103 is currently tested in a Phase Ib/IIa trial in rheumatoid arthritis patients.

MOR202

MOR202 is a fully human HuCAL antibody directed against CD38, a promising therapeutic target for the treatment of multiple myeloma and certain leukemias. CD38 is a membrane glycoprotein which is highly expressed on multiple myeloma tumor cells and certain leukemias. In pre-clinical studies, MOR202 effectively killed cancer cells from primary patient tumor material and certain hematologic

cancer cell lines. Furthermore, preclinical efficacy was shown by demonstrating inhibition of tumor growth in a SCID-mouse tumor model.

MOR208

MOR208 is a humanized monoclonal antibody that targets the antigen CD19 for treatment of B cell malignancies and autoimmune diseases. The program is currently moving into phase 1 clinical development. MOR208 incorporates an optimized Fc portion which was engineered using the Xencor platform.

AbD Serotec

The Research and Diagnostics Antibodies segment operating under the brand name AbD Serotec serves the research and diagnostics antibody reagents market, focusing on three closely related product areas. In the custom monoclonal antibodies segment, custom monoclonal antibodies are generated for non-therapeutic applications using the HuCAL technology. The HuCAL technology allows novel antibodies to be generated within 8 weeks, significantly faster than the current market standard, and provides various other advantages over the use of animals for antibody production. Next, a comprehensive catalog of stock antibody products comprises more than 10,000 research antibodies and immunology reagents available for immediate purchase online. Finally, the contract manufacturing segment produces antibodies in the 10 milligram to 10 gram or more scale on behalf of customers. All products and services are offered globally to researchers in both industrial and academic institutions.

Commercial Partners

The Company has partnered with several pharmaceutical and biotechnology companies including (in alphabetic order):

- Astellas
- Bayer Schering Pharma
- Boehringer Ingelheim
- Centocor (J&J)
- Daiichi Sankyo
- F. Hoffmann-La Roche
- Galapagos
- GeneFrontier
- Immunogen
- Merck & Co.
- Novartis
- Oncomed Pharmaceuticals
- Pfizer
- Prochon Biotech
- Shionogi
- Xencor

Management

Management Board

- Dr. Simon E. Moroney, *Chief Executive Officer*
- Dave Lemus, *Chief Financial Officer*
- Dr. Arndt Schottelius, *Chief Development Officer*
- Dr. Marlies Sproll, *Chief Scientific Officer*

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