

## 9. WestLB Deutschland Conference



Frankfurt – November 16, 2011

This presentation includes forward-looking statements.

Actual results could differ materially from those included in the forward-looking statements due to various risk factors and uncertainties including changes in business, economic competitive conditions, regulatory reforms, foreign exchange rate fluctuations and the availability of financing.

These and other risks and uncertainties are detailed in the Company's Annual Report.



## Proven Technology

Industry's most successful antibody library technology



## Broad Pipeline

78 drug programs, 19 in clinical trials



## Increasing Market Penetration

Novel diagnostic products



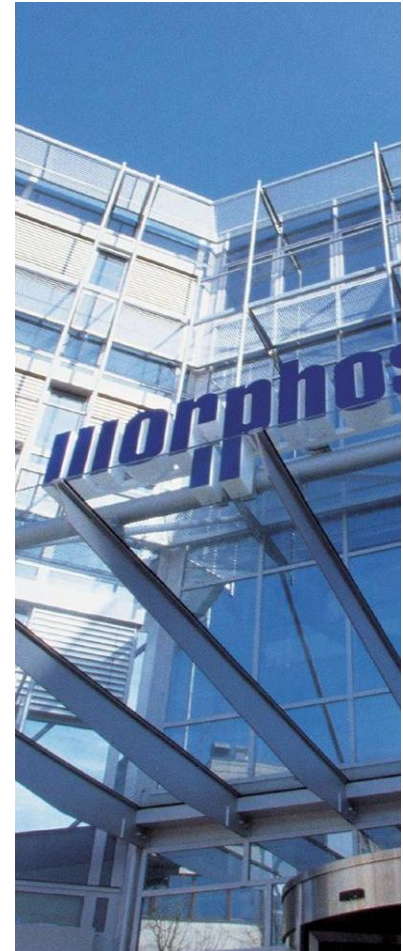
## Financial Strength

Profitable, strong balance sheet

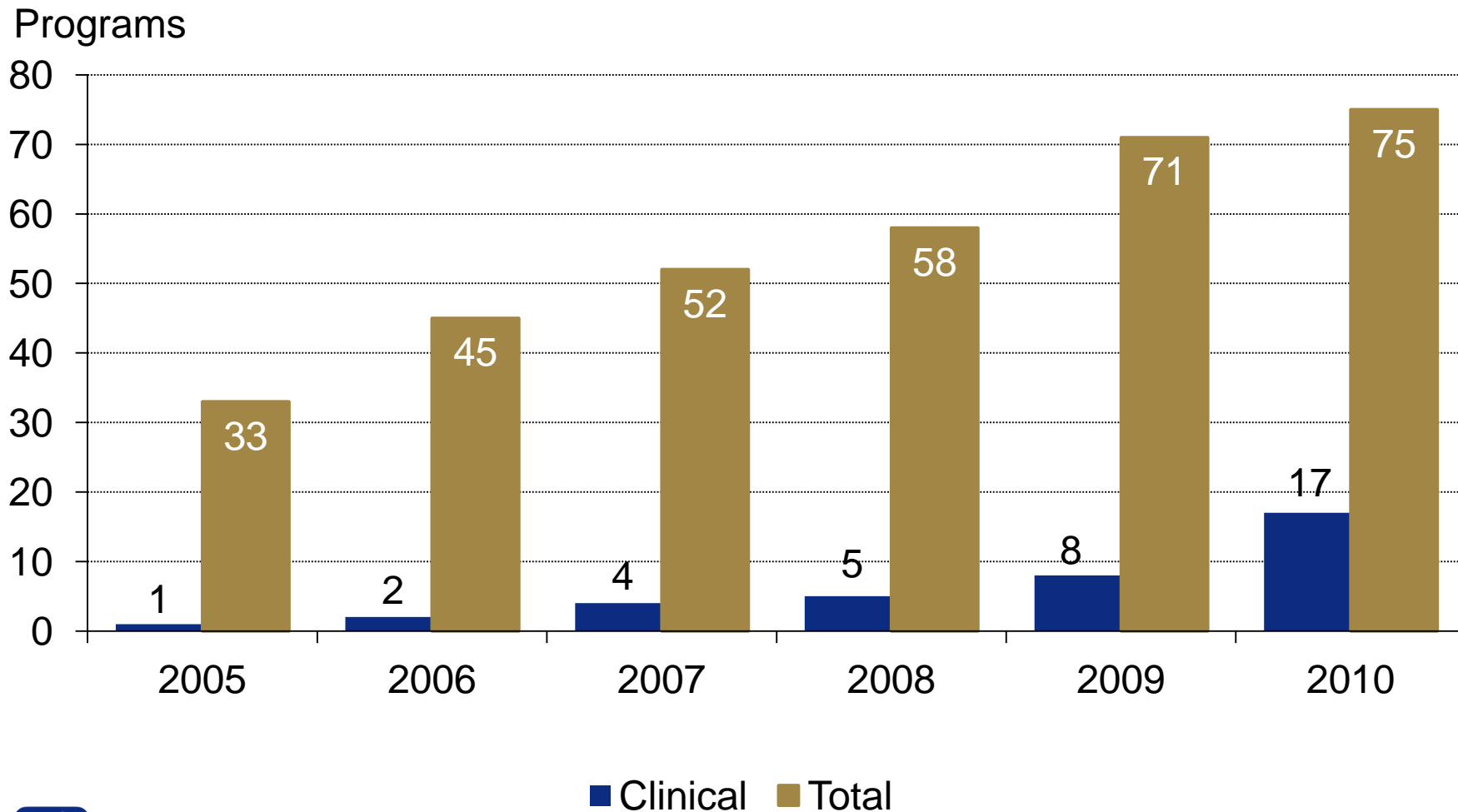


## Experienced Management Team

More than 80 years of pharma & biotech experience



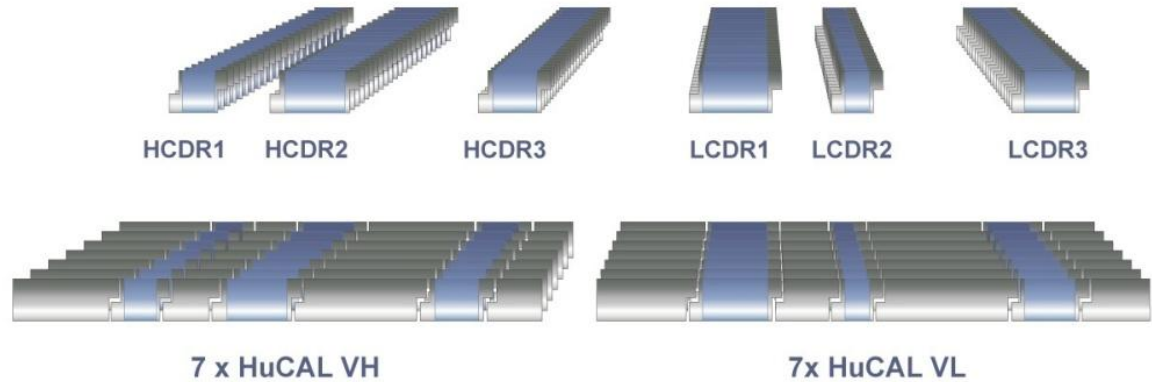
# Growing Pipeline Illustrates Successful Execution of Strategy



# Proven Technology Platform for Making Human Therapeutic Antibodies



**HuCAL**  
Human Combinatorial  
Antibody Library



Modular gene structure enables systematic creation of drug quality antibodies

18 HuCAL drugs in clinic

Most successful antibody library

40% Success rate from target to IND

Transforming R&D productivity



# 78 Therapeutic Antibody Programs Ongoing, 19 in Clinical Trials



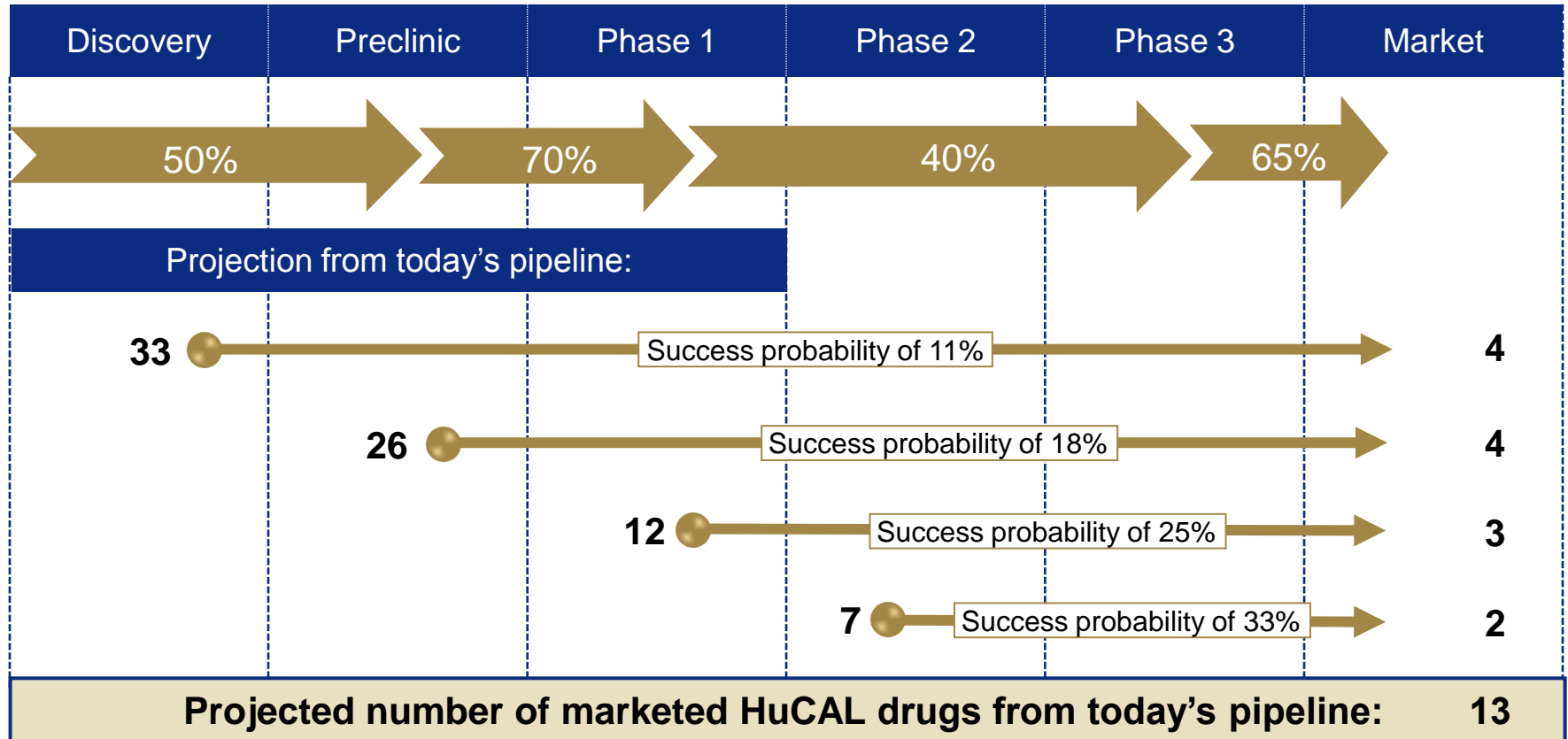
Program	Partner	Indication	Discovery	Pre-clinic	Phase 1	Phase 2
MOR103 (2 programs)	-	Rheumatoid arthritis, Multiple sclerosis				
not discl.	Novartis	not discl.				
CNTO888 (2 programs)	Centocor/J&J	Cancer, Idiopathic pulmonary fibrosis				
Gantenerumab	Roche	Alzheimer's Disease				
BHQ880	Novartis	Cancer				
BYM338	Novartis	Musculoskeletal				
MOR208	-	Cancer				
MOR202	-	Cancer				
CNTO 1959	Centocor/J&J	Psoriasis				
CNTO 3157	Centocor/J&J	Asthma				
not discl.	Centocor/J&J	Inflammation				
not discl.	Novartis	Ophthalmology				
not discl.	Novartis	Inflammation				
not discl.	Boehringer Ingelheim	not discl.				
not discl.	Pfizer	Cancer				
OMP-59R5	Oncomed	Cancer				
OMP-18R5	Oncomed	Cancer				
BAY94-9343 (ADC)	Bayer HealthCare	Cancer				
25 Partnered Programs	Various Partners	Various Indications				
33 Programs, incl. 2 co-dev with Novartis	Various Partners	Various Indications				

**68 Partnered Programs**  
**10 Proprietary Programs**



# Current Pipeline

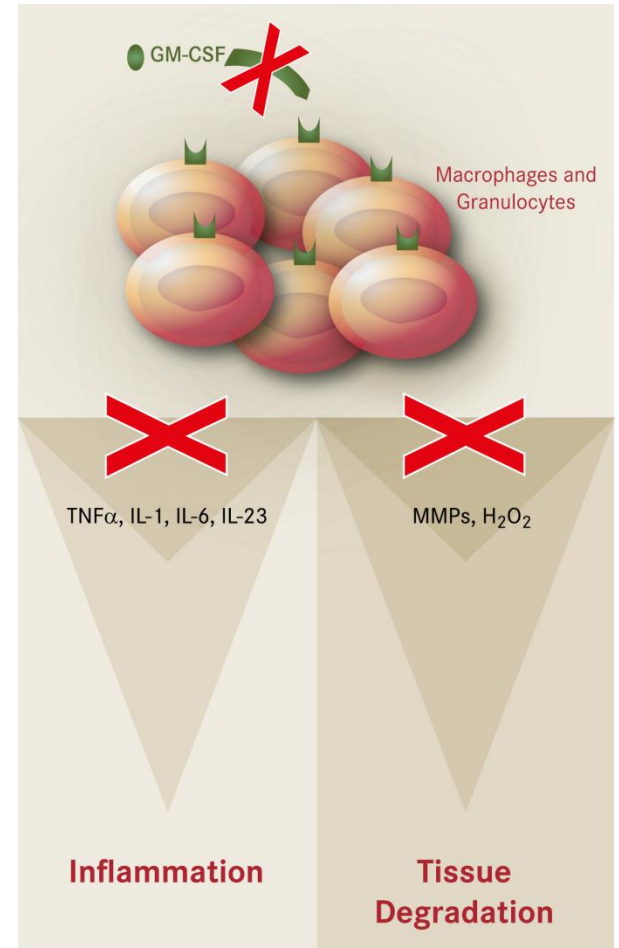
## Projected HuCAL Drugs on the Market



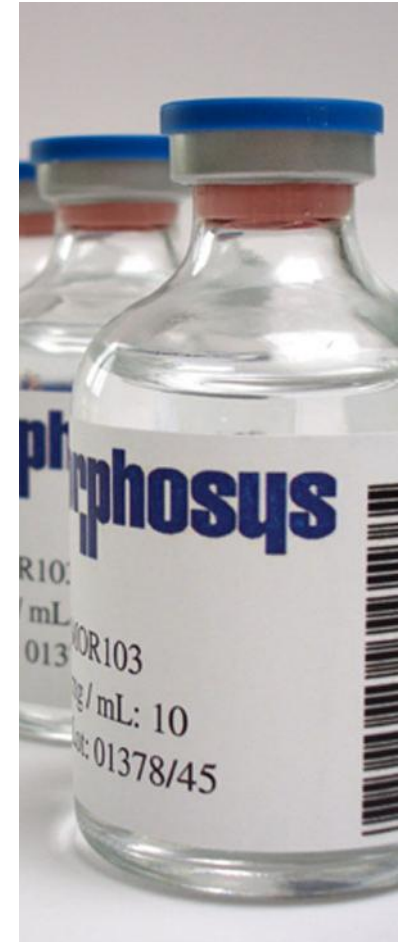
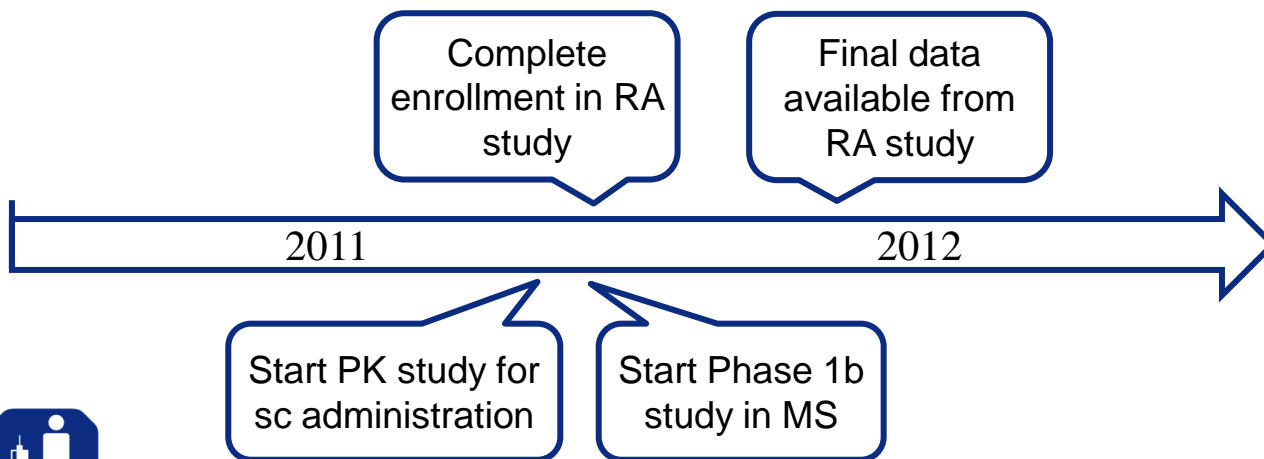
Source: MorphoSys internal statistics & Tufts Centre for the Study of Drug Development



- MOR103 targets inflammatory mediator GM-CSF
- Blocks GM-CSF activity in processes central to inflammation and joint damage associated with rheumatoid arthritis
- Pathway clinically validated



- HuCAL antibody being developed in major indications
- Phase 1b/2a trial in rheumatoid arthritis patients ongoing
- Phase 1b trial in multiple sclerosis patients planned
- Exclusive license to a US patent covering antibodies against GM-CSF for the treatment of chronic inflammatory conditions



# MOR208

## A New Anti-Cancer Antibody



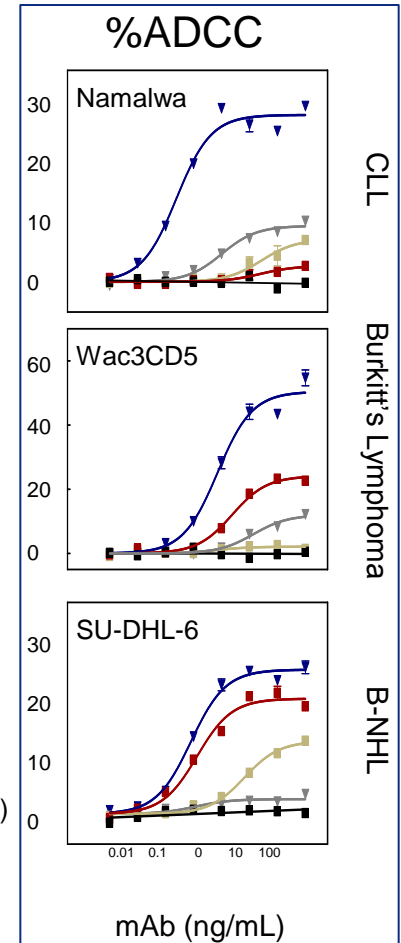
- Humanized, high-affinity anti-CD19 antibody, in-licensed from Xencor
- Comprises proprietary modification leading to rapid and sustained target cell depletion
- In clinical development for leukemia



Start Phase 1 study in CLL patients

Data available from CLL study

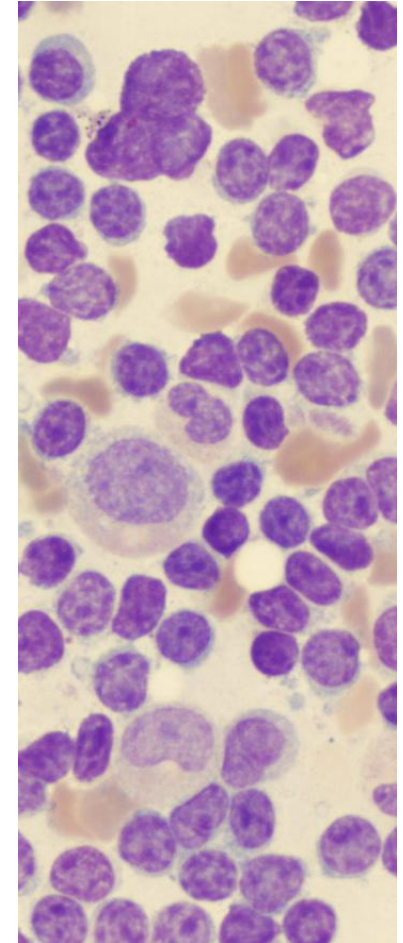
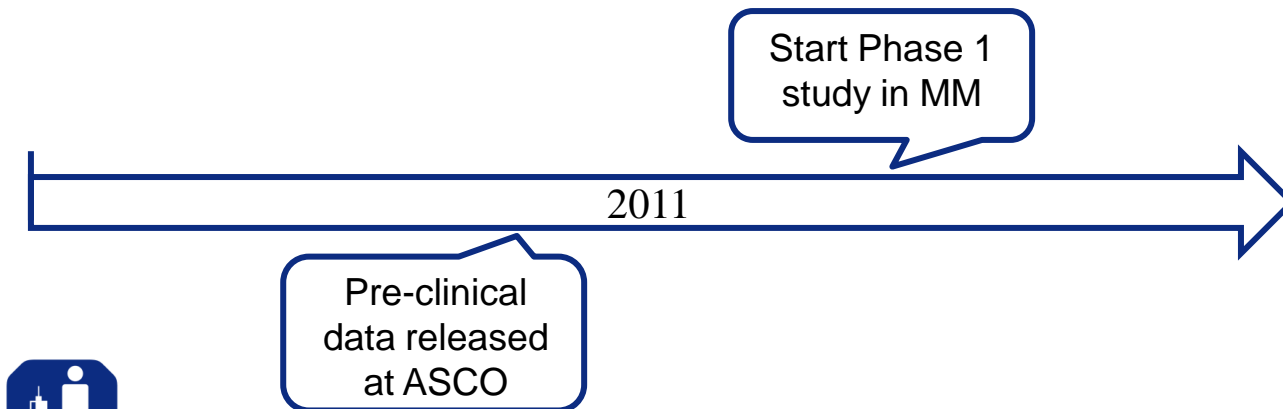
- ▼ MOR208
- ▼ Anti-CD19 IgG1 (unmodified)
- XmAb (-) control
- Rituximab (CD20)
- Alemtuzumab (CD52)



# MOR202

## A New Anti-Cancer Antibody

- High affinity HuCAL antibody targeting CD38
- MOR202 induces killing of multiple myeloma cell lines and primary cells
- Use of targeted therapy in combination with standard regimens in myeloma can minimize adverse events while increasing efficacy through different mechanism
- Very promising pre-clinical combination data released at ASCO



# AbD Serotec Segment Complements Therapeutic Business

## Antibodies for research and diagnostic markets

### Diagnostic Antibodies

- Using proprietary technologies to deliver superior Dx antibodies
- Future upside via royalties

### Research Antibodies

- Catalogue of 15,000+ products & custom HuCAL antibodies
- Stable and recurring cash flows

EUR millions	Guidance 2011	2010
<b>AbD Serotec Segment Revenues</b>	~20	20.2
<b>AbD Serotec Profit Margin</b>	~ 4%	6%

# P&L and Guidance 2011

EUR millions	2010	Guidance 2011	9M 2011
<b>Revenues</b>	<b>87.0</b>	<b>slightly below 105</b>	<b>83.7</b>
<b>Total Operating Expenses</b>	<b>77.4</b>		<b>64.1</b>
Proprietary R&D Expenses	26.3		26.1
<b>Other Operating Income</b>	<b>0.2</b>		<b>0.3</b>
<b>Profit from Operations</b>	<b>9.8</b>	<b>10 – 13</b>	<b>19.9</b>

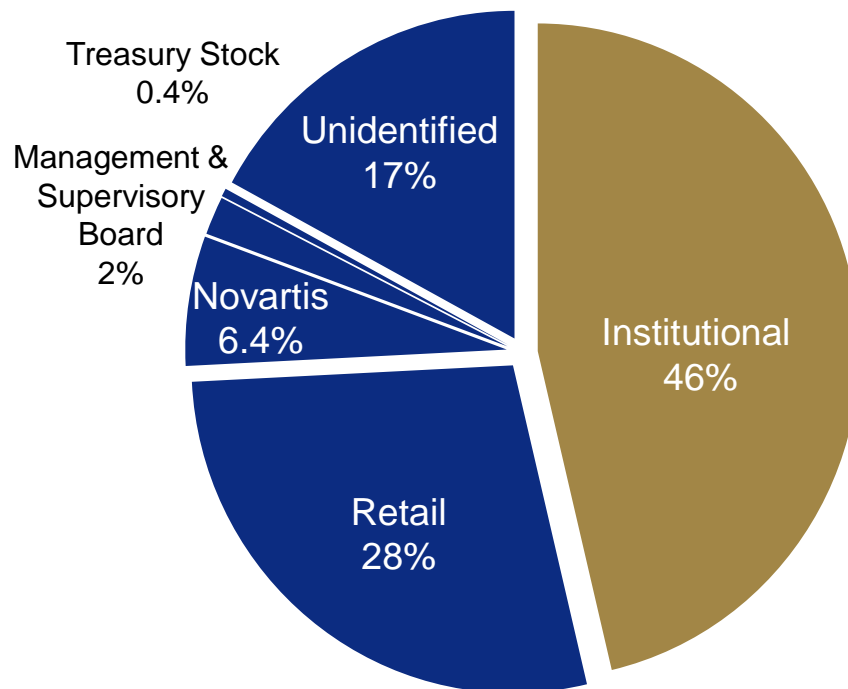


# Balance Sheet and Shareholder Structure

## Balance Sheet

EUR millions	Sep. 30, 2011	Dec. 31, 2010
<b>Assets</b>		
Cash, Cash Equivalents & Marketable Securities	143.0	108.4
Other Current Assets	20.0	24.2
Total Non-Current Assets	76.7	80.0
<b>Total Assets</b>	<b>239.7</b>	<b>212.6</b>
<b>Liabilities</b>		
Total Current Liabilities	29.4	21.4
Total Non-Current Liabilities	10.1	5.3
Total Shareholders' Equity	200.2	185.9
<b>Total Liabilities</b>	<b>239.7</b>	<b>212.6</b>

## Shareholdings by Investor Type



Shares issued: 23,047,541 (Sep. 30, 2011)





**Dr. Simon E. Moroney, CEO**

- Co-founder, previously at ImmunoGen
- German Cross of the Order of Merit (2002), Bavarian State Medal for Outstanding Services to the Bavarian Economy (2009)



**Jens Holstein, CFO**

- Joined MorphoSys in 2011
- Formerly at Fresenius: Regional CFO for region EME of Fresenius Kabi AG; several financial and general management positions at Fresenius; and in consulting industry



**Dr. Arndt Schottelius, CDO**

- Joined MorphoSys in 2008
- Formerly Medical Director in Immunology at Genentech Inc.; Berlex Biosciences, USA; Schering, Germany; Charité University Hospital, Berlin



**Dr. Marlies Sproll, CSO**

- Joined MorphoSys in 2000, promoted to CSO in 2005
- Formerly at Boehringer Ingelheim in Vienna; Merck KGaA in Darmstadt





## MOR103

- US patent granted on MOR103 ✓
- Complete enrollment Phase 1b/2a in rheumatoid arthritis
- Start Phase 1b in multiple sclerosis
- Start clinical study of subcutaneous formulation

## MOR202

- Pre-clinical data presented at ASCO ✓
- Start Phase 1 in multiple myeloma ✓

## Partners

- 1–3 INDs (✓✓✓)
- Data from ongoing studies ✓



First HuCAL antibody-based diagnostic launched ✓



- Further technology announcements
- New deal(s) based on Slonomics technology

# Thank You



[www.morphosys.com](http://www.morphosys.com)

**Jens Holstein**

Chief Financial Officer

Phone +49 (0)89 / 899 27-439

Fax +49 (0)89 / 899 27-5439

**Dr. Claudia Gutjahr-Löser**

Head of Corporate Communications & IR

Phone +49 (0)89 / 899 27-122

Fax +49 (0)89 / 899 27-5122

Email [investors@morphosys.com](mailto:investors@morphosys.com)