

Convenience Translation:

The text decisive for the invitation to the Annual General Meeting of MorphoSys AG is the one written in the German language.

Invitation to the Annual General Meeting 2015 of MorphoSys AG

We hereby invite the shareholders of our Company to the Annual General Meeting taking place on Friday, 8 May 2015 at 10:00 a.m., at the Conference Center Munich, Hanns-Seidel-Stiftung, Lazarettstraße 33, 80636 Munich.

I.

Agenda

- 1. Presentation of the adopted financial statements and the approved consolidated financial statements as of 31 December 2014; the management reports, including the report of the Supervisory Board for the 2014 financial year; and the explanatory report of the Management Board regarding the disclosures pursuant to sections 289 para. (4) and 315 para. (4) German Commercial Code (HGB)**

The above mentioned documents are available at the premises of MorphoSys AG at Lena-Christ-Straße 48, 82152 Martinsried/Planegg (the Company's reception area is located at Fraunhofer Straße 20, 82152 Martinsried/Planegg) and may also be downloaded from our website at www.morphosys.com/agm. These documents can also be sent to shareholders upon request. The Supervisory Board has approved the financial statements and consolidated financial statements as prepared by the Management Board; the financial statements are thereby adopted. For this reason, a shareholders' resolution is not required for this agenda item.

- 2. Resolution on the appropriation of the accumulated income of MorphoSys AG for the 2014 financial year**

The Management Board and the Supervisory Board propose to carry forward the accumulated income from the 2014 financial year in the amount of € 12,299,300.63.

- 3. Resolution on the discharge of the members of the Management Board with respect to the 2014 financial year**

The Management Board and the Supervisory Board propose to discharge the Management Board members with respect to the 2014 financial year.

4. Resolution on the discharge of the members of the Supervisory Board with respect to the 2014 financial year

The Management Board and the Supervisory Board propose to discharge the Supervisory Board members with respect to the 2014 financial year.

5. Resolution on the appointment of the auditor for the 2015 financial year

In accordance with the recommendation of the Supervisory Board's Audit Committee, the Supervisory Board proposes to appoint PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft, Munich, as the auditor of MorphoSys AG's financial statements and consolidated financial statements for the 2015 financial year as well as for the audit review of the interim statement as of 30 June 2015.

6. Resolution on the cancelation of Authorized Capital 2013-I and the creation of new Authorized Capital 2015-I with the option to exclude the pre-emptive rights of shareholders; amendments to the Articles of Association

The currently existing Authorized Capital 2013-I pursuant to section 5 para. (5) of the Articles of Association created in accordance with the resolution passed at the Annual General Meeting on 4 June 2013 under agenda item 7 and not yet utilized, is relatively low at its current level of € 2,335,822.00 in relation to the Company's share capital, which has since increased to € 26,462,834.00 and amounts to only 8.83 % of the current share capital. Even with the addition of Authorized Capital 2014-I in the amount of € 2,622,088.00 pursuant to section 5 para. (6) of the Articles of Association, the Company's total authorized capital would still amount to only 18.74 % of the current share capital. To give management more room to maneuver, the full amount of the Company's Authorized Capital 2013-I existing on the day of the Annual General Meeting shall be cancelled and a new Authorized Capital 2015-I in the amount of € 10,584,333.00, or 40.00 % of the currently existing share capital, shall be created. The cancelation of Authorized Capital 2013-I shall be effective when its replacement by Authorized Capital 2015-I takes effect. The option to exclude pre-emptive rights for capital increases against contribution in cash and/or in kind shall be limited to a total of 20 % of the share capital. The 20 % limit mentioned should take into account (i) treasury shares sold with the exclusion of pre-emptive rights, (ii) shares issued with the exclusion of pre-emptive rights from other authorized capital and, (iii) shares for the purpose of

servicing convertible bonds and/or bonds with warrants issued with the exclusion of pre-emptive rights (however, (i) and (iii) do not take into account the exclusion of pre-emptive rights due to employee participation programs). Therefore, the Management Board and the Supervisory Board propose the adoption of the following resolutions:

a) Cancellation of Authorized Capital 2013-I; amendment of the Articles of Association

Authorized Capital 2013-I pursuant to section 5 para. (5) of the Articles of Association shall be cancelled to the extent that this authorization was not utilized at the time of entering resolved Authorized Capital 2015-I pursuant to subsection b) and subsection c) into the commercial register, with effect from the date of registration of resolved Authorized Capital 2015-I pursuant to subsection b) and subsection c) in the commercial register.

b) Creation of a new Authorized Capital 2015-I

With the consent of the Supervisory Board, the Management Board shall be authorized to increase the Company's share capital up to and including 30 April 2020, by issuing a maximum of 10,584,333 new no-par value bearer shares against contributions in cash and/or in kind up to an amount of € 10,584,333.00 on one or several occasions (Authorized Capital 2015-I).

With respect to capital increases, shareholders are generally entitled to pre-emptive rights. The shares may also be subscribed to by one or several credit institutions with the obligation to offer the shares to shareholders for subscription. However, with the consent of the Supervisory Board, the Management Board shall be authorized to exclude pre-emptive rights of shareholders under the following conditions:

- aa) in the case of a capital increase against contribution in cash, to the extent such exclusion is necessary to avoid fractional shares; or
- bb) in the case of a capital increase against contribution in kind; or
- cc) in the case of a capital increase against contribution in cash, to the extent the new shares shall be placed on a foreign stock exchange in the context of a new listing.

The total shares to be issued via a capital increase against contribution in cash and/or in kind, excluding pre-emptive rights and based on the authorizations mentioned above, shall not exceed 20 % of the share capital. The calculation is based on either the effective date of the authorizations or the exercise of the authorizations, whichever amount is lower. The 20 % limit mentioned above shall take into account (i) treasury shares sold excluding pre-emptive rights after the effective date of these authorizations (unless they service the

entitlements of members of the Management Board and/or employees under employee participation programs), (ii) shares that are issued from other authorized capital existing on the effective date of these authorizations and excluding pre-emptive rights during the effective period of these authorizations, and (iii) shares to be issued during the effective period of these authorizations to service convertible bonds and/or bonds with warrants whose basis for authorization exists on the effective date of these authorizations provided that the convertible bonds and/or bonds with warrants have been issued with the exclusion of the pre-emptive rights of shareholders (unless they service the entitlements of members of the Management Board and/or employees under employee participation programs).

With the consent of the Supervisory Board, the Management Board shall be authorized to determine the further details of the capital increase and its execution.

c) Amendment to the Articles of Association

Section 5 para. (5) of the Articles of Association shall be amended as follows:

“(5) With the consent of the Supervisory Board, the Management Board shall be authorized to increase the Company’s share capital up to and including 30 April 2020, by issuing a maximum of 10,584,333 new no-par value bearer shares against contributions in cash and/or in kind up to an amount of € 10,584,333.00 on one or several occasions (Authorized Capital 2015-I).

With respect to capital increases, shareholders are generally entitled to pre-emptive rights. The shares may also be subscribed to by one or several credit institutions with the obligation to offer the shares to shareholders for subscription. However, with the consent of the Supervisory Board, the Management Board shall be authorized to exclude the pre-emptive rights of shareholders under the following conditions:

- aa) in the case of a capital increase against contribution in cash, to the extent such exclusion is necessary to avoid fractional shares; or
- bb) in the case of a capital increase against contribution in kind; or
- cc) in the case of a capital increase against contribution in cash, to the extent the new shares shall be placed on a foreign stock exchange in the context of a new listing.

The total shares to be issued via a capital increase against contribution in cash and/or in kind, excluding pre-emptive rights and based on the authorizations mentioned above, shall not exceed 20 % of the share capital. The calculation is based on either the effective date of the authorizations or the exercise of the authorizations, whichever amount is lower. The 20 % limit mentioned above shall take into account (i) treasury shares sold excluding pre-emptive rights after the effective date of these authorizations (unless they service the entitlements of members of the Management Board and/or employees under employee participation programs), (ii) shares that are issued from other authorized capital existing on the effective date of these authorizations and excluding pre-emptive rights during the effective period of these authorizations, and (iii) shares to be issued during the effective period of these authorizations to service convertible bonds and/or bonds with warrants whose basis for authorization exists on the effective date of these authorizations provided that the convertible bonds and/or bonds with warrants have been issued with the exclusion of the pre-emptive rights of shareholders (unless they service the entitlements of members of the Management Board and/or employees under employee participation programs).

With the consent of the Supervisory Board, the Management Board shall be authorized to determine the further details of the capital increase and its execution.”

7. Resolution on the election of Supervisory Board members

The Supervisory Board consists of six members pursuant to sections 95 and 96 para. (1) of the German Stock Corporation Act (AktG) and section 8 para. (1) of the Articles of Association of the Company. Since the Company is not subject to co-determination, its Supervisory Board is comprised solely of shareholder representatives. Pursuant to section 102 para. (1) AktG and section 8 para. (2) of the Company's Articles of Association, Supervisory Board members are elected for a period ending no later than the end of the Annual General Meeting in which the discharge of the Supervisory Board for the fourth financial year after commencing the term of office is resolved. The financial year in which the term of office begins shall not be counted.

With the conclusion of the Annual General Meeting on 8 May 2015, the term of office expires for all Supervisory Board members. Therefore, six Supervisory Board members must be newly elected. The Annual General Meeting is not bound by election proposals.

In accordance with the proposal of the Remuneration and Nomination Committee, the Supervisory Board proposes to elect the following persons to the Supervisory Board named in

subsections a) to f) with effect of the conclusion of the Annual General Meeting. The appointment of the persons named in subsections a) to c) is for the period until the end of the Annual General Meeting in which there will be a resolution on the discharge of the Supervisory Board for the second financial year after commencing office (i.e., presumably at the 2018 Annual General Meeting). The appointment of the persons named in subsections d) to f) is for the period up to the end of the Annual General Meeting in which there will be a resolution on the discharge of the Supervisory Board for the subsequent financial year after commencing office (i.e., presumably at the 2017 Annual General Meeting). In each case, the financial year in which the term of office begins shall not be counted.

- a) Dr. Gerald Möller,
resident in Heidelberg, Germany
current profession: Chairman of the Supervisory Board of MorphoSys AG, member of a further supervisory board, and a member of comparable supervisory bodies of domestic and foreign commercial enterprises as described in detail under “Mandates”, subsection a).
- b) Ms. Karin Eastham,
resident in Rancho Santa Fe, California, USA
current profession: Member of the Supervisory Board of MorphoSys AG and a member of comparable supervisory bodies of domestic and foreign commercial enterprises as described in detail under “Mandates”, subsection b).
- c) Dr. Marc Cluzel,
resident in Montpellier, France,
current profession: Member of the Supervisory Board of MorphoSys AG and a member of a comparable supervisory body of a foreign commercial enterprise as described in detail under “Mandates”, subsection c).
- d) Dr. Frank Morich,
resident in Berlin, Germany,
current profession: Self-employed business consultant for the life sciences and healthcare industries.
- e) Mr. Klaus Kühn,
resident in Grevenbroich, Germany

current profession: A member and chairman of various Supervisory Boards as described in detail under “Mandates”, subsection e).

- f) Ms. Wendy S. Johnson,
resident in San Diego, California, USA,
current profession: Managing Director, Gemini Advisors, USA, and Interim Chief Operating Officer, AmpliPhi Biosciences Corp., USA

Mandates:

The candidates proposed for election are (i) a member of a statutory supervisory board of the companies listed below, or (ii) a member of a comparable domestic or foreign supervisory body of commercial enterprises.

- a) Dr. Gerald Möller
- (i) Adrenomed AG, Germany, Member of the Supervisory Board

 - (ii) Invendo Medical GmbH, Germany, Chairman of the Advisory Board
4sigma, Inc., Bermuda, Chairman of the Board of Directors
Genticel SA, France, (a publicly listed company), Deputy Chairman of the Supervisory Board
Illumina, Inc., USA, (a publicly listed company), Member of the Board of Directors
- b) Ms. Karin Eastham
- (ii) Geron Corp., USA, (a publicly listed company), Member of the Board of Directors
Illumina, Inc., USA, (a publicly listed company), Member of the Board of Directors
Veracyte, Inc., USA, (a publicly listed company), Member of the Board of Directors
AltheaDX, Inc., USA, Member of the Board of Directors
- c) Dr. Marc Cluzel
- (ii) Moleac Pte. Ltd., Singapore, Member of the Board of Directors
- d) Dr. Frank Morich
No other mandates.
- e) Mr. Klaus Kühn
- (i) Flossbach von Storch AG, Germany, Member of the Supervisory Board

Hella KGaA Hueck & Co., Germany, (a publicly listed company), Member of the Supervisory Board

- f) Ms. Wendy S. Johnson
 - (ii) AmpliPhi Biosciences Corp., USA, (a publicly listed company), Member of the Board of Directors

Detailed resumes of the proposed candidates can be found on our website at www.morphosys.com/agm.

According to the assessment of the Supervisory Board, none of the proposed candidates have a personal or business relationship with MorphoSys AG, its group companies, or executive bodies of MorphoSys AG that would need to be disclosed according to item 5.4.1 para. (4) of the German Corporate Governance Code. The disclosure of a personal or business relationship with a shareholder holding a material interest in MorphoSys AG in accordance with item 5.4.1 para. (6) of the German Corporate Governance Code is not required since MorphoSys AG has no such shareholder.

Subject to the exemptions listed in the Company's Declaration of Conformity of 5 December 2014 (www.morphosys.com/media-investors/corporate-governance#declaration-of-conformity), the candidate proposals take into account the objectives resolved by the Supervisory Board regarding its composition according to item 5.4.1 para. (2) of the German Corporate Governance Code.

It is intended that the election to the Supervisory Board of the persons proposed will be decided by way of an individual vote at the Annual General Meeting.

Attention is drawn to the following in accordance with item 5.4.3 sentence 3 of the German Corporate Governance Code: If Dr. Gerald Möller is elected to the Supervisory Board he shall be proposed as candidate for its chairmanship.

Both Mr. Klaus Kühn and Ms. Karin Eastham meet the legal requirements of section 100 para. (5) AktG as independent members of the Supervisory Board with expertise in the fields of accounting and auditing.

8. Resolution on the adjustment in remuneration of the Supervisory Board

Pursuant to section 15 para. (1) of the Articles of Association, the Supervisory Board members are entitled to receive an appropriate annual remuneration in addition to the reimbursement of their expenses. On 23 May 2014, the Annual General Meeting revised the resolution on the remuneration of the Supervisory Board members under agenda item 10. The newly resolved remuneration shall remain unchanged with the exception of two additions. The amendment refers only to the additions that state that participation in a Supervisory Board or committee meeting by telephone or video conference will lead to a reduction in the attendance fee by half (subsection a) bb) last clause and subsection a) dd) last clause) and that, for meetings personally attended, a lump-sum allowance for the time taken to travel may be granted in special cases (subsection a) ee)). For transparency, the complete resolution regarding the remuneration of the Supervisory Board as resolved in the Annual General Meeting on 23 May 2014 (agenda item 10) shall be revised, even if the remuneration of the Supervisory Board is only partially amended.

Therefore, pursuant to section 15 para. (1) of the Articles of Association, the Management Board and the Supervisory Board propose revising the resolution under agenda item 10 made at the Annual General Meeting on 23 May 2014 as follows:

- a) For the 2015 financial year, the Supervisory Board members shall receive the following cash remuneration:
 - aa) a flat fee in the amount of € 85,400.00 p.a. for the Chairman of the Supervisory Board, € 51,240.00 p.a. for the Deputy Chairman of the Supervisory Board, € 34,160.00 p.a. for the other Supervisory Board members (plus applicable VAT in each case);
 - bb) in addition, an amount of € 4,000.00 (plus applicable VAT) for the Chairman of the Supervisory Board for each Supervisory Board meeting chaired and € 2,000.00 (plus applicable VAT) for the other Supervisory Board members for each Supervisory Board meeting attended. If the Chairman of the Supervisory Board or a Supervisory Board member takes part in the meeting by telephone or video conference, or the meeting is held by telephone or video conference, the above fees paid to those not personally attending the meeting will halve.
 - cc) Supervisory Board members shall also receive the following compensation (plus applicable VAT) for their membership in Supervisory Board committees:
 - as the chairman of a committee € 12,000.00 p.a.;
 - each remaining member of a committee € 6,000.00 p.a.

- dd) In addition, in their capacity as members of a committee, Supervisory Board members shall each receive an amount of € 1,200.00 (plus applicable VAT) for each such committee meeting attended. If a Supervisory Board member takes part in the meeting by telephone or video conference, or the meeting is held by telephone or video conference, the above fees paid to those not personally attending the meeting will halve.
- ee) If a Supervisory Board member (geographically) residing outside of Europe participates personally in a Supervisory Board and/or committee meeting at the meeting's location, the Supervisory Board member is entitled to a lump-sum allowance of € 2.000,00 for the associated additional travel time (plus applicable VAT) in addition to the attendance fees stated in subsection bb) and dd) and a reimbursement of expenses.
- b) The remuneration pursuant to the preceding subsections a) aa) and cc) shall become due in equal tranches on a quarterly basis and the attendance fees pursuant to the preceding subsection a) bb) and dd) shall become due at the end of the quarter in which the relevant meeting took place.
- c) The provisions defined in the subsections a) and b) shall also apply to the Supervisory Board's remuneration and the dates in the following financial years the remuneration is due unless the Annual General Meeting resolves otherwise.

9. Resolution on the amendments to the Articles of Association

The Company's Articles of Association shall be amended in some respects, updated in part, or adapted editorially.

In particular, the description of the object of the Company shall be adapted from the revised version of section 2 of the Articles of Association in order to better reflect the Company's future development opportunities. This amendment to the Articles of Association is not intended to suggest that the Company abandons or makes a significant change to its existing business activities; rather, the amendment is intended to enable the Company to seize new opportunities in the biopharmaceutical industry based on its resources and capabilities.

The proposed amendment to section 19 para. (1) of the Articles of Association concerns the rules governing the chairmanship of the Annual General Meeting. The Company's previous Annual General Meetings have shown that given the Supervisory Board's composition of international members whose native language is not German and due to health issues preventing the Supervisory Board Chairman from chairing the meetings, it is useful to have a variety of means to transfer the office of Chairman of the Annual General Meeting.

Section 8 para. (2) sentence 3 of the Articles of Association shall be repealed and not replaced. This provision concerning the term of office of successors of the Supervisory Board is linguistically ambiguous and creates some degree of legal uncertainty. The provision not only governs the regulated term limit of substitute members contained in section 102 para. (2) AktG, but also possibly the term of office for newly elected Supervisory Board members replacing prematurely retired Supervisory Board members. Since this would limit the right of the Annual General Meeting to determine the term of office of newly elected Supervisory Board Members, a repeal of this Article is recommended.

The amendment to sections 16 para. (2) and 17 para. (1) of the Articles of Association relate to convening and participating in the Annual General Meeting. They are mainly editorial in nature since instead of the currently applicable provisions of Articles of Association now the respective legal provisions shall apply. This should prevent the necessity to make subsequent amendments to the Articles of Association in the event of an amendment to the respective legal provisions. According to existing legislation, the proposed amendments to the Articles of Association, however, do not change the current provisions for convening and participating in the Annual General Meeting.

The Management Board and Supervisory Board propose that the following resolutions be made:

a) Section 2 paras. (1) and (2) of the Articles of Association will be amended as follows:

“(1) The object of the Company is to identify, explore, optimize, develop, apply, commercialize, and sell technologies, processes and products in the field of medicines, pharmaceutical compounds and related intermediate products, as well to provide the related services.

(2) The Company is authorized to operate all businesses and take all measures that relate to or seem directly or indirectly conducive to achieving the object of the Company. For this purpose, the Company may establish, acquire, or take

participating interests in other companies, or assume such management duties. This applies in particular to companies operating in whole or in part in the fields described in subsection (1). The Company may outsource its business operations to affiliated companies, in whole or in part, or have them carried out by affiliated companies, and focus on the management of its participating interests. The Company can also limit its activities to a portion of the activities named in subsection (1).”

b) Section 19 para. (1) of the Articles of Association will be amended as follows:

“(1) The General Meeting shall be chaired by the Chairman of the Supervisory Board or by another member of the Supervisory Board designated by him or her. If the Chairman of the Supervisory Board does not assume the chair at the General Meeting and has not designated another member of the Supervisory Board to be his substitute, then the Chairman of the General Meeting shall be elected by the Supervisory Board. Candidates may also be persons who are neither shareholders, members of the Supervisory Board, nor persons that are related to the Company in any other way.”

c) Other amendments to the Articles of Association

aa) Section 8 para. (2) sentence 3 of the Articles of Association will be repealed and not replaced.

bb) Section 16 para. (2) of the Articles of Association will be amended as follows:

“(2) The statutory provisions apply to the convening deadline.”

cc) Section 17 para. (1) of the Articles of Association will be amended as follows:

“(1) Shareholders wishing to participate in the General Meeting or exercise their voting rights, must register for the General Meeting and provide proof of their authorization. The registration and proof of authorization must reach the Company at the address specified in the invitation to the meeting within the legal time period. Either the Management Board or – if the invitation is made by the Supervisory Board – the Supervisory Board is authorized to define in

the invitation a shortened deadline measured in number of days for the respective registration and proof of authorization.”

It is intended that the Annual General Meeting shall resolve the amendments to the Articles of Association under letters a) and b) by way of a separate vote and by way of an overall vote for the amendments to the Articles of Association under letter c).

II.

Written report of the Management Board on agenda item 6 pursuant to section 203 para. (2) sentence 2 in conjunction with section 186 para. (4) sentence 2 AktG

In accordance with section 203 para. (2) sentence 2 AktG and in conjunction with section 186 para. (4) sentence 2 AktG, the Management Board issues the following written report to the Annual General Meeting of the Company to convene on 8 May 2015 with respect to the resolution proposal under agenda item 6 regarding the cancellation of Authorized Capital 2013-I and the creation of a new Authorized Capital 2015-I with the right to exclude pre-emptive rights of shareholders.

1. Reason for the cancelation of Authorized Capital 2013-I and for the creation of new Authorized Capital 2015-I

The Management Board and the Supervisory Board propose cancelling Authorized Capital 2013-I, to the extent it was not utilized on the day of the Annual General Meeting, and authorizing the Company's management to issue new shares of the Company by virtue of a new Authorized Capital 2015-I.

The currently existing Authorized Capital 2013-I pursuant to section 5 para. (5) of the Articles of Association created under the resolution passed at the Annual General Meeting on 4 June 2013 under agenda item 7 and not yet utilized, is relatively low at its current level of € 2,335,822.00 in relation to the Company's share capital that has since increased to € 26,462,834.00; this amounts to only 8.83 % of the current share capital. Even with the addition of Authorized Capital 2014-I in the amount of € 2,622,088.00 pursuant to section 5 para. (6) of the Articles of Association, the Company's total authorized capital would still amount to only approximately 18.74 % of the share capital. To give management more room to maneuver, the total amount of the Company's Authorized Capital 2013-I existing on the day of the Annual General Meeting shall be canceled and a new Authorized Capital 2015-I created. This new Authorized Capital 2015-I shall authorize the Company's management to increase the Company's share capital to a total maximum amount

of € 10,584,333.00, or 40.00 % of the currently existing share capital against contribution in cash and/or in kind by issuing a maximum of 10,584,333 new no-par value bearer shares on one or several occasions up to and including 30 April 2020. This would bring all of the Company's authorized capital (the existing Authorized Capital 2014-I and Authorized Capital 2015-I to be newly created) to a total of € 13,206,421.00, or approximately 49.91 %, of the share capital currently amounting to € 26,462,834.00. The cancelation of Authorized Capital 2013-I shall only be effective when its replacement by Authorized Capital 2015-I takes effect. This does not affect Authorized Capital 2014-I.

The option to exclude pre-emptive rights for capital increases against contribution in cash and/or in kind under Authorized Capital 2015-I shall not exceed 20 % of the share capital. The calculation is based either on the effective date of the authorizations or the exercise of the authorizations, whichever amount is lower. The 20 % limit mentioned above shall take into account (i) treasury shares sold excluding pre-emptive rights after the effective date of these authorizations (unless they service the entitlements of members of the Management Board and/or employees under employee participation programs), (ii) shares that are issued from other authorized capital existing on the effective date of these authorizations and excluding pre-emptive rights during the effective period of these authorizations, and (iii) shares to be issued during the effective period of these authorizations to service convertible bonds and/or bonds with warrants whose basis for authorization exists on the effective date of these authorizations provided that the convertible bonds and/or bonds with warrants have been issued with the exclusion of the pre-emptive rights of shareholders (unless they service the entitlements of members of the Management Board and/or employees under employee participation programs).

2. New Authorized Capital 2015-I and the attendant benefits for the Company

The proposed authorization to issue new shares from Authorized Capital 2015-I shall enable the Management Board, with the consent of the Supervisory Board, to respond to financing requirements with flexibility in the context of implementing strategic and/or operating decisions. Particularly in light of the current economic environment, having an immediate and flexible financing instrument is both necessary and in the interest of the Company and its shareholders (e.g., to facilitate the acquisition of interests in companies). With the Supervisory Board's consent, the proposed new Authorized Capital 2015-I shall expand the Management Board's options for raising new equity for the Company on short notice. This equity could be used to acquire companies, interests in companies, patents, or other commercial property rights and licenses, or assets which constitute a business in their entirety in return for shares. Such an advance resolution is customary both domestically and internationally.

In order to comply with these needs, the existing Authorized Capital 2013-I shall be replaced with a new Authorized Capital 2015-I. Thereby, with the approval of the Supervisory Board and within the legal framework according to section 202 para. (3) AktG, the Management Board shall be provided more opportunity to have the Company's shares at its disposal in a flexible manner. The scope of the existing Authorized Capital 2013-I is not sufficient to adequately guarantee the flexibility necessary to take advantage of commercial opportunities.

3. Exclusion of pre-emptive rights

This resolution proposal provides the authorization to exclude the legally provided pre-emptive rights of the shareholders when issuing shares from authorized capital in certain cases which are defined in the proposal:

- a) In the case of a cash capital increase, the exclusion of the pre-emptive rights of shareholders pursuant to agenda item 6 b) aa) is required to avoid fractional shares, as in the case of Authorized Capital 2013-I. The authorization to exclude pre-emptive rights for the purpose of utilizing fractional shares is necessary to procure a reasonable subscription ratio in the case of all capital increases and shall only serve the purpose of allowing round sums when utilizing authorized capital. Fractional shares occur when it is not possible to distribute all of the new shares equally to shareholders due to the subscription ratio or the amount of the capital increase. In cases without such authorization, a capital increase would create technical difficulties when issuing the new shares. The costs for trading pre-emptive rights for fractional shares are not in proportion to the potential benefits to the shareholders. The new shares excluding pre-emptive rights which are created by excluding the pre-emptive rights of shareholder for fractional shares are either sold through the stock exchange (if possible) or otherwise disposed of in a manner that is best for the Company. The potential dilution effect is low as it is limited to fractional shares.

- b) In the case of a capital increase in kind, the exclusion of pre-emptive rights pursuant to agenda item 6 b) bb) is required in order to achieve the objectives of this capital measure. The company should, for example, be in a position to continue to grow by acquiring companies, investments in companies, or assets (above all commercial property rights) and to strengthen its competitive position.

Key components of the Company's commercial property rights are the antibody libraries (HuCAL[®] and Ylanthia[®]). Their development and use by the Company are subject to certain

rights to use concerning the rights of third parties (licenses). In the past, the purchase of several license rights that were particularly important to the object of the Company, were successfully financed by a capital increase in kind with the exclusion of pre-emptive rights, which increased the value of the Company's technology portfolio. The same applies to the Company's development programs where it may also be necessary to purchase licenses. In the past, such purchases contributed to an increase in the share price of the Company, which also benefited the shareholders and compensated them for the exclusion of their subscription rights. The proposed cancellation of Authorized Capital 2013-I and the creation of the comparatively larger Authorized Capital 2015-I is required to be able to pursue this corporate strategy in the future (however, the option to exclude pre-emptive rights with regard to capital increases against contribution in cash and/or in kind under Authorized Capital 2015-I shall be limited to a total of 20 % of the share capital). This ensures the preservation of liquidity when making acquisitions, particularly acquisitions of company interests and commercial property rights, so that the Company's market position can expand further. Financing such acquisitions in whole or in part with cash on hand – if authorized capital is insufficient – is neither possible nor recommendable for certain transactions because the seller or licensor often insists on receiving shares as compensation since this may be more economically beneficial to the seller or licensor.

The Company's option to use its shares as acquisition currency gives it the necessary scope to take advantage of these types of acquisition opportunities quickly and with ample flexibility. The exclusion of pre-emptive rights is necessary in these cases because the acquisitions must be undertaken on short notice and often cannot be resolved at an Annual General Meeting that assembles only once per year. In such cases, there is not enough time to convene an Extraordinary General Meeting due to the statutory deadlines. Therefore, to make such acquisitions, it is preferable to have authorized capital that can be accessed quickly by the Management Board with the Supervisory Board's consent.

- c) As permitted under Authorized Capital 2013-I, the option to exclude pre-emptive rights under agenda item 6 b) cc) shall allow for a further issue of the Company's shares on a foreign exchange, to the extent this is feasible given the prevailing market conditions and serves the further growth of the Company. The exclusion of pre-emptive rights shall provide the opportunity to create a dual listing on a foreign exchange (e.g., the NASDAQ stock exchange). The exclusion of pre-emptive rights ensures a meaningful placement volume and an optimal use of the new shares, as opposed to maintaining the pre-emptive rights of shareholders, which would lead to significant technical difficulties when placing new shares and prevent the Company from achieving the best issue price possible. The broader

diversified international funding base that would result could offer the Company more protection against capital market fluctuations and counteract the effects of changes in the local costs of capital. This type of international investor structure would create more market liquidity, reduce the Company's dependence on individual investors, and hinder hostile takeover attempts. In the international biotechnology environment, a listing on a foreign stock exchange also facilitates the acquisition of company interests in exchange for shares. This is especially true in the U.S. market, which is a particularly important for the Company.

The total shares to be issued via a capital increase against contribution in cash and/or in kind, excluding pre-emptive rights and based on the authorizations mentioned above, shall not exceed 20 % of the share capital. The calculation is based on either the effective date of the authorizations or the exercise of the authorizations, whichever amount is lower. Shares to be sold, issued, or to be issued, excluding pre-emptive rights according to other authorizations expressly mentioned, are considered in the calculation of the 20 % level. This limitation of authorized capital restricts the total amount of shares that can be issued from authorized capital excluding pre-emptive rights, and also limits the sales of treasury shares excluding pre-emptive rights as well as the issue of shares for servicing convertible bonds and/or bonds with warrants issued without pre-emptive rights. This gives shareholders further protection against a dilution of their shareholdings. Convertible bonds and/or bonds with warrants issued to members of the Management Board and/or employees under employee participation programs are not considered in the calculation since the dilution effect for the shareholders is low and the shareholders do not have pre-emptive rights. The same applies to the Company's treasury shares that are used to service the entitlements of members of the Management Board and/or employees under employee participation programs.

By taking into consideration all of the circumstances described above, the Management Board and the Supervisory Board regard the exclusion of the pre-emptive rights in the aforementioned cases as reasonable and adequate for the reasons explained. This is also true for the dilution effects that the shareholders may suffer.

The Management Board will report to the Annual General Meeting on each use of Authorized Capital 2015-I. The Company has not utilized any authorized capital since the last Annual General Meeting in May 2014.

III.

**Total number of shares and voting rights
at the time of convening the Annual General Meeting**

At the time of convening this Annual General Meeting, the share capital of the Company comprises 26,462,834 no-par value bearer shares. Each share corresponds to one vote. At the time of convening the Annual General Meeting, the Company held treasury stock amounting to 450,890 shares. The Company has no rights with respect to these shares. The total number of shares bearing participation and voting rights at the time of convening the Annual General Meeting amounted to 26,011,944.

IV.

**Conditions for participating in the Annual General Meeting
and exercising voting rights**

According to section 17 para. (1) of the Articles of Association, in order for shareholders to participate in the Annual General Meeting and exercise their voting rights, the respective shareholder must first register for the Annual General Meeting and prove their eligibility. The registration and proof of eligibility must be provided in German or English and should be received by the Company by the close of

1 May 2015

24:00 hours (midnight) CEST

at the following mailing address, fax number, or e-mail address (e.g., as a scanned document, e.g., as a pdf file):

MorphoSys AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany
Fax: +49 (0)89 / 889 690 633
Email: anmeldung@better-orange.de

Proof of eligibility must be provided by means of a confirmation in text form (section 126 b of the German Civil Code (BGB)) and prepared by the depository bank. Such evidence must refer to the beginning of the twenty-first day before the Annual General Meeting, i.e.,

17 April 2015

0:00 hours (midnight) CEST (record date).

Better Orange IR & HV AG is the Company's agent authorized to receive both the registration and the evidence of shareholdings.

Upon the Company's timely receipt of the registration, including the evidence of shareholdings, the admission tickets for the Annual General Meeting will be sent to the relevant shareholders or deposited at the location where the meeting is to take place. The tickets are just organizational aids and not a precondition for participating in the Annual General Meeting or exercising voting rights. To ensure the timely receipt of the tickets, we kindly ask shareholders to request their tickets to the Annual General Meeting from their depository bank as early as possible.

V.

Significance of the record date

The record date is the date that determines whether shareholders are entitled to participate and exercise voting rights in the Annual General Meeting. With respect to participation in the Annual General Meeting or exercising voting rights, only those individuals will be deemed to be shareholders of the Company who have submitted evidence that they owned the shares on the record date. Shareholders who acquired their shares after the record date are not entitled to participate and exercise voting rights at the Annual General Meeting unless they have obtained power of attorney or are otherwise authorized to exercise such legal rights (see numeral VII "Procedure for voting by proxy"). Therefore, shareholders who have properly registered and provided evidence of their shareholdings are also entitled to participate in the Annual General Meeting and exercise voting rights if they sell the shares after the record date. The record date does not result in blocking the potential transfer of shares. The record date is not relevant for a potential dividend entitlement.

VI.

Procedure for voting via postal mail

Shareholders unable to participate in the Annual General Meeting in person may also cast their vote by postal mail. Only those shareholders having registered for the Annual General Meeting on time and who have provided evidence of their shareholdings (see numeral IV "Conditions for participating in the Annual General Meeting and exercising voting rights") are entitled to exercise voting rights by postal mail. Voting by postal mail is either made in writing or by way of electronic communication. The form necessary for voting by postal mail is provided to the shareholders together with the admission ticket, which is sent to the shareholders following the registration described above including receipt of the evidence of shareholdings in due form and in due time. It is also available for download on the internet at www.morphosys.com/agm. The votes cast via postal mail must reach the Company by the close of

7 May 2015

24:00 hours (midnight) CEST

at the following mailing address, fax number, or e-mail address (e.g., as a scanned document, e.g., as a pdf file):

MorphoSys AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany
Fax: +49 (0)89 / 889 690 655
E-Mail: morphosys@better-orange.de

Better Orange IR & HV AG is the Company's agent authorized to receive votes cast via postal mail.

VII.

Procedure for voting by proxy

Shareholders may also have their voting right(s) exercised by a proxy, e.g., by a financial institution, an association of shareholders, proxies appointed by the Company or any other third party. Timely registration for the Annual General Meeting and timely submission of evidence of shareholdings is also required if shareholders choose to vote by proxy (see numeral IV "Conditions for participating in the Annual General Meeting and exercising voting rights"). If the shareholder grants the power of proxy to more than one person, the Company may refuse one or several of them.

If neither a bank, shareholders' association, nor a person or an institution considered equivalent as defined by section 135 para. (8) AktG or section 135 para. (10) AktG in conjunction with section 125 para. (5) AktG is appointed, then appointing a proxy or revoking such an appointment and providing evidence of this to the Company must be made in text form (section 126 b BGB).

For granting a proxy to financial institutions, shareholders' associations, or other persons or institutions considered equivalent as defined by section 135 para. (8) AktG or section 135 para. (10) AktG in conjunction with section 125 para. (5) AktG, a formal requirement is neither required by law nor by the Articles of Association. However, the entities or persons to be appointed as proxies in these cases may require a special form of authorization because section 135 para. (1) sentence 2 AktG (in conjunction with section 135 para. (8) AktG or section 135 para. (10) in conjunction with section 125 para. (5) AktG, if applicable) requires them to record such authorizations in a verifiable way. Hence,

we request that shareholders coordinate with the entities or persons to be appointed as proxies with regard to the form of authorization.

Evidence of appointment may still be furnished by the proxy on the day of the Annual General Meeting at the meeting's location.

For organizational reasons, evidence of proxy may also be transmitted no later than the close of

7 May 2015

24:00 hours (midnight) CEST

to the following mailing address, fax number or e-mail address (e.g., as a scanned document, e.g., as a pdf file):

MorphoSys AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany
Fax: +49 (0)89 / 889 690 655
E-Mail: morphosys@better-orange.de

Better Orange IR & HV AG is the Company's agent authorized to receive the evidence of proxy.

A form pursuant to section 30 a para. (1) no. 5 of the German Securities Trading Act (WpHG) that can be used to grant proxies is included on the back of the admission ticket, which will be sent to the shareholders following the registration including the receipt of the evidence of shareholdings in due form and in due time (see numeral IV "Conditions for participating in the Annual General Meeting and exercising voting rights"); the form is also available for download on the internet at www.morphosys.com/agm.

The Company offers its shareholders the option of having the Company-appointed proxies represent them at the Annual General Meeting pursuant to their instructions. These proxies will exercise the voting rights solely in accordance with the instructions they receive from the shareholders and are obliged to vote according to these instructions; they cannot exercise voting rights at their own discretion. The Company-appointed proxies will not accept powers of attorney for raising objections against resolutions of the Annual General Meeting, exercising the right to speak, or asking questions or proposing motions.

Additional information on voting by proxy and a form that shareholders may use to appoint and instruct the Company-appointed proxies will be sent to the shareholders along with their admission ticket following the registration process described above. Registration includes the receipt of the evidence of shareholdings in due form and in due time (see numeral IV “Conditions for participating in the Annual General Meeting and exercising voting rights”) and is also available for download on the internet at www.morphosys.com/agm. For organizational reasons, the evidence that the Company-appointed proxies have been appointed along with the instructions must be received no later than the end of

7 May 2015

24:00 hours (midnight) CEST

at the following mailing address, fax number, or e-mail address (e.g., as a scanned document, e.g., as a pdf file):

MorphoSys AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany
Fax: +49 (0)89 / 889 690 655
E-Mail: morphosys@better-orange.de

Better Orange IR & HV AG is the authorized recipient for Company-appointed proxies.

In addition, shareholders and shareholders’ representatives attending the Annual General Meeting will also have the option to appoint the Company-appointed proxies during the Annual General Meeting and have them exercise their voting rights as instructed.

VIII.

Requests to supplement the agenda by a minority pursuant to section 122 para. (2) AktG

Shareholders whose shares reach an aggregate amount of 5 % of the share capital (corresponding to 1,323,141 shares) or the total nominal amount of € 500,000.00 (corresponding to 500,000 shares), may request that items are added to the agenda and published. Every request to add a new agenda item must be accompanied by an explanation of the reasons therefor or a proposed resolution. The request must be sent in writing to the Management Board of MorphoSys AG and must reach the Company no later than 30 days before the Annual General Meeting, i.e., by the close of

7 April 2015

24:00 hours (midnight) CEST

at the following mailing address:

MorphoSys AG
The Management Board
Lena-Christ-Str. 48
82152 Martinsried/Planegg
Germany

Applicants shall provide evidence that they have owned a sufficient number of shares for the legally required minimum period of ownership of three months (sections 122 para. (2), 122 para. (1) sentence 3, 142 para. (2) sentence 2 and section 70 AktG) and that they will continue to hold these shares until a decision regarding their request has been made.

Unless announced at the time the Annual General Meeting was convened, supplements to the agenda shall be published immediately in the Federal Gazette upon receipt of the corresponding motion and shall be furnished to communication media for publication where the information is expected to be disseminated throughout the European Union. The supplements to the agenda will also be published on the internet at .

IX.

Countermotions pursuant to section 126 para. (1) AktG and election proposals pursuant to section 127 AktG

In addition, the Company's shareholders may send countermotions to proposals put forth by the Management Board and/or the Supervisory Board concerning specific agenda items as well as election proposals in connection with the election of Supervisory Board members or auditors. All countermotions shall be accompanied by an explanation. Countermotions, election proposals, and other inquiries from shareholders regarding the Annual General Meeting are to be sent to the following address only:

MorphoSys AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany

Fax: +49 (0)89 / 889 690 666
E-Mail: antraege@better-orange.de

Countermotions and election proposals sent to any other address will not be considered. Better Orange IR & HV AG is the Company's agent authorized to receive countermotions and election proposals.

Countermotions and election proposals arriving with evidence of shareholder status at the above mailing address, fax number, or e-mail address up to 14 days before the date of the Annual General Meeting, i. e., by no later than the close of

23 April 2015

24:00 hours (midnight) CEST

will be made available to other shareholders immediately upon receipt on the internet at www.morphosys.com/agm together with the name of the shareholder and the reasons for the countermotion if the other requirements for publication pursuant to section 126 AktG are fulfilled. Any statements by the Company's management will also be published at the same internet address.

Pursuant to section 127 sentence 2 AktG, the proposal of a shareholder with regard to the election of Supervisory Board members or auditors does not need to be justified. In addition to the reasons specified in section 126 para. (2) AktG, the Management Board is not required to publish an election proposal which does not contain the name, profession, and domicile of the candidate, among others. Proposals concerning the election of Supervisory Board members are not required to be made available if they are not accompanied by information on the proposed candidate's appointments to other statutory supervisory boards as defined in section 125 para. (1) sentence 5 AktG.

Please be advised that countermotions and proposals for elections that have been submitted to the Company on time and in advance of the Annual General Meeting shall only be considered at the Annual General Meeting if they are also submitted orally to the Annual General Meeting.

The right of each shareholder to submit countermotions to the Annual General Meeting concerning various items on the agenda, as well as with regard to election proposals for Supervisory Board members and auditors without submitting them in advance and on time to the Company, is not affected hereby.

X.

Shareholder right to information pursuant to section 131 para. (1) AktG

Every shareholder and shareholder representative may ask the Management Board at the Annual General Meeting to provide information on matters pertaining to the Company to the extent that such information is necessary for making a reasonable assessment of an agenda item and provided there is no statutory right to refuse to provide the information requested.

The obligation to provide information also applies to the legal and business relationship of the Company with an affiliate, the situation of the Group, and to the companies included in the consolidated financial statements.

In principle, all such requests for information should be made orally at the Annual General Meeting. The Management Board may deny answering single questions if the circumstances apply that are set forth in section 131 para. (3) AktG, particularly because – according to reasonable business judgment – providing the information is likely to cause substantial damages to the Company or to an affiliate.

Pursuant to section 19 para. (4) of the Articles of Association, the Chairman of the Annual General Meeting may restrict the length of time the shareholder has the right to speak and to ask questions as appropriate.

XI.

Publication on the website / Further information

The convening of the Annual General Meeting, all documents and information that should be made available pursuant to section 124 a AktG, motions of shareholders as well as further information and additional explanations on shareholders' rights pursuant to section 122 para. (2), section 126 para. (1), section 127, section 131 para. (1) AktG are also available on the Company's website at www.morphosys.com/agm. All documents that must be made available to the shareholders are also available for review at the Annual General Meeting.

The voting results will be published at the website address above following the Annual General Meeting.

Martinsried/Planegg, March 2015

MorphoSys AG
The Management Board