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.
MorphoSys is committed to developing a valuable pipeline of truly differentiated therapeutic antibodies built using proprietary technologies.

Exciting proprietary assets MOR103, MOR202 & MOR208

Broad partnered pipeline based on proprietary HuCAL technology

Strong balance sheet and recurring cash-flows support investment in R&D
One of the Deepest Antibody Pipelines in the Industry

- 19 Unique antibodies in clinical development
- 2 Antibodies in pivotal trials
- 42 Clinical trials ongoing
- 26 Clinical read-outs expected in the next 24 months
- 80 Therapeutic antibodies programs ongoing
INNOVATIVE PRODUCT PIPELINE
## The MorphoSys Proprietary Portfolio

<table>
<thead>
<tr>
<th>Program</th>
<th>Partner</th>
<th>Target</th>
<th>Indication</th>
<th>Discovery</th>
<th>Preclinic</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
</tr>
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<tbody>
<tr>
<td><strong>Fully partnered (tiered, double-digit royalties)</strong></td>
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<tr>
<td>MOR103</td>
<td>GSK</td>
<td>GM-CSF</td>
<td>Rheumatoid Arthritis</td>
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<td></td>
<td></td>
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<td>Multiple Sclerosis</td>
<td></td>
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<tr>
<td><strong>Co-development &amp; Co-promotion</strong></td>
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<td></td>
</tr>
<tr>
<td>MOR202</td>
<td>Celgene</td>
<td>CD38</td>
<td>Multiple Myeloma</td>
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<tr>
<td><strong>Un-partnered</strong></td>
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<tr>
<td>MOR208</td>
<td>CD19</td>
<td>ALL</td>
<td>NHL</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<td>CLL (IIT)</td>
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</tr>
<tr>
<td>3 Programs</td>
<td>Various</td>
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</tr>
</tbody>
</table>

© MorphoSys - January 2014
MOR103
Novel Mode of Action in Rheumatoid Arthritis

**DRUG**
- HuCAL IgG1 targeting GM-CSF

**DIFFERENTIATION**
- Targets monocytes & macrophages
- Ultra-high affinity
- Fast onset of therapeutic effect

**STATUS**
- Phase 1b/2a trial in RA patients showed excellent efficacy, durable response & clean safety profile
- Phase 1b in MS ongoing

**GSK assumes...**
- global responsibility for clinical development and commercialization of MOR103 in all indications

**MorphoSys receives...**
- EUR 22.5 million upfront payment
- Up to EUR 423 million in success-based payments
- Tiered, double-digit royalties on net sales
MOR202
A Novel Antibody for Multiple Myeloma

DRUG
- High affinity HuCAL antibody targeting CD38

DIFFERENTIATION
- Binds to a unique epitope
- Induces ADCC and ADCP
- Strong synergy with lenalidomide & bortezomib in pre-clinical models
- 2 hour infusion

STATUS
- Phase 1/2a trial in relapsed or refractory MM patients ongoing
- Further clinical studies, including combos, being planned

→ Partnered with Celgene on strong preclinical data in 2013
## MOR202
### Alliance with Celgene

<table>
<thead>
<tr>
<th><strong>Scope</strong></th>
<th><strong>Up-front &amp; Equity</strong></th>
<th><strong>Milestones</strong></th>
<th><strong>Commercialization</strong></th>
</tr>
</thead>
</table>
| - Global co-development and European co-promotion agreement | - Upfront payment of EUR 70.8m  
- Equity investment of EUR 46.2m | - Up to EUR 511m in development, regulatory and sales milestones | - Co-promotion in Europe with 50:50 profit share  
- Exclusive Celgene in rest-of-world, tiered double digit royalties to MOR |

### Milestones
- Up to EUR 511m in development, regulatory and sales milestones

### Up-front & Equity
- Upfront payment of EUR 70.8m
- Equity investment of EUR 46.2m

### Commercialization
- Co-promotion in Europe with 50:50 profit share
- Exclusive Celgene in rest-of-world, tiered double digit royalties to MOR
MOR208
A Novel Antibody to Treat B-cell Malignancies

DRUG
- Fc-enhanced, humanized antibody targeting CD19
- In-licensed from Xencor

DIFFERENTIATION
- Fc modification leads to dramatically enhanced B-cell depletion
- Convenient dosing schedule
- Straightforward manufacturing

STATUS
- Phase 2 ALL: 30 R/R patients
- Phase 2 NHL: Up to 30 R/R patients each in FL, MCL, DLBCL & other indolent NHL
- Phase 2 CLL: Lenalidomide combo in R/R CLL and untreated CLL patients (IIT - Investigator initiated trial by OSU)

Fully MorphoSys-controlled, unpartnered program
### Partnered Clinical Pipeline (I)

<table>
<thead>
<tr>
<th>Program</th>
<th>Partner</th>
<th>Target</th>
<th>Indication</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
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<tbody>
<tr>
<td>Bimagrumab</td>
<td>Novartis</td>
<td>ActRIIB</td>
<td>sIBM</td>
<td>✔️</td>
<td>✔️</td>
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<td>(BYM338)</td>
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<td>Cachexia (Cancer)</td>
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<td>Sarcopenia</td>
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<td></td>
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<td>Mechanically ventilated</td>
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<td>Cachexia (COPD)</td>
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<td>BHQ880</td>
<td>Novartis</td>
<td>DKK-1</td>
<td>MM (renal insufficiency)</td>
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<td>✔️</td>
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<td></td>
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<td>Smoldering MM</td>
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<td>✔️</td>
<td>✔️</td>
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<td>LFG316</td>
<td>Novartis</td>
<td>C5</td>
<td>Wet AMD</td>
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<td>✔️</td>
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<tr>
<td></td>
<td></td>
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<td>AMD</td>
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<td></td>
<td></td>
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<td>MCP</td>
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<td>NOV-3</td>
<td>Novartis</td>
<td>n.d.</td>
<td>n.d.</td>
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<td>✔️</td>
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<td>VAY736</td>
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<td>HER2+ Cancer</td>
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<td></td>
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<td>HER2+ Cancer comb. with trastuzumab</td>
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<td>Solid Tumors</td>
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<td>✔️</td>
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<td>NOV-7</td>
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## Partnered Clinical Pipeline (II)

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<th>Program</th>
<th>Partner</th>
<th>Target</th>
<th>Indication</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
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<tr>
<td>Gantenerumab</td>
<td>Roche</td>
<td>Amyloid-β</td>
<td>Prodromal AD</td>
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<td></td>
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<td>Genetically predisposed</td>
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<td>Japanese AD patients</td>
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<td>Guselkumab</td>
<td>Janssen/J&amp;J</td>
<td>IL23p19</td>
<td>Psoriasis</td>
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<tr>
<td>(CNTO1959)</td>
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<td>Rheumatoid Arthritis</td>
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<td>Palmoplantar Pustulosis</td>
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<td>CNTO3157</td>
<td>Janssen/J&amp;J</td>
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<td>Asthma</td>
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<td>Safety/Pharmacokinetic</td>
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<td>CNTO6785</td>
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<td>COPD</td>
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<td>Rheumatoid Arthritis</td>
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<tr>
<td>OMP-59R5</td>
<td>Oncomed/GSK</td>
<td>Notch 2</td>
<td>Pancreatic Cancer</td>
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<td></td>
<td></td>
<td>Small Cell Lung Cancer</td>
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<td>Solid Tumors</td>
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<tr>
<td>Vantictumab (OMP-18R5)</td>
<td>Oncomed/Bayer</td>
<td>Fzd 7</td>
<td>Solid Tumors</td>
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<td></td>
<td></td>
<td></td>
<td>Breast Cancer</td>
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<td>NSCLC</td>
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<tr>
<td>BAY94-9343 (ADC)</td>
<td>Bayer</td>
<td>Mesothelin</td>
<td>Solid Tumors</td>
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<td>BI-1</td>
<td>BI</td>
<td>n.d.</td>
<td>Cancer</td>
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<td></td>
<td></td>
<td>Cancer</td>
<td></td>
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</tr>
<tr>
<td>PFE-1</td>
<td>Pfizer</td>
<td>n.d.</td>
<td>Cancer</td>
<td></td>
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</table>
Bimagrumab (BYM338)
A Novartis Musculoskeletal Program

- HuCAL antibody against ActRIIB
- FDA breakthrough therapy designation for sporadic inclusion body myositis (sIBM)
- Orphan drug designation in sIBM in both the US and Europe

- Novel mechanism of action

- Pivotal study in sIBM ongoing
- Phase 2 studies ongoing in:
  - Cancer-related cachexia
  - COPD-related cachexia
  - Sarcopenia
  - Mechanically ventilated patients

- Listed by Novartis as “planned filing 2016”

First HuCAL antibody with breakthrough therapy designation

Source: www.actionduchenne.org
Gantenerumab: In Development by Roche for Prodromal Alzheimer’s Disease

- **HuCAL antibody against amyloid-β**

- **Binds N-terminus and middle of peptide**
- **Binds/disrupts amyloid plaque and oligomers; binds peptide only weakly**
- **Gantenerumab reduces brain amyloid 3x faster than other amyloid-targeting substances in mild-to-moderate AD patients**

- **Phase 3 SCarlet RoAD trial**
  - 770 prodromal patients
  - 2 doses, 104 weeks on drug
  - Primary Endpoint: Change in Clinical Dementia Rating Scale Sum of Boxes (CDR-SOB)

- **Study of DIAN network in patients with AD mutation**

- **Data expected in 2016**

→ Most advanced antibody in development for Alzheimer’s Disease
Guselkumab (CNT01959)  
A Janssen Anti-Inflammatory Program

- HuCAL antibody against IL-23

- Guselkumab binds the p19 sub-unit of IL-23, while Stelara binds the p40 sub-unit of IL-23 and IL-12
- Higher specificity through selected inhibition of IL-23 may provide better risk/benefit profile

- Three Phase 2 studies:
  - Moderate to severe plaque-type psoriasis (against adalimumab)
  - Active Rheumatoid Arthritis (against ustekinumab)
  - Palmoplantar pustulosis

- Listed under “planned filings 2013 - 2017” (J&J analyst day 2013)

Large potential in several inflammatory conditions
Highlighted Programs All Have Blockbuster Potential

<table>
<thead>
<tr>
<th>Program</th>
<th>Indication</th>
<th>Forecast Peak Sales*</th>
</tr>
</thead>
<tbody>
<tr>
<td>MOR103</td>
<td>Rheumatoid Arthritis</td>
<td>$3.2bn</td>
</tr>
<tr>
<td>MOR202</td>
<td>Multiple Myeloma</td>
<td>$2.1bn</td>
</tr>
<tr>
<td>MOR208</td>
<td>NHL, CLL, ALL</td>
<td>$790m $350m $250m</td>
</tr>
<tr>
<td>Bimagrumab</td>
<td>sIBM, Cancer cachexia, Ventilated patients, COPD Cachexia, Sarcopenia</td>
<td>$400m $1.3bn $600m $1.0bn $1.6bn</td>
</tr>
<tr>
<td>Gantenerumab</td>
<td>Alzheimer’s Disease</td>
<td>$15bn</td>
</tr>
<tr>
<td>Guselkumab</td>
<td>Psoriasis, Rheumatoid Arthritis</td>
<td>$950m $1.6bn</td>
</tr>
</tbody>
</table>

* Based on an external study by Defined Health using publicly available information
New Technologies
Enabling the Creation of Differentiated Drugs

LEADING ANTIBODY TECHNOLOGIES

HuCAL
- Most successful antibody library
- 40% success rate from target to IND
- Successfully partnered with many leading pharmaceutical companies

Ylalthia
- Next generation antibody platform
- Higher quality antibodies, greater diversity
- Patent protected until 2031

NEW DEVELOPMENTS

Antibodies Against GPCRs
- Most important target class
- Challenging for antibodies
- MorphoSys secures access to stabilized GPCRs from Heptares

Lantipeptides
- Alliance with Lanthio Pharma to develop lantipeptide libraries for drug discovery
- Preferred rights to exclusive license
- Minority equity position
Shareholdings

Shareholdings by Investor Type
- Institutional & Retail Investors - 87%
- Novartis - 6%
- Celgene - 3%
- Treasury Stock - 2%
- Management & Supervisory Boards - 2%

Capital Increases 2013
August
- Investor: Celgene
- Number of new shares: 797,150
- Price: EUR 57.90 per share

September
- Investor: Institutional Investors (US/EU)
- Number of new shares: 1,514,066
- Price: EUR 55.76 per share (at market)
## Key Financials

<table>
<thead>
<tr>
<th>in EUR million</th>
<th>9-Month 2013</th>
<th>Guidance 2013*</th>
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<tbody>
<tr>
<td>Group Revenues</td>
<td>63.6</td>
<td>74 - 78</td>
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<tr>
<td>EBIT</td>
<td>14.6</td>
<td>7 - 10</td>
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<tr>
<td>Cash, cash equivalents &amp; marketable securities as well as other financial assets as of September 30, 2013</td>
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* Updated on October 24, 2013
# Recent Progress

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<thead>
<tr>
<th>Project Code</th>
<th>Description</th>
<th>Status</th>
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<tbody>
<tr>
<td>MOR202</td>
<td>Co-development partnership with Celgene</td>
<td>✔️</td>
</tr>
<tr>
<td>MOR103</td>
<td>Partnership with GSK</td>
<td>✔️</td>
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<tr>
<td>MOR208</td>
<td>Promising Phase 1 data in CLL</td>
<td>✔️</td>
</tr>
<tr>
<td></td>
<td>Phase 2 studies in CLL, ALL and NHL started</td>
<td>✔️</td>
</tr>
<tr>
<td>Bimagrumab</td>
<td>Breakthrough therapy designation</td>
<td>✔️</td>
</tr>
<tr>
<td></td>
<td>Pivotal study started</td>
<td>✔️</td>
</tr>
<tr>
<td>NOV-7</td>
<td>Seventh program enters clinic from Novartis alliance</td>
<td>✔️</td>
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</tbody>
</table>
Clinical Trials Scheduled for Completion

Phase 3
- Bimagrhumab
  - Ventilated patients

Phase 2
- Guselkumab
  - RA (vs. Stelara)
- Guselkumab
  - Psoriasis
- LFG316
  - AMD
- NOV-3
  - undisclosed
- MOR208
  - B-ALL
- LFG316
  - MCP
- CNTO6785
  - RA
- CNTO6785
  - COPD
- Guselkumab
  - Palmoplantar pustulosis

Phase 1
- MOR103
  - Multiple sclerosis
- Gantenerumab
  - AD/Japan
- CNTO3157
  - Safety/PK
- OMP-18R5
  - Solid tumors
- MOR202
  - Multiple Myeloma
- BAY94-9343 (ADC)
  - Solid tumors
- CNTO3157
  - Asthma
- LJM716
  - Solid tumors/Combo
- BI-1
  - undisclosed
- BI-1
  - undisclosed
- LJM716
  - Solid tumors/Mono
- OMP-18R5
  - Pancreatic cancer
- OMP-18R5
  - NSCLC
- OMP-18R5
  - Breast cancer

Potential data events based on clinical trial design & MorphoSys estimates
Thank You

www.morphosys.com

Dr. Claudia Gutjahr-Löser
Head of Corporate Communications & IR

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Fax          +49 (0)89 / 899 27-5122
Email        investors@morphosys.com