

NOVEMBER 2016

Company Update

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.



2 DIVERSE NETWORK OF PARTNERS

- Broad roster of partnerships from academia to large pharma; target access to co-development
- Terms geared towards building a fully integrated biotech

3 ROBUST R&D ENGINE DELIVERING BROAD PIPELINE

- 28 antibodies in clinical development
- Up to 39 clinical read-outs expected in 2016/2017

We Focus on
Advancing
Differentiated
Therapies for
Cancer and
Inflammation

1 PROVEN TECHNOLOGY PLATFORMS

- Proprietary antibody libraries (HuCAL, Ylanthia) and protein optimization (Slonomics)
- Investing in innovation:
e.g. bi-specifics, constrained peptides

Using Recurring Revenues from Multiple Partnerships and a Strong Balance Sheet to Develop Highly Innovative and Valuable Drugs

DEEP ANTIBODY EXPERTISE

- Proven technology platform(s)
 - HuCAL, Ylanthia
- New formats
 - Bi-specifics
 - Lanthipeptides
- Capabilities in novel and difficult targets
 - Immuno-Oncology
 - GPCRs
 - MHC-associated targets



SUCCESSFUL PARTNER DISCOVERY

- Significant source of revenue
 - Revenues over EUR 650m to date
 - Lucrative longer-term revenue potential from milestones & typically mid-single digit royalties
- First products nearing market
 - Filing for guselkumab in psoriasis submitted



EVOLVING PROPRIETARY PIPELINE

- Clinical portfolio
 - MOR202/MOR208 nearing phase 2 inflection points
 - Focusing on new targets (MOR106, MOR107, MOR103)
- Pipeline strategy
 - Focus on oncology
 - Retain substantial economics
 - Selective out-licensing



The MorphoSys Pipeline

28 Clinical Product Candidates, 110 Total

PROGRAM	PARTNER	TARGET	DISEASE AREA	DISCOVERY	PRECLINIC	PHASE 1	PHASE 2	PHASE 3
Guselkumab (CNT01959)	Janssen	IL23p19	Psoriasis	██████████	██████████	██████████	██████████	} 2
Gantenerumab	Roche	Amyloid-β	Alzheimer's disease	██████████	██████████	██████████	██████████	
Anetumab Ravtansine (BAY94-9343)	Bayer	Mesothelin (ADC)	Solid tumors	██████████	██████████	██████████	██████████	} 15
BHQ880	Novartis	DKK-1	Multiple myeloma	██████████	██████████	██████████	██████████	
BI-836845	BI	IGF-1	Solid tumors	██████████	██████████	██████████	██████████	
Bimagrumab (BYM338)	Novartis	ActRIIB	Musculoskeletal diseases	██████████	██████████	██████████	██████████	
BPS804	Mereo/Novartis	Sclerostin	Brittle bone syndrome	██████████	██████████	██████████	██████████	
CNT03157	Janssen	-	Inflammation	██████████	██████████	██████████	██████████	
CNT06785	Janssen	-	Inflammation	██████████	██████████	██████████	██████████	
MOR103/GSK3196165	GSK	GM-CSF	Inflammation	██████████	██████████	██████████	██████████	
MOR202	-	CD38	Multiple myeloma	██████████	██████████	██████████	██████████	
MOR208	-	CD19	ALL, CLL, NHL	██████████	██████████	██████████	██████████	
Elgatumab (LJM716)	Novartis	HER3	Cancer	██████████	██████████	██████████	██████████	
Tarextumab (OMP-59R5)	OncoMed	Notch 2	Cancer	██████████	██████████	██████████	██████████	
Tesidolumab (LFG316)	Novartis	C5	Eye diseases	██████████	██████████	██████████	██████████	
Utomilumab (PF-05082566)	Pfizer	4-1BB	Solid tumors	██████████	██████████	██████████	██████████	
VAY736	Novartis	BAFF-R	Inflammation	██████████	██████████	██████████	██████████	
BAY1093884	Bayer	TFPI	Hemophilia	██████████	██████████	██████████	██████████	
MOR209/ES414	Aptevo	PSMA/CD3	Prostate cancer	██████████	██████████	██████████	██████████	} 11
MOR106	Galapagos	-	Inflammation	██████████	██████████	██████████	██████████	
NOV-7	Novartis	-	Eye diseases	██████████	██████████	██████████	██████████	
NOV-8	Novartis	-	Inflammation	██████████	██████████	██████████	██████████	
NOV-9	Novartis	-	Diabetic eye diseases	██████████	██████████	██████████	██████████	
NOV-10	Novartis	-	Cancer	██████████	██████████	██████████	██████████	
NOV-11	Novartis	-	Blood disorders	██████████	██████████	██████████	██████████	
NOV-12	Novartis	-	Prevention of thrombosis	██████████	██████████	██████████	██████████	
NOV-13	Novartis	-	Cancer	██████████	██████████	██████████	██████████	
Vantictumab (OMP-18R5)	OncoMed	Fzd 7	Solid tumors	██████████	██████████	██████████	██████████	
MOR107 (LP2)	-	AT2-R	Fibrosis	██████████	██████████	██████████	██████████	
Immuno-oncology program	Merck	-	Cancer	██████	██████	██████	██████	
Immuno-oncology program	Immatics	-	Cancer	██████	██████	██████	██████	
6 MOR programs	-	-	Various	██████	██████	██████	██████	

In addition, 23 partnered programs in preclinic, and 50 partnered programs in discovery

Guselkumab

Filing for Psoriasis Submitted

DRUG

- First in class IL-23 specific antibody being developed in psoriasis and psoriatic arthritis
- Partnered discovery project with Janssen (J&J)

KEY FEATURES

- Potential to provide unique value to patients: High levels of complete and durable skin clearance (52.6% achieved IGA 0 by week 24)
- Less intensive dosing regimens vs. anti-IL-17 class
- Potential for similar safety profile vs. long-term blockade of IL-12 + IL-23 with STELARA®
- First phase 3 data at EADV: significant efficacy, superior to adalimumab (Humira®)

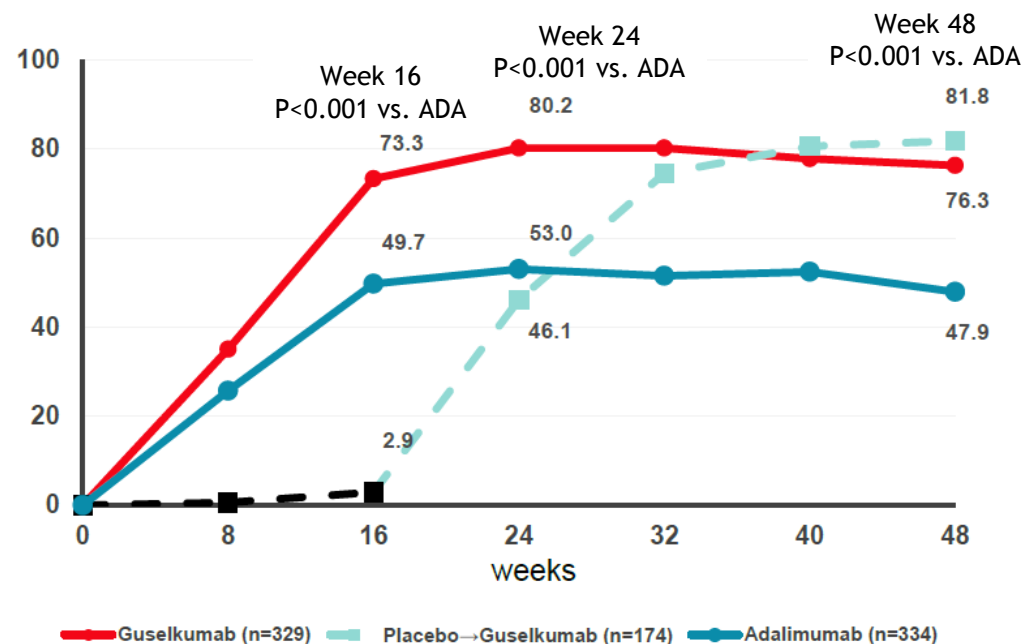
STATUS

- Six phase 3 clinical trials ongoing
- Positive Clinical Data of Guselkumab in psoriatic arthritis in phase 2, plans to advance into phase 3
- Filing for psoriasis submitted on November 17, 2016

IGA: Investigator's Global Assessment;
EADV: European Association of Dermatology and Venerology

VOYAGE 1: PHASE 3 PSORIASIS STUDY RESULTS

Patients achieving PASI 90 through Week 48 (%)



Adalimumab (Humira®): 80 mg at Week 0, followed by 40 mg at Week 1 and q2w thereafter through Week 48

Source: Blauvelt, A, et al. EADV 2016. Late breaker

Data courtesy of Janssen
PHARMACEUTICAL COMPANIES
of Johnson & Johnson

ANETUMAB RAVTANSINE - PHASE 2

- ADC targeting tumor-associated antigen mesothelin, and delivering toxophore DM4, which acts on proliferating cells (tubulin inhibitor)
- Partnered discovery project with Bayer

KEY FEATURES

- Potential spectrum of indications:
 - mesotheliomas (100%)
 - pancreatic cancer (~80-100%) and
 - ovarian adenocarcinomas (~80%)

STATUS

- Phase 1* with promising results including duration of treatment of > 1,000 days, 31% ORR
- Registrational phase II in metastatic pleural mesothelioma ongoing
- Estimated launch in 2019, peak sales potential over EUR 2bn
- Seven clinical trials ongoing



UTOMILUMAB (PF-05082566) - PHASE 1/2

- Utomilumab is an immunotherapy that activates T cells by signaling through 4-1BB (CD-137)
- Partnered discovery project with Pfizer

KEY FEATURES

- Preclinical studies suggest that combining utomilumab with a checkpoint inhibitor, such as anti-PD-L1, or other immunotherapies may be able to amplify the immune response

STATUS

- First data of utomilumab combined with pembrolizumab in advanced solid tumors showed six CR or PRs (out of 23 patients)
- Five clinical trials ongoing



* Blumenschein et al. ASCO 2016; ADC: antibody drug conjugate

The MOR Portfolio

5 Clinical Product Candidates*

PROGRAM	INDICATION	TARGET	DISCOVERY	PRECLINIC	PHASE 1	PHASE 2	PHASE 3
UNPARTNERED							
MOR208	DLBCL (B-MIND)	CD19			FTD, orphan status US & EU		
	DLBCL (L-MIND)						
	CLL (planned)				Orphan status US & EU		
	CLL (IIT)						
MOR202	Multiple Myeloma	CD38					
MOR107	Fibrosis	AT2-R					
Immuno-oncology program	Cancer	MHC-associated peptides					
6 programs	Various	Various					
CO-DEVELOPMENT AND CO-PROMOTION							
MOR209/ES414 (Aptevo)	Prostate cancer	PSMA/CD3					
MOR106 (Galapagos)	Inflammation	IL-17C					
Immuno-oncology program (Merck)	Cancer	Undisclosed					

* including MOR103, which is out-licensed to GSK

Therapeutic Antibodies in Dermatology

New Opportunities for Antibodies

MOR106 CO-DEVELOPMENT WITH GALAPAGOS

- MOR106 is the first antibody targeting IL-17C in clinical development

KEY FEATURES

- IL-17C plays an important and pro-inflammatory role in certain skin disorders

STATUS

- Phase 1 single ascending dose study in healthy volunteers complete
 - Favorable safety results
- Phase 1 multiple ascending dose study in atopic dermatitis patients ongoing
- First clinical data will be presented in 2017

ALLIANCE WITH LEO PHARMA

- Ylanthia technology will be used to generate fully human antibody candidates for dermatology
- MorphoSys will manage all activities up to the start of clinical testing
- Options
 - Co-develop and, in Europe, co-promote any programs developed for skin cancer
 - Develop and commercialize programs that may find application in other cancer indications
- Another source of future revenues through R&D funding, milestones and royalties
 - Assuming all development, regulatory and sales objectives are reached, milestone payments would sum up to EUR 111.5m per antibody program
- Potential source of new programs for our proprietary portfolio

MOR208 - Overview

Fc-enhanced Antibody to Treat B Cell Lymphoma

FC-ENHANCED ANTIBODY TARGETING CD19 - A CRUCIAL CELL SURVIVAL MOLECULE ON B CELLS

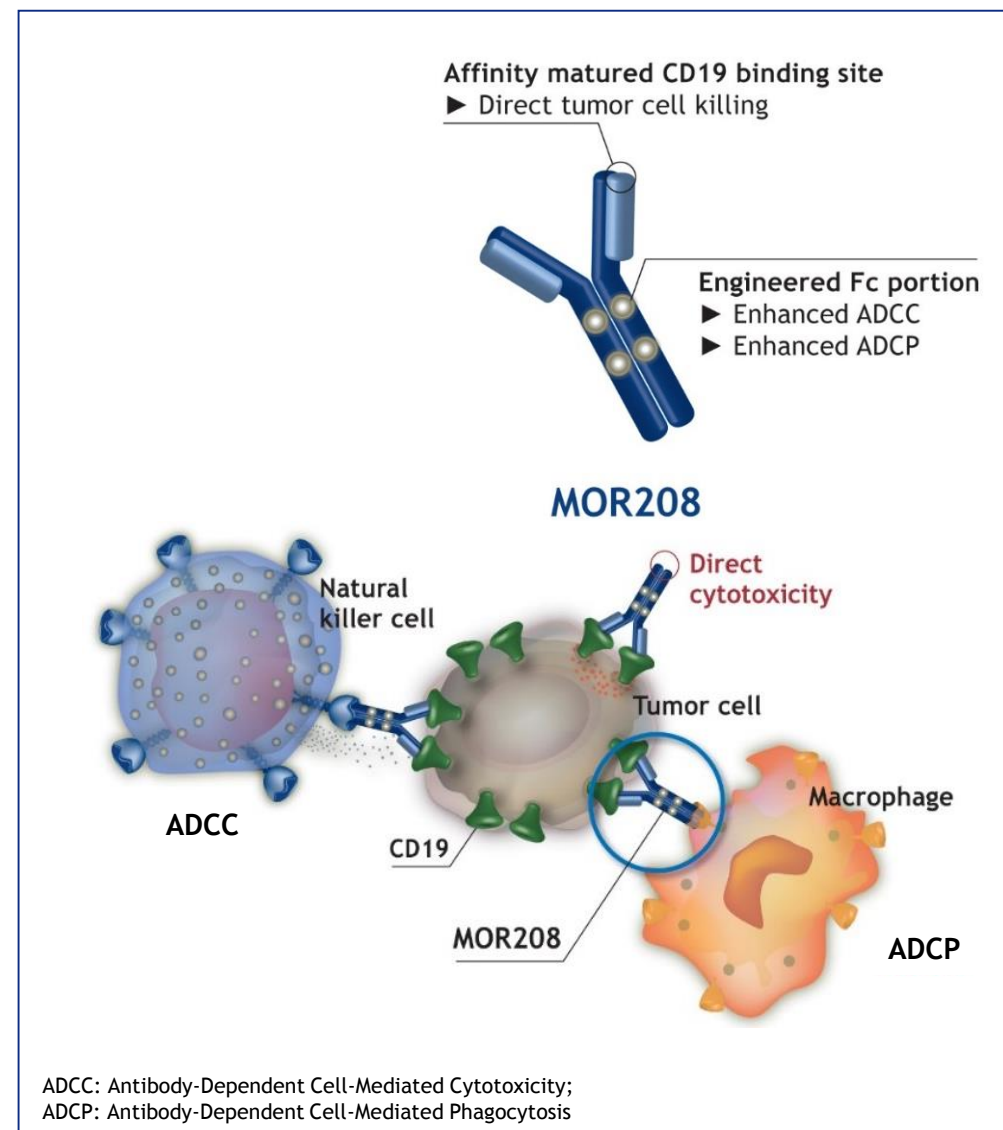
- CD19 preserved after treatment with B cell targeted therapies
- Fc modification dramatically enhances B cell depletion by ADCC, ADCP and direct cytotoxicity

KEY FEATURES

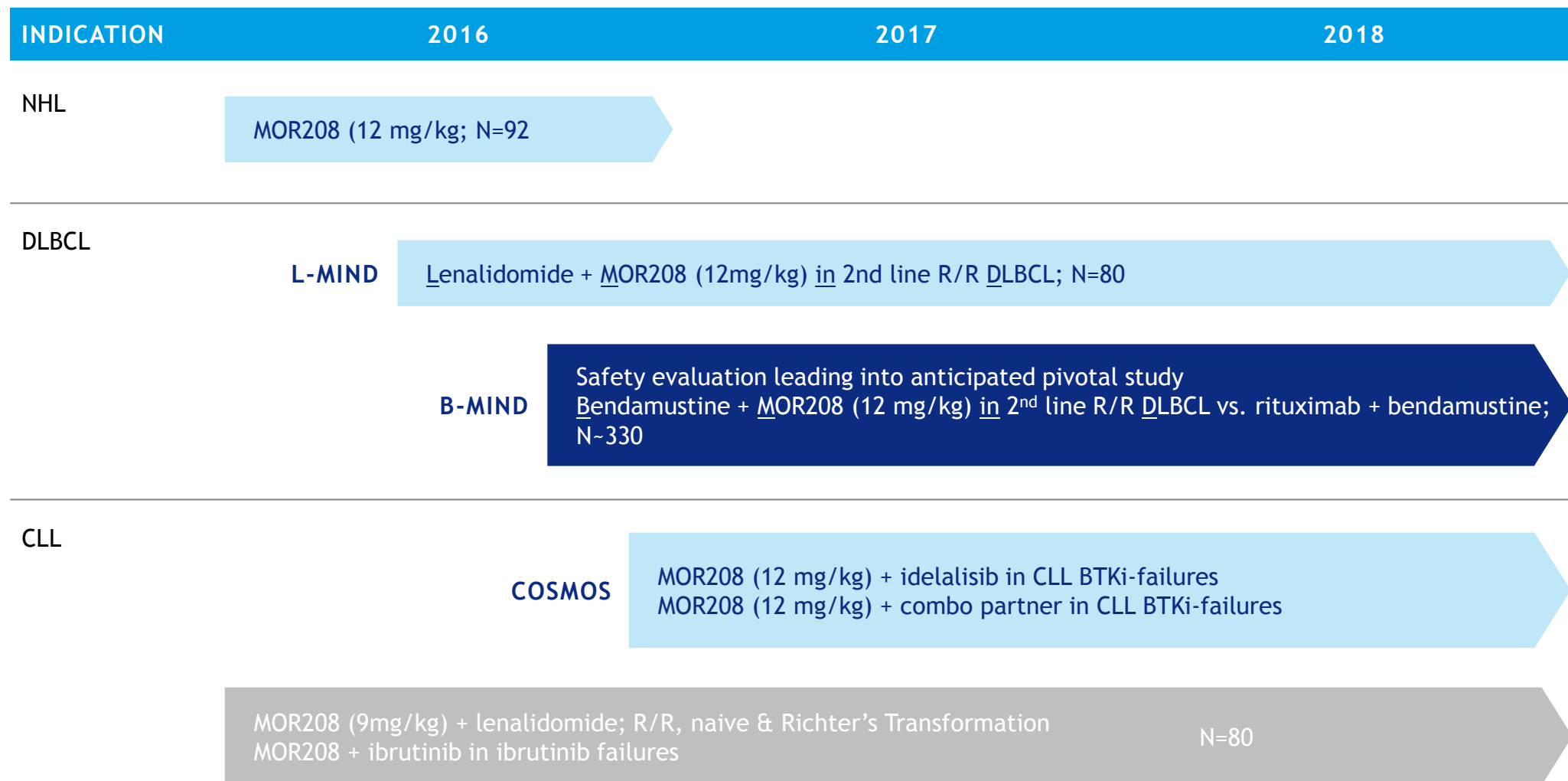
- Deep and long lasting efficacy responses
- Excellent safety profile, providing opportunity for MOR208 to be used with multiple combination partners
- Straightforward manufacturing

STATUS / NEXT DATA

- R/R DLBCL: Two phase 2 trials ongoing
- Ibrutinib-refractory CLL: Phase 2 about to start
- CLL: IIT with Ohio State University ongoing
- Updates at ASH 2016



Comprehensive Clinical Development Plan



■ Phase 2 ■ Phase 2/3 ■ IIT: Investigator-initiated trial, John Byrd, Ohio State University

A Differentiated Antibody for Multiple Myeloma

A NEW ANTI-CD38 ANTIBODY FOR THE TREATMENT OF MULTIPLE MYELOMA (MM)

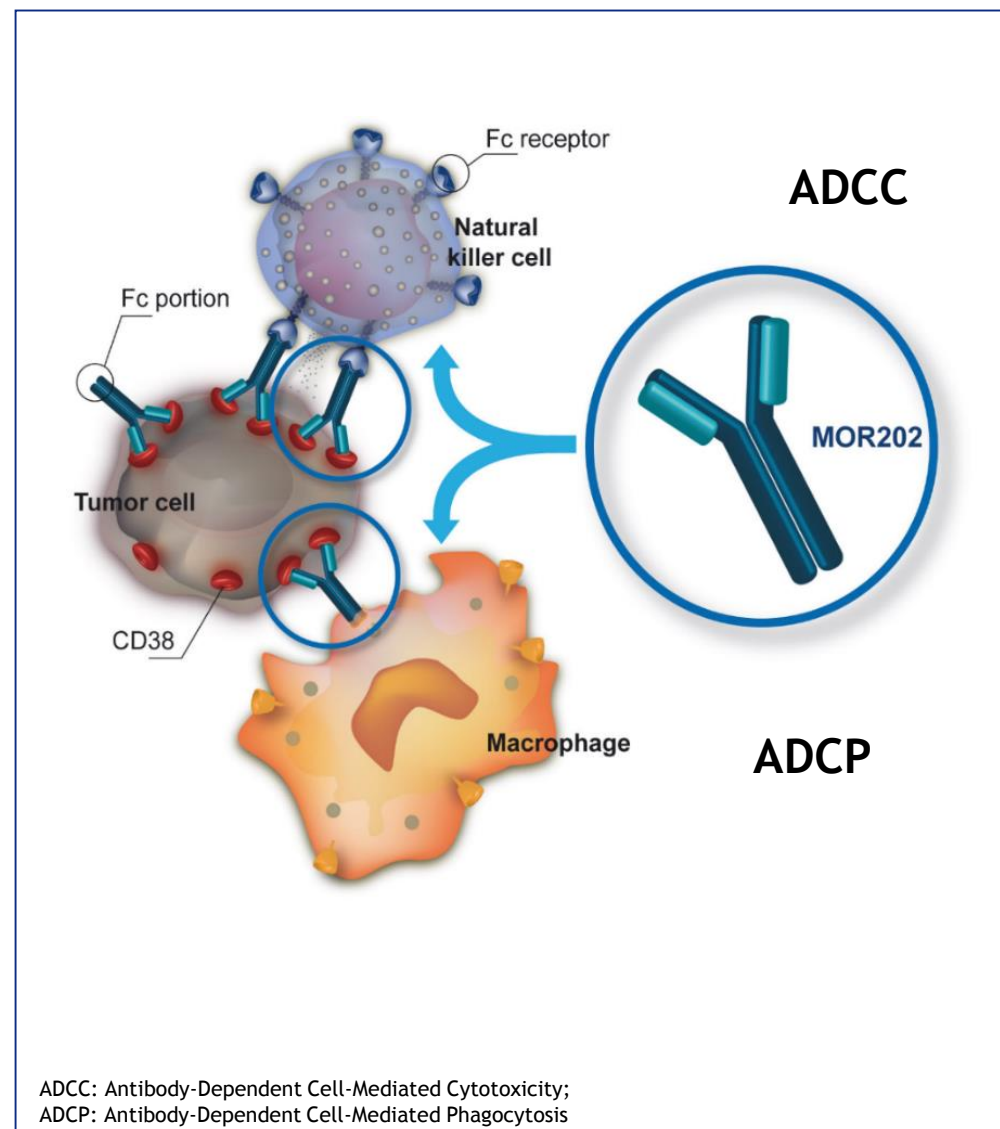
- Targeting a unique epitope of CD38
- Inducing potent immune effector mechanisms ADCC and ADCP

KEY FEATURES

- Preliminary data of an ongoing Phase 1/2a study of MOR202 in patients with rrMM demonstrate best-in-class infusion tolerability, favorable safety and encouraging clinical efficacy
- Pre-clinical data showing preservation of NK cells and maintenance of CD38 expression hint at longer duration of response

STATUS / NEXT DATA

- Phase 1/2a dose escalation study ongoing
- Updated clinical data at ASH 2016



Financial Strength

to Support Long-term Growth

CONTINUE TO INVEST IN INNOVATIVE PROPRIETARY PIPELINE

- Disciplined allocation based on highly differentiated product profiles
- Opportunistic to in-licensing of complementary assets and/or novel technology

IN € MILLION	2015A	9-MONTHS 2016	GUIDANCE 2016
Group Revenues	106.2	36.7	47 to 52
Proprietary R&D Expenses (incl. Technology Development)	56.6	46.2	76 to 83
EBIT	17.2	-32.3	-58 to -68

Cash, cash equivalents &
marketable securities
as well as other short-term and
long-term financial assets

298.4

267.2

Pipeline

Set to Deliver a Lot of Clinical Data

PHASE	2016	2017	
3	■ Guselkumab - Psoriasis (VOYAGE 1)	■ Guselkumab - Pustular / Erythrodermic Psoriasis	
	■ Guselkumab - Psoriasis (VOYAGE 2)		
	■ Guselkumab - Psoriasis (NAVIGATE)		
2	■ Guselkumab - Psoriatic Arthritis	■ Anetumab Ravtansine - Mesothelioma (MPM)	■ MOR103/GSK3196165 - RA
	■ LJM716 - ESCC (+ BYL716)	■ BI-836845 - Metastatic breast cancer	■ MOR103/GSK3196165 - RA
	■ MOR202 - Multiple Myeloma	■ BI-836845 - CRPC (+enzalutamide)	■ MOR103/GSK3196165 - Osteoarthritis
	■ MOR208 - CLL (IIT)	■ Bimagrumab - Hip fracture surgery	■ MOR202 - Multiple Myeloma
	■ MOR208 - NHL	■ Bimagrumab - Sarcopenia (dose ranging)	■ MOR208 - DLBCL (+ lenalidomide)
	■ VAY736 - Pemphigus Vulgaris	■ LFG316 - Panuveitis	■ Tarextumab - Small cell lung canc
		■ LFG316 - GA (+ CLG561)	■ VAY736 - Primary Sjögren's Syndrome (PD)
		■ Anetumab Ravtansine - Cancer	■ LJM716 - Breast cancer (+ BYL716/trastuzumab)
		■ Gantenerumab - Alzheimer's	■ Anetumab Ravtansine - Ovarian cancer (+ doxorubicin)
1	■ LJM716 - Breast/gastric cancer	■ Anetumab Ravtansine - Hepatic/renal impairment	■ MOR209 - Prostate cancer
		■ BAY-1093884 - Bleeding disorders	■ PF-05082566 - NHL/solid tumors (+ rituximab)
		■ BI-836845 - EGFR mutant NSCLC	■ PF-05082566 - Solid tumors (+ MK-3475)
		■ LFG316 - Kidney Transplantation	■ Vantictumab - NSCLC & pancreatic cancer

A Vision for the Future

TODAY

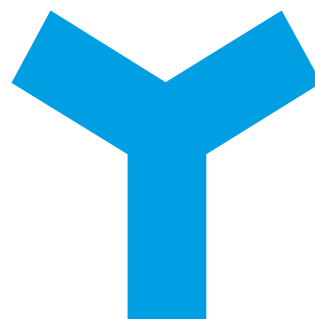
- First products nearing market
- Investing in proprietary pipeline
- Strong technology platform delivering differentiated drug candidates



THE FUTURE

- Fully-integrated biotech
- Commercial footprint in EU
- Sustainable income from partner royalties
- Fuels pipeline and R&D engine

Appendix



Clinical Programs

Ongoing Clinical Trials (1)

PROGRAM	PARTNER	TARGET	INDICATION	PHASE 1	PHASE 2	PHASE 3
Guselkumab (CNT01959)	Janssen/ J&J	IL23p19	Psoriasis (VOYAGE 1)	████████████████████		
			Psoriasis (VOYAGE 2)	████████████████████		
			Psoriasis (NAVIGATE)	████████████████████		
			Pustular/Erythrodermic psoriasis	████████████████████		
			Moderate to severe plaque-type psoriasis	████████████████████		
			Palmoplantar pustulosis	████████████████████		
			Active psoriatic arthritis	████████████████████		
Gantenerumab	Roche	Amyloid-β	Mild Alzheimer's disease	████████████████████		
			Prodromal Alzheimer's disease	████████████████████		
			Genetically predisposed	████████████████████		
			Safety, Tolerability, and PK (sc)	████████████████████		
Anetumab Ravtansine (BAY94-9343)	Bayer	Mesothelin	Mesothelioma (MPM)	████████████████████		
			Adenocarcinoma	████████████████████		
			Solid tumors, with pemetrexed and cisplatin	████████████████████		
			Advanced malignancies (Japan)	████████████████████		
			Ovarian cancer, with doxorubicin	████████████████████		
			Solid tumors with hepatic/renal impairment	████████████████████		
			ECG & drug interaction (with itraconazole)	████████████████████		
BI-836845	BI	IGF-1	Metastatic breast cancer	████████████████████		
			CRPC + enzalutamide	████████████████████		
			Solid tumors, Japanese patients	████████████████████		
			EGFR mutant NSCLC	████████████████████		
BHQ880	Novartis	DKK-1	MM (renal insufficiency)	████████████████████		
			Smoldering MM	████████████████████		
Bimagrumab (BYM338)	Novartis	ActRIIB	Hip fracture surgery	████████████████████		
			Sarcopenia (dose-ranging)	████████████████████		
			Sarcopenia (withdrawal extension study)	████████████████████		
BPS804	Mereo/Novartis	Sclerostin	Osteoporosis	████████████████████		
			Hypophosphatasia (HPP)	████████████████████		
			Osteogenesis Imperfecta	████████████████████		

Clinical Programs

Ongoing Clinical Trials (2)

PROGRAM	PARTNER	TARGET	INDICATION	PHASE 1	PHASE 2	PHASE 3
CNT03157	Janssen/ J&J		Asthma Safety/Pharmacokinetic	██████████	██████████	
CNT06785	Janssen/ J&J		COPD Rheumatoid arthritis	██████████	██████████	
LFG316 (tesidolumab)	Novartis	C5	Age-related geographic atrophy Geographic atrophy (combo with CLG561) Panuveitis Paroxysmal nocturnal hemoglobinuria Transplant associated microangiopathy (TAM) Kidney transplantation	██████████	██████████	
LJM716 (elgemtumab)	Novartis	HER3	ESCC (combo with BYL719) HER2+ cancer (combo BYL719 & trastuzumab) HER2+ cancer, combo with trastuzumab	██████████	██████████	
MOR103	GSK	GM-CSF	Rheumatoid arthritis Rheumatoid arthritis (mechanistic study) Osteoarthritis of the hand	██████████	██████████	
MOR202 MOR208	-	CD38	Multiple myeloma DLBCL (B-Mind) DLBCL (B-Mind) CLL (IIT, combo with lenalidomide)	██████████	██████████	
Tarextumab (OMP-59R5)	Oncomed/GSK	Notch 2	Small cell lung cancer (Pinnacle) Solid tumors	██████████	██████████	
VAY736	Novartis	BAFF-R	Pemphigus vulgaris Primary Sjögren's syndrome Rheumatoid arthritis	██████████	██████████	
BAY1093884	Bayer	TFPI	Bleeding disorders	██████████		
MOR106	Galapagos	n.d.	Inflammation	██████████		
MOR209	Aptevo	n.d.	Prostate cancer	██████████		
NOV-7	Novartis	n.d.	Eye disease	██████████		
NOV-8	Novartis	n.d.	Inflammation	██████████		
NOV-9	Novartis	n.d.	Diabetic eye disease	██████████		
NOV-10	Novartis	n.d.	Cancer	██████████		
NOV-11	Novartis	n.d.	Blood disorders	██████████		
Utomilumab (PF-05082566)	Pfizer	4-1BB	JAVELIN medley Solid tumors, NHL (+rituximab) Solid tumors, with pembrolizumab Advanced solid tumors, with mogamulizumab Solid tumors, with PF04518600 (OX-40)	██████████	██████████	
Vantictumab (OMP-18R5)	Oncomed/Bayer	Fzd 7	Metastatic breast cancer Pancreatic cancer (combo) NSCL	██████████	██████████	

Covering Analysts

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Thank You

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