



## **Ad-Hoc-Release**

Martinsried/Munich, February 3, 2006

# **MorphoSys Reports Preliminary Financial Results for 2005**

MorphoSys AG (Frankfurt Stock Exchange: MOR; Prime Standard Segment; TecDAX) today reported preliminary unaudited financial results according to International Financial Reporting Standards (IFRS) accounting for the full year 2005. MorphoSys surpassed its financial guidance for 2005.

MorphoSys achieved revenues of EUR 33.5 million (2004: EUR 22.0 million) and a reported net income of EUR 4.7 million (2004: EUR 0.3 million).

The Company's most recent financial guidance forecasted revenues of EUR 31.5 million and net income of EUR 3.5 million. The higher revenue amount and net income-related effect resulted from factors including an earlier than planned succession of performance-based payments within existing collaborations, which was achieved shortly prior to year-end 2005.

All numbers reported today are unaudited and preliminary. MorphoSys will publish its audited financial statements on February 24, 2006.

END OF AD HOC ANNOUNCEMENT

### About MorphoSys:

MorphoSys develops and applies innovative technologies for the production of synthetic antibodies which accelerate drug discovery and target characterization. Founded in 1992, the Company's proprietary Human Combinatorial Antibody Library (HuCAL<sup>®</sup>) technology is used by researchers worldwide for human antibody generation. The Company currently has licensing agreements and/or research collaborations with Bayer (USA), Boehringer Ingelheim (Germany), Bristol-Myers Squibb (USA), Centocor Inc. (USA), GPC Biotech AG (Germany), Hoffmann-La Roche AG (Switzerland), ImmunoGen Inc. (USA), Merck & Co., Inc. (USA), Novartis AG (Switzerland), Novopiant GmbH (Germany), Pfizer Inc. (USA), ProChon Biotech Ltd. (Israel), Schering AG (Germany), Shionogi & Co., Ltd. (Japan), Xoma Ltd. (USA) and others. Additionally, MorphoSys is active in the antibody research market through its Antibodies by Design business unit. Antibodies by Design was founded in 2003 for the purpose of exploiting the MorphoSys non-therapeutic antibody markets. MorphoSys' activities in the research antibody segment were significantly strengthened through the acquisition of the U.K. and U.S.-based Biogenesis Group in January 2005 and the Serotec Group in 2006. For further information please visit the corporate website at: <http://www.morphosys.com/>.

*Statements included in this press release which are not historical in nature are intended to be, and are hereby identified as, "forward-looking statements" for purposes of the safe harbour provided by Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words including "anticipates", "believes", "intends", "estimates", "expects" and similar expressions. The company cautions readers that forward-looking statements, including without limitation those relating to the company's future operations and business prospects, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements. Factors that may affect future operations and business prospects include, but are not limited to, clinical and scientific results and*

*developments concerning corporate collaborations and the company's proprietary rights and other factors described in the prospectus relating to the company's recent public offering.*

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