



Ad hoc Release

Martinsried/Munich, Germany, and Monrovia, CA, USA, June 27, 2010

MorphoSys and Xencor Sign License and Collaboration Agreement for Clinical Antibody Program

MorphoSys Strengthens Clinical Portfolio with Innovative Antibody in Phase 1 Cancer Trial

MorphoSys AG (FSE: MOR; Prime Standard Segment; TecDAX) and US-based biopharmaceutical company Xencor, Inc., announced today the signing of a worldwide exclusive license and collaboration agreement for an antibody in Phase 1 clinical development. The agreement provides MorphoSys with an exclusive worldwide license to XmAb5574, a high potency monoclonal antibody developed by Xencor for the treatment of B-cell malignancies. As part of the agreement, the companies will collaborate on the Phase 1 trial in patients with chronic lymphocytic leukemia (CLL) in the U.S.A., for which Xencor will continue to carry the costs under its development plan. MorphoSys will be solely responsible for further clinical development. Xencor will receive an upfront payment of US\$ 13 million (approx. € 10.5 million), and will be eligible to receive development-, regulatory- and commercialization-related milestone payments and tiered royalties based on product sales. Further financial terms were not disclosed.

With Xencor carrying the cost for the phase 1 trial of XmAb5574/MOR208, MorphoSys continues to anticipate total internal investment in proprietary R&D of € 26 – 29 million, as per the Company's original guidance in February 2010.

END OF AD HOC RELEASE.

About MorphoSys:

MorphoSys is an independent biotechnology company that develops novel antibodies for therapeutic, diagnostic and research applications. The Company's HuCAL technology is one of the most powerful methods available for generating fully human antibodies. By successfully applying this and other proprietary technologies, MorphoSys has become a leader in the field of therapeutic antibodies, one of the fastest-growing drug classes in human health-care. Through its alliances with some of the world's leading pharmaceutical companies, MorphoSys has created a pipeline of more than 60 drug candidates. The Company is expanding its drug pipeline by adding new partnered programs, and by building a portfolio of fully-owned therapeutic antibodies. For its proprietary portfolio, the Company is focused on the areas of oncology and inflammation. Its most advanced program MOR103, a first-in-class, fully human antibody against GM-CSF, is currently tested in a Phase Ib/IIa trial in rheumatoid arthritis patients. Via its business unit AbD Serotec, MorphoSys is expanding the reach of its technologies in the diagnostics and research markets. MorphoSys is headquartered in Munich, Germany and listed on the Frankfurt Stock Exchange under the symbol "MOR". For further information, visit <http://www.morphosys.com/>

This communication contains certain forward-looking statements concerning the MorphoSys group of companies. The forward-looking statements contained herein represent the judgment of MorphoSys as of the date of this release and involve risks and uncertainties. Should actual conditions differ from the Company's assumptions, actual results

and actions may differ from those anticipated. MorphoSys does not intend to update any of these forward-looking statements as far as the wording of the relevant press release is concerned.

For more information, please contact:

MorphoSys AG

Dr. Claudia Gutjahr-Löser
Head of Corporate Communications & IR
Tel: +49 (0) 89 / 899 27-122

Mario Brkulj
Senior Manager Corporate Communications & IR
Tel: +49 (0) 89 / 899 27-454

Jessica Kulpi
Specialist Corporate Communications & IR
Tel: +49 (0) 89 / 899 27-332

investors@morphosys.com