



Press Release

Martinsried/Munich, Germany, July 1, 2010

MorphoSys Announces Clinical Milestone from Strategic Alliance

Second Clinical Milestone in 2010

MorphoSys AG (FSE: MOR; Prime Standard Segment, TecDAX) announced today that it will receive a milestone payment from Novartis in connection with the initiation of a phase 1 clinical trial, using a HuCAL-derived, fully human antibody in the therapeutic area of musculoskeletal diseases. Today's news represents the second HuCAL-derived antibody to achieve this stage during the course of 2010, following a clinical milestone hit as part of the alliance with Centocor in June 2010.

"Therapeutic antibodies based on our technologies will be our main value driver in the years ahead and we expect our pipeline to continue to expand and mature. At the end of 2010, we expect MorphoSys to be participating in almost 80 unique product opportunities," commented Dr. Marlies Sproll, Chief Scientific Officer of MorphoSys AG. "Today's news represents the third antibody to enter clinical development from our collaboration with Novartis and the second HuCAL-derived antibody to enter clinical development this year."

MorphoSys projects that in 2010 between four and six partnered programs could enter clinical trials. With the recently announced in-licensing of an Fc-engineered antibody against CD19 from Xencor Inc., MorphoSys now expects up to 15 proprietary and partnered antibody programs to be in clinical trials including at least four programs in phase 2 clinical trials by year end.

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/>

HuCAL[®], HuCAL GOLD[®], HuCAL PLATINUM[®], CysDisplay[®] and RapMAT[®] are registered trademarks of MorphoSys AG.

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