



Press Release

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MorphoSys Receives Research Grant to Advance Anti-CD38 Cancer Program MOR202 and Explore Relevant Biomarkers

Project is Part of Munich's Cluster Initiative "m4 – Personalized Medicine and Targeted Therapies"

MorphoSys AG (FSE: MOR; Prime Standard Segment, TecDAX) announced today that it has been awarded a grant by the German Federal Ministry of Education and Research, BMBF. The funding of approximately EUR 1 million supports MorphoSys in accelerating the development of its HuCAL-based cancer program MOR202 into clinical development for the treatment of multiple myeloma. As part of the program, the Company plans to explore relevant biomarkers for the anti-CD38 approach in collaboration with Klinikum rechts der Isar, the university hospital of Munich Technical University. The program is part of Munich's biotechnology initiative "m4 – Personalized Medicine and Targeted Therapies - A New Dimension in Drug Development in the Munich Region", which this year received high-tech cluster status in a German government funding competition.

MOR202 is a fully human, HuCAL antibody directed against CD38, a membrane-bound glycoprotein that is a promising therapeutic target for the treatment of multiple myeloma and certain leukemias. In pre-clinical studies, MOR202 effectively killed cancer cells from primary patient tumor material and certain hematologic cancer cell lines. Furthermore, preclinical efficacy was shown by demonstrating inhibition of tumor growth in SCID-mouse xenograft tumor models. The program is expected to move into clinical trials in Q1 2011.

"We believe that MOR202 has a very competitive profile and distinct advantages over similar programs in the industry. As part of the research program with Klinikum rechts der Isar we plan to explore certain biomarkers for this new therapeutic approach, thereby further differentiating our program," commented Dr. Arndt Schottelius, Chief Development Officer of MorphoSys AG. "This grant supports the MOR202 program, for which we are on track to file a clinical trial application in Europe before the end of 2010."

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/>

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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.

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