UBS Global Life Sciences Conference

September 20, 2010

Safe Harbour

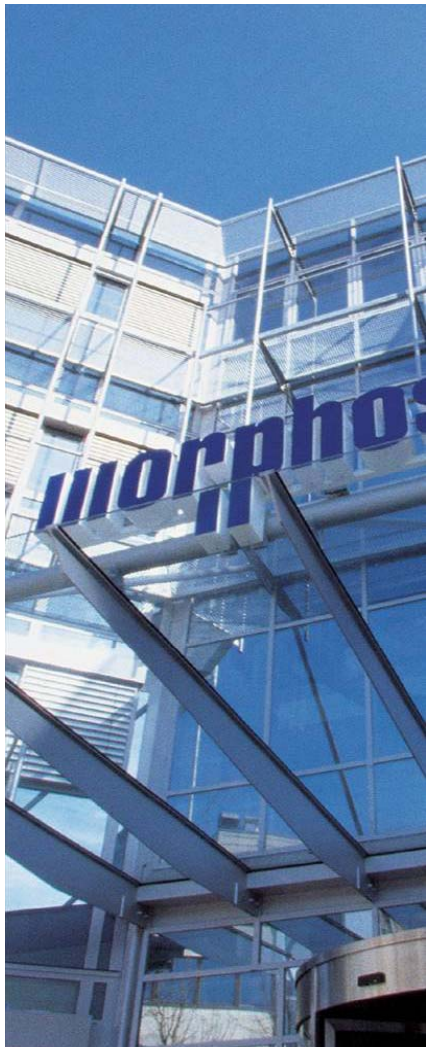
This presentation includes forward-looking statements.

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.

MorphoSys at a Glance

Company	■ An independent antibody company ■ Frankfurt Stock Exchange – TecDAX ■ Munich/Germany HQ, sites in UK, US
Technology	■ Leading, proprietary HuCAL platform ■ Strong & undisputed patent estate
Business	■ Over 70 antibody programs based on HuCAL ■ Strong alliances with pharma companies ■ Milestones and royalties on all programs ■ MorphoSys‘s AbD Serotec is increasing its penetration of diagnostics market
Financials	■ Sustained profitability, €100 million cash generated from operations since 2003 ■ Strategic 10-year collaboration with Novartis, committed funding of more than €400 million



Recent Developments

Xencor	June 2010	MorphoSys and Xencor Sign License and Collaboration Agreement for Clinical Antibody Program
	July 2010	MorphoSys Receives Research Grant to Advance Anti-CD38 Cancer Program MOR202 and Explore Relevant Biomarkers
NOVARTIS	July/Aug 2010	MorphoSys Announces Two Clinical Milestones from Strategic Alliance with Novartis
ABsynth Biologics™	Sep 2010	MorphoSys Initiates Program Against Drug-Resistant MRSA Infections

Current Product Pipeline
72 Programs Ongoing

Name	Partner	Target	Indication	Discovery	Preclinic	Phase 1	Phase 2	Phase 3	Market
MOR103	-	GM-CSF	RA						
BHQ880	Novartis	DKK-1	Cancer						
CNTO888	Centocor	MCP-1	Immunology/ Cancer						
n.d.	Novartis	n.d.	n.d.						
Gantenerumab	Roche	Amyloid-β	AD						
n.d.	Centocor	n.d.	Inflammation						
BAY79-4620	Bayer Schering	CA IX (MN)	Cancer						
n.d.	Centocor	n.d.	Inflammation/AID						
n.d.	Novartis	n.d.	Musculoskeletal						
n.d.	Novartis	n.d.	Ophtalmologic						
MOR208 (XmAb5574)	-	CD19	CLL						
MOR202	-	CD38	Multiple Myeloma						
24 Partnered Programs*	Various	Various	Various*						
30 Partnered Programs*	Various	Various	Various*						
MOR104	-	n.d.	Inflammation						
MOR105	-	n.d.	Inflammation						
MOR205	-	n.d.	Cancer						
MOR206	-	n.d.	Cancer						
n.d.	MOR/NOV	n.d.	n.d.						

* Includes cancer, inflammatory, autoimmune, infectious, musculoskeletal & central nervous system diseases

n.d. – not disclosed

Strategy & Deal Terms

Build a sustainable pipeline of antibody drugs

Proprietary Development

- MorphoSys selects targets, develops antibodies through Phase 2
- Focus on oncology and inflammation
- Out-licensing at PoC very lucrative
  - Total milestones in excess of $100 million
  - Royalties in mid- to high-teens possible

Partnered Discovery

- Partner provides target molecule & indication expertise
- MorphoSys delivers optimized antibody drug candidates
- Partner responsible for further development and marketing
- R&D funding, license fees & milestones €9 - €12 million per program
- Royalties in mid-single digits

MOR103 – Ph 1b/2a (MSC-1001) in Rheumatoid Arthritis

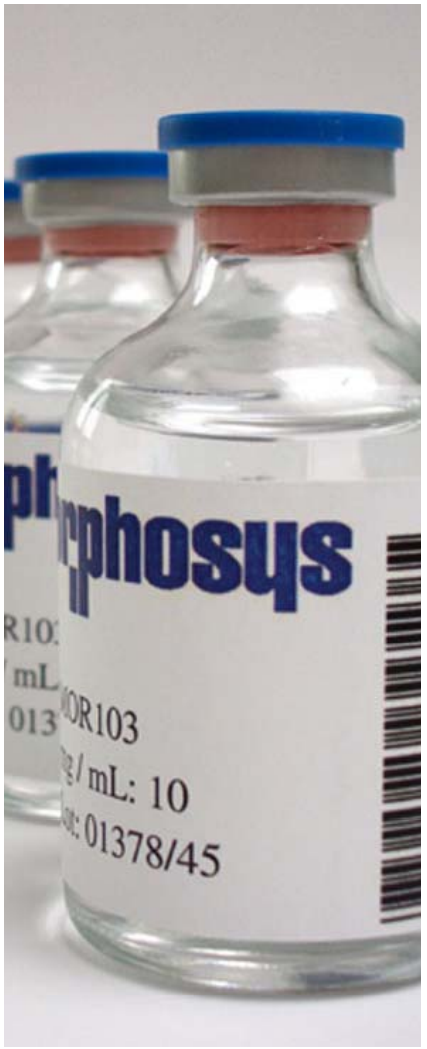
Target: GM-CSF

- GM-CSF plays a central role in activating granulocytes and macrophages, which are essential in the inflammatory cascade
- Primary indication: rheumatoid arthritis (RA)

Clinical Trial Design and Development Timeline

- Study in 135 RA patients, randomized, double-blind, placebo-controlled, multiple ascending dose (approved in Germany, Bulgaria, the Netherlands)
- Primary outcome measures: Adverse event rate and safety profile
- Secondary outcome measures: DAS28, ACR score set measures and EULAR28 response criteria, cytokines, synovitis, bone edema, pharmaco-kinetics, immunogenicity and patient reported outcomes up to 16 weeks

	2008	2009	2010	2011	2012
Phase 1					
Phase 1b/2a					
Follow up & Data Analysis					
Final Phase 1b/2a Data					



MOR208 – Anti-CD19 Opportunity in B-Cell Malignancies

Target: CD19

- Humanized, affinity optimized anti-CD19 antibody, in-licensed from Xencor, comprising a proprietary modification that enhances effector cell recruitment
- First indication: chronic lymphocytic leukaemia (cll)
- Enhanced affinity for Fc receptor leads to rapid and sustained B-cell depletion

Clinical Trial Design and Development Timeline

- Design: multicentre, open-label, multi-dose, single-arm phase 1, dose-escalation study in USA
- Population: Patients with CLL, who have not responded to or have become refractory to previous therapies
- Objectives: Investigate maximum tolerated dose, safety and tolerability, pharmacokinetics and immunogenicity
- Secondary Objective: Assess preliminary anti-tumor activity
- Xencor funds phase 1 trial from US$ 13 million up-front payment

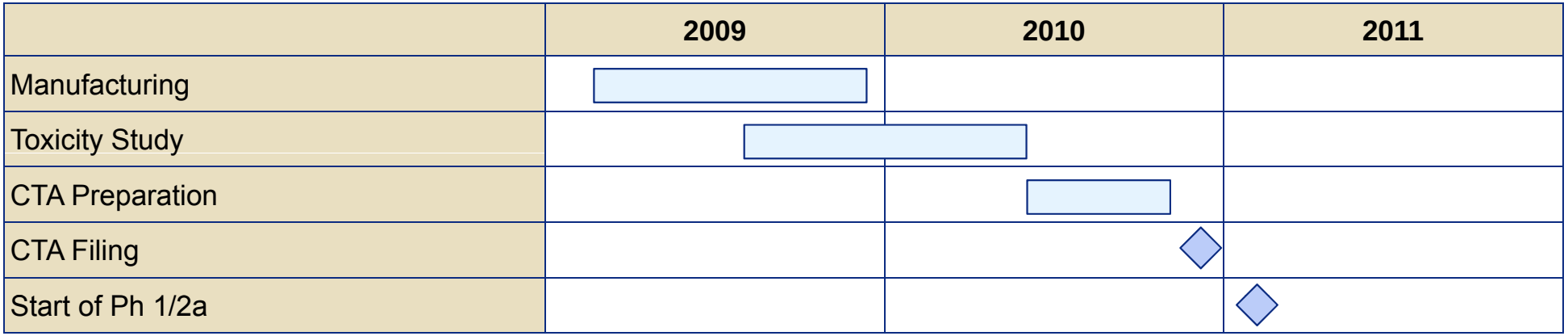
MOR202 – Anti-CD38 Opportunity in Multiple Myeloma

Target: CD38

- CD38 is a key target to address multiple myeloma therapy due to high expression on multiple myeloma cells
- Primary indication: multiple myeloma

Clinical Trial Design and Development Timeline

- File CTA in Q4 2010
- Clinical trial material available for Phase I/II; Produced in PER.C6® cell line (Crucell/DSM)
- Research grant of approx. €1m to explore relevant biomarkers
- MOR202 shows cross-reactivity to relevant toxicology species -> This facilitates generation of a comprehensive safety package, and hence a shorter clinical development life cycle



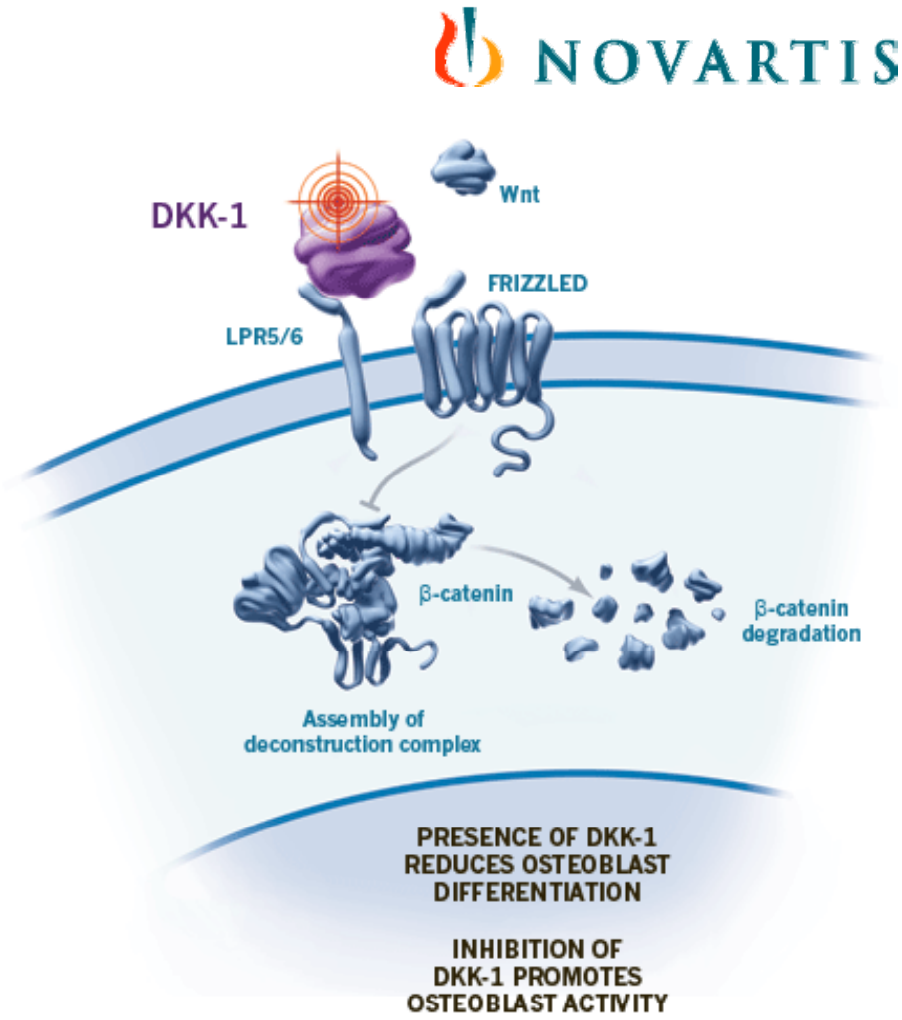
Partnered Discovery
Novartis – BHQ880

HuCAL IgG1 antibody targeting DKK-1

- Over-expression of DKK-1 by myeloma cells may upset the normal balance between osteoblasts and osteoclasts
- Antibody vs. DKK-1 may play a role in preventing osteolytic bone disease in multiple myeloma patients

Phase 1/2 study is ongoing in the US

- Preclinical studies show that BHQ880 promotes bone formation and thereby inhibits tumor-induced osteolytic disease
- A phase 1/2 combination study with Zometa/ Reclast in relapsed or refractory myeloma patients started in February 2009
- Early clinical results from Novartis at ASH meeting, December 2009



Partnered Discovery
Centocor – CNTO888

HuCAL IgG1 antibody targeting MCP-1 (CCL2)

- Monocyte chemoattractant protein 1 (CCL2) is a recently identified prominent regulator of prostate cancer growth and metastasis
  (Loberg et al., Cancer Res 2007; 67: (19). October 1, 2007)
- Recent studies highlight a role for CCL2 in supporting the development of prostate cancer skeletal metastasis
  (Li et al., Cancer Res 2009; 69: (4). February 15, 2009, p 1691)

Development

- Currently being developed in two indications
  - Phase 2 in oncology
  - Phase 2 in immunology

Recently presented at ASCO meeting 2010

- *"Utilizing mechanistic PK/PD modeling to simultaneously examine free CCL2, total CCL2, and CNTO 888 serum concentration time data"*
- *"Pre-final analysis of first-in-human, first-in-class, phase1 clinical trial of CNTO888, a human monoclonal antibody to the CC-chemokine ligand 2 (CCL2) in patients with advanced solid tumors"*

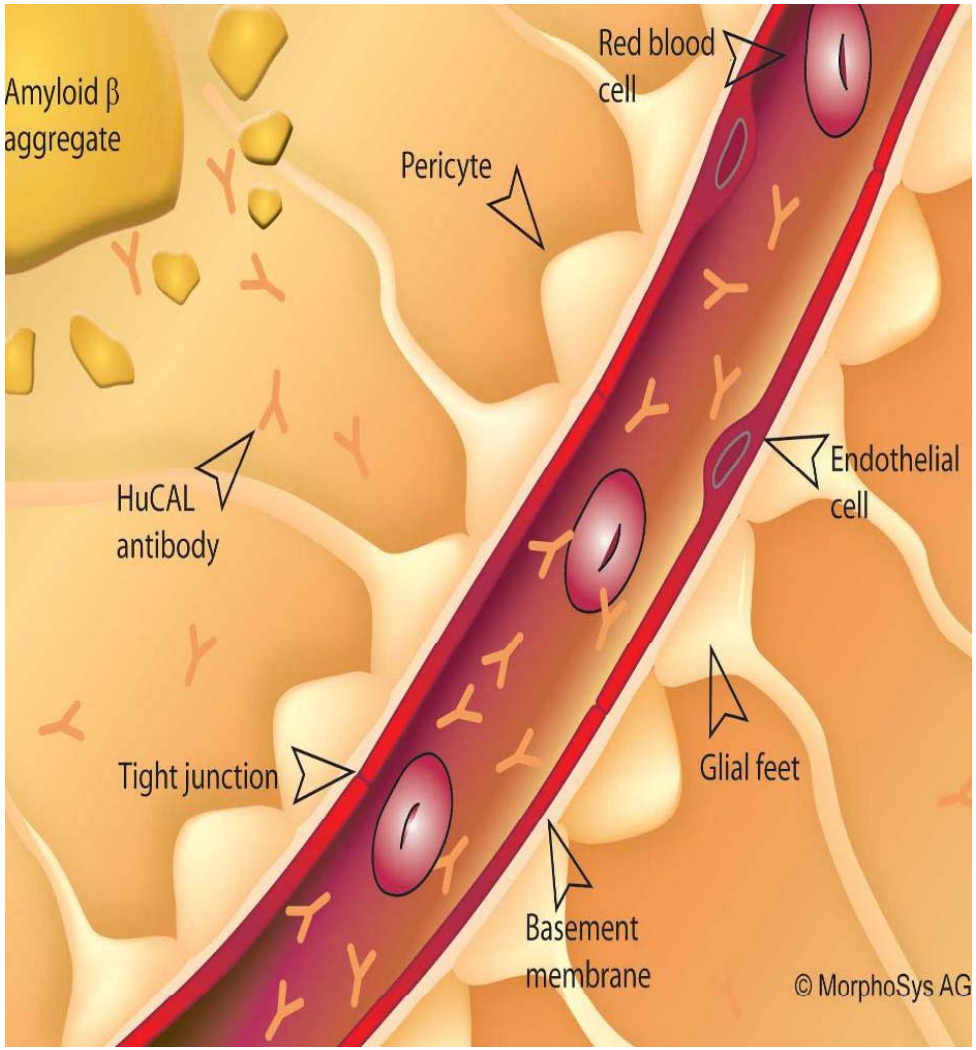
Partnered Discovery
Roche – Gantenerumab

HuCAL IgG1 antibody targeting amyloid-β

- Depolymerizes aggregated Aβ
- Crosses blood-brain barrier in transgenic mouse, chronic treatment led to a significant reduction in amyloid load
- Peripheral Aβ-levels were not increased after administration to transgenic mice suggesting that clearance of peripheral Aβ was not affected

Development

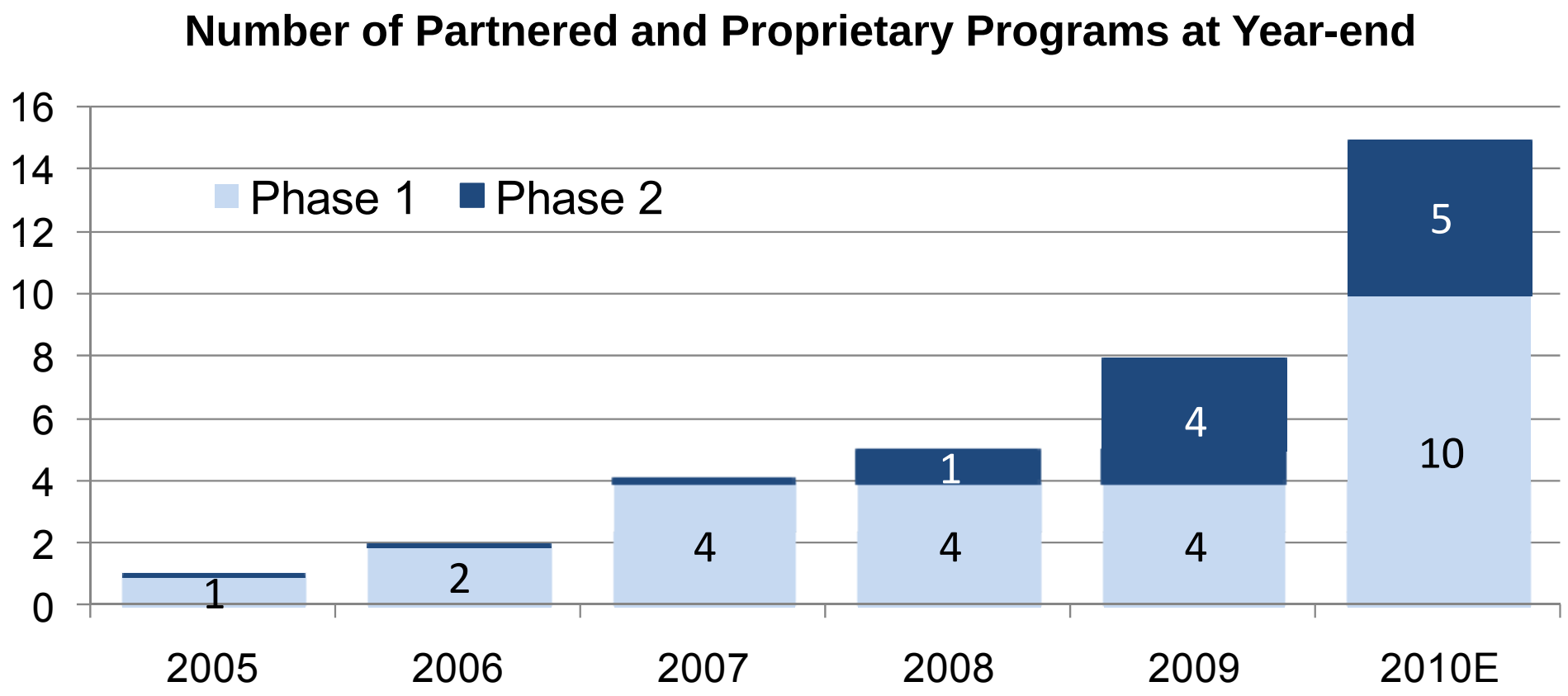
- Two Phase 1 studies completed (single dose arm and multiple ascending dose arm)
  - Mild-to-moderate Alzheimer's patients
  - Randomized, double-blind
  - Antibody behaved as expected
- Internal "go" decision by Roche in Q2 2010
- Expect FPI in H1 2011



Partnered Discovery
Additional Programs in Clinical Development

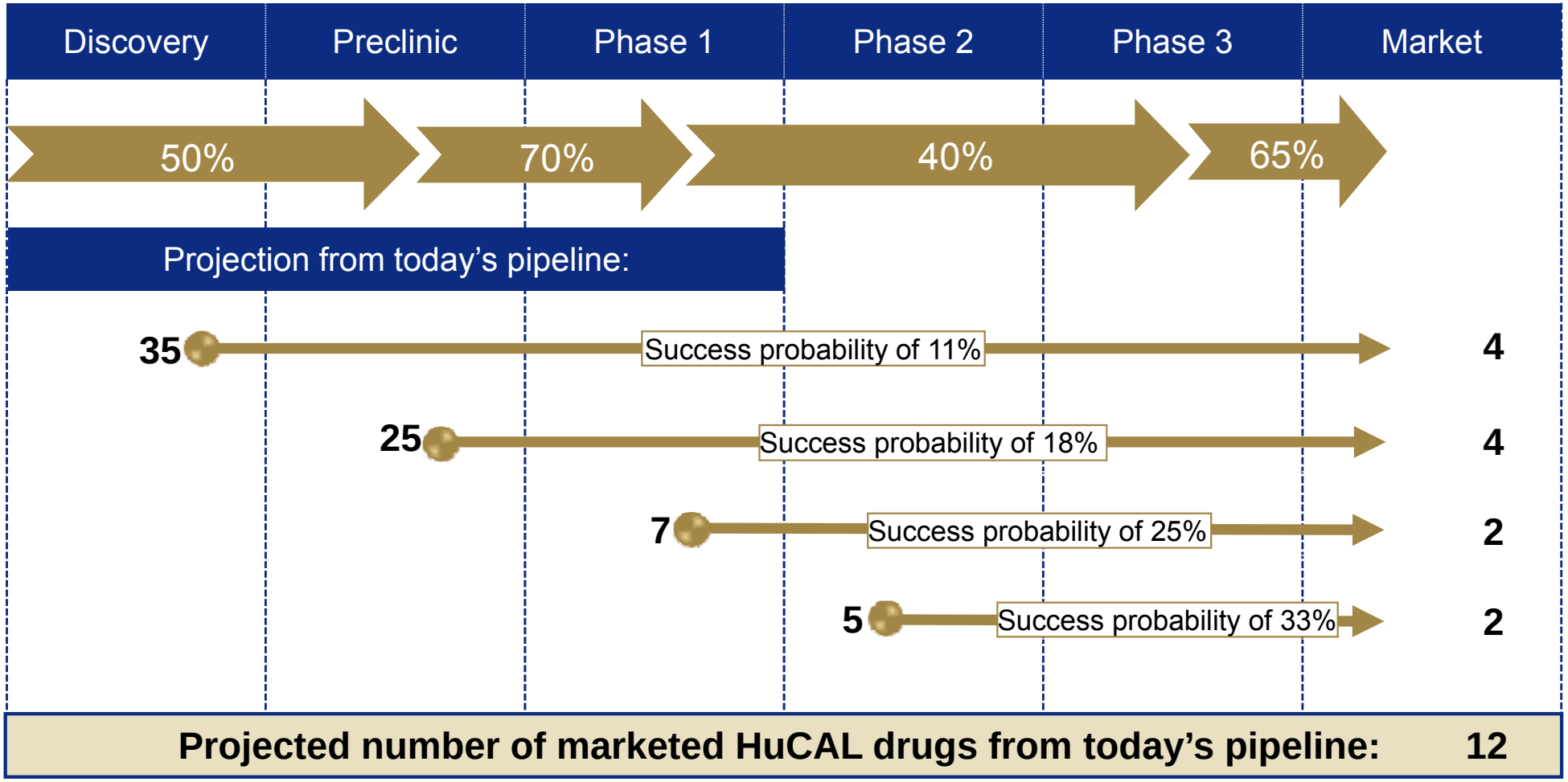
Partner	Status
NOVARTIS	■ Study details not disclosed ■ 06/2009: Start of phase 1 ■ 05/2010: Clinical proof-of-concept achieved
Centocor Ortho Biotech Inc.	■ Study details not disclosed ■ 06/2009: Start phase 1 in inflammation
Bayer HealthCare Bayer Schering Pharma	■ BAY79-4620, targeting CA IX (MN) ■ Antibody-drug conjugate ■ 10/2009: Start phase 1 in oncology
Centocor Ortho Biotech Inc.	■ Study details not disclosed ■ 06/2010: Start phase 1 in inflammation / AID
NOVARTIS	■ Study details not disclosed ■ 07/2010: Start phase 1 in musculoskeletal diseases
NOVARTIS	■ Study details not disclosed ■ 08/2010: Start phase 1 in ophthalmological diseases

Clinical Pipeline



Clinical Antibody Pipeline is a Key Value Driver

Current Pipeline
Projected HuCAL Drugs on the Market

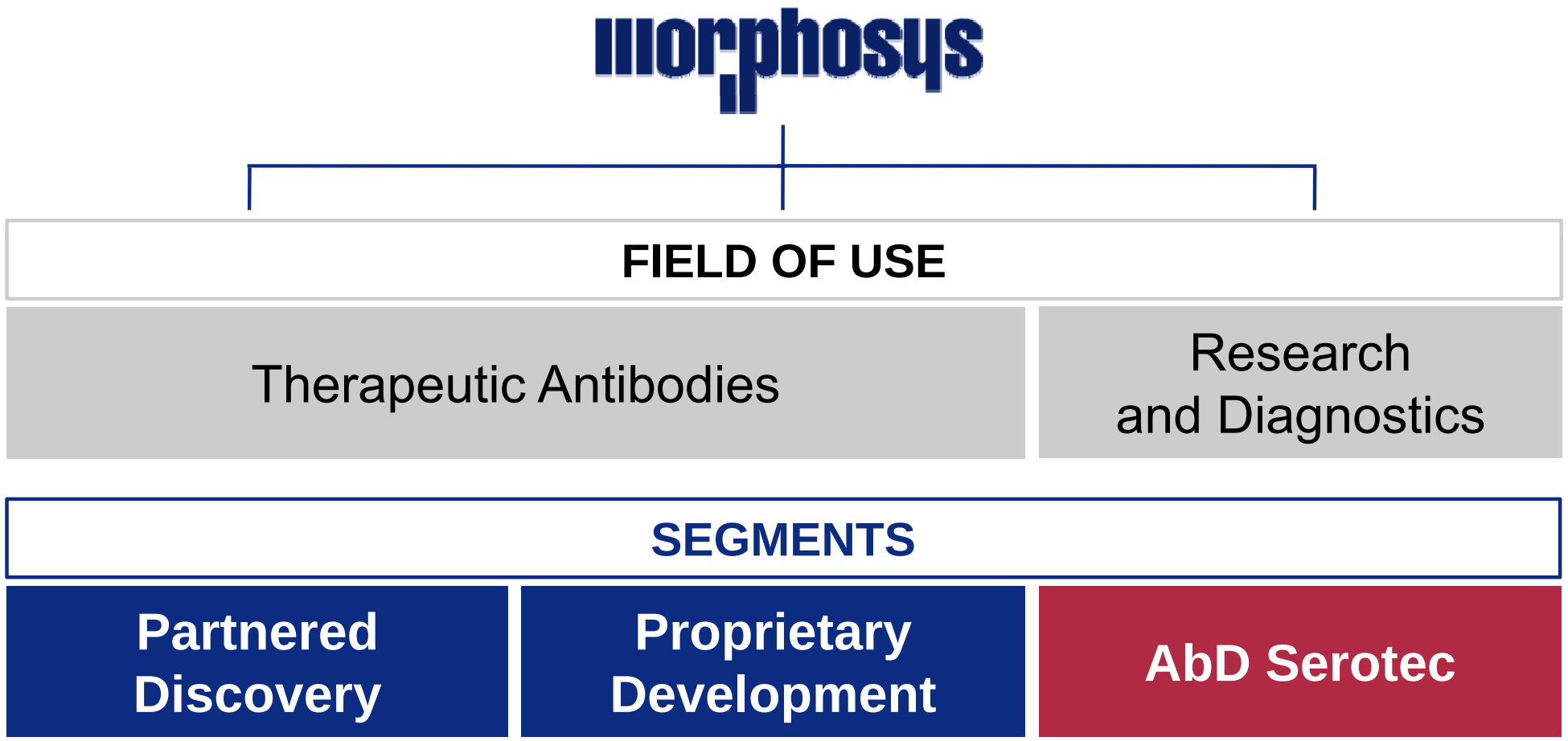


Source: MorphoSys internal statistics & Tufts Centre for the Study of Drug Development

HuCAL
Well-Established in Pharma Industry

Industry-leading companies have established HuCAL as an integral component of their Research and Development

Exploiting the Technology's Full Potential



AbD Serotec
Promising Market Opportunities

Diagnostic Antibodies

- $ 7bn market – strong growth
- Strong demand for optimized antibodies for existing assays
- Need to develop new tools for diagnostic applications

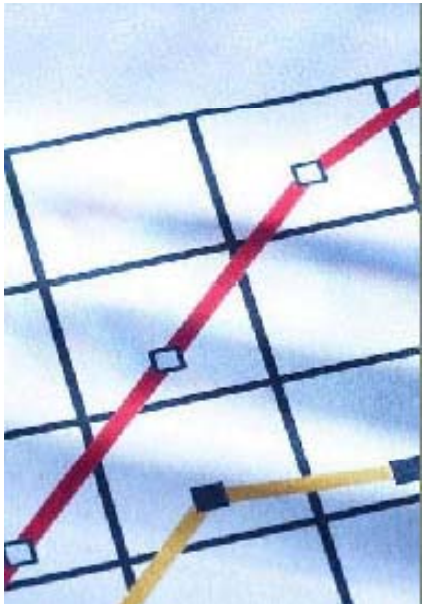
Research Antibodies

- $ 2bn market
- Solid and profitable business based on 15,000 products
- Successful supply agreements established

Guidance 2010

In million EUR	2010E*	2009A
Total Group Revenues	**89 – 93**	**81.0**
AbD Serotec	21 – 22	19.4
Group Operating Profit	**5 – 9**	**11.4**
AbD Serotec Operating Profit Margin	5% – 8%	5%

* Estimated numbers



2010

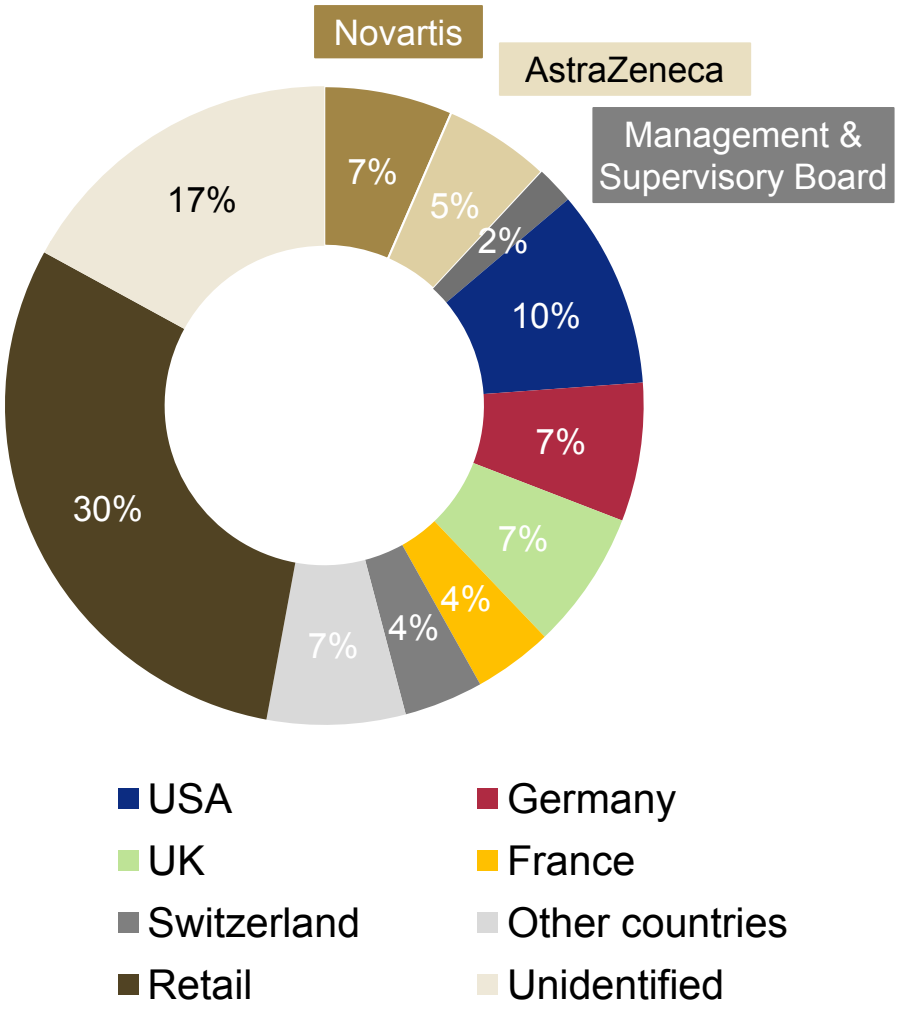
- Increase of total proprietary R&D investment to € 26 – 29 million (2009: € 19.3 million)

2011 – 2012

- Aiming for 10% - 20% annual revenue growth
- Maintain profitability while strengthening pipeline

Shareholder Structure and Key Financials

Shareholder Structure



Key Financials

	H1 2010	H1 2009
Revenues	**43.5**	**37.9**
Cost of Goods Sold	3.8	3.3
R&D Expenses	20.5	18.0
S,G&A Expenses	10.9	10.0
Total Operating Expenses	**35.2**	**31.3**
Operating Profit	**8.3**	**6.6**
Net Profit	**5.9**	**5.0**

Cash, Cash Equivalents and Available-for-sale Financial Assets as of June 30, 2010:

€ 152.1 million

Anticipated News-flow

Proprietary product portfolio

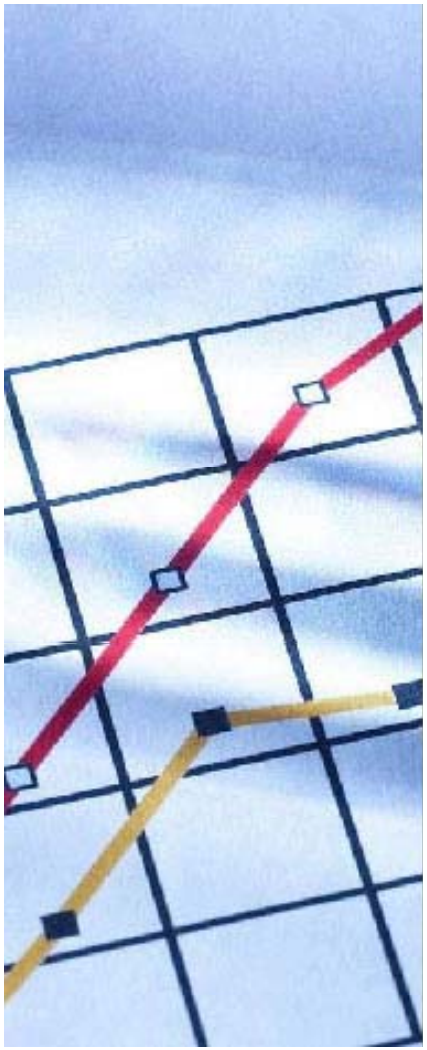
- Commence MOR208 Phase 1 CLL trial in US (Q3E)
- File clinical trial application for MOR202 (Q4E)
- New projects, including co-developments

Partners' pipeline

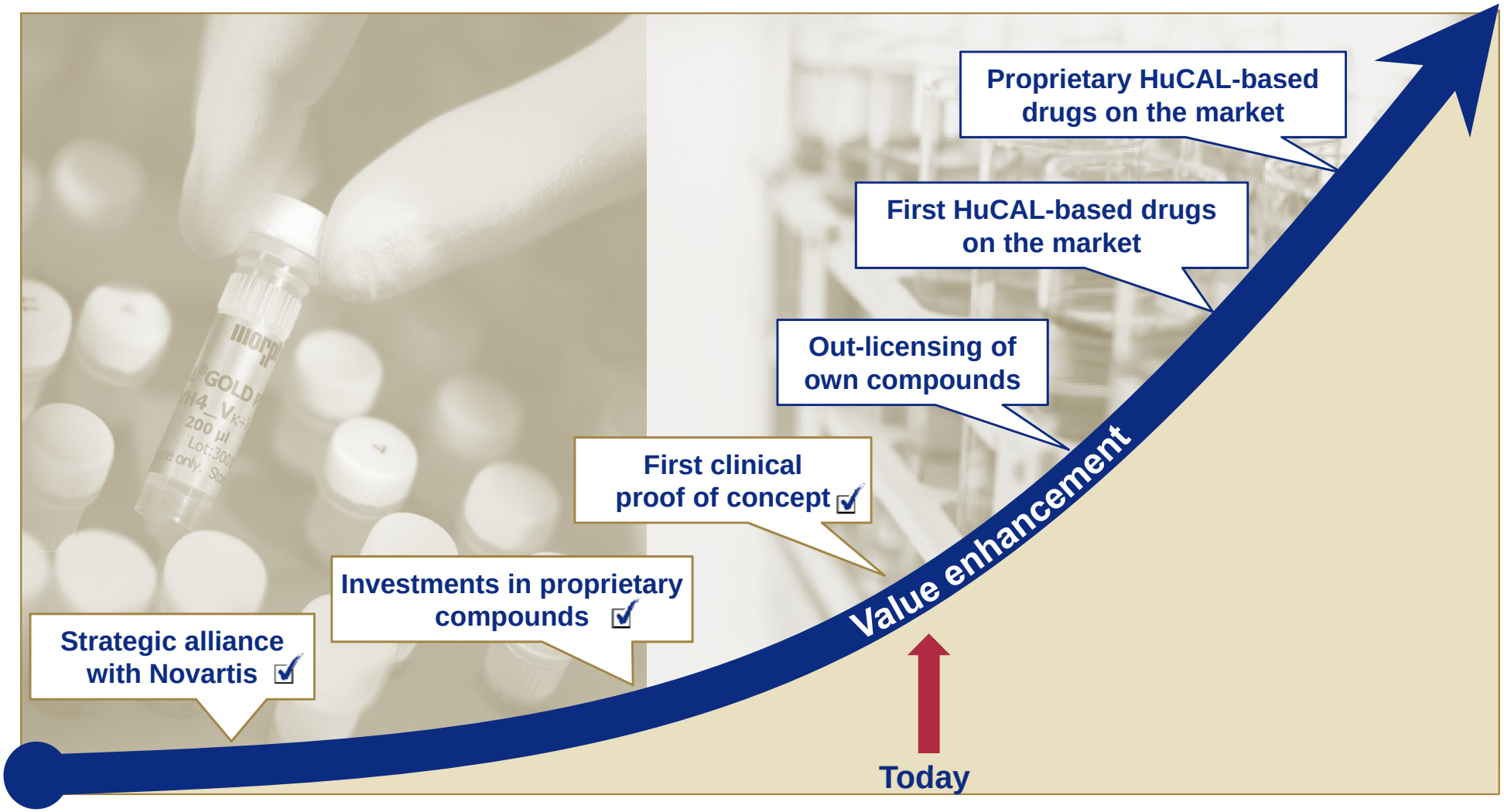
- 1 – 3 additional, new INDs
- At least one additional phase 2
- Clinical data

Technology: Update regarding latest technology development

- Potential strategic transactions
- Strengthen technology platform
- Broaden offering in the diagnostic space (AbD Serotec)



Future Value Creation



Thank You.

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