

Media Release

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MorphoSys Celebrates 25th Anniversary

Head of the Bavarian State Chancellery Honors Entrepreneurial Achievements

MorphoSys AG (FSE: MOR; Prime Standard Segment, TecDAX; OTC: MPSYY), one of the premier biotechnology companies in Germany, is celebrating its 25th company anniversary today. At a ceremony with approximately 500 guests from business and politics as well as employees of the Munich/Germany-based antibody-based drug developer, Dr. Marcel Huber, Head of the State Chancellery of the Government of the Federal State of Bavaria, honored the successful development of the company: “MorphoSys was one of the first companies located in Planegg-Martinsried, which has established leading-edge research for therapeutic antibodies as a strong basis to develop drugs for the treatment of patients suffering from serious diseases. Today, the biotech hub in Planegg-Martinsried near Munich is one of the best examples for Bavaria’s success story in this dynamic future-oriented industry.”

From the visionary idea to a leading antibody company

In summer of 1992, the team of founders around today’s Chief Executive Officer Dr. Simon Moroney started off with approximately DM 300,000 (EUR 150,000) venture capital and an, at the time, completely new idea of building a collection of over one billion different human antibodies as a basis for the development of new drugs. “Today, human therapeutic antibodies are one of the most successful drug classes in medicine. Our development pipeline currently comprises more than 110 drug candidates, more than 20 of which are in clinical development. To my understanding, there is no other antibody technology platform that has produced more active agents in clinical development than ours”, said Dr. Moroney.

2017 could bring along a breakthrough for the 350 employees at MorphoSys. In the second half of the year, the first therapeutic antibody from the company’s proprietary technology platform could receive marketing authorization. This drug candidate is named guselkumab (Tremfya™) and is being developed by the US pharmaceutical company Janssen for the treatment of patients suffering from plaque psoriasis.

Risk taking and persistency as key success criteria

In his speech, Dr. Moroney described the willingness to take risk and the persistency against obstacles as the main criteria for the successful market introduction of a technological innovation: “It needs the courage to take risks and the willingness to ignore the many doubters, in order to be successful. This applies to all industries. Especially here in Europe, we can still improve our risk-bearing capacity.”

Visionary economic policy for biotech in Bavaria

An essential role in the decision to permanently settle MorphoSys in Planegg just outside of Munich, was the Bavarian economic location policy in the 1990s. “The commitment of the Bavarian state government was decisive for the fact that a whole cluster of life science companies established itself in the Munich Biotech Valley, including MorphoSys,” commented Dr. Moroney. A native New Zealander, Simon Moroney founded MorphoSys in summer 1992

in Planegg-Martinsried, together with Prof. Dr. Andreas Plückthun, then a professor at the Max Planck Institute for Biochemistry in Martinsried and Dr. Christian Schneider. Before founding MorphoSys, Moroney worked as scientist in various academic institutions abroad, including the USA (Harvard), Great Britain (Oxford and Cambridge) and Switzerland (ETH Zurich).

Today, 25 years later, the site conditions in Planegg-Martinsried remain excellent, providing optimal conditions for top research in the development of innovative drug candidates going forward. Bavarian State Minister Dr. Huber said: „Planegg-Martinsried is the future lab of the life sciences sector in Germany – representing a unique cluster ranging from basic research to industrial application. The State of Bavaria has invested heavily into this sector, spending approximately EUR 690 million in the biotech segment alone in the past 10 years. The success is reflected by a job growth of 32% in the life sciences in Bavaria since 2011 as well as a highly innovative research community, translating into the fact that 8 out of 12 approved drugs of German biotechs come out of Bavaria. This creates a strong base for the future, with almost half of all venture capital in German biotech having been allocated in Bavaria in 2016. That's a demonstration of economic strength going forward and, speaking for the Bavarian State Government, I can say: We remain committed for future success in this dynamic sector.“

About MorphoSys and its history

MorphoSys is committed to developing exceptional new treatments for patients suffering from serious diseases. The biotechnology company was founded in summer of 1992 in Planegg-Martinsried near Munich. The IPO at the Frankfurt Stock Exchange took place in 1999. The founders included Dr. Simon Moroney, today's CEO of MorphoSys, and Prof. Dr. Andreas Plückthun. The Company currently has approximately 350 employees from more than 30 different countries. In 2016, MorphoSys generated revenues of approximately EUR 50 million. Currently the market capitalization of the company is more than EUR 1.8 billion. In the second half of 2017, the first compound derived from MorphoSys's antibody technology platform could receive market approval – the antibody guselkumab which is being developed for plaque psoriasis by the US pharma company Janssen.

A leader in the field of therapeutic antibodies, one of the most successful drug classes in medicine today, MorphoSys is driven by the ambition of creating the most valuable pipeline of biopharmaceuticals in the biotechnology industry. Based on its proprietary technology platforms, MorphoSys, together with its partners, has built a therapeutic pipeline of more than 110 programs in R&D, around a quarter of which is currently in clinical development. Approximately 12,000 patients or healthy volunteers have been treated with drug candidates from the MorphoSys pipeline in clinical trials to date.

In its proprietary development segment, MorphoSys, alone or with partners, is developing new therapeutic candidates, mainly focusing on cancer and inflammation. In its partnered discovery segment, MorphoSys uses its technologies to discover new drug candidates for pharmaceutical partners and participates from the programs' further development success, through success-based payments and royalties. MorphoSys is listed on the Frankfurt Stock Exchange under the symbol MOR. For regular updates about MorphoSys, visit <http://www.morphosys.com>.

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