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MorphoSys and Xencor Complete Enrollment in MOR208 (Xmab5574) Phase 1 Trial in CLL - Study Data Expected in Q4 2012

Martinsried/Munich, Germany, and Monrovia, Calif., USA, May 22, 2012—MorphoSys AG (FSE: MOR; Prime Standard Segment, TecDAX) and US-based Xencor, Inc. today announced the successful completion of patient enrollment in the phase 1 clinical trial evaluating MOR208. MOR208 (formerly XmAb®5574) is a potent anti-CD19 antibody with a proprietary modification to the Fc portion, that is being developed to treat B-cell malignancies. A total of 30 patients with relapsed or refractory chronic lymphocytic leukemia (CLL/SLL) have been randomized in the open-label, multi-dose, single-arm, dose-escalation study. No dose-limiting toxicity was observed and the trial protocol was amended to include a period of extended dosing for patients responding to treatment. The phase 1 trial was designed to assess the drug's safety, tolerability, pharmacokinetic profile and preliminary anti-tumor activity. Data from the trial will become available in Q4 2012.

"We are excited about the excellent progress of the MOR208 program and are preparing the next steps of clinical development in additional B-cell malignancies to quickly assess the broader commercial potential of the molecule," commented Dr. Arndt Schottelius, Chief Development Officer of MorphoSys AG. "The extended treatment period we were able to include in the phase 1 study could provide us with additional data on preliminary anti-tumor activity."

"MOR208 uses our XmAb ADCC technology to enhance its B-cell depletion properties," said Bassil Dahiyat, Ph.D., Chief Executive Officer of Xencor. "The XmAb high ADCC technology has been applied to develop six antibodies that are now in clinical testing, demonstrating the technology's broad applicability."

In June 2010, MorphoSys AG and Xencor signed a worldwide exclusive license and collaboration agreement. The agreement provided MorphoSys with an exclusive worldwide license to MOR208 for the treatment of cancer and other indications. Using Xencor's XmAb Fc enhancement technology, MOR208 has been engineered to possess significantly enhanced antibody-dependent cell-mediated cytotoxicity (ADCC), thus improving a key mechanism for tumor cell killing and offering potential for enhanced efficacy compared to traditional antibodies for the treatment of cancer. MorphoSys will be solely responsible for further clinical development after successful completion of the phase 1 clinical trial. MorphoSys plans to initiate additional clinical trials for MOR208 in non-Hodgkin's lymphoma (NHL) and acute lymphoblastic leukemia (ALL) in the fourth quarter of 2012.

In total, MorphoSys currently has four proprietary clinical programs ongoing, including MOR208, MOR103, a fully human HuCAL antibody directed against GM-CSF (granulocyte macrophage-colony stimulating factor), in RA and MS, as well as MOR202, a HuCAL antibody targeting CD38, in multiple myeloma.

About Xencor, Inc.
Xencor, Inc. engineers superior biotherapeutics using its proprietary Protein Design Automation® technology platform, and is a leader in the field of antibody engineering to significantly improve antibody half-life, immune-regulatory function and potency. The company is advancing multiple XmAb® antibody drug candidates in the clinic, including XmAb®5871 targeting CD32b and CD19 for autoimmune diseases, and an anti-CD30 candidate XmAb®2513 for the treatment of Hodgkin's lymphoma. Xencor is also advancing a portfolio of biosuperior versions of blockbuster antibody drugs engineered for superior half-life and dosing schedule. Xencor has entered into multiple partnerships with industry leaders such as Amgen, Pfizer, Centocor, MorphoSys, Boehringer Ingelheim, CSL Ltd. and Human Genome Sciences. In these partnerships Xencor is applying its suite of proprietary antibody Fc domains to improve antibody drug candidates for traits such as sustained half-life and/or potency. More information is available at www.xencor.com

About MorphoSys:
MorphoSys developed HuCAL, the most successful antibody library technology in the pharmaceutical industry. By successfully applying this and other patented technologies, MorphoSys has become a leader in the field of therapeutic antibodies, one of the fastest-growing drug classes in human healthcare. The company's AbD Serotec unit uses HuCAL and other antibody technologies to generate superior monoclonal antibodies for research and diagnostic applications.

Together with its pharmaceutical partners, MorphoSys has built a therapeutic pipeline of more than 70 human antibody drug candidates for the treatment of cancer, rheumatoid arthritis, and Alzheimer's disease, to name just a few. With its ongoing commitment to new antibody technology and drug development, MorphoSys is focused on making the healthcare products of tomorrow. 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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XmAb® is a registered trademark of Xencor, Inc.

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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