

MorphoSys AG
Martinsried/Planegg
Wertpapierkennnummer 663200
ISIN:DE0006632003

Invitation to the Annual Shareholders' Meeting 2010

We hereby invite the shareholders of our Company to the Annual Shareholders' Meeting which is taking place on Friday, May 21, 2010 at 10:30 a.m., in the Conference Centre Munich, Hanns-Seidel-Stiftung, Lazarettstraße 33, 80636 Munich.

I.

Agenda

- 1. Presentation of the confirmed annual financial statements as of December 31, 2009, the management report together with the consolidated financial statements, the consolidated management report and the report of the Supervisory Board for the business year 2009 and the statement of the Board of Management to the items pursuant to § § 289 para. 4, 315 para. 4 HGB**

The above mentioned documents are available in the business office of MorphoSys AG in 82152 Martinsried/Planegg, Lena-Christ-Straße 48, and may also be downloaded in the internet under www.morphosys.com/AGM. If so requested, they can also be sent to the shareholders.

- 2. Formal approval on behalf of the Board of Management**

The Board of Management and the Supervisory Board recommend formally approving the activities of the Board of Management in the business year 2009.

- 3. Formal approval on behalf of the Supervisory Board**

The Board of Management and the Supervisory Board recommend formally approving the activities of the Supervisory Board in the business year 2009.

- 4. Appointment of the auditors for the business year 2010**

In accordance with the recommendation of the audit committee, the Supervisory Board proposes to appoint KPMG AG Wirtschaftsprüfungsgesellschaft, Munich, as auditors of the Company and the MorphoSys group for the business year 2010 and of the interim statement as to June 30, 2010.

5. Resolution on the Approval of the Remuneration Scheme of Members of the Board of Management

Under the new legal requirements of the VorstAG, the shareholders' plenum might cast a non-committal vote about the compensation system for Executive Board members during the annual shareholders' meeting according to § 120 IV AktG. It has been decided to make use of this possibility to encourage the transparency of MorphoSys' Executive Board compensation. The approval by the shareholders' plenum shall apply to MorphoSys' Executive compensation system as practiced in the fiscal year 2008/2009. Information about the current compensation is included in the following as well as in the remuneration report which is part of the annual report. The Adequacy of Executive Compensation Act (VorstAG), enacted in August 2009, targets a stronger alignment of the companies' compensation systems towards the realization of long-term sustainable success. Thereby, the Executive Board shall be compensated attractively and performance-oriented as well as committed to the company's long-term development. Besides the sustainability of the Executive compensation system, in terms of a positive company's development, it has to be ensured – as required under the VorstAG – that the Executive compensation is appropriate and in line with market practice when benchmarked against internal as well as external compensation levels. Thus, adequacy is evaluated depending on the individual's and the company's performance as well as on the alignment with market practice when compared to competitors and other national and international peer group companies of similar size. For the assessment of MorphoSys' Executive compensation – under consideration of the new legal requirements – the Supervisory Board has mandated an independent external remuneration expert immediately after the VorstAG as well as the parts of the newly composed German Corporate Governance Codex concerning the compensation had become effective. The assessment of Executive compensation regarding adequacy and alignment with market practice showed that – considering the company's performance compared to the relevant market – there is no evidence for MorphoSys' Executive compensation to be inappropriate. With respect to the legal requirements for a sustainable compensation system, which includes the dependence of variable compensation on predominantly perennial performance measurement periods, the current practice at MorphoSys is in accordance with the requirements under the VorstAG. An essential part of the Executive compensation is already allotted to payments from a long-term variable compensation component, whereby a sufficiently strong weighting of a perennially measured variable component within the compensation package is assured.

Details on MorphoSys' Executive compensation:

The current Executive compensation package includes fixed compensation elements, a short-term incentive and a long-term variable compensation component. The compensation structure as well as the amounts and the target corridors of the single compensation parts are reviewed annually by the Supervisory Board based on a neutral assessment and adjusted – if required – by the decision of the Supervisory Board's plenum.

Overall, the compensation system is geared to reflect the responsibilities and the individual performance of each Executive Board member, the performance of the entire Executive Board as well as the company's success and the expected development. The internal comparison and

in particular the relation to competitors are important for the evaluation of the company's performance during the performance period as well as for the definition of development targets.

Following find the details on the single compensation components.

Base salary & other fixed compensation elements:

The fixed payments for Executive Board members, as stated in the annual report, consist of an annual gross base salary as well as of other benefits. Other benefits include basically the provision of a company car, grants for health care and special allowances for members of the Executive Board who are permanently living abroad. In addition, MorphoSys provides monthly contributions to a relief fund, a corporate direct insurance and a pension fund depending on the contractual agreements with the respective Executive Board member.

Short-term incentive / bonus:

Additional to the fixed compensation components, the Executive Board members receive a performance-related annual bonus amounting to 60% of the annual gross base salary at 100% target achievement. The bonus varies proportionally to over- or under-running the 100% target, capped at 75% of an annual gross base salary. The annual bonus payments depend on the achievement of corporate objectives, which are defined by the Supervisory Board at the beginning of each fiscal year.

Through the corporate objectives the development of the company as measured by revenue and net profit as well as by MorphoSys's share performance and the successful integration of business units or the acquisition and/or the renewal of important co-operations are considered. The objectives have to be determined at the latest until January 31 of the according year. At the end of each year, the Supervisory Board determines the level of target achievement and defines the bonus payments based on the company's development taking into account the relevant circumstances. The bonus payments stated in the annual report refer to the target achievement of the prior year.

Long-term incentive / long-term variable:

Furthermore, MorphoSys' Executive Board members are provided with a long-term compensation component in order to support their motivation and to encourage a consequent alignment of compensation with the sustainability of company development. Under this long-term incentive convertible bonds (until 2010) as well as stock options (until 2009) are granted.

Long-term incentive / long-term variable:

Currently, the long-term incentive is being revised in collaboration with an external remuneration expert in order to secure the alignment of the Executive Board's activities with the major corporate targets of MorphoSys and therefore with a long-term positive company development under the requirements of the new legislation of VorstAG. The new LTI, which has to be

developed during 2010, is going to incentivize the Executive Board members based on MorphoSys' share performance as well as on further internal KPIs.

The Supervisory Board and the Board of Management propose to approve the aforementioned compensation system for the members of the Board of Management.

6. Resolution on the Authorization to purchase and use Treasury Stock and on the Exclusion of Subscription Rights

Unless expressly permitted by law, the repurchase and use of treasury stock by the Company is subject to separate authorization from the General Shareholders' Meeting pursuant to § 71 para. 1 no. 8 AktG. Under § 71 para. 1 no. 8 AktG, as amended by the Act Implementing the Shareholders' Rights Directive (ARUG) of July 30, 2009, such authorization may now be granted for a period of up to five years. The Company intends to use such authorization by virtue of a corresponding shareholders' resolution.

The Board of Management and Supervisory Board propose that the following resolution be passed:

- a) The Company is authorized to repurchase treasury stock up to a total of 10 % of the share capital at the time of this resolution until April 30, 2015. The repurchased shares together with other treasury stock owned by the Company or allocable to it pursuant to §§ 71 d and e AktG may not at any time make up more than 10 % of the share capital. The authorization may not be used for the purpose of trading in treasury stock.
- b) The authorization may be exercised in whole or in part, once or several times, in pursuit of one or several purposes by the Company or by third parties for the account of the Company.
- c) At the discretion of the Board of Management, the buy-back may be effected on the stock-market or by means of a public offer or a public Invitation to tender.
 - If the shares are repurchased on the stock-market, the counter value per share paid by the Company (excluding incidental costs) may not be more than 10 % higher or lower than the price determined on the day of trading by the opening auction in the Xetra trading system (or a comparable successor system).
 - If the shares are repurchased by means of a public offer or invitation to tender, the purchase price or the limits of the price range per share (excluding incidental costs) may not be more than 10 % higher or lower than the average closing price in the Xetra trading system (or a comparable successor system) on the three trading days before the date of the public announcement of the offer or invitation to tender. If, after announcement of a public offer or invitation to tender, the relevant price is subject to substantial changes, the offer or invitation may be amended. In this case the price is based on the average price over the three days of trading before the public announcement of an amendment. The public offer or invitation to tender may specify further conditions. If the offer is oversubscribed or, in the case of an

invitation to tender, not all of several equal offers can be accepted, they must be accepted on a pro rata basis. Priority may be given to small lots of up to 100 shares per shareholder,

- d) The Board of Management is authorized to use shares of the Company acquired on the basis of this or an earlier authorization for all legally permissible purposes, including in particular the following purposes:
- aa) The shares may be redeemed without such redemption or its execution requiring any further resolution of the shareholders. They may also be redeemed by simplified procedure without capital reduction by adjusting the calculated proportional amount of the remaining shares in the Company's share capital. The redemption may be restricted to a portion of the shares purchased. The authorization to redeem shares may be used several times. If the redemption is effected by simplified procedure, the Supervisory Board is authorized to adjust the number of no-par-value shares in the Articles of Association.
 - bb) The shares may also be sold by means other than on the stock market or by offer to shareholders if the shares are sold for cash at a price which is not significantly lower than the stock market price of same-category Company shares at the time of the sale.
 - cc) The shares may be sold for contribution in kind, including in particular in connection with the acquisition of companies, company units or company investments as well as company mergers.
 - dd) The shares may also be used to fulfil conversion rights with regard to convertible bonds issued by the Company or the Company's affiliates.
 - ee) The shares may be sold to employees of the Company and affiliated companies as well as members of the Board of Management of affiliated companies and/or to fulfil rights or obligations to acquire Company shares granted to employees of the Company and affiliated companies as well as members of the Board of Management of affiliated companies.
- e) The Supervisory Board is authorized to use treasury stock acquired by virtue of this or an earlier authorization to fulfil rights or obligations to acquire Company shares granted to members of the Board of Management of the Company.
- f) The authorizations under paras. d) and e) also include the use of the Company's shares purchased pursuant to § 71 d sen. 5 AktG.
- g) The authorizations under paras. d) and e) may be used once or several times, in whole or in part, individually or jointly, whereas the authorizations under paras. d), bb) to ee) may also be used by controlled businesses or businesses majority-owned by the Company or by third parties acting for their account or for the account of the Company.
- h) The shareholders' subscription rights in respect of this treasury stock is excluded to the extent that the shares are used in accordance with the above authorizations under paras. d), bb) to ee) and e).

- i) The Supervisory Board may determine that measures of the Board of Management under this shareholders' resolution are subject to its approval.

7. Resolution on Amendments of the Articles of Association in accordance with the Act Implementing the Shareholders' Rights Directive (ARUG)

As result of the Act Implementing the Shareholders' Rights Directive (ARUG) of July 30, 2009, the deadlines set out in the Stock Corporation Act for registration of the General Shareholders' Meeting and providing proof of authorization as well as the regulations on voting by proxy have changed. The ARUG also permits the exercising of shareholders' rights via electronic media (online participation) and voting by post.

The Board of Management and Supervisory Board therefore propose to amend §§ 16, 17, 18 and 19 para. 3 of the Articles of Association as follows:

“§ 16 Place of the Shareholders' Meeting and Convening

1. *The shareholders' meeting shall take place at the seat of the Company or at the seat of a Stock Exchange in Germany.*
2. *Shareholders' Meetings shall be convened with at least thirty days' notice before the date of the meeting. The deadline for convening shall be extended to include the days of the registration period (§ 17 para. 1).*

§ 17 Participation Conditions, Exercising Voting Rights

1. *Shareholders wishing to participate in Shareholders' Meetings or exercise their voting rights must register for the Shareholders' Meeting and provide proof of their authorization. The registration and proof of authorization must reach the Company at the address specified in the invitation letter at least six days before the Shareholders' Meeting (registration period). The Board of Management or in the event of convening by the Supervisory Board, the Supervisory Board shall be authorized to define a shortened deadline for registration and proof of authorization of up to three days before the Shareholders' Meeting in the invitation letter.*
2. *Separate confirmation of the shareholding issued in text form by the depository bank is sufficient for the proof of authorization required under para. (1). The confirmation of the shareholding must relate to the date specified in the Stock Corporation Act (record date).*

If the correctness or authenticity of the proof of authorization is in doubt, the Company is entitled to demand further suitable evidence. If this, too, is in doubt, the Company may refuse the shareholder's authorization to participate or vote in the Shareholders' Meeting. The registration and proof of authorization must be in German or English.

§ 18 Voting Rights, Proxy

1. *One share grants one vote.*
2. *The voting right may be exercised by proxy. The grant of the proxy, its withdrawal and the proof of the proper authorization vis-à-vis the Company must be in text form. Details for the grant, its withdrawal and its proof vis-à-vis the Company will be explained in the invitation letter to the General Shareholders' Meeting. § 135 AktG shall not be affected by the preceding provisions. Powers of proxy may be communicated to the Company via an electronic medium to be defined by the Board of Management.*
3. *The Board of Management is authorized to make provision for shareholders to participate in the Shareholders' Meeting without actually attending the venue and without granting power of proxy, and to exercise their voting rights in part or in full via electronic means (online participation). The Board of Management may define individual rules concerning the scope and method of online participation.*
4. *The Board of Management is authorized to make provision for shareholders to cast their votes in writing or via electronic means without attending the Shareholders' Meeting (postal vote). It may define individual rules concerning the process of postal voting.*

§ 19 Chair of the Shareholders' Meetings

3. *The Chairman of the Shareholders' Meeting is authorized to permit the video and audio transmission of all or part of the Shareholders' Meeting in any form he defines. The transmission may also be made in a form to which the public has unlimited access."*

8. Partial Deletion of the Conditional Capital 2003-II, amendment of the Articles

§ 5 para. 6 c of the Articles of Association contains a Conditional Capital 2003-II in the amount of up to EUR 1,288.749.00, which allows the issuance of convertible bonds to members of the Board of Management and employees of the Company in accordance with the resolution of the General Shareholders' Meeting of May 11, 2005 (topic 7). From this conditional capital 464,685 issued convertible bonds may not be any more exercised and used in accordance with the relevant convertible bond conditions since the lifetime of the convertible bonds provided in topic 7 a ff) and gg) of the agenda of the General Shareholders' Meeting 2005 has elapsed. Since the Company shall not be restricted in its possibility to resolve further conditional capitals in the future up to the legally allowed maximum, it is necessary to reduce the Conditional Capital 2003-II by the amount which corresponds to the not any more exercisable conversion rights, i. e. to an aggregate amount of EUR 464,685.00.

Therefore, the Board of Management and the Supervisory Board propose to pass the following resolution:

- a) The Conditional Capital 2003-II in the amount of up to EUR 1,288,749.00 shall be deleted in an amount of EUR 464,685.00 and reduced to EUR 824,064.00.
- b) § 5 para. 6 c sen. 1 of the Company's Articles shall be changed as follows:
 - „ *The share capital of the Company is conditionally increased by up to an amount of EUR 824,064.00 and by the issuance of up to 824,064 no-par value shares of the Company (Conditional Capital 2003-II).*”

9. Compensation of the Supervisory Board

The Board of Management and the Supervisory Board recommend passing the following resolution:

- a) For the business year 2010 the Supervisory Board shall receive the following cash remuneration:
 - aa) an annual board membership flat fee in the amount of EUR 61,000.00 for the chairman, of EUR 45,750.00 for the vice chairman and EUR 30,500.00 for the other board members (each plus VAT, if any);
 - bb) in addition, EUR 3,000.00 (plus VAT if any) to the chairman per board meeting chaired and EUR 1,500.00 (plus VAT, if any) to the other board members per board meeting attended;
 - cc) in addition, the members shall receive the following remuneration (plus VAT, if any) for their services in committees:
 - the chairman of a committee EUR 9,000.00,
 - the other committee members EUR 6,000.00 each.
 - dd) in addition, the members of a committee shall receive an amount of EUR 1,000.00 each (plus VAT, if any) per committee meeting attended.
- b) The compensation pursuant to the preceding para. a (aa) and (cc) shall become due in equal tranches on a quarterly basis and the payments pursuant to the preceding para. a (bb) and (dd) at the end of the quarter, in which the relevant meeting took place.
- c) The supervisory board members shall receive the cash remuneration proposed in paras. a and b also in the following business years unless the shareholders resolve otherwise.

II.

Report of the Board of Management to Topic 6

pursuant to § 71 para. 1 no. 8 AktG in Conjunction with § 186 para. 3 and 4 AktG

By virtue of the resolution proposed in topic 6 of the General Shareholders' Meeting, the Company shall be allowed to acquire treasury stock. The authorization is to be granted for the new legally permitted maximum duration of five years. The Stock Corporation Act already makes provision for authorizations valid for a period of up to five years for authorized capital (§ 202 para. 1 AktG) and when issuing convertible bonds (§ 221 para. 2 AktG).

Purchase by virtue of an offer

In addition to purchasing on the stock-market, the Company should also have the option of buying back treasury stock by means of a public offer to its shareholders or a public invitation to tender. The principle of equal treatment under stock corporation law must be observed. In the event of a public invitation to tender, the recipients of the invitation can decide how many shares - and when a price range is determined - at what price they would like to offer these to the Company. If an offer is over-subscribed or, in the event of a public invitation to tender, not all of several equal tenders can be accepted, tenders must be accepted on a pro rata basis. However, priority may be given to small tenders or small parts of tenders up to a maximum of 100 shares. The purpose of this is to avoid fractional amounts in determining the quotas to be repurchased and small residual amounts and thus to simplify the technical procedure. The offer price or the limits of the price range offered per share (without transaction costs) may not be more than 10 % higher or lower than the average closing price in the Xetra trading system (or a comparable successor system) over the three days of trading before the date of the public announcement of the offer or invitation to tender. If, after announcement of an offer or invitation to tender, the relevant price is subject to significant changes, the average price on the three days of trading before the public announcement of a possible adjustment can be taken as a basis instead. The offer or invitation to tender may specify further conditions.

Use of treasury shares

The treasury shares repurchased on the basis of this or earlier authorizations may be used for all legally permissible purposes, including in particular the following:

The proposed resolution contains an authorization to sell the repurchased stock outside the stock exchange for cash excluding subscription rights. This is subject to the condition that the shares are sold at a price not significantly below the stock market price of same-category Company shares at the time of the sale. This authorization makes use of the option to simplify cancellation of subscription rights permitted pursuant to § 71 para. 1 no. 8 AktG in conjunction with § 186 para. 3 sen. 4 AktG. To protect shareholders against share dilution, the shares may only be sold at a price not significantly lower than the prevailing stock market price. The final purchase price for treasury stock will be determined shortly before the sale. The Board of Management will ensure that any markdown on the stock market price according to the market

conditions prevailing at the time of placement is as low as possible. The markdown on the stock market price at the time of using the authorization may not exceed 5 % of the current stock market price. The authorization is subject to the condition that the shares sold without pre-emptive rights pursuant to § 186 para. 3 sen. 4 AktG may not exceed altogether 10% of the share capital, either at the time this authorization becomes effective or at the time it is exercised. The shareholders are in principle able to maintain their shareholding by purchasing MorphoSys-shares on the stock market. The authorization is in the interests of the Company as it enables greater flexibility, in particular, it allows the Company to issue shares to co-operation partners on a targeted basis. The sale of treasury stock may also be made in return for contributions in kind to the exclusion of the shareholders' pre-emptive rights. This allows the Company to offer treasury stock directly or indirectly as compensation in context with company mergers or in connection with the acquisition of companies, company units or investments in companies. International competition and the globalization of the economy often demand compensation in the form of shares in transactions of this kind. The authorization proposed here provides the Company with the requisite freedom to make use of opportunities which arise to acquire companies, company units or investments in companies quickly and flexibly on both national and international markets. The proposed exclusion of subscription rights takes account of this. In determining the valuation ratios, the Board of Management will ensure that the interests of shareholders are appropriately safeguarded. In assessing the value of the shares granted as counter value, the Board of Management will be guided by the stock market price of MorphoSys-shares. It is not planned to establish a schematic link with one particular stock market price, in particular in order to ensure that negotiating results already achieved cannot be jeopardized by fluctuations in the stock market price.

Under this authorization, the treasury stock may also be used to discharge conversion rights of holders of convertible bonds issued by the Company or its subsidiaries to the exclusion of shareholders' subscription rights. Instead of new shares from a capital increase, it may be reasonable to use treasury stock to discharge conversion rights in whole or in part.

Treasury stock may also be offered for purchase to employees of the Company and affiliated companies (employees' shares), insofar as the individual subsidiaries in Germany and abroad participate in the MorphoSys employees' share programs. In addition, treasury stock may also be transferred to executives of the Company and the MorphoSys Group (including members of the management boards of affiliated companies). The issue of treasury stock to executives, generally subject to an appropriate holding period of several years, and employees is in the interests of the Company and its shareholders as it promotes the identification of executives and employees with their company and thereby increases the value of the Company. The use of existing treasury stock, rather than a capital increase or cash payment, as a share-price-related and value-based compensation component may also be economically reasonable for the Company. In such case, shareholders' subscription rights must be excluded. When calculating the purchase price to be charged to executives and employees, an appropriate and legally admissible discount may be granted as it is usual for employees' share programs, based on company performance. Insofar as the issue of treasury stock to executives requires the approval of the Supervisory Board of the company involved, treasury stock shall only be offered for purchase with the prior approval of the Supervisory Board.

Next to being able to use treasury stock as means of payment to employees of MorphoSys AG, it should also be possible for the Supervisory Board to offer share-based compensation using treasury stock to members of the Board of Management of MorphoSys AG. Any decision shall be made exclusively by the Supervisory Board of MorphoSys AG as the body responsible for setting Board of Management compensation. The preceding provisions for employees shall apply accordingly.

The aforesaid options are not restricted to shares purchased under this or an earlier authorization. Rather, this authorization also includes shares purchased pursuant to § 71 d sen. 5 AktG. It is advantageous and creates further flexibility if these shares can be used in the same way as the shares purchased under this authorization resolution.

The treasury stock repurchased under this or an earlier authorization resolution may be redeemed by the Company without any further resolution of the General Shareholders' Meeting. In accordance with § 237 para. 3 no. 3 AktG, the General Shareholders' Meeting may resolve to redeem its fully paid-up no-par-value shares without having to reduce the Company's share capital. This alternative is expressly included in the proposed authorization alongside the redemption in conjunction with capital reduction. When shares are redeemed without capital reduction, the calculated share of the remaining no-par-value shares in the Company's share capital is automatically increased. In this case, the Supervisory Board is therefore also to be authorized to make the then necessary amendment to the Articles of Association with regard to the changed number of no-par-value shares following the redemption.

According to its best judgment, the Supervisory Board may determine that measures of the Board of Management under the shareholders' authorization pursuant to § 71 para. 1 no. 8 AktG are subject to its approval.

The Board of Management will inform the next General Shareholders' Meeting about the exercise of the authorization and of the treatment of the shares acquired by virtue of this authorization.

III.

Further details regarding the Convening of this General Shareholders' Meeting

1. Total Numbers of Shares and Voting rights

At the time of convening this General Shareholders' Meeting, the share capital of the Company comprises 22,677,078 no-par-value shares. Each share entitles the bearer to one vote. At the time of convening the General Shareholders' Meeting, the Company holds treasury stock amounting to 79,896 shares. The Company has no rights in respect of these shares. The total number of shares bearing participation and voting rights at the time of convening the General Shareholders' Meeting amounts to 22,597,182.

2. Conditions of Participation in the General Shareholders' Meeting and Exercise of Voting Rights

Only those persons who are Company shareholders at the start of the 21st day before the General Shareholders' Meeting, i. e. on April 30, 2010, 00.00 hours, MESZ, (record date) and register for the General Shareholders' Meeting may participate in the meeting and exercise voting rights. The registration must reach the registration office specified below by the close of May 14, 2010 (24:00 MESZ), at the latest together with the confirmation of shareholding issued by the depository bank or financial services company on the record date. The registration and confirmation of shareholding must be in German or English. Text form is sufficient for the confirmation of shareholding.

The record date does not result in blocking the potential transfer of shares. Also in cases of a complete or partial sale of a shareholding after the record date the amount of the shareholding and the voting rights connected therewith at the time of the record date are decisive; this means that the transfer of shares after the record date does not have an impact on the right to participation and to the exercise of the voting rights. The same applies to the acquisition of shares after the record date. Persons not owning shares at the record date but having acquired shares thereafter, have no participation and voting rights.

Registration office:

MorphoSys AG

c/o Deutsche Bank AG

General Meetings

Postfach 20 01 07

60605 Frankfurt

Facsimile: +49 (0) 69 12012 860 45

E-Mail: WP.HV@Xchanging.com

After receipt of the registration and the confirmation of shareholding by the Company, the registration office will send to the shareholders the admission tickets for the General Shareholders' Meeting. To procure the timely receipt of the admission tickets, we kindly ask the shareholders to demand the admission ticket to the General Shareholders' Meeting from the

depository bank as early as possible. The necessary registration and the confirmation of the relevant shareholding will be accomplished by the depository bank in such case.

3. Procedure for Voting and Voting by Proxy

Shareholders who do not wish to attend the General Shareholders' Meeting in person may have their voting rights exercised by a proxy, e.g. by a bank, a shareholders' association or a Company-nominated proxy or another proxy. Timely registration and a confirmation of shareholding are also required in this instance. Shareholders will receive a form for granting powers of proxy together with the admission ticket. Proxy authorizations, the revocation thereof and proof of authorization vis-à-vis the Company must be made in text form. Specific rules usually have to be observed when authorizing banks, shareholders' associations or persons of comparable standing pursuant to § 135 para. 8 AktG; details should be requested from such person to be authorized.

The proxy has to submit the proper proxy form on the day of the General Shareholders' Meeting or his authorization has to be declared vis-à-vis the Company at the following address:

MorphoSys AG
HV-Agency/Investor Relations
Lena-Christ-Str. 48
82152 Martinsried/ Planegg
Facsimile: +49 (0) 89 / 899 27 - 5333
E-Mail: hv@morphosys.com

For such purpose, on the day of the General Shareholders' Meeting only the entrance and exit control to the meeting in the Conference Center Munich, Hanns-Seidel-Stiftung, Lazarettstr. 33, 80636 Munich, will be available from 9:30 a.m. until shortly before the beginning of the voting procedure.

In addition to authorization, those proxies nominated by the Company must also be given instructions for exercising voting rights. These proxies are obligated to vote as instructed; they cannot exercise the voting rights at their own discretion. More details on participating in the General Shareholders' Meeting and authorizing and instructing proxies will be sent to shareholders together with their admission ticket. With regard to the authorization of the proxy nominated by the Company, we ask you to order an admission ticket at the aforementioned registration office to complete the proxy and instruction form which is attached to the admission ticket and to send the form until May 20, 2010 (date of receipt) to the following address:

MorphoSys AG
c/o ITTEB GmbH & Co. KG
Vogelanger 25,
86937 Scheuring
Facsimile: +49 (0)8195 99 89 664
E-mail: hv@itteb.de

This information can also be viewed on the internet at www.morphosys.com/AGM.

4. Additional Agenda Topic Proposals requested by a Minority pursuant to § 122 para. 2 AktG

Shareholders whose shares together total the amount of 20 % of the share capital or the total nominal amount of EUR 500,000.00 - corresponding to 500,000 shares - may call for items to be added to the agenda and publicized. Reasons or a resolution proposal must be attached to each new agenda item. The request must reach the Company at the address stated under no. 5 30 days before the General Shareholders' Meeting at the latest, i. e. by the close of April 20, 2010 (24:00 MESZ). The shareholders have to show that they have been owners of the shares for at least three months prior to the day of the General Shareholders' Meeting, i. e. at least since February 21, 2010 (0:00 MESZ).

5. Shareholder Motions and Election Proposals pursuant to § 126 para. 1 and § 127 AktG

Countermotions including reasons against a proposal made by the Board of Management and Supervisory Board with respect to a specific agenda item and shareholder proposals for elections (e. g. of the auditors of the Company) should be sent exclusively to the following address. Countermotions and election proposals sent to a different address will be disregarded.

MorphoSys AG
HV Agency / Investor Relations
Lena-Christ-Straße 48
82152 Martinsried/Planegg.
Facsimile: +49 (0)89 / 899 27 - 5333
E-mail: hv@morphosys.com

Countermotions and election proposals arriving with evidence of shareholder status at this address until 14 days before the date of the General Shareholders' Meeting, i. e. by no later than the close of May 6, 2010 will be made available immediately to other shareholders on the internet at www.morphosys.com/AGM if the other requirements for publication pursuant to § 126 AktG are fulfilled. Any comments from head office will likewise be published after May 6, 2010 at the same internet address.

6. Shareholder Right to Information pursuant to § 131 para. 1 AktG

The Board of Management is obligated to provide information about Company matters including legal and business relationships with affiliated companies as well as the situation of the Group and companies included in the consolidated financial statements to any shareholder at their request during the General Shareholders' Meeting insofar as it is necessary for proper appraisal of an agenda item.

The obligation to provide information also applies to the legal and business relationship of the Company to an affiliate, to the situation of the company group and to the companies included in the consolidated financial statements. For reasons specified in § 131 para. 3 AktG, the Board of Management may deny to answer single questions, in particular because – according to

reasonable business judgement – providing the information is likely to cause substantial damages to the Company or to an affiliate. Pursuant to § 19 para. 4 of the Articles of Association of the Company, the Chairman of the General Shareholders' Meeting may timely adequately restrict a shareholder's right to speak and to ask questions.

7. Publication on the Website

This invitation letter to the General Shareholders' Meeting, publishable documents and proposals from shareholders and further information are also available on the website of the Company at www.morphosys.com/AGM. The convening was published in the electronic Federal Gazette ("Bundesanzeiger") on April 9, 2010.

Place: Martinsried/Planegg

Date: April 2010

MorphoSys AG

Board of Management