

PRESS RELEASE

GENEART and MorphoSys Successfully Cooperate in HuCAL PLATINUM® Project

- **New HuCAL PLATINUM® antibody library is based on DNA components synthesized by GENEART**
- **High quality of DNA components produced improves diversity and affinity of antibodies in new HuCAL PLATINUM®**
- **Rational gene sequence design by GENEART's proprietary software GeneOptimizer® leads to significantly higher production rates in tested antibodies**
- **Improved antibody library HuCAL PLATINUM® enables shortening of development timelines, i.e. for the development of promising drug candidates**

Regensburg, December 16, 2008 – Today GENEART (FSE: G6A, Entry Standard Segment) and MorphoSys (FSE: MOR; Prime Standard Segment, TecDAX) announce their successful cooperation in the HuCAL PLATINUM® project. The application of GENEART's proprietary sequence design software GeneOptimizer® and production of significant parts of the antibody library allowed GENEART to make a large contribution to this project. Initial tests show that the HuCAL PLATINUM® translates into an up to 25 fold higher diversity compared to the previous version HuCAL GOLD®, and thereby provides more diverse fully human antibodies as well as facilitating the selection of antibodies with a higher average affinity. Due to comprehensive sequence optimization, production rates of selected antibodies are significantly higher as well. Therefore, this next-generation antibody library does not only allow the identification of antibodies with improved characteristics but also the significant shortening of timelines for the development of promising drug candidates to pre-clinical studies.

“In GENEART we found the right partner in the field of DNA Engineering and Directed Evolution for this complex project. The high quality of the gene libraries produced and GENEART's sequence optimization were essential requirements for the realization of HuCAL PLATINUM®'s increased diversity and improved expression rates”, explained Dr. Marlies Sproll, Chief Scientific Officer of MorphoSys AG.

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HuCAL PLATINUM[®] contains the genetic information of approximately 45 billion fully human antibodies. By using the GeneOptimizer[®] GENEART largely eliminated DNA motifs identified as potentially distracting the subsequent production of antibodies. Additionally, MorphoSys eliminated limiting motifs at the protein level. This resulted in doubling the production rate of selected antibodies, which is expected to significantly reduce the timeline of projects involving the generation of antibodies and to increase efficiency considerably since a larger number of suitable candidates with improved characteristics is accessible faster.

“The MorphoSys technology has already set a standard for the development of therapeutic antibodies in the past. All the more we are pleased to have made a contribution to the further development of this powerful tool. In addition, our cooperation is a good example of how GENEART adds definite value for the customer by combining proprietary optimization technology with our knowhow in the field of Directed Evolution”, commented Prof. Dr. Ralf Wagner, CEO of GENEART AG.

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factors may lead to actual results, which considerably deviate from the given projections for these results.

About MorphoSys:

MorphoSys is a publicly traded biotechnology company focused on the generation of fully human antibodies as a means to discover and develop innovative antibody-based drugs against life-threatening diseases. MorphoSys's goal is to establish HuCAL as the technology of choice for antibody generation in research, diagnostics and therapeutic applications. The Company currently has therapeutic and research alliances with the majority of the world's largest pharmaceutical companies including Boehringer Ingelheim, Centocor/Johnson & Johnson, Novartis, Pfizer and Roche. Within these partnerships, more than 50 therapeutic antibody programs are ongoing in which MorphoSys participates through exclusive license and milestones payments as well as royalties on any end products. Additionally, MorphoSys is active in the antibody research market through its AbD Serotec business unit. The business unit has operations in Germany (Munich), the U.S. (Raleigh, NC) and U.K. (Oxford). For further information please visit <http://www.morphosys.com/>.

About GENEART AG:

In 2000, GENEART entered the gene synthesis market and has since become the global market leader. Today, the company is one of the leading specialists in the Synthetic Biology field. Experts at GENEART provide key technologies for the development and production of new therapeutics and vaccines. Customers also take advantage of GENEART services to customize enzyme attributes, such as the attributes of enzymes used as detergent additives, and to construct bacteria, which produce complex biopolymers or break down polymers, such as synthetics, petroleum components, etc. Our production and service spectrum spans a wide range, from the production of synthetic genes according to DIN EN ISO 9001:2000, to the creation of gene libraries in the combinatorial biology, to the development and production of DNA-based biologically active substances. GENEART AG in Regensburg (Germany) and the subsidiaries GENEART Inc. in Toronto (Canada) and GENEART Inc. in San Francisco (USA) employ more than 190 people. GENEART is listed on the German Stock Exchange.