

# PRESS RELEASE

Joint press release of WACKER and MorphoSys

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## WACKER and MorphoSys Intensify Cooperation to Use WACKER Technology for Production of Antibodies

**Munich/Jena, November 18, 2008 – Wacker Chemie AG and MorphoSys AG (FSE: MOR; Prime Standard Segment, TecDAX) are intensifying their cooperation in the use of WACKER's prokaryotic secretion technology. The two companies have signed a new agreement precisely defining areas of use and production limits under which MorphoSys will continue to use the secretion system on a research scale. As a result, MorphoSys will now be able to use the WACKER technology for both the early development phase of therapeutic projects as well as the production of diagnostic and research antibodies. If the agreed quantity limits are exceeded at MorphoSys, WACKER is able to provide a seamless transition to large-scale manufacturing services.**

WACKER and MorphoSys entered into a license agreement for the use of the WACKER secretion technology (brand name ESETEC®) for the production of antibodies in 2005. After successful joint process development and subsequent implementation of ESETEC® in MorphoSys's antibody platform, the license agreement has now been specified in more detail. MorphoSys can use the technology in the research phase for antibody production within its operating segments and also secures rights to produce material for commercial supply within defined quantity limits. Another integral component of the agreement is that MorphoSys can recommend to its partners either

WACKER or its biotechnology division Wacker Biotech GmbH for large-scale production.

The use of the ESETEC<sup>®</sup> secretion technology allows antibody fragments utilized in research and as active substances for diagnostic and therapeutic purposes to be produced cost-effectively and at higher yields. Antibody fragments have already been approved as therapeutics in recent years and additional candidates are currently in the clinical development pipeline.

The patented ESETEC<sup>®</sup> secretion system from WACKER, which is based on *E. coli*, is a tried-and-tested technology for the cost-effective production of proteins and antibody fragments. The system comprises an *E. coli* K12 strain developed and patented by WACKER which is able to secrete recombinant proteins in their native conformation into the culture medium during fermentation. This extra-cellular production makes it easier to purify the recombinant products, and the expensive process step of refolding is also dispensed with. This means the entire production is much more efficient and cost-effective.

"We are delighted to be expanding our cooperation with MorphoSys. The successful cooperation also emphasizes the effectiveness of our ESETEC<sup>®</sup> secretion technology for the production of biopharmaceutical products", commented Dr. Thomas Maier, Managing Director of Wacker Biotech. "In order to meet the growing customer requirements, we are currently doubling our process development and the manufacturing capacities of our existing GMP production facility. The expansion is expected to be fully operational by the end of 2009."

"Based on the positive experiences we have had with WACKER's innovative production system over the last two years, we have decided to expand our collaboration in this field", explained Dr. Marlies Sproll, Chief Scientific Officer at MorphoSys AG. "We are thereby extending our capabilities in terms of the production of antibody fragments for both our own and our partnered therapeutic projects as well as for AbD Serotec customers."

**About MorphoSys AG**

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 [www.morphosys.com/en](http://www.morphosys.com/en)

**About Wacker Biotech**

Wacker Biotech GmbH is a full-service contract manufacturer of biopharmaceuticals derived from microbial systems. Its portfolio ranges from services in molecular biology, analytical and process development, through the GMP-compliant production of clinical test material, to active pharmaceutical ingredient for commercial market supply. Above all, Wacker Biotech offers proprietary technologies that satisfy market needs for cost-efficient and high-quality production. Two examples are its E. coli-based secretion technology and high-cell-density fermentation process. Wacker Biotech, Jena, is a wholly-owned WACKER subsidiary.

Further information on Wacker Biotech GmbH is available at [www.wacker.com/biologics](http://www.wacker.com/biologics)

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