



Declaration by the Board of Management and the Supervisory Board of MorphoSys AG concerning the German Corporate Governance Code pursuant to Article 161 of the German Stock Corporations Act

Under Section 161 of the German Stock Corporations Act, the Board of Management and the Supervisory Board of MorphoSys AG are required to issue an annual declaration that the company has conformed and is conforming with the recommendations of the "Government Commission on the German Corporate Governance Code" as published by the German Justice Ministry in the official section of the electronic Federal Gazette (Bundesanzeiger) and to give details of any recommendations that have not been or are not being applied.

Under Article 15 of the Introductory Act of the Stock Corporations Act, this declaration is required for the first time in 2002. However, for this year it may be confined to a declaration that the company is conforming with the recommendations of the "Government Commission on the German Corporate Governance Code" or a statement of any recommendations that are not being applied.

The declaration of conformity pursuant to Article 161 of the Stock Corporation Act shall be available to stockholders at all times.

The Management Board and Supervisory Board of MorphoSys AG hereby declare that the company is in compliance with the recommendations of the "Government Commission on the German Corporate Governance Code" as published by the German Justice Ministry in the official section of the electronic Federal Gazette, except that the following recommendations currently are not being applied or are being applied in a modified form:

1. Section 3.8 Paragraph 2

If the company takes out a D&O (directors and officers' liability insurance) policy for the Management Board and Supervisory Board, a suitable deductible shall be agreed.

The present D&O insurance policy at MorphoSys AG does not provide for a deductible to be borne by the management and Supervisory Board.

MorphoSys AG has to obtained personal declarations from the members of its Management and Supervisory Board concerning the payment of a deductible, even if insurance cover otherwise continues to be provided under a D&O policy taken out by the company. Pursuant to these

declarations, members of the Management Board who cause damage to the company or third parties through gross negligence in the performance of their duties are to pay for such damage up to an amount commensurate with an appropriate deductible.

Munich, December 2002

For the Management Board:

Dr. Simon Moroney

Dave Lemus

Dr. Thomas von Rügen

For the Supervisory Board:

Prof. Dr. Jürgen Drews
Deputy Chairman