

Declaration of Compliance with regard to the German Corporate Governance Code in the Business Year 2005

At the meeting on December 21, 2005 the Board of Management and the Supervisory Board approved the following Declaration of Compliance pursuant to sec. 161 of the German Act on Stock Corporations (AktG):

MorphoSys AG complies and will comply with all recommendations of the German Corporate Governance Code – in the version of June 2, 2005 – with the following exceptions:

- The stock option program for the Board of Management does not provide a cap for unforeseen developments within the meaning of Code Sec. 4.2.3, since the reasonableness of the amount of stock options for the Board of Management has already been considered at the time of the grant.
- Although it does not correspond to international practice to provide a deductible within the meaning of Code sec. 3.8, para. 2, the present D&O insurance policy includes such a deductible for Management and Supervisory Board members, the magnitude of which however, may be at a level which does not comply with the requirements of the German Corporate Governance Code.

With these two exceptions, MorphoSys AG has also complied with the recommendations of the German Corporate Governance Code in the time period since its Declaration of Compliance of December 2004.

Martinsried/Planegg, December 21, 2005
MorphoSys AG

For the Management Board:



Dr. Simon Moroney
Chief Executive Officer



Dave Lemus
Chief Financial Officer



Dr. Marlies Sproll
Chief Scientific Officer

For the Supervisory Board:



Dr. Gerald Möller
Chairman