

Declaration of Compliance with regard to the German Corporate Governance Code in the Business Year 2009

At the respective meetings on December 23, 2009 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 the recommendations of the German Corporate Governance Code ("Code") – in the version of June 18, 2009 – 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 section 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.
- The service agreement which has been concluded after introduction of Code section 4.2.3. as recommendation does not provide for a compensation cap in the meaning of Code section 4.2.3. The reason for this is that the new service agreement should be in line with the provisions of the service agreements of the other members of the Management Board which were concluded prior to the introduction of Code section 4. 2.3 as recommendation. In order to be in line with such other service agreements the duration of the new service agreement was limited to 2.5 years and, thus, will end together with the 3-year term agreements of the other Management Board members. In addition, considering the limited term of 2.5 years only it was from the beginning very likely that the compensation-cap recommended in the Code will in fact not be exceeded.
- The present D&O insurance policy at MorphoSys AG includes a deductible for the Management and Supervisory Board members the amount of which may not comply with the requirements of Code section 3.8 para 2 as amended on June 18, 2009. Since possible amendments of the D&O insurance policy require certain negotiations and since the new section 93 para. 2 sentence 3 AktG provides for a transition period regarding deductibles for D&O insurance policies for the Management, MorphoSys AG will use such transition period in order to amend the D&O insurance policies. Possible amendments of the D&O insurance policies for Supervisory Board Members will, most appropriately, be implemented together with the amendments of the D&O insurance policies of the Management.



With these exceptions, MorphoSys AG has complied with the German Corporate Governance Code in the time period since its Declaration of Compliance of December 2008.

Martinsried/Planegg, December 23, 2009
MorphoSys AG

For the Management Board:

Dr. Simon E. Moroney
Chief Executive Officer

Dave Lemus
Chief Financial Officer

Dr. Arndt Schottelius
Chief Development Officer

Dr. Marlies Sproll
Chief Scientific Officer

For the Supervisory Board:

Dr. Gerald Möller
Chairman