

Amended Declaration of Compliance with regard to the German Corporate Governance Code in the Business Years 2010 and 2011

At its respective meetings on March 10, 2011 the Board of Management and the Supervisory Board approved the following interim update of the Declaration of Compliance pursuant to sec. 161 of the German Act on Stock Corporations (AktG) as of December 22, 2010:

MorphoSys AG complies and will comply with the recommendations of the German Corporate Governance Code (“Code”) – in the version of May 26, 2010 – 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. However, the stock incentive program for the years 2011 and beyond will incorporate the concept of a cap.
- With regard to Code section 5.4.1, in its meeting of March 10, 2011 the Supervisory Board has decided to aim for an adequate representation of women being members of the supervisory board that respective female candidates shall be proposed for election and that at the beginning of the approval of potential candidates qualified women shall be appropriately considered in the appointment procedure. A concrete quota for female members of the supervisory board has not been defined since the individual qualification and not the gender of candidates for elections to the supervisory board shall be the decisive criteria for the composition of the supervisory board. With regard to the upcoming election to the supervisory board taking place in the AGM 2011, the Supervisory Board decided to propose the re-election of the male members Prof. Drews and Dr. Blättler, since their biotechnology know-how will be still needed by the Company; for this reason their re-election is in the prevailing interest of the Company.

Furthermore, Prof. Drews exceeds the age limit of 75 years defined by the Supervisory Board in its rules of procedure. Insofar, the Company uses the possibility as foreseen in the rules of procedure to exceptionally propose an elder candidate for election; the proposal to re-elect Prof. Drews to the Supervisory Board for a further year is in the interest of the board to procure the continuity of its performance.

- The remuneration for the Supervisory Board as resolved in the General Shareholders' Meeting 2010 only provides for fixed remuneration components and no longer for performance-related remuneration within the meaning of the code sec. 5.4.6. The

Company's practice is consistent with the view of an increasing number of experts on Supervisory Board compensation, who regard performance-related payments to board members as potentially giving rise to a conflict of interests in a body whose duties include setting and assessment of objectives for the Company's long-term development

With these exceptions, MorphoSys AG has complied with the German Corporate Governance Code (in its version from June 18, 2009) also in the time period since its Declaration of Compliance of December 2009.

Martinsried/Planegg, March 10, 2011
MorphoSys AG

For the Management Board:

Dr. Simon Moroney
Chief Executive Officer

Dave Lemus
Chief Financial Officer

Dr. Marlies Sproll
Chief Scientific Officer

Dr. Arndt Schottelius
Chief Development Officer

For the Supervisory Board:

Dr. Gerald Möller
Chairman