

Declaration of Compliance with regard to the German Corporate Governance Code in the Business Year 2010

At the respective meetings on December 22, 2010 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 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 programme for the years 2011 and beyond will incorporate the concept of a cap.
- The postal vote system as of Code section 2.3.1 and 2.3.3 will be on the agenda of the AGM 2011 to change the articles of association accordingly.
- Since there were no elections to the supervisory board at the time of the introduction of this recommendation, the supervisory board will address the issue of Code section 5.4.1 concerning the adequate consideration of women in the Supervisory Board in 2011.
- 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, December 22, 2010
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