

Declaration of approval to the German Corporate Governance Code of MOLOGEN AG

The Executive Board and the Supervisory Board of MOLOGEN AG expressed their approval according to § 161 German Stock Companies Act and the German Corporate Governance Code of 21st May 2003.

MOLOGEN AG complies with the regulations of the German Corporate Governance Code of 21st May 2003, with the following exceptions:

“4.2.3 The overall compensation of the members of the Management Board shall comprise a fixed salary and variable components.”

This recommendation has been and is applied only partly. Some members of the board receive only a variable salary.

“4.2.3 For extraordinary, unforeseen developments a limited possibilities (Cap) shall be agreed by the Supervisory Board.”

This recommendation has not been and is not applied as it is not adequate against the background of the stock option programme, which was adopted at the annual shareholders' meeting.

“4.2.3 The salient points of the compensation system and the concrete form of a stock options scheme (...) shall be published on the company's website in a plainly understandable form (...) This shall include information on the value of stock options.”

This recommendation has not been applied up until now, but will be applied in the future.

“4.2.3 The Chairman of the Supervisory Board shall outline the salient points of the compensation system and any changes thereto at the General Meeting.”

This recommendation is not applied. The respective explanations will be published in the companies' report according to German law.

“4.2.4 Compensation of the members of the Management Board shall be reported in the Notes of the Consolidated Financial Statements (...). The figures shall be individualized.”

This recommendation has not been and is not applied in this form. The salary of the board members is stated in one figure for the entire board according to German law.

“5.1.2 (...) An age limit for members of the Management Board shall be specified.”

The current employment contracts of the board members of MOLOGEN AG are limited and are not automatically extended. The supervisory board shall consider the age of the candidate in its decision regarding new employment contracts and if necessary adjust the contractual term accordingly.

“5.2 (...) The Chairman of the Supervisory Board shall also chair the committees that handle contracts with members of the Management Board and prepare the Supervisory Board meetings. (...)”

This recommendation has not been and is not applied. The supervisory board of MOLOGEN AG comprises 3 members. The supervisory board does not intend to form any committees.

“5.3 Formation of Committees”

The entire paragraph does not currently apply to Mologen Holding AG. The supervisory board of MOLOGEN AG comprises 3 members. The supervisory board does not intend to form any committees.

“5.4.1 For nominations for the election of members of the Supervisory Board (...) an age limit to be specified for the members of the Supervisory Board shall be taken into account.”

This recommendation is not applied, since, in the by-laws of the company, an election period for the supervisory board is fixed and thus a manageable period of time for the membership is applicable.

“5.4.5 The compensation of the members of the Supervisory Board shall be reported in the Notes of the Consolidated Financial Statements, subdivided according to components. Also payments made by the enterprise to the members of the Supervisory Board or advantages extended for services provided individually, in particular advisory or agency services, shall be listed separately in the Notes to the Consolidated Financial Statements.”

This recommendation has not been and is not applied in this form. The payments or other advantages for individual services are stated in one item for the entire supervisory board in the attachment of the consolidated financial accounts according to German law.

“6.6 (...) The shareholdings, including options and derivatives, held by individual Management Board and Supervisory Board members shall be reported if these directly or indirectly exceed 1% of the shares issued by the company. If the entire holdings of all members of the Management Board and Supervisory Board exceed 1% of the shares issued by the company, those for the Management Board and Supervisory Board shall be reported separately.”

The Executive Board and the Supervisory Board of MOLOGEN AG are of the opinion that the provisions of Section 21 WpHG create sufficient transparency.

“7.1.1 (...) The Consolidated Financial Statements and interim reports shall be prepared under observance of internationally recognised accounting principles. (...)”

From Jan 1, 2004 we intend to publish interim and annual reports in accordance with international accounting standards. Earlier publication would cause a disproportionate expense, especially for the interim reports, as the respective comparison figures from the previous year can only be calculated with difficulty.

“7.1.2 (...) The Consolidated Financial Statements shall be publicly accessible within 90 days of the end of the financial year; interim reports shall be publicly accessible within 45 days of the end of the reporting period.”

The consolidated financial account of 31 December 2002 was published within 99 days after the end of the business year. We intend to publish the consolidated financial account of 31 December 2003 within the time limit and before 30 March 2004.

Berlin, March 2004

The Management Board

The Supervisory Board