

Declaration of Jerini AG's Management and Supervisory Boards on Recommendations of the Government Commission German Corporate Governance Code according to § 161 of the German Stock Corporation Act (AktG)

The Management Board and the Supervisory Board of Jerini AG hereby announce that the company has substantially adhered and intends to substantially adhere to the recommendations made by the "Government Commission German Corporate Governance Code" and published by the Federal Ministry of Justice in the official section of the electronic edition of the Federal Gazette. The only recommendations that were and will not be adhered to are set forth in the following. With respect to the time period from the last compliance declaration of March 2008 through August 7, 2008 this announcement refers to the German Corporate Governance Code in its version as of June 14, 2007, published in the electronic Federal Gazette on July 20, 2007. For the time period beginning on August 8, 2008, the announcement refers to the German Corporate Governance Code in its version as of June 6, 2008, published in the electronic Federal Gazette on August 8, 2008.

Deductible as Part of D&O Insurance (Number 3.8 Para. 2)

The Directors & Officers (D&O) Insurance provided by Jerini to members of its Management and Supervisory Boards does not include insurance protection for deliberate actions and omissions or intentional dereliction of duty. Insurance protection is granted only for breaches of duty resulting from negligence on the part of Management and Supervisory Board members. There is no deductible as it is not, in our view, a necessary precondition for responsible business practices. Rather, we believe that responsible business practices reflect a basic, self-evident principle of the behavior of each member of the Management and Supervisory Boards. Moreover, given that deductibles are uncommon internationally, it would also run contrary to Jerini efforts to attract outstanding businessmen and businesswomen from Germany and abroad to serve on its Supervisory Board.

Basic Principles and Variable Components of the Compensation System (Number 4.2.3 Para. 3)

The former Management Board members' stock options, which have now been exercised or paid out through cash compensation, were not related to any relevant comparison parameters. The stock option plans could have been changed retroactively with respect to performance targets. No cap had been agreed upon in the case of extraordinary and unforeseen developments. It is doubtful whether reference to comparison parameters would have been suitable when seeking to increase the incentive effect on Management Board members. Considering the structure of our former stock option plans, a cap did not appear necessary. No subsequent change in the performance targets was planned.

Cap on Compensation in Case of Premature Termination of Employment (Number 4.2.3 Para. 4)

The employment agreement with the Chief Financial Officer, Christian von Volkmann, provides that, if his employment either is terminated prematurely without cause, terminates due to a transformation of the company, or ultimately expires, Christian von Volkmann shall receive a compensation in the amount of the salary (fixed salary plus bonus in the amount of 40 percent of the fixed salary) for the remainder of his contractual term and, at a minimum, in the amount of the salary for a six-month period. If the remaining term of the employment is less than six months, compensation exceeding the salary for the remaining term will be provided. This arrangement was agreed by the Jerini Supervisory Board to follow the spirit of the agreement in the Business Combination Agreement between Jerini AG and Shire Deutschland Investments GmbH to offer Jerini AG's employees a severance payment of six months' salary in case of termination.

Age Limit for Members of the Management Board (Number 5.1.2 Para. 2)

An age limit for members of the Management Board has not been specified. In our opinion, age is an unproductive criterion for the qualification and suitability of Management Board members, and it would unnecessarily limit the Supervisory Board's search for qualified, experienced Management Board members.

Basic Principles of the Supervisory Board Compensation (Number 5.4.6 Para. 2, former Number 5.4.7 Para 2)

Supervisory Board members do not receive performance-related compensation. At this time, establishing performance-related compensation would result in considerable juridical uncertainty due to the difficulties associated with defining success criteria. In addition, considering the current composition of the Supervisory Board, the question of whether performance-related compensation would create an additional incentive is debatable.

Berlin, Germany – March 2009

Management Board

Supervisory Board