Third Quarter Interim Statement

January – September 2016

morphosys

Engineering the Medicines of Tomorrow

Contents

MorphoSys Group: Third Quarter Interim Statement January – September 2016

Summary of the Third Quarter of 2016

FINANCIAL RESULTS FOR THE FIRST NINE MONTHS OF 2016

- Group revenues in the first nine months of 2016 totaled € 36.7 million and EBIT amounted to € –32.3 million. The previous year's figures (revenues 1-9/2015: € 93.9 million, EBIT 1-9/2015: € 34.7 million) each included extraordinary effects in the amount of approximately € 59 million.
- The Group's liquidity position on September 30, 2016 equaled € 267.2 million (December 31, 2015: € 298.4 million).
- Company confirmed its 2016 financial year guidance for revenue in the range of € 47 million to € 52 million and EBIT in the range of € -58 million to € -68 million.

OPERATING HIGHLIGHTS FOR THE THIRD QUARTER OF 2016

- In early July, MorphoSys disclosed the receipt of a milestone payment from Novartis, which was recognized in the second quarter of 2016. This payment was triggered by the initiation of a phase 1 clinical study of a novel HuCAL antibody for the prevention of thrombosis.
- In early August, MorphoSys announced the successful completion of the safety run-in phase of its phase 2 clinical trial of MOR208 in combination with lenalidomide in patients with relapsed or refractory diffuse large B cell lymphoma (DLBCL) (L-MIND trial) initiated in April and that the study would continue as planned.
- At the beginning of September, MorphoSys disclosed that the first patient had been dosed in the safety run-in phase of a phase 2/3 combination trial of MOR208 with bendamustine. The B-MIND trial will evaluate the safety and efficacy of MOR208 combined with the chemotherapeutic agent bendamustine in comparison to rituximab plus bendamustine. The study is expected to be transitioned into a pivotal phase 3 part in 2017.
- Also in September, the Company announced the appointment of four leading experts to its newly formed Scientific Advisory Board. This international panel of scientific experts was created to advise the Company on the strategic options and future perspectives within its research and development activities.
- In September, MorphoSys's Dutch subsidiary Lanthio Pharma B.V., which specializes in the development of lanthipeptides, announced the appointment of Axel Mescheder, M.D. as its Chief Medical Officer.
- At the end of September, MorphoSys and its Belgian development partner Galapagos NV disclosed that the first patient with atopic dermatitis was dosed in an ongoing phase 1 trial of MOR106 against IL-17C.
- In mid-October, the Company announced the receipt of a milestone payment from Novartis recorded in the third quarter of 2016. The payment was triggered by the start of a clinical phase 1 trial with a novel HuCAL antibody in the field of cancer.
- At the end of the third quarter, MorphoSys's pipeline comprised a total of 110 therapeutic antibodies, 28 of which are in clinical development.

EVENTS AFTER THE END OF THE THIRD QUARTER OF 2016

On October 1, 2016, MorphoSys announced that its licensee Janssen Research & Development, LLC (Janssen) reported positive results from a phase 3 clinical study of guselkumab in 837 patients with moderate to severe plaque psoriasis ("VOYAGE 1" study). Guselkumab is a fully human antibody intended to target IL-23p19 identified from MorphoSys's HuCAL antibody library. According to Janssen, both co-primary endpoints were met, including improving the symptoms of psoriasis, while delivering clear or almost clear skin (measured by the parameters IGA 0 or 1 and PASI 90) at week 16 in patients receiving guselkumab compared to those receiving a placebo. Janssen also reported that all major secondary endpoints achieved

statistical significance in comparisons of guselkumab versus adalimumab (Humira®). Following the positive study results, guselkumab might become the first HuCAL antibody to reach the market. According to media reports, Janssen plans to apply for regulatory approval in 2016.

MORPHOSYS PRODUCT PIPELINE AS OF SEPTEMBER 30, 2016

Program / Partner	Indication	Discovery	Preclinic	Phase 1	Phase 2	Phase 3
Guselkumab (CNTO1959), Janssen	Psoriasis					
Gantenerumab, Roche	Alzheimer's disease					
MOR208	ALL, CLL, NHL					
MOR202	Multiple myeloma					
MOR103/GSK3196165, GSK	Inflammation					
Anetumab Ravtansine (BAY94-9343), Bayer	Solid tumors					
BHQ880, Novartis	Multiple myeloma					
BI-836845, BI	Solid tumors					
Bimagrumab (BYM338), Novartis	Musculoskeletal diseases					
BPS804, Mereo/Novartis	Brittle bone syndrome					
CNTO3157, Janssen	Inflammation					
CNTO6785, Janssen	Inflammation					
Elgemtumab (LJM716), Novartis	Cancer					
Tarextumab (OMP-59R5), OncoMed	Solid tumors					
Tesidolumab (LFG316), Novartis	Eye diseases					
Utomilumab (PF-05082566), Pfizer	Solid tumors					
VAY736, Novartis	Inflammation					
MOR209/ES414, Aptevo	Prostate cancer					
MOR106, Galapagos	Inflammation					
BAY1093884, Bayer	Hemophilia					
NOV-7, Novartis	Eye diseases					
NOV-8, Novartis	Inflammation					
NOV-9, Novartis	Diabetic eye diseases					
NOV-10, Novartis	Cancer					
NOV-11, Novartis	Blood disorders					
NOV-12, Novartis	Prevention of thrombosis					
NOV-13, Novartis	Cancer					
Vantictumab (OMP-18R5), OncoMed	Solid tumors					
MOR107 (LP2)	Fibrosis					
Immuno-oncology program, Immatics	Cancer				96 Partnered Programs	
Immuno-oncology program, Merck	Cancer				13 MOR Programs	
6 MOR programs	Various				1 Outlicensed Program	

In addition, 23 partnered programs in preclinic, and 50 partnered programs in discovery

Group Interim Statement: January 1 – September 30, 2016

Operating Business Performance

PROPRIETARY DEVELOPMENT

MorphoSys's proprietary development activities are currently focused on four clinical candidates: the hemato-oncology programs MOR208 and MOR202, for which MorphoSys holds worldwide commercial rights; the prostate cancer program MOR209/ES414, which is being co-developed with the US company Aptevo Therapeutics, a spin-off from Emergent BioSolutions; and MOR106 against inflammatory diseases, which is being co-developed with Galapagos. MorphoSys also plans to initiate clinical development of MOR107 against fibrotic diseases in the coming months through its Dutch subsidiary Lanthio Pharma. Finally, GlaxoSmithKline (GSK) is conducting clinical tests of MOR103/GSK3196165, which was out-licensed to GSK, for the treatment of rheumatoid arthritis and osteoarthritis of the hand.

MOR208 is an Fc-enhanced therapeutic antibody targeting CD19 for the treatment of B-cell malignancies. MorphoSys initiated a phase 2/3 development program in 2016 based on prior clinical data. The program is designed to evaluate MOR208 in combination with other cancer drugs for B cell leukemias.

- In August 2016, MorphoSys announced the successful completion of the safety run-in phase of a phase 2 clinical study initiated in April 2016 evaluating MOR208 in combination with lenalidomide in patients with diffuse large B cell lymphoma (DLBCL). Six patients were administered MOR208 at the recommended dose (12 mg/kg) in combination with lenalidomide during the safety run-in phase. No unexpected safety signals were detected and the study was continued as planned. The L-MIND trial (**L**enalidomide-**M**OR208 **IN D**LBCL) is designed to evaluate the safety and efficacy of MOR208 in combination with the immunomodulatory drug lenalidomide in patients with relapsed or refractory DLBCL. DLBCL is the most common from of non-Hodgkin's lymphoma (NHL). The study is designed as an open-label, single-arm study with the primary endpoint being the overall response rate (ORR) and multiple secondary endpoints, including progression-free survival (PFS), overall survival (OS) and time to progression (TTP).
- At the beginning of September 2016, MorphoSys disclosed that the first patient had been dosed in the safety evaluation part of a phase 2/3 clinical combination trial of MOR208 with bendamustine. The trial is named B-MIND (**B**endamustin-**M**OR208 **IN D**LBCL) and will evaluate the safety and efficacy of MOR208 combined with the chemotherapeutic agent bendamustine in comparison to the cancer drug rituximab plus bendamustine. This trial will enroll 330 adult patients worldwide with relapsed or refractory diffuse large B cell lymphoma (DLBCL) who are not eligible for autologous stem cell transplantation. The trial's phase 2 safety run-in phase will begin by evaluating the safety and tolerability of MOR208 with bendamustine in comparison to the rituximab plus bendamustine combination, enrolling approximately 10 patients in each treatment arm. After the safety run-in phase, the study will transition into a pivotal phase 3 trial, which is planned for 2017. The primary endpoint of the B-MIND trial is progression-free survival (PFS). The secondary endpoints include overall response rate (ORR), duration of response (DoR), overall survival (OS), disease

control rate (DCR), time to progression (TTP) as well as an evaluation of patients' quality of life (QoL).

- In addition to the combination trials in DLBCL initiated in 2016, MorphoSys is planning to initiate a further phase 2 combination trial of MOR208 with the name COSMOS. In this trial, MOR208 will be evaluated in combination with another cancer drug in patients with chronic lymphocytic leukemia (CLL) patients no longer responding to therapy with Btk inhibitors.

MOR202 targets CD38, one of the most strongly and uniformly expressed antigens on the surface of malignant plasma cells. MOR202 is currently being evaluated in a phase 1/2a dose escalation study in patients with relapsed/refractory multiple myeloma (MM). In this study, MOR202 is administered in ascending doses alone and in combination with the immunomodulatory cancer drugs (IMiDs) lenalidomide and pomalidomide. Patients are currently being treated with the highest dose cohort of 16mg/kg MOR202 in combination with IMiDs. In addition, other confirmation cohorts are being treated with a dose of 16mg/kg MOR202 alone.

In mid-October, shortly after the end of the reporting period, MorphoSys presented new data from an ongoing phase 1/2a trial of MOR202 in multiple myeloma (MM) at the 2016 annual meeting of the German Society of Hematology and Oncology (Deutsche Gesellschaft für Hämatologie und Onkologie – DGHO). Patients receiving MOR202 in combination with the cancer drug pomalidomide showed a particularly encouraging response in the ongoing study. Patient responses have improved considerably since the presentation of the last results at the ASCO conference in June 2016. New trial results are expected to be presented at an upcoming medical conference.

MOR209/ES414 is currently in a phase 1 study in patients suffering from metastatic castration-resistant prostate cancer. Recruitment of first patients to the study according to the amended study protocol is planned for Q4 2016.

MOR106 is a fully human Ylanthia antibody against IL-17C, jointly discovered and developed by Galapagos and MorphoSys. At the end of September, MorphoSys and Galapagos announced that the first patient with atopic dermatitis was dosed in an ongoing phase 1 trial after MOR106 showed favorable safety results in healthy volunteers during the first phase of the study. MOR106 is the first antibody generated using MorphoSys's proprietary Ylanthia technology to enter clinical development. This phase 1 trial investigates the safety, tolerability and pharmacokinetic profile of MOR106 when administered in single ascending doses in healthy volunteers as well as multiple ascending doses in patients suffering from atopic dermatitis. MOR106 is the first publicly disclosed monoclonal antibody targeting IL-17C in clinical development worldwide. IL-17C could play an important role in the emergence of inflammatory skin disorders and is expected to differ from other members of the family of IL-17 cytokines.

In addition to the four clinical programs MOR202, MOR208, MOR209/ES414 and MOR106, MorphoSys is also pursuing several programs in earlier phases of research and development.

MOR103/GSK3196165 was outlicensed to GlaxoSmithKline (GSK) and is currently in a phase 2b study in patients with rheumatoid arthritis as well as in a phase 2 clinical study in patients suffering from hand osteoarthritis. GSK is also preparing to initiate an additional phase 2 study in patients with rheumatoid arthritis.

On September 30, 2016, the number of proprietary therapeutic antibody programs totaled 14, one of which was outlicensed (December 31, 2015: 14 programs, of which one was outlicensed). Of these programs, five are in clinical development, one in preclinical development and eight in the discovery stage.

PARTNERED DISCOVERY

The Partnered Discovery segment contains the activities and programs in which MorphoSys is contracted by its partners to apply its proprietary technology to discover new antibodies. The partners are then responsible for the products' clinical development and later commercialization. MorphoSys participates in the success of this later development and commercialization through set milestone payments and royalties.

In early July, MorphoSys disclosed the receipt of a milestone payment from Novartis, which had been recognized in the second quarter of 2016. This payment was triggered by the initiation of a phase 1 clinical study of a novel HuCAL antibody for the prevention of thrombosis. This program marks Novartis' twelfth therapeutic antibody based on MorphoSys technologies that has entered clinical development.

In mid October, the Company announced the receipt of a milestone payment from Novartis. The revenue was recorded in the third quarter of 2016. The payment was triggered by the start of a clinical phase 1 trial with a novel HuCAL antibody in the field of cancer. This is the 13th therapeutic antibody based on MorphoSys's technologies that Novartis is evaluating in clinical trials.

In the first nine months of 2016, the number of therapeutic antibodies in the Partnered Discovery segment increased to a total of 96 (December 31, 2015: 89). Of those programs, 23 are in clinical development, 23 in preclinical development and 50 in the discovery stage.

CORPORATE DEVELOPMENTS

In September, MorphoSys announced the appointment of its Scientific Advisory Board, which will advise the Company on the strategic options and future perspectives within its research and development activities. The inaugural members of MorphoSys's Scientific Advisory Board are: Dr. Günther R. Adolf (formerly Boehringer Ingelheim, Vienna, Austria), Prof. Dr. Bruce D. Cheson (Georgetown University Hospital, Washington D.C., USA), Dr. Sergio Quezada (University College London Cancer Institute, London, UK), and Dr. Raymond W. Sweet (formerly Janssen, J&J, Pennsylvania, USA).

In September 2016, MorphoSys's Dutch subsidiary Lanthio Pharma B.V., which specializes in the development of lanthipeptides, announced the appointment of Axel Mescheder, M.D. as its Chief Medical Officer. Dr. Mescheder's experience as a manager in R&D in the pharmaceutical and biotechnology industry spans more than 20 years. At Lanthio Pharma, Dr. Mescheder's main focus will be the development of Lanthio Pharma's lanthipeptide portfolio, in particular the preparation and subsequent execution of the clinical development of MOR107.

Human Resources

On September 30, 2016, the MorphoSys Group had 346 employees (December 31, 2015: 365). In the first nine months of 2016, the number of employees at the MorphoSys Group averaged 357.

Key Financial Figures

In the interim statements, MorphoSys reports the key financial figures that are important for the internal control of the Group: revenues, operating expenses, EBIT, segment results and the liquidity position. The presentation of the key financial figures may be expanded to include material business transactions that affected other line items of the income statement or balance sheet in a given quarter.

Revenues

Group revenues declined to € 36.7 million (1-9/2015: € 93.9 million) in comparison to the same period in the previous year. Revenues in the comparable period of 2015 contained a one-off effect in the amount of roughly € 59 million from the termination of the partnership with Celgene to co-develop and co-promote MOR202.

Success-based payments amounted to 10% or € 3.5 million (1-9/2015: 3% or € 2.5 million) of total revenues.

From a geographical standpoint, MorphoSys generated 7%, or € 2.5 million, of its commercial revenues with biotechnology and pharmaceutical companies and non-profit organizations headquartered in North America and 93%, or € 34.2 million, with partners primarily located in Europe and Asia. In the comparable period of the previous year, these figures were 66% and 34%, respectively.

Approximately 95% of the Group's revenues were generated with Novartis, Pfizer and Bayer (1-9/2015: 98% with Celgene, Novartis and Pfizer).

Operating Expenses

RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses in the first nine months of 2016 increased as anticipated based on ongoing projects to € 58.8 million (1-9/2015: € 53.1 million). Expenses in this area were largely driven by fees for external laboratory services of € 25.8 million (1-9/2015: € 20.5 million) and personnel expenses of € 20.1 million (1-9/2015: € 19.1 million).

DISTRIBUTION OF R&D EXPENSES (IN MILLION €)

	1-9/2016	1-9/2015
R&D Expenses on behalf of Partners	12.6	13.2
Proprietary Development Expenses	45.1	38.0
Technology Development Expenses	1.1	1.9
R&D Total	**58.8**	**53.1**

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses declined slightly compared to the same period in the previous year and amounted to € 10.3 million (1-9/2015: € 10.6 million). The main expenses under this item are personnel expenses amounting to € 7.4 million (1-9/2015: € 7.5 million) and fees for external services of € 1.6 million (1-9/2015: € 1.7 million).

Segment Reporting

The Group consists of two business segments: Proprietary Development and Partnered Discovery. The activities included in these segments have changed slightly since the publication of the Annual Report 2015: The development of proprietary technologies has been included in the Proprietary Development segment since January 1, 2016. Until December 31, 2015, the related costs were attributed to the Partnered Discovery Segment. With MOR106, a co-development program with Galapagos, an additional program of the Proprietary Development segment entered into a phase 1 clinical trial in April 2016, bringing this segment's number of programs in clinical development to a total of five.

For the Nine Months Period Ended September 30, (in 000's €)	Proprietary Development		Partnered Discovery		Unallocated		Group	
	2016	2015	2016	2015	2016	2015	2016	2015
Revenues	491	59,865	36,232	34,045	0	0	36,723	93,910
Operating Expenses	46,215	38,039	13,469	15,948	9,426	9,640	69,110	63,627
Other Income	229	4,696	0	5	158	204	387	4,905
Other Expenses	0	8	0	1	317	432	317	441
Segment EBIT	**(45,495)**	**26,514**	**22,763**	**18,101**	**(9,585)**	**(9,868)**	**(32,317)**	**34,747**
Finance Income	0	0	0	0	1,044	2,601	1,044	2,601
Finance Expenses	0	0	0	0	318	307	318	307
Profit before Taxes	**(45,495)**	**26,514**	**22,763**	**18,101**	**(8,859)**	**(7,574)**	**(31,591)**	**37,041**
Income Tax (Expenses) / Income	0	0	0	0	(51)	(8,809)	(51)	(8,809)
Consolidated Net Profit / (Loss)	**(45,495)**	**26,514**	**22,763**	**18,101**	**(8,910)**	**(16,383)**	**(31,642)**	**28,232**

For the Three Months Period Ended September 30, (in 000's €)	Proprietary Development		Partnered Discovery		Unallocated		Group	
	2016	2015	2016	2015	2016	2015	2016	2015
Revenues	146	285	12,321	11,016	0	0	12,467	11,301
Operating Expenses	17,891	14,067	4,637	5,371	3,036	3,284	25,564	22,722
Other Income	81	75	0	4	36	49	117	128
Other Expenses	0	8	0	1	107	35	107	44
Segment EBIT	**(17,664)**	**(13,715)**	**7,684**	**5,648**	**(3,107)**	**(3,270)**	**(13,087)**	**(11,337)**
Finance Income	0	0	0	0	420	430	420	430
Finance Expenses	0	0	0	0	78	8	78	8
Profit before Taxes	**(17,664)**	**(13,715)**	**7,684**	**5,648**	**(2,765)**	**(2,848)**	**(12,745)**	**(10,915)**
Income Tax (Expenses) / Income	0	0	0	0	(72)	2,627	(72)	2,627
Consolidated Net Profit / (Loss)	**(17,664)**	**(13,715)**	**7,684**	**5,648**	**(2,837)**	**(221)**	**(12,817)**	**(8,288)**

* Differences due to rounding.

Liquidity

On September 30, 2016, the Group's liquidity position amounted to € 267.2 million compared to € 298.4 million on December 31, 2015.

Liquidity is reflected in the balance sheet items "cash and cash equivalents", "available-for-sale financial assets", "bonds available-for-sale" and current and non-current "financial assets classified as loans and receivables".

The decline in liquidity was mainly the result of the use of cash for operations in the first nine months of 2016 and the repurchase of shares for the Group's long-term incentive plans.

Stockholders' Equity

The value of treasury stock declined from € 15,827,946 on December 31, 2015 to € 14,732,924 on September 30, 2016. This decline was the result of the transfer of 88,663 of the Company's own shares in the amount of € 3,276,984 from the performance-based 2012 Long-Term Incentive Plan (LTI Plan) to the Management Board and the Senior Management Group. The vesting period for this LTI program expired on April 1, 2016 and provided beneficiaries a six-month option to receive a total of 88,663 shares. The decline in treasury stock was partially offset by MorphoSys's repurchase of 52,295 of its own shares on the stock exchange at an average share price of € 41.69 for a total amount of € 2,179,963. Bank fees related to the repurchase amounted to € 1,999. As a result of these transactions, the Company held 398,302 shares as treasury stock as of September 30, 2016.

Subsequent Events

On October 1, 2016, MorphoSys announced that its licensee Janssen Research & Development, LLC reported positive results from a phase 3 clinical study of guselkumab in 837 patients with moderate to severe plaque psoriasis ("VOYAGE 1" study). Guselkumab is a fully human antibody targeting IL-23p19 identified from MorphoSys's HuCAL antibody library.

No other events occurred that require reporting.

Financial Guidance

MorphoSys's current financial guidance for the financial year 2016 was published on March 2, 2016 and remains unchanged. The Group expects revenues for 2016 in the range € 47 million to € 52 million. Proprietary R&D expenses are expected to rise to a range of € 76 million to € 83 million. The Group expects earnings before interest and taxes (EBIT) to amount to between € -58 million and € -68 million. This guidance does not take the potential in-licensing or co-development of any additional development candidates into account.

Consolidated Income Statement (IFRS) – (unaudited)

€	Three Months Ended 09/30/2016	Three Months Ended 09/30/2015	Nine Months Ended 09/30/2016	Nine Months Ended 09/30/2015
Revenues	**12,466,556**	**11,301,248**	**36,723,370**	**93,910,371**
Operating Expenses				
Research and Development	22,146,225	19,166,168	58,796,902	53,072,641
General and Administrative	3,416,344	3,556,577	10,312,615	10,554,961
Total Operating Expenses	**25,562,569**	**22,722,745**	**69,109,517**	**63,627,602**
Other Income	116,558	127,335	387,067	4,904,358
Other Expenses	107,418	43,223	317,723	440,460
Earnings before Interest and Taxes (EBIT)	**(13,086,873)**	**(11,337,385)**	**(32,316,803)**	**34,746,667**
Finance Income	420,194	430,035	1,044,092	2,600,961
Finance Expenses	78,076	7,481	317,682	306,542
Income Tax (Expenses) / Income	(72,099)	2,626,646	(50,785)	(8,809,471)
Consolidated Net Profit / (Loss)	**(12,816,854)**	**(8,288,185)**	**(31,641,178)**	**28,231,615**
Basic Net Profit / (Loss) per Share	**(0.49)**	**(0.32)**	**(1.21)**	**1.09**
Diluted Net Profit / (Loss) per Share	**(0.49)**	**(0.32)**	**(1.21)**	**1.07**
Shares Used in Computing Basic Net Result per Share	26,130,152	26,042,247	26,106,324	26,007,900
Shares Used in Computing Diluted Net Result per Share	26,201,578	26,311,342	26,205,393	26,282,399

Consolidated Balance Sheet (IFRS)

€	September 30 2016 (unaudited)	December 31 2015 (audited)
ASSETS		
Current Assets		
Cash and Cash Equivalents	30,075,391	90,927,673
Available-for-sale Financial Assets	91,159,199	64,292,830
Bonds, Available-for-sale	26,791,990	33,120,117
Financial Assets classified as Loans and Receivables	69,579,570	94,587,528
Accounts Receivable	9,624,962	11,442,059
Tax Receivables	513,073	826,102
Other Receivables	242,515	1,324,236
Inventories, Net	340,100	368,782
Prepaid Expenses and Other Current Assets	10,111,743	3,227,008
Total Current Assets	**238,438,543**	**300,116,335**
Non-current Assets		
Property, Plant and Equipment, Net	3,113,868	3,474,018
Patents, Net	5,493,743	6,141,061
Licenses, Net	3,171,403	3,244,800
In-process R&D Programs	60,959,887	60,959,887
Software, Net	1,447,413	1,936,268
Goodwill	7,364,802	7,364,802
Financial Assets classified as Loans and Receivables, Net of Current Portion	49,568,869	15,510,989
Deferred Tax Asset	700,971	381,949
Prepaid Expenses and Other Assets, Net of Current Portion	4,357,029	949,381
Total Non-current Assets	**136,177,985**	**99,963,155**
TOTAL ASSETS	**374,616,528**	**400,079,490**

€	September 30 2016 (unaudited)	December 31 2015 (audited)
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts Payable and Accrued Expenses	25,910,625	22,341,663
Tax Provisions	1,609,457	1,698,276
Provisions	2,767,747	1,436,384
Current Portion of Deferred Revenue	4,706,121	1,994,120
Total Current Liabilities	**34,993,950**	**27,470,443**
Non-current Liabilities		
Provisions, Net of Current Portion	43,344	43,344
Deferred Revenue, Net of Current Portion	1,965,810	2,512,666
Convertible Bonds due to Related Parties	225,000	225,000
Deferred Tax Liability	7,399,903	7,092,030
Total Non-current Liabilities	**9,634,057**	**9,873,040**
Total Liabilities	**44,628,007**	**37,343,483**
Stockholders' Equity		
Common Stock	26,537,682	26,537,682
Ordinary Shares Issued (26,537,682 and 26,537,682 for 2016 and 2015, respectively)		
Ordinary Shares Outstanding (26,139,380 and 26,103,012 for 2016 and 2015, respectively)		
Treasury Stock (398,302 and 434,670 shares for 2016 and 2015, respectively), at Cost	(14,732,924)	(15,827,946)
Additional Paid-in Capital	318,059,491	319,394,322
Revaluation Reserve	(1,068,657)	(202,158)
Accumulated Income	1,192,929	32,834,107
Total Stockholders' Equity	**329,988,521**	**362,736,007**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**374,616,528**	**400,079,490**

Consolidated Statement of Changes in Stockholders' Equity (IFRS) – (unaudited)

	Common Stock	
	Shares	€
Balance as of January 1, 2015	**26,456,834**	**26,456,834**
Compensation Related to the Grant of Convertible Bonds and Performance Shares	0	0
Exercise of Convertible Bonds Issued to Related Parties	22,500	22,500
Repurchase of Treasury Stock in Consideration of Bank Fees	0	0
Transfer of Treasury Stock for Long-Term Incentive Program	0	0
Reserves:		
Change in Unrealized Gains and Losses on Available-for-sale Financial Assets and Bonds, Net of Tax Effects	0	0
Foreign Currency Gains from Consolidation	0	0
Consolidated Net Profit for the Period	0	0
Total Comprehensive Income	0	0
Balance as of September 30, 2015	**26,479,334**	**26,479,334**
Balance as of January 1, 2016	**26,537,682**	**26,537,682**
Compensation Related to the Grant of Convertible Bonds and Performance Shares	0	0
Repurchase of Treasury Stock in Consideration of Bank Fees	0	0
Transfer of Treasury Stock for Long-Term Incentive Program	0	0
Reserves:		
Change in Unrealized Gains and Losses on Available-for-sale Financial Assets and Bonds, Net of Tax Effects	0	0
Change in Unrealized Losses on Cash Flow Hedges, Net of Tax Effects	0	0
Consolidated Net Loss for the Period	0	0
Total Comprehensive Income	0	0
Balance as of September 30, 2016	**26,537,682**	**26,537,682**

	Treasury Stock Shares	€	Additional Paid-in Capital €	Revaluation Reserve €	Translation Reserve €	Accumulated Income €	Total Stockholders' Equity €
	450,890	**(14,251,962)**	**318,375,720**	**(4,642)**	**293,846**	**17,933,339**	**348,803,135**
	0	0	2,878,542	0	0	0	2,878,542
	0	0	355,275	0	0	0	377,775
	88,670	(5,393,984)	0	0	0	0	(5,393,984)
	(104,890)	3,816,947	(3,816,947)	0	0	0	0
	0	0	0	(35,177)	0	0	(35,177)
	0	0	0	0	1,277	0	1,277
	0	0	0	0	0	28,231,615	28,231,615
	0	0	0	(35,177)	1,277	28,231,615	28,197,715
	434,670	**(15,828,999)**	**317,792,590**	**(39,819)**	**295,123**	**46,164,954**	**374,863,183**
	434,670	**(15,827,946)**	**319,394,322**	**(202,158)**	**0**	**32,834,107**	**362,736,007**
	0	0	1,942,153	0	0	0	1,942,153
	52,295	(2,181,962)	0	0	0	0	(2,181,962)
	(88,663)	3,276,984	(3,276,984)	0	0	0	0
	0	0	0	(677,100)	0	0	(677,100)
	0	0	0	(189,399)	0	0	(189,399)
	0	0	0	0	0	(31,641,178)	(31,641,178)
	0	0	0	(866,499)	0	(31,641,178)	(32,507,677)
	398,302	**(14,732,924)**	**318,059,491**	**(1,068,657)**	**0**	**1,192,929**	**329,988,521**

Consolidated Statement of Cash Flows (IFRS) – (unaudited)

For the Period Ended September 30, (in €)	2016	2015
Operating Activities:		
Consolidated Net Profit / (Loss)	(31,641,178)	28,231,615
Adjustments to Reconcile Net Profit / (Loss) to Net Cash Provided by / (Used in) Operating Activities:		
Depreciation and Amortization of Tangible and Intangible Assets	2,758,358	2,573,204
Net (Gain) / Loss on Sales of Financial Assets	(66,698)	56,554
Proceeds from Derivative Financial Instruments	634,086	0
Net (Gain) / Loss on Derivative Financial Instruments	35,333	(1,188,116)
(Gain) / Loss on Sale of Property, Plant and Equipment	23	694
Recognition of Deferred Revenue	(15,240,785)	(68,547,066)
Stock-based Compensation	1,942,153	2,878,542
Income Tax Expenses / (Income)	50,785	8,809,471
Gain from Revaluation of Participations	0	(4,495,020)
Changes in Operating Assets and Liabilities:		
Accounts Receivable	1,817,097	4,821,430
Prepaid Expenses, Other Assets and Tax Receivables	(10,269,608)	(2,214,729)
Accounts Payable and Accrued Expenses and Provisions	6,369,743	9,726,919
Other Liabilities	(921,110)	(441,889)
Deferred Revenue	17,405,930	17,788,125
Income Taxes Paid	(879,807)	(1,779,325)
Net Cash Provided by / (Used in) Operating Activities	**(28,005,678)**	**(3,779,591)**

in €	2016	2015
Investing Activities:		
Purchases of Available-for-sale Financial Assets	(95,923,795)	(25,600,000)
Proceeds from Sales of Available-for-sale Financial Assets	69,073,152	56,005,472
Purchase of Bonds, Available-for-sale	0	(27,681,550)
Proceeds from Sales of Bonds, Available-for-sale	5,696,000	0
Purchase of Financial Assets Classified as Loans and Receivables	(119,499,997)	(30,092,378)
Proceeds from Sale of Financial Assets Classified as Loans and Receivables	109,900,054	55,957,895
Acquisitions, Net of Cash Acquired	0	(18,169,658)
Purchase of Property, Plant and Equipment	(919,180)	(1,020,094)
Purchase of Intangibles	(269,481)	(7,202,606)
Interest Received	1,280,424	990,465
Net Cash Provided by / (Used in) Investing Activities	**(30,662,823)**	**3,187,546**
Financing Activities:		
Repurchase of Treasury Stock in Consideration of Bank Fees	(2,181,963)	(5,393,984)
Proceeds from the Exercise of Convertible Bonds Granted to Related Parties	0	372,744
Interest Paid	(1,818)	(2,394)
Net Cash Provided by / (Used in) Financing Activities	**(2,183,781)**	**(5,023,634)**
Effect of Exchange Rate Differences on Cash	0	104
Increase / (Decrease) in Cash and Cash Equivalents	(60,852,282)	(5,615,574)
Cash and Cash Equivalents at the Beginning of the Period	**90,927,673**	**32,238,161**
Cash and Cash Equivalents at the End of the Period	**30,075,391**	**26,622,587**

Imprint

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Published on November 7, 2016

This interim statement is also published in German and can be downloaded from the Company's website (PDF).

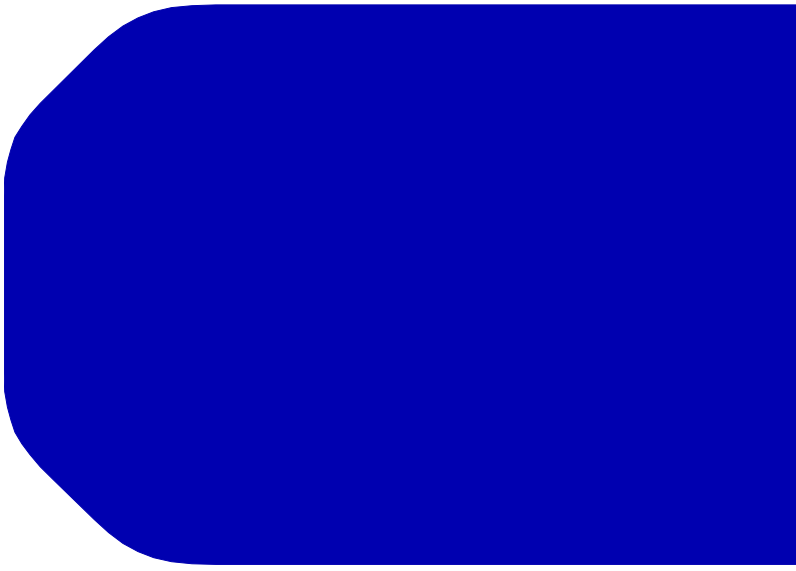
Concept and Design
3st kommunikation GmbH, Mainz

Translation
Klusmann Communications, Niedernhausen

Produced in-house using FIRE.sys

Financial Calendar 2016

MARCH 2, 2016	PUBLICATION OF 2015 FINANCIAL RESULTS
MAY 3, 2016	PUBLICATION OF 2016 FIRST QUARTER INTERIM STATEMENT
JUNE 2, 2016	2016 ORDINARY ANNUAL GENERAL MEETING IN MUNICH
AUGUST 1, 2016	PUBLICATION OF 2016 HALF-YEAR REPORT
NOVEMBER 7, 2016	PUBLICATION OF 2016 THIRD QUARTER INTERIM STATEMENT



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