Third Quarter Interim Statement

January – September 2017

morphosys

Engineering the Medicines of Tomorrow

Contents

MorphoSys Group:
Third Quarter Interim Statement
January – September 2017

Summary of the Third Quarter of 2017

FINANCIAL RESULTS FOR THE FIRST NINE MONTHS OF 2017

- Group revenue in the first nine months of 2017 totaled €38.6 million (Q1-Q3 2016: €36.7 million), and earnings before interest and taxes (EBIT) amounted to € -53.8 million (Q1-Q3 2016: EBIT of € -32.3 million).
- Q3 2017 revenues did not include royalties on Tremfya™ (guselkumab) sales as the first royalty reporting from Janssen has not yet been received. Thus, royalties on Tremfya™ (guselkumab) sales for Q3 2017 will be part of Q4 2017 results.
- The Group's liquidity position on September 30, 2017 was €319.5 million (December 31, 2016: €359.5 million).
- The company confirms its 2017 full-year financial guidance for revenue in the range of €46 million to €51 million and earnings before interest and taxes (EBIT) in the range of € -75 million to € -85 million.

OPERATING HIGHLIGHTS FOR THE THIRD QUARTER OF 2017

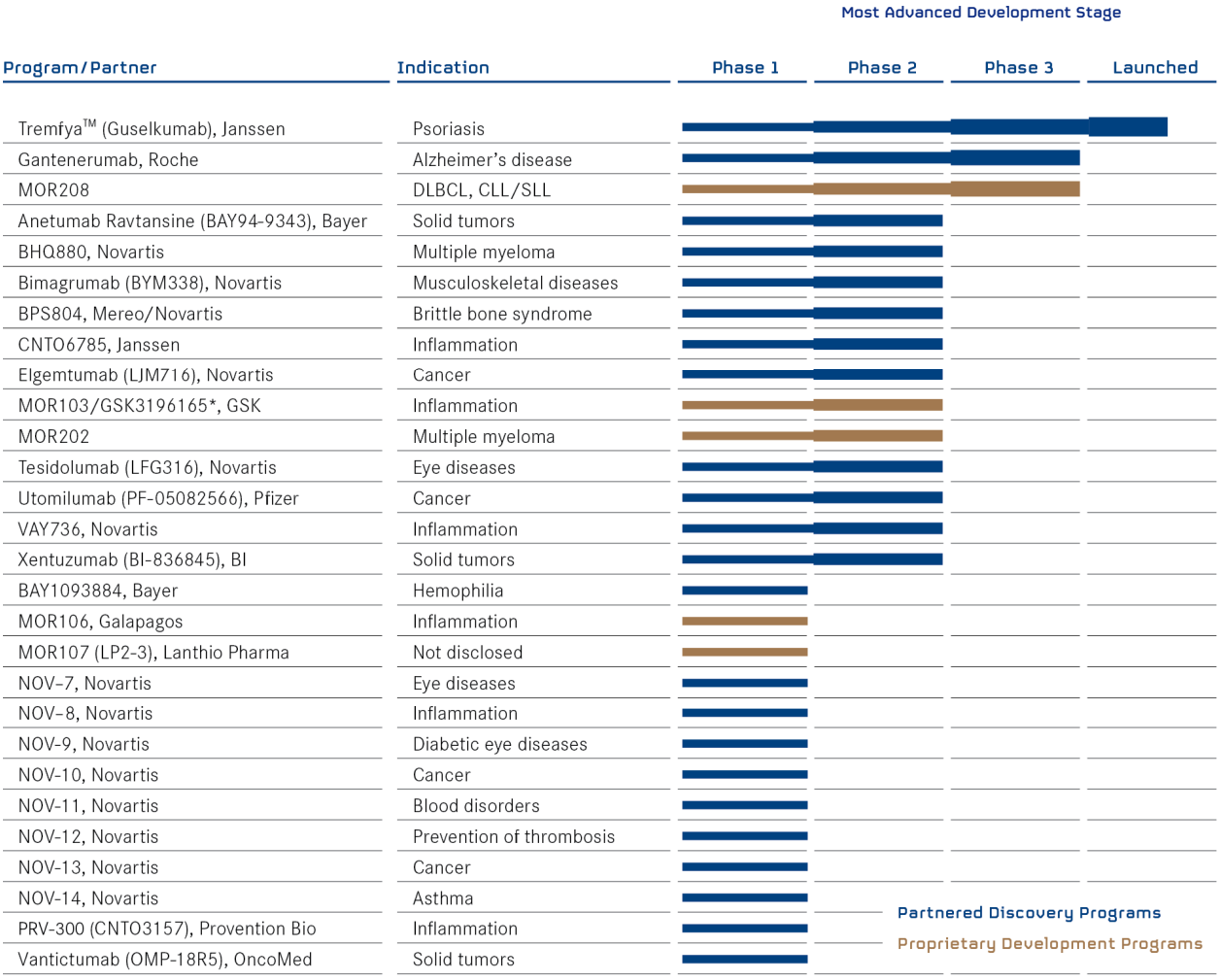
- In mid-July, MorphoSys's licensee Janssen announced it had received US market approval from the FDA for Tremfya™ (guselkumab) for the treatment of patients with moderate-to-severe plaque psoriasis. As a result, the first commercial product generated from MorphoSys's proprietary HuCAL technology is now available to patients in the United States.
- At the end of July, MorphoSys announced that its partner Bayer reported the results of a phase 2 clinical study examining anetumab ravtansine in patients with malignant pleural mesothelioma. The study did not meet its primary endpoint. Bayer stated that it will continue to investigate the compound in clinical studies in other cancer indications.
- At the Company's Capital Markets Day held in London and New York in early September, MorphoSys presented its growth strategy and provided an overview of its current development activities. It also offered an outlook on potential upcoming events. One of the important strategic goals is to define the fastest path to market for its most advanced proprietary compound MOR208.
- In mid-September, the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA) recommended market approval of Tremfya™ (guselkumab) for the treatment of patients with moderate-to-severe plaque psoriasis in Europe.
- Also in September, MorphoSys announced that its licensee Janssen had initiated two new phase 3 clinical studies with Tremfya™ (guselkumab) in psoriatic arthritis. The studies have been initiated to evaluate the efficacy and safety of guselkumab in this inflammatory disease affecting both the joints and the skin and with the goal of receiving market approval in this indication.
- At the end of September, MorphoSys and its partner Galapagos announced the first results of a phase 1 clinical study with MOR106 in healthy volunteers and patients with atopic dermatitis. MOR106 was well-tolerated and demonstrated the first signs of promising clinical activity at the highest dose, which supports its progression into phase 2 clinical studies. MOR106 is the first antibody directed against IL-17C in clinical development and also the first antibody from MorphoSys's Ylanthia technology to enter the clinic.
- MorphoSys announced in September that following a portfolio review, it had ended the cooperation with Aptevo Therapeutics for the development of MOR209/ES414 in prostate cancer. The rights to the drug's development and commercialization were returned to Aptevo. The drug is currently in phase 1 clinical development.

- At the end of the third quarter of 2017, MorphoSys's pipeline comprised a total of 113 therapeutic antibodies, 28 of which are in clinical development. One product had received market approval in the United States.

EVENTS AFTER THE END OF THE THIRD QUARTER OF 2017

- Dr. Markus Enzelberger, who has been serving as Interim CSO since April 15, 2017, was appointed Chief Scientific Officer (CSO) effective November 1, 2017. He succeeds Dr. Marlies Sproll who resigned from her CSO position effective end of October 31, 2017 due to ongoing family reasons. Dr. Sproll has taken on a new part-time role at MorphoSys as Special Adviser to the CEO as of November 1, 2017.
- On October 23, 2017, the U.S. Food and Drug Administration (FDA) has granted Breakthrough Therapy designation to MOR208, in combination with lenalidomide, for the treatment of adult patients with relapsed or refractory (R/R) diffuse large B-cell lymphoma (DLBCL) who are not eligible for high-dose chemotherapy and autologous stem-cell transplantation.

MORPHOSYS PRODUCT PIPELINE AS OF SEPTEMBER 30, 2017



* MOR103/GSK3196165 is fully outlicensed to GSK.

Group Interim Statement: January 1 – September 30, 2017

Operating Business Performance

PROPRIETARY DEVELOPMENT

MorphoSys's proprietary development activities are currently focused on four clinical candidates:

- the hemato-oncological programs MOR208 and MOR202, for which MorphoSys holds worldwide commercial rights;
- the antibody MOR106 for treating inflammatory diseases being co-developed with Galapagos; and
- the lanthipeptide MOR107 being developed by MorphoSys's Dutch subsidiary Lanthio Pharma.

GlaxoSmithKline (GSK) is currently conducting clinical tests of MOR103/GSK3196165, which originated as a proprietary MorphoSys program and was outlicensed to GSK, for the treatment of rheumatoid arthritis and hand osteoarthritis.

MOR208 is an Fc-enhanced therapeutic antibody targeting CD19, a molecule that can be found on the surface of blood cancer cells, for the treatment of B cell malignancies. Since 2016, MOR208 is being evaluated in three clinical studies in combination with other cancer drugs in various blood cancer indications.

The main focus of the current MOR208 development program is on relapsed or refractory diffuse large B cell lymphoma (R/R DLBCL). Two of the three ongoing MOR208 studies, namely the L-MIND and B-MIND trials, are being conducted in this indication. Both trials are focusing on R/R DLBCL patients who are not eligible for high-dose chemotherapy and subsequent autologous stem cell transplantation. The available therapy options for this group of patients are currently very limited, which is why the Company sees a high unmet medical need for new alternatives. A strategic goal of MorphoSys is to find the fastest path to market for MOR208 in this indication.

The open-label, single-arm phase 2 study known as L-MIND (**L**enalidomide-**M**OR208 **IN D**LBCL) is designed to evaluate the safety and efficacy of MOR208 in combination with the immunomodulatory cancer drug lenalidomide in patients with relapsed or refractory diffuse large B cell lymphoma (R/R DLBCL). DLBCL is the most common form of non-Hodgkin's lymphoma (NHL). MorphoSys presented preliminary data on the first patients in June. The data show an objective response to the treatment in 56% and complete remission in 32% of the patients. Based on these results, the Company entered discussions with the FDA to explore options for finding the fastest path to market approval for this novel drug candidate.

The phase 2/3 double-arm B-MIND (**B**endamustine-**M**OR208 **IN D**LBCL) study is designed to evaluate the safety and efficacy of MOR208 in combination with bendamustine in comparison to the cancer drug rituximab plus bendamustine. The study was initiated in September 2016 in roughly 180

centers across Europe, the Asia/Pacific region and the United States and will enroll approximately 330 adult patients suffering from R/R DLBCL. In June 2017, MorphoSys announced the start of the pivotal phase 3 part of B-MIND, marking the first pivotal study of an antibody from MorphoSys's proprietary development portfolio.

In addition to the two trials in R/R DLBCL, MorphoSys is currently evaluating MOR208 in a phase 2 trial in chronic lymphocytic leukemia (CLL) and small lymphocytic lymphoma (SLL). The trial, named COSMOS (**C**LL patients assessed for **O**RR & **S**afety in **M**OR208 **S**tudy), is designed to evaluate MOR208 in combination with the cancer drugs idelalisib and venetoclax in patients for which prior therapy with a BTK inhibitor such as ibrutinib was either unsuccessful or no longer successful. Currently these patients have very limited therapy options and, this indication therefore represents a high unmet medical need. The study is currently investigating the clinical safety of the treatment combinations.

MOR202 targets CD38, an antigen highly and uniformly expressed on the surface of malignant plasma cells. MOR202 is currently being evaluated in a clinical phase 1/2a dose-escalation study in pre-treated patients with relapsed/refractory multiple myeloma (MM), a form of bone marrow cancer. This study comprises three arms: MOR202, MOR202 in combination with the immunomodulatory drug lenalidomide and MOR202 in combination with the immunomodulatory drug pomalidomide, each with low-dose dexamethasone. In June 2017, the Company presented updated safety and efficacy data from this study at the ASCO Annual Meeting. Patient enrollment for the study has been completed. The treatment and subsequent observation of the patients will continue. MorphoSys is currently working to secure a deal to secure the further development of MOR202 based on the data thus far from the ongoing phase 1/2a study.

MOR106 is a fully human antibody jointly discovered and developed by Galapagos and MorphoSys. MOR106 is the first antibody from MorphoSys's Ylanthia platform in clinical development. MOR106 is directed against IL-17C and, to the best of the company's knowledge, is the first antibody targeting IL-17C in clinical development worldwide. The compound has been tested in a phase 1 trial, which was initiated in 2016. The placebo-controlled study investigated the safety, tolerability and pharmacokinetic profile of MOR106 when administered in single ascending doses in healthy volunteers as well as in multiple ascending doses in patients suffering from atopic dermatitis. At the end of September, MorphoSys and Galapagos published initial results from the study. No clinically relevant safety signals were observed. Any adverse drug reactions observed in relation to MOR106 were mild-to-moderate and transient in nature. No serious adverse events or infusion-related reactions were recorded. Even though the study was not statistically designed to show differences in efficacy between treatment groups, an improvement of at least 50% measured by the Eczema Area and Severity Index (EASI-50) at week 4 was shown in 83% of patients (5 out of 6) at the highest dose level of MOR106 compared to only 17% of patients (1 out of 6) seeing an EASI-50 improvement at week 4 who were receiving a placebo. These first signs of MOR106's clinical activity, coupled with the fact that it is generally well-tolerated, supports its progression to a phase 2 clinical study.

MOR107 is the first lanthipeptide based on the proprietary technology platform belonging to MorphoSys's Dutch subsidiary Lanthio Pharma B.V. This compound is a selective agonist of the angiotensin II receptor type 2 (AT2-R). Lanthipeptides have been developed as a class of modified peptides to improve stability and selectivity. The first part of a phase 1 clinical study in healthy volunteers started in February of this year was successfully concluded in May 2017.

In September 2017, following a review of its development portfolio, MorphoSys announced the end of the cooperation with Aptevo Therapeutics Inc. for the development of MOR209/ES414 in prostate cancer. The rights to the drug's development and commercialization were returned to Aptevo. The drug is currently in phase 1 clinical development.

In addition to the four active clinical programs MOR208, MOR202, MOR106 and MOR107, MorphoSys is also pursuing several proprietary programs which are in the early stages of research and development, including collaborations in the area of immuno-oncology with Merck Serono and collaboration targets with the MD Anderson Cancer Center and Immatics.

MOR103/GSK3196165 was outlicensed to GlaxoSmithKline (GSK). GSK is currently evaluating this HuCAL antibody in phase 2b and phase 2a clinical studies in patients with rheumatoid arthritis (RA) as well as in a phase 2a trial in patients suffering from inflammatory hand osteoarthritis.

On September 30, 2017, the number of proprietary therapeutic programs totaled 13, one of which was outlicensed (December 31, 2016: 14 programs, one of which was outlicensed). Five of these programs are in clinical development and eight are 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. Partners are then responsible for the products' clinical development and later commercialization. MorphoSys participates in the success of this development and commercialization through set milestone payments and royalties.

In July, MorphoSys's licensee Janssen announced it had received US market approval from the FDA for Tremfya™ (guselkumab) for the treatment of patients with moderate to severe plaque psoriasis. MorphoSys received a milestone payment from Janssen related to the approval. Tremfya™ (guselkumab) is a fully human anti-IL-23 p19 subunit monoclonal antibody developed by Janssen and was generated by MorphoSys utilizing its proprietary HuCAL antibody library technology. It is the first antibody from MorphoSys's proprietary HuCAL technology platform to reach the market. Market approval in the United States is based on the results of the phase 3 clinical studies VOYAGE 1, VOYAGE 2 and NAVIGATE in around 2,000 patients. The studies demonstrated significant efficacy of Tremfya™ (guselkumab) in patients with moderate-to-severe plaque psoriasis versus placebo and adalimumab. In mid-September 2017, the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA) recommended approval in Europe of Tremfya™ (guselkumab) for the treatment of patients with moderate to severe plaque psoriasis. Also in September, MorphoSys announced that its licensee Janssen had initiated two new phase 3 clinical studies with Tremfya™ (guselkumab) in psoriatic arthritis. The studies are evaluating the efficacy and safety of Tremfya™ (guselkumab) in this inflammatory disease, which affects both the joints and the skin. Janssen made a milestone payment to MorphoSys in connection with the initiation of these new phase 3 studies.

At the end of July, MorphoSys announced that its partner Bayer had reported the results of a phase 2 clinical study examining anetumab ravtansine in patients with malignant pleural mesothelioma. The study did not meet its primary endpoint of progression free survival in comparison to vinorelibine. Anetumab ravtansine is an antibody-drug conjugate directed against mesothelin, comprising an antibody made using MorphoSys's HuCAL technology. Malignant pleural mesothelioma is a rare cancer

and commonly caused by exposure to asbestos. Bayer stated that it will continue to investigate the compound in clinical studies in other cancer indications.

At the end of the third quarter of 2017, the number of therapeutic antibodies in the Partnered Discovery segment remained constant at a total of 100 (December 31, 2016: 100). Of those programs, 23 are in clinical development, 23 in preclinical development and 54 in the discovery stage.

CORPORATE DEVELOPMENTS

At the Company's Capital Market Days held in London and New York in early September 2017, MorphoSys presented its growth and development strategy and gave an overview of its current development activities. It also provided an outlook on potential upcoming developments. One of the key strategic goals is to identify and pursue the fastest possible path to market for MOR208 in R/R DLBCL. The Company confirmed its objective to bring a new compound into clinical development every 18 months. MorphoSys also reemphasized its goal to become a fully integrated biopharmaceutical company. The Company presented not only proprietary and partner developed clinical programs but also several of its proprietary programs, which are currently in the early stages of research and development.

Human Resources

On September 30, 2017, the MorphoSys Group had 343 employees (December 31, 2016: 345). During the first nine months of 2017, the number of employees at the MorphoSys Group averaged 346 (Q1-Q3 2016: 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 revenue increased in comparison to the prior year, growing to € 38.6 million (Q1-Q3 2016: € 36.7 million). In the first nine months of 2017, revenues did not include royalties on Tremfya™ (guselkumab) sales as the first royalty reporting from Janssen has not yet been received. Thus, royalties on Tremfya™ (guselkumab) sales for Q3 2017 will be part of Q4 2017 results. Success-based payments comprised 10%, or € 4.0 million (Q1-Q3 2016: 10% and € 3.5 million), of total revenues. From a geographical standpoint, MorphoSys generated 13%, or € 5.1 million, of its commercial revenues with biotechnology and pharmaceutical companies and non-profit organizations headquartered in North America and 87%, or € 33.5 million, with partners primarily located in Europe and Asia. In the comparable period of the previous year, these figures were 7% and 93%, respectively. Approximately 92% of the Group's revenues were generated with partners Novartis, Janssen and Leo Pharma (Q1-Q3 2016: 95% with Novartis, Pfizer and Bayer).

Operating Expenses

RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses increased as anticipated in the first nine months of 2017 to a total of € 80.5 million (Q1-Q3 2016: € 58.8 million). Expenses in this area were largely driven by external laboratory services in the amount of € 32.7 million (Q1-Q3 2016: € 25.8 million) and personnel expenses of € 21.3 million (Q1-Q3 2016: € 20.1 million). Furthermore, research and development expenses included an impairment in the amount of € 9.9 million on the in-process R&D program MOR209/ES414.

DISTRIBUTION OF R&D EXPENSES (IN MILLION €)

	Q1-Q3 2017	Q1-Q3 2016
R&D expenses on behalf of Partners	12.6	12.6
Proprietary Development Expenses	67.0	45.1
Technology Development Expenses	0.9	1.1
R&D Total	**80.5**	**58.8**

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses increased compared to the same period of the prior year and amounted to € 12.1 million (Q1-Q3 2016: € 10.3 million). The main components of this expense item were personnel expenses amounting to € 9.2 million (Q1-Q3 2016: € 7.4 million) and expenses for external services of € 1.5 million (Q1-Q3 2016: € 1.6 million).

Segment Reporting

The Group consists of two business segments: Proprietary Development and Partnered Discovery. The activities included in these segments have not changed since the publication of the 2016 Annual Report.

Q1-Q3 (in 000's €) *	Proprietary Development 2017	Proprietary Development 2016	Partnered Discovery 2017	Partnered Discovery 2016	Unallocated 2017	Unallocated 2016	Group 2017	Group 2016
Revenues	664	491	37,972	36,232	0	0	38,636	36,723
Operating Expenses	67,896	46,215	13,585	13,469	11,079	9,426	92,560	69,110
Other Income	135	229	0	0	673	158	808	387
Other Expenses	0	0	0	0	700	317	700	317
Segment EBIT	**(67,097)**	**(45,495)**	**24,387**	**22,763**	**(11,106)**	**(9,585)**	**(53,816)**	**(32,317)**
Finance Income	0	0	0	0	682	1,044	682	1,044
Finance Expenses	0	0	0	0	1,248	318	1,248	318
Profit / (Loss) before Taxes	**(67,097)**	**(45,495)**	**24,387**	**22,763**	**(11,672)**	**(8,859)**	**(54,382)**	**(31,591)**
Income Tax (Expenses) / Income	0	0	0	0	(753)	(51)	(753)	(51)
Consolidated Net Profit / (Loss)	**(67,097)**	**(45,495)**	**24,387**	**22,763**	**(12,425)**	**(8,910)**	**(55,135)**	**(31,642)**

Q3 (in 000's €) *	Proprietary Development 2017	Proprietary Development 2016	Partnered Discovery 2017	Partnered Discovery 2016	Unallocated 2017	Unallocated 2016	Group 2017	Group 2016
Revenues	204	146	14,843	12,321	0	0	15,047	12,467
Operating Expenses	30,025	17,891	4,474	4,637	3,724	3,036	38,223	25,564
Other Income	3	81	0	0	101	36	104	117
Other Expenses	0	0	0	0	429	107	429	107
Segment EBIT	**(29,818)**	**(17,664)**	**10,369**	**7,684**	**(4,052)**	**(3,107)**	**(23,501)**	**(13,087)**
Finance Income	0	0	0	0	510	420	510	420
Finance Expenses	0	0	0	0	879	78	879	78
Profit / (Loss) before Taxes	**(29,818)**	**(17,664)**	**10,369**	**7,684**	**(4,421)**	**(2,765)**	**(23,870)**	**(12,745)**
Income Tax (Expenses) / Income	0	0	0	0	(149)	(72)	(149)	(72)
Consolidated Net Profit / (Loss)	**(29,818)**	**(17,664)**	**10,369**	**7,684**	**(4,570)**	**(2,837)**	**(24,019)**	**(12,817)**

* Differences due to rounding.

Liquidity

On September 30, 2017, the Company's liquidity position amounted to € 319.5 million, compared to € 359.5 million on December 31, 2016.

Liquidity consists of 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 due to the use of cash for operations in the first nine months of 2017.

Subsequent Events

Dr. Markus Enzelberger, who has been serving as Interim CSO since April 15, 2017, was appointed Chief Scientific Officer (CSO) effective November 1, 2017. He succeeds Dr. Marlies Sproll who resigned from her CSO position effective end of October 31, 2017 due to ongoing family matters. Dr. Sproll has taken on a new part-time role at MorphoSys as Special Adviser to the CEO as of November 1, 2017.

On October 23, 2017, the U.S. Food and Drug Administration (FDA) has granted Breakthrough Therapy designation to MOR208, in combination with lenalidomide, for the treatment of adult patients with relapsed or refractory (R/R) diffuse large B-cell lymphoma (DLBCL) who are not eligible for high-dose chemotherapy and autologous stem-cell transplantation. FDA's Breakthrough Therapy designation is based on preliminary data from the ongoing phase 2 L-MIND study which is evaluating the safety and efficacy of MOR208 in combination with lenalidomide in this patient group. FDA Breakthrough Therapy designation is intended to expedite development and review of drug candidates, alone or in combination with other drugs. It is granted if preliminary clinical evidence indicates that the drug candidate may

demonstrate substantial improvement over existing therapies in the treatment of a serious or life-threatening disease.

Financial Guidance

MorphoSys's financial guidance for the 2017 financial year was published together with the 2016 consolidated financial statements on March 9, 2017, and remains unchanged. The Company expects revenues in full-year 2017 within a range of € 46 million to € 51 million. Proprietary R&D expenses including expenses for technology development are expected in the range of € 85 million to € 95 million. The Group anticipates earnings before interest and taxes (EBIT) to be in the range of € -75 million to € -85 million. This guidance does not take into account any additional revenue from future collaborations and/or licensing partnerships.

First royalty reporting from Janssen has not been received yet. Royalties on net sales for Tremfya™ (guselkumab) therefore cannot be accurately projected at this point in time. Hence, the guidance for the financial year 2017 does not include any assumptions on royalty income for sales on Tremfya™ (guselkumab).

Consolidated Income Statement (IFRS) – (unaudited)

€	Q3 2017	Q3 2016	Q1-Q3 2017	Q1-Q3 2016
Revenues	**15,047,279**	**12,466,556**	**38,635,939**	**36,723,370**
Operating Expenses				
Research and Development	34,137,295	22,146,225	80,460,862	58,796,902
General and Administrative	4,085,409	3,416,344	12,099,143	10,312,615
Total Operating Expenses	**38,222,704**	**25,562,569**	**92,560,005**	**69,109,517**
Other Income	103,070	116,558	807,729	387,067
Other Expenses	428,977	107,418	699,922	317,723
Earnings before Interest and Taxes (EBIT)	**(23,501,332)**	**(13,086,873)**	**(53,816,259)**	**(32,316,803)**
Finance Income	509,954	420,194	681,693	1,044,092
Finance Expenses	879,134	78,076	1,248,420	317,682
Income Tax (Expenses) / Income	(148,641)	(72,099)	(752,996)	(50,785)
Consolidated Net Profit / (Loss)	**(24,019,153)**	**(12,816,854)**	**(55,135,982)**	**(31,641,178)**
Consolidated Net Profit / (Loss) per Share	**(0.83)**	**(0.49)**	**(1.91)**	**(1.21)**
Shares Used in Computing Net Result per Share	29,004,542	26,130,152	28,911,735	26,106,324

Consolidated Balance Sheet (IFRS)

€	Sept. 30, 2017 (unaudited)	Dec. 31, 2016 (audited)
ASSETS		
Current Assets		
Cash and Cash Equivalents	88,768,352	73,928,661
Available-for-sale Financial Assets	78,139,757	63,361,727
Bonds, Available-for-sale	0	6,532,060
Financial Assets classified as Loans and Receivables	82,551,718	136,108,749
Accounts Receivable	9,992,369	12,596,655
Tax Receivables	582,428	519,915
Other Receivables	233,815	656,887
Inventories, Net	304,195	310,366
Prepaid Expenses and Other Current Assets	14,131,381	14,041,469
Total Current Assets	**274,704,015**	**308,056,489**
Non-current Assets		
Property, Plant and Equipment, Net	3,765,992	4,189,108
Patents, Net	4,767,001	5,323,341
Licenses, Net	3,036,040	3,146,937
In-process R&D Programs	52,158,527	50,818,700
Software, Net	807,475	1,285,474
Goodwill	7,364,802	7,364,802
Financial Assets classified as Loans and Receivables, Net of Current Portion	70,029,417	79,521,181
Prepaid Expenses and Other Assets, Net of Current Portion	3,659,939	3,894,085
Total Non-current Assets	**145,589,193**	**155,543,628**
TOTAL ASSETS	**420,293,208**	**463,600,117**

€	Sept. 30, 2017 (unaudited)	Dec. 31, 2016 (audited)
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts Payable and Accrued Expenses	34,044,761	32,222,616
Tax Provisions	222,951	1,652,006
Provisions	1,555,482	3,195,252
Current Portion of Deferred Revenue	5,127,663	1,232,072
Total Current Liabilities	**40,950,857**	**38,301,946**
Non-current Liabilities		
Provisions, Net of Current Portion	23,166	23,166
Deferred Revenue, Net of Current Portion	794,059	1,672,872
Convertible Bonds due to Related Parties	125,304	218,293
Deferred Tax Liability	7,678,066	7,421,835
Other Liabilities, Net of Current Portion	819,621	501,840
Total Non-current Liabilities	**9,440,216**	**9,838,006**
Total Liabilities	**50,391,073**	**48,139,952**
Stockholders' Equity		
Common Stock	29,345,748	29,159,770
Ordinary Shares Issued (29,345,748 and 29,159,770 for 2017 and 2016, respectively)		
Ordinary Shares Outstanding (29,020,566 and 28,763,760 for 2017 and 2016, respectively)		
Treasury Stock (325,182 and 396,010 shares for 2017 and 2016, respectively), at Cost	(12,030,409)	(14,648,212)
Additional Paid-in Capital	435,374,928	428,361,175
Revaluation Reserve	(103,481)	136,101
Accumulated Deficit	(82,684,651)	(27,548,669)
Total Stockholders' Equity	**369,902,135**	**415,460,165**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**420,293,208**	**463,600,117**

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

	Common Stock	
	Shares	€
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**
Balance as of January 1, 2017	**29,159,770**	**29,159,770**
Compensation Related to the Grant of Stock Options, Convertible Bonds and Performance Shares	0	0
Exercise of Convertible Bonds Issued to Related Parties	185,978	185,978
Transfer of Treasury Stock for Long-Term Incentive Program	0	0
Transfer of Treasury Stock to Members of the Management Board	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 Gains and 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, 2017	**29,345,748**	**29,345,748**

	Treasury Stock Shares	Treasury Stock €	Additional Paid-in Capital €	Revaluation Reserve €	Accumulated Income/(Deficit) €	Total Stockholders' Equity €
	434,670	**(15,827,946)**	**319,394,322**	**(202,158)**	**32,834,107**	**362,736,007**
	0	0	1,942,153	0	0	1,942,153
	52,295	(2,181,962)	0	0	0	(2,181,962)
	(88,663)	3,276,984	(3,276,984)	0	0	0
	0	0	0	(677,100)	0	(677,100)
	0	0	0	(189,399)	0	(189,399)
	0	0	0	0	(31,641,178)	(31,641,178)
	0	0	0	(866,499)	(31,641,178)	(32,507,677)
	398,302	**(14,732,924)**	**318,059,491**	**(1,068,657)**	**1,192,929**	**329,988,521**
	396,010	**(14,648,212)**	**428,361,175**	**136,101**	**(27,548,669)**	**415,460,165**
	0	0	3,905,010	0	0	3,905,010
	0	0	5,726,546	0	0	5,912,524
	(61,323)	2,266,498	(2,266,498)	0	0	0
	(9,505)	351,305	(351,305)	0	0	0
	0	0	0	119,831	0	119,831
	0	0	0	(359,413)	0	(359,413)
	0	0	0	0	(55,135,982)	(55,135,982)
	0	0	0	(239,582)	(55,135,982)	(55,375,564)
	325,182	**(12,030,409)**	**435,374,928**	**(103,481)**	**(82,684,651)**	**369,902,135**

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

Q1-Q3 (in €)	2017	2016
Operating Activities:		
Consolidated Net Loss for the Period	(55,135,982)	(31,641,178)
Adjustments to Reconcile Net Loss to Net Cash Provided by / (Used in) Operating Activities:		
Impairment of Assets	9,863,582	0
Depreciation and Amortization of Tangible and Intangible Assets	3,012,674	2,758,358
Net (Gain) / Loss on Sales of Financial Assets	85,283	(66,698)
Proceeds from Derivative Financial Instruments	(515,601)	634,086
Net (Gain) / Loss on Derivative Financial Instruments	620,086	35,333
Net (Gain) / Loss on Sale of Property, Plant and Equipment	2,046	23
Recognition of Deferred Revenue	(15,369,046)	(15,240,785)
Stock-based Compensation	3,905,010	1,942,153
Income Tax (Income) / Expenses	752,996	50,785
Changes in Operating Assets and Liabilities:		
Accounts Receivable	2,604,286	1,817,097
Prepaid Expenses, Other Assets and Tax Receivables	(411,521)	(10,269,608)
Accounts Payable and Accrued Expenses and Provisions	67,719	6,369,743
Other Liabilities	664,142	(921,110)
Deferred Revenue	18,385,824	17,405,930
Income Taxes Paid	(1,790,609)	(879,807)
Net Cash Provided by / (Used in) Operating Activities	**(33,259,111)**	**(28,005,678)**

in €	2017	2016
Investing Activities:		
Purchase of Available-for-sale Financial Assets	(41,406,580)	(95,923,795)
Proceeds from Sales of Available-for-sale Financial Assets	26,631,500	69,073,152
Proceeds from Sales of Bonds, Available-for-sale	6,500,000	5,696,000
Purchase of Financial Assets Classified as Loans and Receivables	(73,000,000)	(119,499,997)
Proceeds from Sale of Financial Assets Classified as Loans and Receivables	135,998,517	109,900,054
Purchase of Property, Plant and Equipment	(1,046,610)	(919,180)
Purchase of Intangibles	(11,603,168)	(269,481)
Interest Received	205,608	1,280,424
Net Cash Provided by / (Used in) Investing Activities	**42,279,267**	**(30,662,823)**
Financing Activities:		
Proceeds from the Exercise of Convertible Bonds Granted to Related Parties in Consideration of Transaction Fees	5,819,535	0
Repurchase of Treasury Stock in Consideration of Bank Fees	0	(2,181,963)
Interest Paid	0	(1,818)
Net Cash Provided by / (Used in) Financing Activities	**5,819,535**	**(2,183,781)**
Increase / (Decrease) in Cash and Cash Equivalents	14,839,691	(60,852,282)
Cash and Cash Equivalents at the Beginning of the Period	**73,928,661**	**90,927,673**
Cash and Cash Equivalents at the End of the Period	**88,768,352**	**30,075,391**

Imprint

MorphoSys AG
Semmelweisstr. 7
82152 Planegg
Germany
Phone: +49-89-89927-0
Fax: +49-89-89927-222
Email: info@morphosys.com
www.morphosys.com

Corporate Communications and Investor Relations
Phone: +49 -89-89927-404
Fax: +49 -89-89927-5404
Email: investors@morphosys.com

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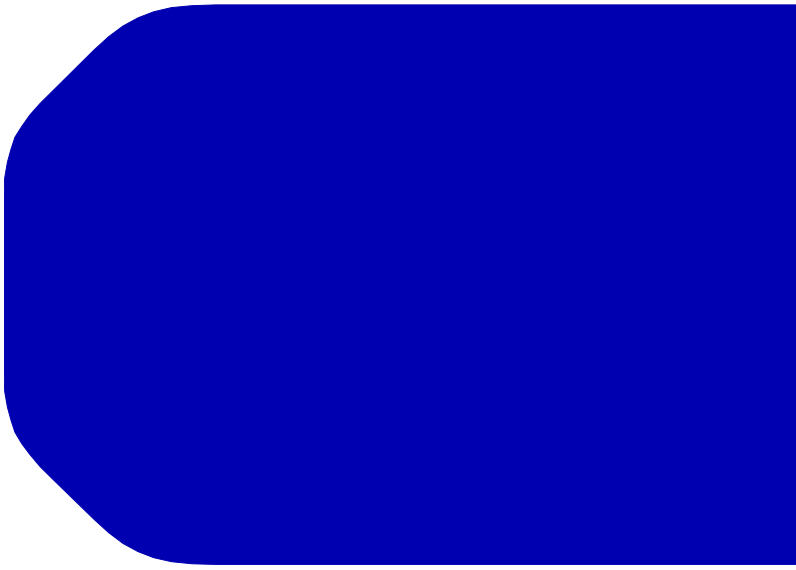
MARCH 9, 2017	PUBLICATION OF 2016 FINANCIAL RESULTS
MAY 3, 2017	PUBLICATION OF 2017 FIRST QUARTER INTERIM STATEMENT
MAY 17, 2017	2017 ANNUAL GENERAL MEETING IN MUNICH
AUGUST 3, 2017	PUBLICATION OF 2017 HALF-YEAR REPORT
NOVEMBER 7, 2017	PUBLICATION OF 2017 THIRD QUARTER INTERIM STATEMENT



MorphoSys AG
Semmelweisstr. 7
82152 Planegg
Germany
Phone: +49-89-89927-0
Fax: +49-89-89927-222
www.morphosys.com