

MOLOGEN AG

MOLOGEN AG:

**Interim Report
to March 31, 2009**

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Foreword

Dear Shareholders,

After a very successful fiscal 2008, MOLOGEN AG has made further progress in the first quarter of this year and again demonstrated a high degree of continuity. The Company's business development progressed as planned in the first quarter of 2009.

The operating result for the first three months of 2009 was EUR -0.9 million after EUR -1.5 million in the first quarter of the previous year. The net loss for the year amounted to EUR -0.9 million and was therefore also lower than the figure for the first quarter of 2008 (EUR -1.4 million). The results are characterized by our continuing expenditure on research and development. R&D spending in the first quarter came to EUR 0.7 million. Cash and cash equivalents totaled EUR 5.4 million as of March 31, 2009.

The Company's good financial position is due among other things to the capital increase successfully completed on March 27, 2009, resulting in an inflow of funds amounting to around EUR 2.8 million. This has enabled us to secure financially activities planned for 2009 and beyond.

MOLOGEN is one of the few biotech companies working on DNA-based cancer treatment in a clinical development program. The agents used have particularly good tolerability levels, as tests so far have demonstrated.

Our activities in research and development were focused in the first quarter of 2009, as in the last fiscal year, on the phase I clinical trial to test the tolerability of our colorectal cancer drug (MGN1703). In tests so far, the drug has shown a positive safety profile and good tolerability.

Pre-clinical work on a cell-based gene therapy to treat renal cancer (MGN1601) is as good as completed. MOLOGEN has been granted orphan drug status for it by the European Commission. This entitles the Company to exclusive marketing rights for the drug within the EU for ten years after approval. A clinical trial that is of relevance for approval is still at the application stage.

This shows that MOLOGEN continued to develop successfully in the first quarter and has a sound financial base. We are confident of achieving further progress in the course of fiscal 2009.

Dr. Matthias Schroff
Chief Executive Officer

Jörg Petraß
Chief Financial Officer

**MOLOGEN AG,
Berlin**

**Interim Management Report
for the First Quarter 2009**

Research and Development

MOLOGEN AG (MOLOGEN) has set itself the target of developing highly innovative drugs to treat cancer and serious infectious diseases on the basis of its own platform technologies. In the first three months of fiscal 2009, important progress was made in the context of the Company's research and development strategy.

The focus of R&D activities in the first quarter of 2009 was on further implementation of the phase I/II clinical trial for the DNA-based colorectal cancer drug MGN1703. In the course of the trial so far, MGN1703 has demonstrated a positive safety profile and good tolerability.

In addition, further preparations for continuing approval-relevant studies for MGN1703 were undertaken. Moreover, preparations for a phase I/II clinical trial of MGN1601, a cell-based gene therapy to treat renal cancer, were taken forward.

Further progress was made in the context of developing a MIDGE[®]-based DNA vaccine against human leishmaniasis. As a member of an international project consortium, MOLOGEN is receiving financial support from 2009 to 2011 to develop a DNA-based vaccine against this infectious disease. This funding comes from the European Union's seventh research framework program (FP7). The three-year project is receiving a total of EUR 3.0 million in funding. The project was launched successfully and on schedule in January 2009, and MOLOGEN has already received an initial advance payment of EUR 0.6 million.

Reaching milestones in research and development is an important basis for the Company's further positive development. That is why scheduled activities and investments with an effect on expenses totaling EUR 0.7 million were undertaken in the first three months of fiscal 2009 (previous year: EUR 1.1 million), contributing toward a net loss for the year of EUR -0.9 million.

Earnings, Financial, and Assets Position

In the first three months of 2009, sales revenue was low at EUR 14 thousand, as in the first quarter of the previous year (EUR 56 thousand). Other operating income, in contrast, rose to EUR 103 thousand due to subsidies received and was therefore well above the first quarter of the previous year's EUR 7 thousand.

Net loss for the year improved in the first quarter of 2009 to EUR -914 thousand (previous year: EUR -1,396 thousand). Significant factors for the development of this result were, along with higher other income, the lower cost of materials (EUR -174 thousand, previous year: EUR -388 thousand) and a fall in other operating expenses to EUR -314 thousand (previous year: EUR -501 thousand). The lower cost of materials was due mainly to a reduction in purchased services and raw materials. In the first quarter of 2008, larger quantities of raw materials were required to manufacture compounds for clinical testing. The fall in other operating expenses was due mainly to a reduction in purchased consulting services. Personnel expenses at EUR -429 thousand were slightly down on the previous year's EUR -505 thousand. This decline was due to lower costs arising from the granting of stock options to employees.

MOLOGEN's assets position as shown in the balance sheet continues to be characterized by a high proportion of cash and cash equivalents. As a result of the capital increase carried out in March 2009, the equity ratio rose slightly from 86.0% as of December 31, 2008 to 88.2% on the reporting date for the first quarter.

Cash and cash equivalents held at the end of the first quarter of 2009 amounted to EUR 5,354 thousand (12/31/2008: EUR 3,324 thousand). In the first quarter of 2009, MOLOGEN was at all times able to meet its financial obligations on time. Cash and cash equivalents held as of the reporting date will meet the Company's short- to medium-term financial requirements.

Employees

Employee numbers were slightly higher than in the previous year. As of March 31, 2009, the number of MOLOGEN employees was 44 (3/31/2008: 39).

Report on Opportunities and Risks

The extraordinary earnings opportunities of MOLOGEN's business model must be seen in conjunction with technological, financial, regulatory, patent law, and sales risks.

The assessment of potentially development-impairing risks has undergone no fundamental changes since the assessment made in the annual report for 2008.

Forecast

MOLOGEN's expectations for the remaining nine months of 2009 are unchanged to those stated in the management report for 2008. They coincide the following objectives:

- To complete and evaluate the approval-relevant clinical phase I of investigations into the safety and tolerability of the cancer drug MGN1703
- To prepare and apply for a further approval-relevant clinical trial to investigate the effectiveness of MGN1703 in treating different cancers, particularly colorectal cancer

- To prepare and apply for an approval-relevant phase I/II clinical trial of the cell-based genetic therapy for renal cancer (MGN1601)
- To prepare and implement extensive activities as part of the international project consortium to develop a prophylactic and therapeutic vaccine against human leishmaniasis
- To reach further development milestones in the veterinary leishmaniasis project undertaken by US license partners

In addition, the Company's strategy is aimed at achieving high medium- to long-term yields through research and further development of its innovative product pipeline. To achieve this objective, activities and investments with an effect on expenditure will continue to be required in 2009 at the expense of a positive short-term development of results.

Supplementary Report

On April 2, 2009, the capital increase completed in March was entered in the Company's commercial register. The Company's capital stock increased as a result by EUR 425,000.00 to EUR 9,803,348.00.

Berlin, May 14, 2009

MOLOGEN AG
Executive Board

Dr. Matthias Schroff
Chief Executive Officer

Jörg Petraß
Chief Financial Officer

MOLOGEN AG, Berlin
Balance Sheet
in Accordance with IFRS
to March 31, 2009

	3/31/2009* in EUR '000	12/31/2008 in EUR '000
ASSETS		
Non-current assets	2,144	2,250
Property, plant, and equipment	177	185
Intangible assets	1,965	2,062
Financial assets	0	0
Other non-current assets	2	3
Current assets	5,776	3,850
Cash and cash equivalents	5,354	3,324
Trade receivables	50	140
Inventories	20	19
Other current assets	272	207
Income tax receivables	80	160
Total	7,920	6,100
EQUITY AND LIABILITIES		
Non-current liabilities	187	91
Deferrals	187	91
Provisions	0	0
Current liabilities	745	766
Provisions	0	58
Trade payables	86	454
Other current liabilities and deferrals	655	250
Liabilities to banks	4	4
Equity	6,988	5,243
Subscribed capital	9,378	9,378
Deposits made to implement the agreed capital increase – commercial register entry on April 2, 2009	2,763	
Capital reserve	24,641	24,745
Balance sheet loss	-29,794	-28,880
Total	7,920	6,100

* Unaudited

MOLOGEN AG, Berlin
Income Statement
in Accordance with IFRS
for the Period January 1 to March 31, 2009

	1/1/2009 to 3/31/2009* in EUR '000	1/1/2008 to 3/31/2008* in EUR '000
Sales revenue	14	56
Other operating income	103	7
Cost of materials	-174	-388
Personnel expenses	-429	-505
Depreciation, amortization, and impairment	-119	-132
Other operating expenses	-314	-501
Operating result	-919	-1,463
Finance result	5	67
Result for the year before taxes	-914	-1,396
Taxes	0	0
Net loss for the year	-914	-1,396
Loss carryover from previous year	-28,880	-22,789
Balance sheet loss	-29,794	-24,185
Basic earnings per share (in EUR)	-0.10	-0.15
Diluted earnings per share (in EUR)	-	-

* Unaudited

MOLOGEN AG, Berlin
Cash Flow Statement
in Accordance with IFRS
for the Period January 1 to March 31, 2009

	1/1/2009 to 3/31/2009* in EUR '000	1/1/2008 to 3/31/2008* in EUR '000
Cash flow from operating activities		
Net loss for the period	-914	-1,396
Depreciation and amortization of fixed assets	119	132
Decrease in provisions	-58	0
Other non-cash income and expenses	43	161
Change in trade receivables, inventories, and other assets	106	-279
Change in liabilities and other debts	137	-192
Net cash flow for operating activities	-567	-1,574
Cash flow from investing activities		
Payments for investments in property, plant, and equipment	-14	-8
Payments for investments in intangible assets	0	0
Net cash flow for investing activities	-14	-8
Cash flow from financing activities		
Balance of payments from additions to equity	2,611	0
Net cash flow for financing activities	2,611	0
Exchange rate effects on cash and cash equivalents	0	-1
Overall change in liquidity (cash flow)	2,030	-1,583
Cash and cash equivalents at the beginning of period	3,324	8,040
Cash and cash equivalents at the end of period	5,354	6,457

* Unaudited

MOLOGEN AG, Berlin
Statement of Changes in Equity in Accordance with IFRS
to March 31, 2009

in EUR '000, except for information on shares	Subscribed capital		Deposits made to implement the agreed capital increase	Capital reserve	Balance sheet result	Equity
	Number of ordinary shares	Capital stock				
Balance as of December 31, 2007	9,316,848	9,317	0	23,989	-22,789	10,517
Capital increase in cash						0
Stock options exercised						0
Value of services provided by employees (as per IFRS 2)				167		167
Result for the period					-1,396	-1,396
Balance as of March 31, 2008*	9,316,848	9,317	0	24,156	-24,185	9,288
Balance as of December 31, 2008	9,378,348	9,378	0	24,745	-28,880	5,243
Capital increase in cash			2,763	-152		2,611
Stock options exercised						0
Value of services provided by employees (as per IFRS 2)				48		48
Result for the period					-914	-914
Balance as of March 31, 2009*	9,378,348	9,378	2,763	24,641	-29,794	6,988

* Unaudited

MOLOGEN AG, Berlin

Condensed Notes to the Interim Financial Statements for the Period January 1 to March 31, 2009

A. General Information about the Company

MOLOGEN AG (hereinafter referred to as MOLOGEN) is a stock corporation (Aktiengesellschaft) headquartered in Berlin (Fabeckstrasse 30, 14195 Berlin, Germany). It was founded on January 14, 1998 and is registered at the Berlin-Charlottenburg District Court (Amtsgericht) under the entry number HRB 65633. Shares in the Company are traded on the regulated market of the Frankfurt Stock Exchange in the General Standard segment under ISIN DE0006637200.

The purpose of the Company is the research and development as well as marketing of products in the field of molecular medicine. These include in particular molecular biological vaccines, application-oriented clinical research into the molecular biological treatment of tumors, and somatic gene therapy. The main focus of research work is on the MIDGE® and dSLIM® technologies, patented by MOLOGEN. They enable DNA to be used as a medication to treat illnesses previously untreatable or for which treatment has been inadequate.

B. General Information about the Financial Statements

These condensed interim financial statements for MOLOGEN were prepared voluntarily in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) as applicable in the European Union. They were drawn up in accordance with IAS 34 (Interim Financial Reporting) and should be read in connection with Mologen AG's audited annual financial statements to December 31, 2008. MOLOGEN's interim financial statements were prepared in accordance with the IFRS regulations in force on the reporting date of March 31, 2009. The accounting and valuation methods were the same as those used in the annual financial statements as of December 31, 2008.

The reporting period for these condensed interim financial statements is the period from January 1 to March 31, 2009. The period of comparison for the income statement in these condensed interim financial statements is the period from January 1 to March 31, 2008.

The functional currency and presentation currency used in the financial statements is the euro (EUR). To make the figures easier to follow, they have been rounded up or down and shown in EUR thousand unless otherwise stated.

C. Notes on the Balance Sheet to March 31, 2009Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and cash at banks with a remaining term to maturity of less than one year. Bank balances due on demand earn interest at variable rates. Short-term deposits are invested for terms of up to three months, subject to the Company's cash requirements. They earn interest at fixed rates. Cash and cash equivalents and short-term deposits as of the reporting date totaled EUR 5,354 thousand (12/31/2008: EUR 3,324 thousand), consisting of the nominal value of cash and cash equivalents held in euro and the balance of a foreign currency account translated at the prevailing exchange rate as of March 31, 2009. The increase in cash and cash equivalents during the reporting period was due mainly to proceeds received from a capital increase (EUR 2,763 thousand) and to subsidies received (EUR 599 thousand).

Other Current Assets and Income Tax Receivables

The balance sheet total of EUR 352 thousand (12/31/2008: EUR 367 thousand) breaks down as follows:

	3/31/2009 EUR '000	12/31/2008 EUR '000
Income tax receivables	80	160
Sales tax receivables	125	101
Receivables due from the tax office for investment subsidy	1	1
Other receivables	146	105
	352	367

No value adjustments of other assets were undertaken in either the reporting period or fiscal 2008.

Non-current Deferrals

The reported amount of EUR 187 thousand (12/31/2008: EUR 91 thousand) consists of public sector grants toward assets (EUR 9 thousand; 12/31/2008: EUR 12 thousand) and deferrals, including EUR 100 thousand for FP7 (12/31/2008: EUR 0 thousand).

During the reporting period, MOLOGEN received EUR 599 thousand in funding from the European Union's seventh framework research program (FP7). This sum was an advance payment for the first 18 months of the project period and was stated as of March 31, 2009 as a deferral under non-current liabilities (EUR 100 thousand) and current liabilities (EUR 399 thousand), and under other operating income (EUR 100 thousand).

Current Liabilities and Deferrals

Current liabilities break down as follows:

	3/31/2009 EUR '000	12/31/2008 EUR '000
Deferrals	406	7
Trade payables	86	454
Provision for real estate transfer tax	0	58
Income and church tax outstanding	22	23
Advance payments received for orders	39	39
Liabilities to banks	4	4
Other debts	188	181
	745	766

The amount of EUR 406 thousand that is stated as deferrals (12/31/2008: EUR 7 thousand) includes EUR 399 thousand in funds from the European Union's seventh framework research program (12/31/2008: EUR 0 thousand).

Equity

The composition of equity and development of equity components are shown in the statement of changes in equity.

Subscribed Capital / Deposits Made to Implement the Agreed Capital Increase

MOLOGEN AG's Executive Board notified the Company's commercial register on March 31, 2009 of a capital increase in cash under exclusion of subscription rights for existing shareholders. It was entered in the commercial register on April 2, 2009.

On the basis of the authorization by the Annual General Meeting and the approval of the Supervisory Board of MOLOGEN AG, 425,000 ordinary bearer shares (around 4.5% of the capital stock) were placed with institutional investors. At an issue price of EUR 6.50 per share, the Company received a net inflow of funds through March 31, 2009 totaling EUR 2,763 thousand. MOLOGEN AG's capital stock thereby increased as of the commercial register entry date, April 2, 2009, from EUR 9,378,348 to EUR 9,803,348, divided into the same number of ordinary shares. After partial utilization, approved capital originally amounting to EUR 4,643,424 came to EUR 4,218,424.

Capital Reserve

The capital increase carried out during the reporting period incurred costs. As required by IAS 32.37, the cost of equity procurement during the reporting period (EUR 152 thousand; previous year: EUR 10 thousand) was taken into account in the capital reserve.

From the application of IFRS 2 (Share-based Payment), the amount taken to the capital reserve was EUR 48 thousand (previous year: EUR 167 thousand).

	3/31/2009 EUR '000	12/31/2008 EUR '000
Capital reserve	23,863	23,863
Employee remuneration in the form of equity instruments	2,435	2,387
Cost of equity procurement	-1,657	-1,505
	24,641	24,745

D. Notes on the Income Statement

Other Operating Income

Other operating income totaling EUR 103 thousand (Q1 2008: EUR 7 thousand) included EUR 100 thousand in funding from the European Union's seventh research framework program.

Research and Development

The resources at the Company's disposal are to a large extent invested directly in research projects. Expenditure in this area totaled EUR 0.7 million (Q1 2008: EUR 1.1 million). No development costs were incurred in the reporting period or in the corresponding period of the previous year.

E. Notes on the Cash Flow Statement

The cash flow statement shows how MOLOGEN's cash and cash equivalents have changed in the course of the reporting period as a result of inflows and outflows of funds. In accordance with IAS 7, a distinction is made between payment flows from operating activities and from investing and financing activities.

Cash flow from operating activities includes EUR 12 thousand in cash interest income (Q1 2008: EUR 84 thousand). No interest was paid in the reporting period or the comparison period.

F. Notes on Employee Stock Ownership Programs

The Company did not launch any employee stock ownership programs in the reporting period. For details of existing employee stock option programs, see section F in the Notes to the 2008 annual report.

G. Notes on the Type and Management of Financial Risks

Details of the risks inherent in financial instruments and of financial risk management are stated under section H in the 2008 annual report. Nothing needs to be added to the risks outlined there.

H. Other Information

Information on Significant Events after March 31, 2009

On April 2, 2009, the capital increase of 425,000 shares was entered in the commercial register. The item "deposits made to implement the agreed capital increase" amounting to EUR 2,763 thousand as of March 31, 2009 was transferred after the entry of the capital increase in the commercial register to subscribed capital (EUR 425 thousand) and the capital reserve (EUR 2,338 thousand).

Approval of the Interim Financial Statements

The interim financial statements were approved by the Executive Board on May 14, 2009 and released for publication.

Berlin, May 14, 2009

MOLOGEN AG
Executive Board

Dr. Matthias Schroff
Chief Executive Officer

Jörg Petraß
Chief Financial Officer

MOLOGEN AG

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