

MOLOGEN AG

Molgen AG:

**Interim Report
to June 30, 2009**

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Foreword

Dear Shareholders,

In the first half of the current fiscal year, we achieved significant progress in the clinical development of our DNA-based cancer drug MGN1703. After the positive interim results of our ongoing clinical trial, the responsible authority agreed to extend the trial to include an additional dosage group. Work has since successfully begun on investigating the maximum dosage of 60mg per treatment. We anticipate initial results from this additional dosage group towards the end of the third quarter 2009. Preliminary evaluation of MGN1703's effectiveness and its utmost positive safety profile testify to the drug's great potential. After the six-week course of treatment, in over 40 percent of patients, which are in a far advanced stage of their tumor disease, the disease was found not to have progressed.

And we also achieved a very different objective: After seven years being listed at the General Standard we switched to the Prime Standard in June this year. The MOLOGEN stock has now joined the stock market segment with Deutsche Börse's most stringent transparency and publicity requirements. Our aim with this move is to make our stock more interesting for shareholders in the long term and to increase its liquidity. We are also thereby fulfilling the preconditions for inclusion in one of Deutsche Börse's select indices.

The commercial development of Mologen AG also went ahead according to plan in the first half of 2009. As expected, sales revenue in the first six months was low at EUR 34 thousand, as in the same period of the previous year (EUR 66 thousand). Other operating income rose, in contrast, to EUR 205 thousand as a result of subsidies and was thereby well above the previous year's total for the first half-year of EUR 12 thousand. Mologen AG's results are characterized by continuous expenditure on research and development, totaling EUR 1.5 million in the first half of 2009 after EUR 2.3 million the previous year. The net loss for the year decreased compared with the previous year to EUR -2.4 million (previous year: EUR -3.2 million).

Mologen AG's assets position continues to be characterized by cash and cash equivalents making up a high proportion of the balance sheet total. The Company's sound financial position is due in part to the capital increase successfully completed on March 27, 2009, which raised around EUR 2.8 million in funds for the Company. We thus have the financial security necessary for activities planned for 2009 and thereafter.

At present, we are engaged in intensive work on preparing for continuative clinical trials to test the clinical efficacy of MGN1703. At first, our focus is on a phase II clinical trial to test the effectiveness of MGN1703 in treating metastasized colorectal cancer. An application will be made to the responsible authorities in Germany and abroad before the end of the year.

Preparations for a phase I/II clinical trial of MGN1601, a cell-based gene therapy of renal cell cancer, were also progressed further.

We are confident we will be able to continue these positive developments in fiscal 2009 and make further advancements with our DNA-drug research.

Dr. Matthias Schroff
Chief Executive Officer

Jörg Petraß
Chief Financial Officer

**Mologen AG,
Berlin**

**Interim Management Report
for the Period January 1 to June 30, 2009**

Economic Environment

Overall Economic Development

Economic development in the first half of the current fiscal year was marked by the ongoing recession. Seasonally adjusted, the first-quarter decline in the OECD states' gross domestic product compared with last year was 2.1 percent and therefore slightly higher than in the previous quarter. There are, however, increasing signs of a slowing in the rate of decline. Around the world, key sentiment indicators have improved and the first hard indicators have stabilized. For this year, the IMF, for example, anticipates in its latest forecasts for the US a 2.5 percent fall in GDP. In the first quarter, the US economy contracted by around 5.5 percent. Forecasts nonetheless continue to be characterized by unusually high levels of uncertainty.

Many governments have responded with large-scale economic stimulus packages amounting to between 1 and 2 percent of GDP to support the real economy. As much as 5.5 percent of GDP is estimated to have been invested by the United States. Against the backdrop of these stimulus packages, there have lately been growing indications that the strong cyclical downturn of the past half-year has eased off and is gradually bottoming out.

Core problems facing any stabilization of the world economy are the ongoing uncertainty in financial markets and the continued decline in value of many assets, particularly real estate. The latter is a burden on terms and conditions of financing for the real economy and at the same time puts a damper on investment activity. The weakness of international trade (the IMF anticipates downturns of around 11 percent in 2009) also contributes to the crisis.

Development in the Pharmaceutical and Biotechnology Industry

In 2008, according to IMS Health marketing services, the world pharmaceuticals market was still growing by between 4 and 5 percent. For this year, it anticipates a decline in growth to around 3 percent. The original estimate of around 5 percent had to be revised downward after it became clear that the economic environment was not growing at the rate assumed. The economic crisis has had perceptible repercussions on the pharmaceuticals market, especially in countries where patients themselves have to foot much of the bill for their medications.

Yet overall the industry is affected much less seriously than others by the current crisis. IMS Health consequently assumes an average annual growth rate of 3 to 6 percent between now and 2013. Average annual growth of as much as 13 to 16 percent is anticipated in developing countries such as China.

The large-scale market entry of generics, budgeting of health spending, and regulatory and technological risks continue to rank among the challenges that the industry faces. Growing integration of pharmaceutical and biotech companies is driven by heavy innovation pressure in the pharmaceuticals sector and increasing maturity of product developments in biotech companies' pipelines and is one of the industry's answers to the upcoming challenges. The year 2009 has again seen a large number of extensive research and development cooperation arrangements between pharmaceuticals and biotech companies.

Against this backdrop, the stock market environment for innovative biotech companies such as Mologen AG (hereinafter referred to as MOLOGEN) continues to be seen as favorable in the long term. The implementation and successful conclusion of approval-relevant clinical trials are likely to lead to a further rise in the capital market's perception of the Company. In order to further enhance its attractiveness for investors, MOLOGEN joined the Prime Standard in June 2009 and has since been listed in Deutsche Börse's stock market segment with the highest transparency and publicity requirements.

As with the market in general, the stock market development of pharmaceutical and biotech shares also recovered in the first half of the year from the low point reached in March. The German industry index DAXsector Pharma & Healthcare, for instance, rebounded in the first six months to where it had stood at the beginning of the year. As in the previous year, the MOLOGEN share performed much better than the industry index and was up by around 20 percent at mid-year.

Research and Development (R&D)

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 six months of fiscal 2009, significant progress was made in the context of the Company's research and development strategy.

The focus of R&D activities in the first half 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 previous trials, MGN1703 was found to have a positive safety profile and superior tolerability. Furthermore, the patients' response to the cancer drug has greatly exceeded previous expectations. On the basis of these interim findings, the clinical trial was extended in July 2009 to include a further dosage level. It is now scheduled for completion in the fourth quarter of 2009.

In addition, preparations have been made for continuing approval-relevant trials for MGN1703. Preparations for a phase I/II clinical trial of MGN1601, a cell-based genetic treatment for renal cancer, were also taken forward.

MOLOGEN has also made progress in developing a MIDGE®-based DNA vaccine against human leishmaniasis. As a member of an international project consortium, the Company is receiving financial support from 2009 to 2011 toward the development of a DNA vaccine against this infectious disease. This funding comes from the European Union's seventh research framework program. The three-year project is receiving a total of EUR 3.0 million in funding. It 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. This is why scheduled activities and investments with an effect on expenses totaling EUR 1.5 million (previous year: EUR 2.3 million) were undertaken in the first six months of fiscal 2009.

Earnings, Financial, and Assets Position

As expected, sales revenue in the first six months of 2009 was low at EUR 34 thousand, as in the first half of the previous year (EUR 66 thousand). Other operating income, in contrast, rose to EUR 205 thousand due to subsidies received and was therefore well above the previous year's EUR 12 thousand.

The net loss for the period improved in the first half of 2009 to EUR 2,392 thousand (previous year: EUR 3,164 thousand). Significant factors for the development of the result were, along with higher other income, the lower cost of materials (EUR 516 thousand, compared with EUR 744 thousand) and a fall in other operating expenses to EUR 846 thousand (previous year: EUR 1,292 thousand). The lower cost of materials was due mainly to a reduction in purchased services and raw materials. In the first half 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 1,069 thousand were down slightly on the previous year's EUR 1,072 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. Due to R&D spending and the resulting net loss, the equity ratio fell slightly in spite of the capital increase from 86.0% (12/31/2008) to 83.8% as of the reporting date for the first half-year. At the end of June 2009, cash and cash equivalents held totaled EUR 4,920 thousand (12/31/2008: EUR 3,324 thousand). This increase was due to the successful capital increase carried out in March 2009 and entered in the Company's commercial register on April 2, 2009. The Company's capital stock increased as a result of the capital measure by EUR 425,000.00 to EUR 9,803,348.00. The capital increase and the exercise of stock options led to a EUR 3,424 thousand rise in cash and cash equivalents held by the Company in the reporting period after deducting transaction costs (previous year: EUR 206 thousand).

In the first half-year 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 are sufficient to meet the Company's short- to medium-term financing requirements.

Employees

Employee numbers were slightly higher than the previous year. As of June 30, 2009, the number of MOLOGEN employees was 43 (6/30/2008: 40). The Research and Development division was built up in particular.

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 2008 annual report.

Forecast

MOLOGEN's expectations for the second half of 2009 are unchanged to those stated in the management report for 2008. They coincide with 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 cell 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 expenses will continue to be required in 2009 at the expense of a positive short-term development of results.

Supplementary Report

Exercising of stock options by employees and the resulting issue of new shares in July 2009 led to a EUR 340,000.00 increase in the Company's capital stock to EUR 10,143,348.00. The number of shares outstanding rose accordingly by 340,000 to 10,143,348. The Company's cash and cash equivalents rose by EUR 2,077 thousand as a result, of which EUR 859 thousand was paid in as of the reporting date.

Berlin, August 12, 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 June 30, 2009

	<u>6/30/2009</u> in EUR '000	<u>12/31/2008</u> in EUR '000
ASSETS		
Non-current assets	2,044	2,250
Property, plant, and equipment	176	185
Intangible assets	1,867	2,062
Financial assets	0	0
Other non-current assets	1	3
Current assets	5,556	3,850
Cash and cash equivalents	4,920	3,324
Trade receivables	48	140
Inventories	192	19
Other current assets	311	207
Income tax receivables	85	160
Total	7,600	6,100
EQUITY AND LIABILITIES		
Non-current liabilities	84	91
Deferrals	84	91
Provisions	0	0
Current liabilities	1,148	766
Provisions	0	58
Trade payables	387	454
Other current liabilities and deferrals	757	250
Liabilities to banks	4	4
Equity	6,368	5,243
Subscribed capital	9,803	9,378
Payments received from the exercise of subscription rights	859	0
Capital reserve	26,978	24,745
Balance sheet loss	-31,272	-28,880
Total	7,600	6,100

Mologen AG, Berlin
Income Statement
in Accordance with IFRS
for the Period January 1 to June 30, 2009

	1/1/2009 to 6/30/2009 in EUR '000	4/1/2009 to 6/30/2009 in EUR '000	1/1/2008 to 6/30/2008 in EUR '000	4/1/2008 to 6/30/2008 in EUR '000
Sales revenue	34	20	66	10
Other operating income	205	102	12	5
Cost of materials	-516	-342	-744	-356
Personnel expenses	-1,069	-640	-1,072	-567
Depreciation, amortization, and impairment	-240	-121	-262	-130
Other operating expenses	-846	-532	-1,292	-791
Operating result	-2,432	-1,513	-3,292	-1,829
Finance result	40	35	128	61
Result for the period before taxes	-2,392	-1,478	-3,164	-1,768
Taxes	0	0	0	0
Net loss for the period/ Comprehensive income	-2,392	-1,478	-3,164	-1,768
Loss carryover from previous year	-28,880	-29,794	-22,789	-24,185
Balance sheet loss	-31,272	-31,272	-25,953	-25,953
Basic earnings per share (in EUR)	-0.25	-0.15	-0.34	-0.19
Diluted earnings per share (in EUR)	-	-	-	-

Mologen AG, Berlin
Cash Flow Statement
in Accordance with IFRS
for the Period January 1 to June 30, 2009

	1/1/2009 to 6/30/2009 in EUR '000	1/1/2009 to 6/30/2008 in EUR '000
Cash flow from operating activities		
Net loss for the period	-2,392	-3,164
Depreciation and amortization of fixed assets	240	262
Loss due to disposal of fixed assets	0	1
Decrease in provisions	-58	0
Other non-cash income and expenses	86	325
Change in trade receivables, inventories, and other assets	-107	-195
Change in liabilities and other debts	440	119
Net cash flow for operating activities	-1,791	-2,652
Cash flow from investing activities		
Payments for investments in property, plant, and equipment	-36	-13
Payments for investments in intangible assets	0	-1
Net cash flow for investing activities	-36	-14
Cash flow from financing activities		
Balance of payments from additions to equity	3,424	206
Net cash flow for financing activities	3,424	206
Exchange rate effects on cash and cash equivalents	-1	-1
Overall change in liquidity (cash flow)	1,596	-2,461
Cash and cash equivalents at the beginning of period	3,324	8,040
Cash and cash equivalents at the end of period	4,920	5,579

Mologen AG, Berlin
Statement of Changes in Equity in Accordance with IFRS
to June 30, 2009

in EUR '000, except for information on shares	Subscribed capital		Payments received from the exercise of subscription rights	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 June 30, 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	425,000	425	0	2,140		2,565
Stock options exercised			859			859
Value of services provided by employees (as per IFRS 2)				93		93
Result for the period					-2,392	-2,392
Balance as of June 30, 2009	9,803,348	9,803	859	26,978	-31,272	6,368

Molgen AG, Berlin

Condensed Notes to the Interim Financial Statements for the Period January 1 to June 30, 2009

A. General Information about the Company

Molgen AG (hereinafter referred to as MOLOGEN) is a joint stock company (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 Prime Standard segment under ISIN DE0006637200.

The purpose of the Company is to pursue research and development and 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

Molgen AG has prepared voluntary, audited financial statements to December 31, 2008 based on the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) as applicable in the EU and published them in its 2008 annual report. Molgen AG will apply for the first time in its annual financial statements to December 31, 2009 the requirement of section 325 IIa of the German Commercial Code (HGB) on publishing annual accounts drawn up in accordance with the international accounting standards specified in section 315a I HGB.

These unaudited condensed interim financial statements for MOLOGEN were prepared in accordance with the IFRS standards applicable in the EU as of the reporting date, June 30, 2009. They were drawn up in accordance with IAS 34 (Interim Financial Reporting) and should be read in conjunction with Molgen AG's audited annual financial statements to December 31, 2008, which were prepared in accordance with IFRS as applicable in the EU. The accounting and valuation methods used here are the same as those used in the annual financial statements as of December 31, 2008.

The use of IAS 1 "Presentation of financial statements" (revised 2007) and IFRS 2 "Share-based Payment" (amended) is mandatory for the first time for reporting periods beginning or after January 1, 2009. The application of these two standards has no material effect on Mologen AG's financial statements.

All other new or amended IFRS standards that must be applied for the first time for this reporting period have no effect on Mologen AG's interim financial statements.

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 are shown in EUR '000 unless otherwise stated.

C. Notes on the Balance Sheet to June 30, 2009

Assets

Property, Plant, and Equipment / Intangible Assets

No material additions or disposals of items of property, plant, and equipment or intangible assets took place during the reporting period. There were no indications of impairment.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and at banks. 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, cash equivalents and short-term deposits as of the reporting date totaled EUR 4,920 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 exchange rate on June 30, 2009. The increase in cash and cash equivalents in the reporting period was due mainly to payments received from a capital increase (EUR 2,763 thousand), to payments received from employees exercising stock options (EUR 859 thousand), and to funding received (EUR 599 thousand).

Other Current Assets and Income Tax Receivables

Other current assets and income tax receivables break down as follows:

	6/30/2009 EUR '000	12/31/2008 EUR '000
Income tax receivables	85	160
Sales tax receivables	134	101
Receivables due from tax office for investment subsidy	1	1
Accruals	79	24
Other receivables	97	81
	396	367

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

Liabilities

Non-current Deferrals

The reported amount of EUR 84 thousand (12/31/2008: EUR 91 thousand) consists of public sector grants toward assets (EUR 8 thousand; 12/31/2008: EUR 12 thousand) and deferrals (EUR 76 thousand; 12/31/2008: EUR 79 thousand).

Current Liabilities and Deferrals

Current liabilities break down as follows:

	6/30/2009 EUR '000	12/31/2008 EUR '000
Deferrals	406	7
Trade payables	387	454
Provision for real estate transfer tax	0	58
Income and church tax outstanding	115	23
Advance payments received for orders	39	39
Liabilities to banks	4	4
Other debts	197	181
	1,148	766

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

MOLOGEN received EUR 599 thousand in funding from the European Union's seventh framework research program in the reporting period. This sum is an advance payment for the first 18 months of the project term. Income from scheduled funding in the reporting period totaled EUR 200 thousand and was recognized under other operating income.

Equity

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

Subscribed Capital

MOLOGEN's subscribed capital totals EUR 9,803,348.00 and is divided into 9,803,348 no-par individual bearer share certificates, each with a notional value of EUR 1.00 of the capital stock.

MOLOGEN undertook the following measures relating to its capital stock during the reporting period:

A capital increase in cash under exclusion of subscription rights was entered in the Company's commercial register on April 2, 2009. On the basis of the Annual General Meeting's authorization and the approval of Mologen AG's Supervisory Board, 425,000 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 an inflow of funds totaling EUR 2,763 thousand. Mologen AG's capital stock

increased as of the commercial registry entry date of April 2, 2009 from EUR 9,378,348 to EUR 9,803,348, divided into the same number of individual shares.

Authorized Capital

After partial utilization of the authorized capital in the course of the capital increase by issuing 425,000 new shares against cash contribution, the authorized capital now amounts to EUR 4,218,424.00. The partial utilization was entered in the commercial register on April 2, 2009.

Contingent Capital

For details of contingent capital see the 2008 annual report. The following changes took place during the reporting period:

Contingent Capital 2002

As resolved by the Annual General Meeting held on May 19, 2009, Contingent Capital 2002, of which up to EUR 5,500.00, divided into 5,500 individual shares, still existed, was canceled. Subscription rights to these 5,500 shares in the Company can no longer be exercised because, according to the terms and conditions of issue, they have expired. The Annual General Meeting's resolution to this effect was entered in the Company's commercial register on June 23, 2009.

Contingent Capital 2005-1

As resolved by the Annual General Meeting held on May 19, 2009, Contingent Capital 2005-1, of which EUR 63,183.00, divided into 63,183 individual shares, still existed, was partly canceled. Due to the expiration of subscription rights, EUR 58,500.00 of Contingent Capital 2005-1 is no longer required and is canceled. Contingent Capital 2005-1 therefore totals EUR 4,683,00, divided into 4,683 individual shares. The Annual General Meeting's resolution to this effect was entered in the Company's commercial register on June 23, 2009.

Contingent Capital 2006-1

As of January 1, 2009, Contingent Capital 2006-1 amounted to up to EUR 520,268.00, divided into 520,268 individual shares. Due to the exercise of 340,000 employee stock options in June 2009, Contingent Capital 2006-1 was utilized to a total of EUR 340,000.00, with subscriptions to the corresponding number of new shares. The remaining Contingent Capital 2006-1 consists of up to EUR 180,268.00, divided into 180,268 individual shares. The subscription shares were, however, not issued until after the reporting date.

Contingent Capital 2009

As resolved by the Annual General Meeting held on May 19, 2009, the Company's capital stock has been increased conditionally by up to EUR 218,149.00, divided into 218,149 individual shares (Contingent Capital 2009). This conditional capital increase is for use in issuing warrant-linked bonds and/or subscription rights without a warrant issue to members of the Executive Board or employees of the Company on the basis of the authorization approved by the Annual General Meeting on May 19, 2009. The conditional capital increase will only be undertaken to the extent that holders of warrant-linked bonds and/or options issued by the Company on the basis of the resolution by the Annual General Meeting held on May 19, 2009 make use of their conversion or subscription rights. The new shares will participate in profits from the beginning of the fiscal year in which they are created by the exercise of conversion or subscription rights.

The Annual General Meeting's resolution was entered in the Company's commercial register on June 23, 2009. Contingent Capital 2009 remained unchanged at EUR 218,149.00 as of June 30, 2009.

Payments Received from the Exercise of Subscription Rights

The item "Payments received from the exercise of subscription rights" consists of EUR 859 thousand in payments received from the exercise of stock options (see notes on Contingent Capital 2006-1) for which shares had not yet been issued on the reporting date.

Capital Reserve

The EUR 198 thousand (1/1/-12/31/2008: EUR 10 thousand) in costs incurred in connection with the capital increase carried out during the reporting period was recognized as a reduction in the capital reserve as required by IAS 32.37.

In application of IFRS 2 Share-based Payment, the amount transferred to the capital reserve was EUR 94 thousand (1/1/-6/30/2008: EUR 333 thousand).

	6/30/2009 EUR '000	12/31/2008 EUR '000
Capital reserve	26,200	23,863
Employee remuneration in the form of equity instruments	2,481	2,387
Cost of equity procurement	-1,703	-1,505
	26,978	24,745

D. Notes on the Income Statement

Other Operating Income

Other operating income breaks down as follows:

	6/30/2009 H1 2009 EUR '000	6/30/2009 Q2 2009 EUR '000	6/30/2008 H1 2008 EUR '000	6/30/2008 Q2 2008 EUR '000
Income from the disposal of property, plant, and equipment	0	0	1	1
Income from public sector grants	200	100	0	0
Other income	5	2	11	4
	205	102	12	5

The amount stated as public sector grants consists of EUR 200 thousand (1/1/-6/30/2008: EUR 0 thousand) in funding from the European Union's seventh framework research program.

Research and Development

Resources at the Company's disposal are to a large extent invested directly in research projects. Development costs were not incurred during the reporting period or the corresponding period in the previous year.

	6/30/2009 H1 2009 EUR '000	6/30/2009 Q2 2009 EUR '000	6/30/2008 H1 2008 EUR '000	6/30/2008 Q2 2008 EUR '000
Research and development costs	1,540	887	2,333	1,226

Earnings per Share (EPS)

Basic earnings per share are calculated by dividing the earnings attributable to the holders of ordinary shares by the weighted average number of ordinary shares in the Company that were in circulation during the fiscal year.

Diluted earnings per share are calculated by dividing the earnings attributable to the holders of ordinary shares by the weighted average number of ordinary shares in circulation during the fiscal year plus the weighted average number of ordinary shares arising from the conversion of all potential ordinary shares with a dilutive effect into actual ordinary shares.

	6/30/2009 H1 2009	6/30/2009 Q2 2009	6/30/2008 H1 2008	6/30/2008 Q2 2008
Earnings before taxes ⁽¹⁾ (in EUR '000)	-2,392	-1,478	-3,164	-1,768
Weighted average number of ordinary shares for calculating basic earnings per share (in thousands)	9,587	9,794	9,344	9,351
Dilutive effect from the issue of stock options (in thousands)	0	0	0	0
Weighted average number of ordinary shares including the dilutive effect (in thousands)	9,587	9,794	9,344	9,351
Basic EPS (in EUR)	-0.25	-0.15	-0.34	-0.19
Diluted EPS (in EUR)	- (2)	- (2)	- (2)	- (2)

⁽¹⁾ Earnings attributable to the holders of ordinary shares.

⁽²⁾ Stock options issued in previous years did not lead to dilutive effects as defined in IAS 33.41 et seq.

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 payments from operating activities and from investing and financing activities.

Cash flow from operating activities includes EUR 33 thousand (1/1-6/30/2008: EUR 139 thousand) in cash interest income. No interest was paid in either the reporting period or the comparison period.

F. Notes on Employee Stock Ownership Programs

The Company has set up several employee stock ownership programs. For details of existing employee stock ownership programs, see section F of the Notes to the IFRS annual financial statements in the 2008 annual report.

The following table shows the number and weighted average exercise price (WAEP) as well as the development of stock options during the reporting period.

	WAEP per option (EUR)	Number of options
Status as of January 1, 2009	6.87	754,380
Granted	-	0
Forfeited	-	0
Exercised ⁽¹⁾	6.11	340,000
Expired	-	0
Status as of June 30, 2009	7.48	414,380
Exercisable as of June 30, 2009 ⁽²⁾	7.49	179,650

⁽¹⁾ The weighted average share price when the option was exercised was EUR 7.44. Options were exercised during the reporting period but the resulting shares were not yet transferred.

⁽²⁾ The only factor taken into account here is whether or not the waiting period for the options has expired. All other contractual conditions, such as fulfillment of the performance target, are disregarded.

The weighted average remaining contract duration for options outstanding as of June 30, 2009 was 0.94 years.

The exercise prices for options outstanding at the end of the reporting period range from EUR 7.04 to EUR 7.76.

G. Notes on the Type and Management of Financial Risks

For details of the risks arising from financial instruments and of financial risk management, see section H of the 2008 annual report. Nothing needs to be added to the risks outlined there.

H. Related Party Disclosures

Directors' Dealings

During the reporting period, the Company was informed of the following notifiable securities transactions by executive officers of the Company as required by section 15a of the German Securities Trading Act (WpHG):

Name, Function	Date	Trans- action	Number of shares	Price EUR	Trading volume EUR	Trading location
Dr. Matthias Schroff, Chief Executive Officer	6/15/2009	Sale ⁽¹⁾	120,000	7.25	870,000.00	Off the floor

⁽¹⁾ Shares sold to BUCHRI GmbH, Berlin (Prof. Dr. Burghardt Wittig), from the exercise of employee stock options.

I. Other Information

Information on Significant Events after June 30, 2009

After June 30, 2009, a total of 340,000 shares were issued from Contingent Capital 2006-1. MOLOGEN received EUR 859 thousand in the reporting period and EUR 1,218 thousand after June 30, 2009 from the exercise of employee stock options. The amount of EUR 859 thousand recognized as of June 30, 2009 under the item "Payments received from the exercise of subscription rights" was reclassified as subscribed capital and capital reserve after the share transfer on July 20, 2009. In total, the exercise of employee stock options resulted in an increase of EUR 340 thousand in subscribed capital and of EUR 1,737 thousand in the capital reserve as of July 20, 2009.

Approval of the Interim Financial Statements

The interim financial statements were approved by the Executive Board on August 12, 2009 and cleared for publication.

Berlin, August 12, 2009

Mologen AG
The Executive Board

Dr. Matthias Schroff
Chief Executive Officer

Jörg Petraß
Chief Financial Officer

Responsibility Statement

“To the best of our knowledge and in accordance with the IFRS reporting principles for interim financial reporting as applicable in the EU, the interim financial statements give a true and fair view of the assets, financial, and earnings position of the Company, and the interim management report of the Company includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company for the remainder of the fiscal year.”

Berlin, August 12, 2009

Molgen AG
The Executive Board

Dr. Matthias Schroff
Chief Executive Officer

Jörg Petraß
Chief Financial Officer

Molgen AG

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