



MAGNAT records positive result in the 2nd quarter of the fiscal year

Half-yearly financial report for Fiscal Year 2010/2011

(Fiscal year: 1 April 2010 to 31 March 2011)

- Positive net result in the 2nd quarter follows EUR -3.4 million in the previous year
- Gains/losses relating to letting more than quadrupled during the quarter
- Newly integrated asset management records positive result during both the quarter and the half-year
- Co-proprietor's building scheme's in Austria contribute EUR 1.4 million to earnings
- Cash and cash equivalents well above previous year
- Balancing of business model is taking effect

Frankfurt am Main, 30 November 2010 – During the 2nd quarter of Fiscal Year 2010/2011 (1 April 2010 to 31 March 2011), MAGNAT Real Estate AG's ('MAGNAT', ISIN DE000A0XFSF0) net result after taxes and minority interests was just positive at approximately EUR 60,000. The comparative figures for the corresponding quarter last year stand at EUR -3.4 million. At EUR 1.0 million, MAGNAT succeeded in more than quadrupling gains/losses relating to letting in the 2nd quarter as compared to last year (EUR 0.2 million). Moreover, the newly integrated asset management, with a result of EUR 0.1 million, and the co-proprietor's building schemes in Austria, which generated a result of EUR 1.4 million and following the integration are now on MAGNAT's books, have, based on the consolidated statements of income, contributed significantly to MAGNAT closing the quarter in the black.

Overall, MAGNAT was able to significantly reduce the net loss of EUR -4.2 million recorded in the previous year to EUR -1.0 million during the first half of the current fiscal year. Income before taxes and minority interests (EBT) amounted to EUR -0.7 million after EUR -4.5 million in the same period last year. In particular, gains/losses relating to letting, which climbed by 51 per cent from EUR 1.1 million in the previous year to EUR 1.6 million developed positively in the first half. The newly integrated asset management, which is included in the half-yearly financial statements for the first time, also contributed significantly to the improvement in earnings with profit of EUR 0.2 million during the half-year. Furthermore, the co-proprietor's building schemes in Austria generated profit of EUR 1.4 million in the 2nd quarter alone. To present the income from the co-proprietor's building schemes transparently, MAGNAT has extended its consolidated statements of income by the item 'Gains/losses relating to the sale of real estate'.

Also due to internalisation of the asset management, cash and cash equivalents rose significantly from EUR 3.9 million at 30 September 2009 to EUR 7.1 million at 30 September 2010. The equity ratio at that date stood at a solid 62.9 per cent after 63.3 per cent at the same time last year.

Due to a conservative calculation, which no longer includes 'Non-recognised items', net asset value of EUR 7.63 at 31 March 2010 dropped to EUR 7.25 at 30 September 2010. Net asset value is calculated according to EPRA's international recommendations.

Jürgen Georg Faè, member of MAGNAT's Board of Management, comments: *"We made progress in terms of balancing our business model during the first half. Hence, our new business segment, Asset Management, which we will expand, made a positive contribution to earnings. Developments in Germany, Austria and Turkey are also positive. Furthermore, the gradual recovery in Eastern Europe re-opens opportunities for the development of our portfolio."*

About MAGNAT

MAGNAT Real Estate AG is the first publicly traded real estate company in Frankfurt to focus on real estate development in east European, Austrian and German metropolitan areas.

MAGNAT has evolved into an integrated real estate group. The company covers the entire value chain – from acquisition across development through to the sale of projects and land. In addition, the Group provides real estate asset management for third parties in particular via its subsidiaries MAGNAT Asset Management GmbH and MAGNAT Asset Management Deutschland GmbH.

The strategy of MAGNAT is designed to exploit inefficiencies in real estate markets. Unlike the traditional 'Buy & Hold' approach, MAGNAT takes a 'Develop & Sell' or 'Buy & Sell' approach, which focuses on real estate development supplemented by portfolio trading.

MAGNAT investors participate in development returns in eastern Europe, south-eastern Europe, the Commonwealth of Independent States (CIS) as well as in Germany and Austria.

Key data

Key data in EUR '000	Q1-Q2 2010/2011	Q1-Q2 2009/2010	Q2 2010/2011	Q2 2009/2010
Gains/losses relating to letting	1,640.7	1,086.0	951.3	218.1
Gains/losses relating to the sale of real estate companies	0.0	0.0	0.0	0.0
Gains/losses relating to the sale of real estate	1,356.1	0.0	1,356.1	0.0
Gains/losses relating to asset management	212.0	0.0	127.2	0.0
Gains/losses relating to companies valued at equity	-5,029.7	-1,311.8	-3,841.7	-914.8
Income before interest and taxes (EBIT)	-2,753.0	-2,692.1	-2,077.4	-1,884.4
Income before taxes (EBT)	-730.8	-4,454.7	291.5	-3,593.0
Net result after taxes and minority interests	-1,042.7	-4,220.1	59.6	-3,376.2

Key figures	30/09/2010	31/03/2010
Balance sheet total in EUR million	176.8	176.7
Shareholders' equity in EUR million	111.2	111.6
Equity ratio in per cent	62.9%	63.1%
Net asset value per share in EUR	7.25	7.63

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