



- **MAGNAT Real Estate Opportunities successfully enters Turkish Real Estate Market**
- **Double-digit Return expected**

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MAGNAT Real Estate Opportunities GmbH & Co. KGaA has successfully entered the Turkish real estate market. In a consortium with two renowned international project partners, the Immoeast AG and the Adama Holding Public Ltd., MAGNAT has acquired a unique portfolio of properties in Turkey. The transaction volume totalled EUR 136.5 million. With this significant investment MAGNAT enters the Turkish real estate market. MAGNAT expects the project to yield a double-digit return. Turkey is one of the biggest and fastest growing Real Estate markets in Eastern- and South-Eastern Europe.

The portfolio was purchased from Yapı ve Kredi Bankası A.Ş.(YKB), a leading Turkish bank and member of UniCredit Group. The bank had offered the subject portfolio of its non-core real estate assets by means of a public tender. At the end of the tender procedure the bid of the consortium in which MAGNAT, Immoeast and Adama each hold an equal stake, succeeded against several international competitors. The final purchase contract between the consortium and YKB was signed on July 11th 2007.

Almost 69% of the portfolio's total cost value is represented by properties located in Istanbul, Turkey's economic capital, with the rest spread throughout the country including a number of other key Turkish cities. While geographically concentrated, the portfolio is very well diversified in terms of the market's most attractive asset classes: its largest components are mixed-use properties (33% of the total

portfolio cost) followed by residential (30%) and commercial (26%). A smaller number of assets fall under other niche asset segments. In total, there are over 400 assets in the portfolio which amount to almost 250,000 square meter of built area.

In terms of tenant mix, a large part of the portfolio is comprised of sale-and lease-back properties rented to YKB and its subsidiaries (mostly bank branches and back office premises), with long-term contracts in place. These properties are typically located in business districts of major Turkish cities, including such excellent locations as the Şişli district and Levent Plaza in Istanbul. The rest of the portfolio is comprised of assets with development potential for attractive medium-sized residential and commercial projects.

The Portfolio will be managed by a local asset management team affiliated with Turk Ventures Advisory Limited (“Turkven”), a leading independent Turkish private equity fund. Turkven’s team will be complemented by an Istanbul-based senior consortium representative who will support Turkven in managing the portfolio and identifying new opportunities for the venture’s growth.

Jan Oliver Ruster, CEO of MAGNAT comments on the successful closing: „This investment is a milestone for MAGNAT. Firstly we have won a highly attractive submission in Turkey due to our excellent network of project partners. Secondly we get a unique opportunity to enter the Turkish real estate market with an attractive portfolio and with experienced and renowned partners. We expect this project to yield a double-digit return.”

David Flusberg, Adama’s co-founder and President, added: “We are extremely pleased to be working with world-class partners like Immoeast, Magnat and Turkven, as we establish together a position in the dynamic and fast-growing property markets of Turkey.”

Dr. Karl Petrikovics, Chairman of Immoeast, further noted: “The YKB portfolio is truly a special opportunity for investing in an emerging market at low risks due to the long-term lease contracts with one

of the internationally most-respected Turkish companies. Having found partners with much experience on the Turkish market is another big advantage for us. Furthermore, Turkey is both geographically and in market terms a logical addition to our core business in CEE, SEE and the former Soviet Union.”

About MAGNAT:

MAGNAT is a real estate company with a focus on real estate development in Eastern European countries. Seed investors were the Silvia Quandt family, the two financial investors Themis Equity Partners and Heliad Equity Partners, and the management. In the course of two capital increases in 2006 and a further capital increase in spring of 2007, a number of institutional investors, amongst them Swiss Real Estate, invested in MAGNAT.

With its opportunistic strategy, MAGNAT capitalizes on inefficiencies in real estate markets. In contrast to traditional investment strategies, MAGNAT not only benefits from rental income, but also and primarily from attractive development yields and the comparable short time of capital employed in its projects. All projects must meet an above-average yield requirement.

Management focuses on real estate markets with interesting development cycles, i.e. undervalued markets ("anti-cyclical investing") and markets with high economic growth rates ("growth markets"). The regional focus is currently on Central, Eastern and South-Eastern Europe, supplemented by opportunistic, special situations in the German home market.

Contact

MAGNAT Real Estate Opportunities GmbH & Co. KGaA
Grueneburgweg 18
60322 Frankfurt am Main

Investor Relations

Jan O. Ruester

Chief Executive Officer

Phone: +49 (0) 69 719 189 79 0

E-mail: jan.ruester@magnat-reop.com

Press Relations

edicto GmbH

Axel Mühlhaus / Werner Rüppel

Tel.: +49 (0) 69 905 50 55 2

E-Mail: amuehlhaus@edicto.de