



Interim report for the 3rd quarter of fiscal year 2009/2010

(Fiscal year: 1 April 2009 to 31 March 2010)

- In the third quarter of fiscal year 2009/2010, MAGNAT generates a positive Group result of EUR 1.7 million after minority interests
- First-time consolidation of asset manager R-QUADRAT leads to a positive impact on earnings
- Cash and cash equivalents climb to EUR 9.7 million due to successful divestments in Turkey and Vienna
- Balance sheet total rises to EUR 184.4 million
- Net asset value amounts to EUR 8.19 per share

Frankfurt, 11 February 2010 – In the third quarter of fiscal year 2009/2010 (1 April 2009 – 31 March 2010), the Group result of MAGNAT REAL ESTATE OPPORTUNITIES GmbH and Co. KGaA ('MAGNAT', ISIN DE000A0XFSF0) was positive at EUR 1.7 million net of tax and minority interests (according to IFRS). MAGNAT's result benefited from first-time consolidation of the hitherto external asset manager R-QUADRAT Immobilien GmbH ('R-QUADRAT').

In the first nine months of fiscal year 2009/2010, MAGNAT's Group result net of tax and minority interests improved from EUR -13.5 million to EUR -2.5 million compared with the same period last year. Operating income (EBIT) amounted to EUR 0.4 million compared with EUR -7.0 million in the same period last year.

Due to the integration of R-QUADRAT, the balance sheet total increased from EUR 143.2 million at 30 September 2009 to EUR 184.4 million. Group equity increased from EUR 90.6 million at 30 September 2009 to EUR 122.0 million at the reporting date, 31

December 2009. Therefore, at 31 December 2009, MAGNAT recorded an improved equity ratio of 66.2 percent.

MAGNAT's cash and cash equivalents have increased from EUR 3.9 million at 30 September 2009 to EUR 9.7 million at 31 December 2009.

After integration of the profitable R-QUADRAT, MAGNAT again calculates the net asset value (NAV) transparently as per EPRA recommendations. Due to the integration of R-QUADRAT in the wake of a capital increase against contribution in kind, the number of shares increased from 5.29 million to 13.89 million units. On that basis, the recalculated NAV is EUR 8.19 per share.

KEY DEVELOPMENTS:

In the third quarter of fiscal year 2009/2010, MAGNAT was able to report several profitable transactions. For example, MAGNAT received EUR 5 million from the successful sale of land from the Turkish YKB portfolio. Proceeds from the sale were 3.5 times the purchase price. MAGNAT sold a real estate project profitably with a gratifying return in the form of the 'Widerhofergasse' in Vienna. The newly integrated R-QUADRAT succeeded in placing the tax relief model 'Schumannngasse 16' in Vienna. The return on investment from this placement amounts to more than EUR 1 million. Another tax relief model is currently being planned.

Following integration of R-QUADRAT, MAGNAT now disposes of the new business area asset management for third parties. In that respect, R-QUADRAT already services clients in the area of real estate and in turn receives annual management fees. That income now flows to MAGNAT. The new asset management subsidiary, R-QUADRAT, employs highly qualified and experienced staff at its offices in Frankfurt, Vienna and Kiev and is thus represented by its own local management teams in the metropolitan areas of its core markets. Due to this pronounced real estate expertise, MAGNAT plans to expand the new business area by further asset management mandates predominantly in German speaking countries.

OUTLOOK:

Strategically, MAGNAT continues to give absolute priority to securing liquidity. Moreover, intensification of the re-marketing efforts is an important component for securing and improving profitability. To mitigate the sharp cyclical fluctuations in the real estate markets, MAGNAT will continue to carefully scrutinize and if need be adjust the distribution of the portfolio between the regions of Germany/Austria and Eastern/South-Eastern Europe.

Now that the integration of R-QUADRAT has been completed and on the assumption of an improvement of the current general market environment, the Management of MAGNAT anticipates that earnings performance will continue to improve over the next 12 months. Risks to further business development lie in a possible new economic downturn this year.

About MAGNAT:

MAGNAT Real Estate Opportunities GmbH & Co. KGaA is the first real estate company with a focus on property development in Eastern European, Austrian and German metropolitan areas to be listed in Frankfurt.

With integration of R-QUADRAT Immobilien GmbH, 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 asset management for third parties via its subsidiary R-QUADRAT Immobilien GmbH.

The strategy of MAGNAT is designed to exploit opportunistic inefficiencies in real estate markets. Unlike the traditional 'Buy & Hold' approach, MAGNAT takes a 'Develop & Sell' or 'Buy & Sell' approach, which focuses on property 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	Q3 2009/2010	Q3 2008/2009	Q1-Q3 2009/2010	Q1-Q3 2008/2009
Earnings from letting	925	171	2,011	1,404
Earnings from the sale of real estate companies	0	0	0	0
Earnings from asset management	98	0	98	0
Earnings from investments accounted for using the equity method	1853	3,191	542	-2,640
Operating result (EBIT)	3,088	790	396	-6,964
Earnings before tax (EBT)	1,683	-6,000	-2,771	-14,926
Group result net of taxes and minority interests	1,736	-5,059	-2,484	-13,540

*unaudited

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