

## Magnat at a Glance

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.

## Financial Highlights\* (consolidated, in EUR 'ooo)

In EUR 'ooo	Q3 2010/11	Q3 2009/10	Q1-3 2010/11	Q1-3 2009/10
Gains/losses relating to letting	455	925	2,096	2,011
Gains/losses relating to the sale of real estate companies	0	0	0	0
Gains/losses relating to the sale of real estate	56	0	1,412	0
Gains/losses relating to asset management	78	98	290	98
Gains/losses relating to companies valued at equity	-613	1,854	-5,643	542
Operating result (EBIT)	-936	3,089	-3,690	397
Income before taxes (EBT)	-1,075	1,684	-1,806	-2,771
Net result after minority interests	-989	1,736	-2,032	-2,484
Basic earnings per share	-0.07	0.27	-0.15	-0.38
Diluted earnings per share	-0.07	0.27	-0.15	-0.38

In EUR 'ooo	31/12/2010	31/03/2010
Shareholders' equity	109,023	111,567
Liabilities	56,342	65,135
Total assets	165,365	176,702
Equity ratio	65.9%	63.1%
Cash and cash equivalents	6,838	8,822

\*unaudited

## Interim Report for the 3rd Quarter of Fiscal Year 2010/2011

- Debt reduces by EUR 9.3 million during the quarter; equity ratio rises to 65.9 per cent
- Cash and cash equivalents at a satisfactory level, sales in Q4 guarantee budgeted cash inflows
- Net result after nine months still negative, but slightly improved as compared to same period last year
- Board of Management presses forward with strategic focus

**Frankfurt/Main, 11 February 2011** – MAGNAT Real Estate AG ('MAGNAT', ISIN DE000A0XFSFo) has reduced the loss in the first nine months of the 2010/2011 fiscal year (1 April 2010 to 31 March 2011) further. The net loss amounted to EUR 2.0 million after minority interests. At the same time, debt in the amount of EUR 9.3 million was reduced, due to which the Group's equity ratio rose from 62.9 per cent at 30 September 2010 to 65.9 per cent at 31 December 2010.

Gains/losses relating to the letting of real estate stood at EUR 0.5 million for the quarter. In the nine-month comparison, it thus rose slightly from EUR 2.0 million to EUR 2.1 million. Only a small profit was accrued from the sale of real estate in the third quarter;

### Stock Exchange Key Data

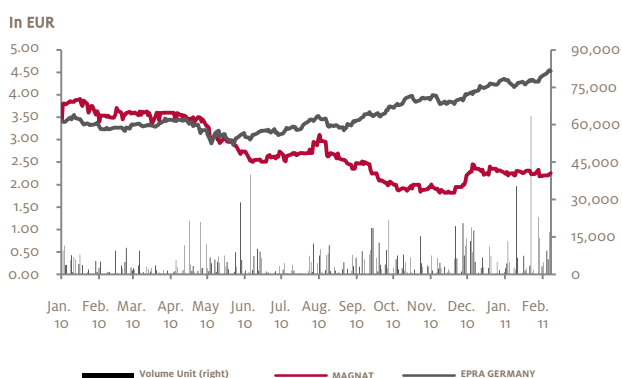
	Q1-3 2010/11	FY 2009/2010	FY 2008/2009
Number of shares	13,894,651	13,894,651	52,900,000
Market capitalisation in EUR million	32,221,696	50,020,744	17,986,000
Profit per share	-0.15	-1.35	-0.12
P/E ratio	negative	negative	negative
Intrinsic value (NAV) per share in EUR	7.09	7.63	1.63*
Free float (shareholders < 3%) in per cent	39.53%	34.36%	74.68%
Share capital (in EUR)	13,894,651	13,894,651	52,900,000

\*Before capital reduction in the ratio 10:1

### Calculation of Net Asset Value (NAV, in millions)

	NAV	No. of shares	NAV per share
<b>NAV as of the financial statements at 31 December 2010</b>	<b>98.37</b>	<b>13.89</b>	<b>7.08</b>
Effect of exercise of options, convertibles and other equity interests	-	-	-
<b>Diluted NAV after exercise of options, convertibles and other equity interests</b>	<b>98.37</b>	<b>13.89</b>	<b>7.08</b>
Revaluations	0.00		0.00
Development of properties held for investment	-		-
Revaluation of other non-current investments	-		-
Fair value of tenant leases held as finance leases	-		-
Fair value of trading properties	-		-
Fair value of financial instruments	0.00		0.00
Deferred tax	0.12		0.01
Goodwill as a result of deferred tax	-		-
<b>Diluted EPRA NAV</b>	<b>98.48</b>		<b>7.09</b>

### Price Performance



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therefore, as was the case at the end of the first half, gains during the nine-month period stood at EUR 1.4 million. Asset Management once again generated a result of EUR 0.1 million for the quarter, and for the nine months EUR 0.3 million.

While these areas thus continue to generate a positive result, net income is weighed down by losses from the companies valued at equity. The negative result of EUR -5.6 million includes losses from YKB amounting to EUR 1.7 million as well as losses in the second quarter from the project in Poland of EUR 2.5 million. This is offset by a positive change in the measurement of the loan to Poland amounting to EUR 2.9 million, which is recognised as financial income.

Income before taxes in the Group of EUR -2.8 million in the first nine months of last year was thus improved to EUR -1.8 million. Earnings per share amounts to EUR -0.15.

In the third quarter, MAGNAT succeeded in reducing long-term debt by more than EUR 8.4 million and short-term by just over EUR 0.8 million. This essentially concerns the reduction of financial debt, which was partially offset by corresponding receivables, contributing to the reduction of the balance sheet. In the third quarter, trade receivables of EUR 15.8 million was thus reduced to EUR 7.8 million and financial receivables also dropped.

At 31 December 2010, shares in companies valued at equity were measured at EUR 36.8 million. The value of real estate inventory rose to EUR 69.5 million at 31 December 2010.

Net asset value (NAV) according to EPRA's recommendations amounted to EUR 98.5 million after this change. Based on the number of shares issued (13.89 million), this represents a NAV of EUR 7.09 per share.

Cash and cash equivalents stood at EUR 6.8 million at 31 December 2010 and are thus at the anticipated, sufficient level. The sale of two properties from the YKB portfolio was successfully completed in the current Q4. This gives rise to further already budgeted cash inflows before the end of the year, which will be used for operating the company and investing in the realignment of the portfolio.

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## Other Information

Name	MAGNAT Real Estate AG
ISIN	DE000AoXFSFo
WKN	AoXFSF
Code/Ticker	M5R (Bloomberg: M5R RK, Reuters: M5RGK.DE)
Number of shares	13,894,651
Free float (shareholders < 3%)	39.53%
Analyst price target	EUR 3.60 resp. EUR 8.00
Coverage	Close Brothers Seydler, Silvia Quandt & Cie. AG
General Standard	Frankfurt Stock Exchange (Frankfurt and Xetra)
Open Market	Berlin, Dusseldorf and Stuttgart
Index	C-DAX, DIMAX
E-mail	<a href="mailto:ir@magnat.ag">ir@magnat.ag</a>
Web site	<a href="http://www.magnat.ag">www.magnat.ag</a>

## Financial Calendar

Publication	Date
— Regular General Meeting of Shareholders, Frankfurt/Main	2 November 2010
— 2010/2011 Half-yearly Report	30 November 2010
— Q3 Interim Report at 31 December 2010	11 February 2011
— Publication of the 2010/2011 Financial Statements	29 July 2011
— Q1 Interim Report at 30 June 2011	11 August 2011

MAGNAT fiscal year: 1 April to 31 March respectively

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## Outlook

On 10 December 2010, Dr. Marc-Milo Lube was appointed the position of Chairman of the Board of Management by the Supervisory Board. Since then, the new Board of Management, in which Jürgen Georg Faè remains responsible for the company's finances, has continued to press forward with the strategic focus of MAGNAT. In essence, the new strategy aims at focusing on a small number of promising core markets, which exhibit above-average potential and where the company has already firmly established itself.

The trimming of the portfolio by the activities that will no longer be the focus of the company should provide the financial flexibility necessary to grow the business selectively in the core markets. This strategic focus will be implemented judiciously and still with the aim of not being pressured into selling interests, but achieving the best possible conditions and making investments in new projects after careful analysis and examination of the particular challenges and opportunities. Details of the new strategy will be announced in the coming weeks.

Frankfurt/Main, 11 February 2011



**Dr. Marc-Milo Lube**  
CEO



**Jürgen Georg Faè**  
CFO

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Remarks: This interim report is also available in English. The German version of this report is authoritative. More information about the company and the online interim report is available on the Internet at [www.magnat.ag](http://www.magnat.ag). We will be pleased to send you information in printed form on request: [info@magnat.ag](mailto:info@magnat.ag)