



## **MAGNAT reports another successful sale of part of the Turkish YKB portfolio**

- The 'Levent Plaza' property in Istanbul is sold with a gratifying return on the acquisition cost
- At EUR 18.3 million, the selling price exceeds the initial purchase value by 33 per cent
- The selling price is only marginally less than the valuation posted on the balance sheet

Frankfurt am Main, 4 February 2011 – MAGNAT Real Estate AG ('MAGNAT', ISIN DE000A0XFSF0) presses forward with the promised exploitation of the YKB portfolio and is pleased to report the sale of 'Levent Plaza' in Istanbul. After the successful sale of a property from the YKB portfolio just a few weeks ago, it has been possible to conclude a second transaction with high cash returns within a short period.

The sold 'Levent Plaza' property covers an area of 19,061 square metres. It is located in a cosmopolitan environment on the European side of Istanbul and nested in a commercial property with consulates and numerous opportunities for shopping and leisure. It was acquired in July 2007 as part of the so-called YKB portfolio, in which MAGNAT owns a 33.3 per cent share. The regional focus of the portfolio is on the Greater Istanbul area. Attractive development returns can be attained due to Istanbul's rising prosperity and rapidly growing population.

At EUR 18.3 million, the selling price of the 'Levent Plaza' property is only marginally less than the current valuations shown in accordance with the valuation report on the balance sheet. It is part of a large commercial property and therefore the transaction was marked by considerable complexity. Against this background, the proceeds received on the sale are very satisfactory. Compared to the purchase value of the property, a cash margin (the difference from the original, non-revalued cost) of nearly EUR 4.5 million was attained.

MAGNAT initially invested equity of about EUR 21 million in the YKB portfolio and has already seen cash reflows totalling EUR 17 million without taking into account the sale of the 'Bersan' property reported on 19 January 2011 and the current sale of 'Levent Plaza'. For the most part, the company has accounted for profits from the portfolio on its income statement on the basis of valuations made at the respective balance sheet dates. To begin with, proceeds received on the sale will go to the YKB project company. These will safeguard additional attractive development prospects for the remainder of the YKB portfolio. Moreover, certainty is provided for the returns budgeted by MAGNAT due to the distribution of part of the recent proceeds received on the sale to the investors, which is planned for the current fiscal year.



*Dr Marc-Milo Lube, CEO of MAGNAT, notes: "We are active in the large-scale real estate projects segment in Turkey for the second time in a short period. It is precisely the complexity of the most recent transaction that highlights our Group's expertise in large international projects. The most recent sales from our Turkish portfolio will be used for a distribution from the project company to MAGNAT in the current fiscal year. We are thus fully in line with our budget planning."*

### **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 is an integrated real estate group and 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 services for third parties.

MAGNAT investors participate in development returns in eastern Europe as well as special business situations in Germany and Austria.

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