Press Release
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MagForce to implement capital increase of up to €33.5 million

- Capital increase against cash and noncash contributions including preemptive rights
- Funds to go towards post-marketing study and loan repayment
- BaFin approves securities prospectus

Berlin, Germany, February 08, 2013 – MagForce AG (Frankfurt, XETRA: MF6), a leading medical technology company in the field of nanomedicine in oncology, intends to implement a capital increase against cash and noncash contributions including preemptive rights in the total amount of around €33.5 million. To achieve this, up to 18,606,553 new no-par value bearer shares will be issued. The capitalization measure was resolved at the Company’s extraordinary general meeting on January 25, 2013.

Bankhaus Neelmeyer AG, Bremen, will offer the new shares to the Company’s shareholders for subscription at a ratio of 2:7. The subscription price for the new shares will be €1.80 per share. The two-week shareholders’ subscription period will run from February 14 to February 28, 2013. Clearstream Banking AG, Frankfurt am Main, will settle the rights for the new shares. The rights will not be traded on the stock exchange.

Further details are provided in the securities prospectus, which the company filed with the commercial register today. In line with legal requirements, Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin – the German Financial Supervisory Authority) examined and approved the prospectus. It is expected to be published in the Bundesanzeiger (Federal Gazette) on February 14, 2013. The prospectus is available on the Company’s website at www.magforce.de under the section entitled “Press and Investors” (German only).

In the short to medium term, MagForce will use part of these cash funds achieved in the transaction to finance the post-marketing glioblastoma study as well as business operations. In addition, the Company will repay loans in the amount of €16.1 million to its primary creditors, insofar as this amount is not converted to equity as part of a debt-to-equity swap.
About MagForce AG

MagForce AG is a leading medical technology company in the field of nanomedicine in oncology. The Company’s proprietary, NanoTherm® therapy, enables the targeted treatment of solid tumors through the intratumoral generation of heat via activation of magnetic nanoparticles. NanoTherm®, NanoPlan®, and NanoActivator™ are components of the therapy and have received EU-wide regulatory approval as medical devices for the treatment of brain tumors. MagForce, NanoTherm®, NanoPlan®, and NanoActivator™ are trademarks of MagForce AG in select countries. For more information, please visit www.magforce.com.

Disclaimer

This release may contain forward-looking statements and information which may be identified by formulations using terms such as "expects", "aims", "anticipates", "intends", "plans", "believes", "seeks", "estimates" or "will". Such forward-looking statements are based on our current expectations and certain assumptions, which may be subject to a variety of risks and uncertainties. The results actually achieved by MagForce AG may substantially differ from these forward-looking statements. MagForce AG assumes no obligation to update these forward-looking statements or to correct them in case of developments, which differ from those, anticipated.

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