MagForce AG Publishes its Fourth Shareholder Letter 2014

Berlin, Germany, and Nevada, USA, November 12, 2014 - MagForce AG (Frankfurt, Entry Standard, XETRA: MF6, ISIN: DE000A0HGQF5), a leading medical device company in the field of nanomedicine focused on oncology, today published its fourth Shareholder Letter 2014:

“Dear MagForce Shareholders,

I am pleased to report that during the third quarter, we maintained our momentum to achieve our 2014 targets. As previously reported, we have successfully established and funded MagForce USA, Inc. to expand our NanoTherm™ therapy to the North America Region.

**Brain Cancer Therapy:** Our main objective for 2014 was to initiate our post-marketing clinical study (MF1001) in recurrent Glioblastoma (GBM) patients with the placement of NanoActivator® devices in world class hospitals in Germany. During the third quarter we have assembled two of the three activators scheduled for installation in the fourth quarter. Facility modifications at the designated hospitals in Cologne and Frankfurt are underway. In addition, we have initiated the processes required for the commencement of commercial treatments. Clearly, in 2014 our target for those treatments is very limited but it is the first step leading to a significant increase in commercial treatments in 2015.

With respect to our expansion phase outside Germany, we continue preparing our registration path for the USA.

**Prostate Cancer Therapy:** Regarding the application of our NanoTherm™ therapy for the treatment of prostate cancer, our unique technology is viewed as a very promising complement to current treatment approaches. In November, MagForce USA, Inc. has filed a pre-submission with the USA Food and Drug Administration outlining our plans for Focal Treatment of Intermediate Primary Prostate Cancer.

**Financial:** MagForce AG presents financial results at six month intervals; however, I can report that financially the Company developed as planned during the quarter and the nine month period ended September 30, 2014. We are very conscious of our expense budget and make every effort to live within this budget. The ongoing production of Nanoactivator® devices and the setting up of clinical sites for clinical trial patients as well as for commercial treatments met our expectations. Moreover, liquidity and operating result for the quarter-year and the nine months period ended September 30, 2014 were in line with expectations and we are confident to reach our financial targets for the full-year period.

**Investor Relations:** During the third quarter, MagForce AG presented at the 11th Annual European Medtech & Healthcare Services Conference at Goldman Sachs in London, the Berenberg & Goldman Sachs Third Annual German Corporate Conference and the Baader Investment Conference in Munich. In addition, we conducted a European roadshow in Frankfurt, Munich, Zurich, Paris and London in July. During those events, MagForce handled over forty one on one meetings with...
shareholders and potential shareholders.

Dear Shareholders, In summary, we are successfully moving forward on our challenging path to develop NanoTherm™ therapy into a valued therapy for the treatments of Glioblastoma and Prostate Cancer.

Again, thank you for your interest and support of MagForce.

Sincerely,
Dr. Ben Lipps
Chief Executive Officer &
Chairman of the Management Board

About MagForce AG and MagForce USA, Inc.

MagForce AG, listed in the entry standard of the Frankfurt Stock Exchange (MF6, ISIN: DE000A0HGQF5), together with its subsidiary MagForce USA, Inc. is a leading medical device company in the field of nanomedicine focused on oncology. The Group's proprietary NanoTherm™ therapy enables the targeted treatment of solid tumors through the intratumoral generation of heat via activation of superparamagnetic nanoparticles. Mithril Capital Management, a growth-stage technology fund founded by Ajay Royan and Peter Thiel, along with MagForce AG, are investors and strategic partners in MagForce USA, Inc.

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 selected countries.

For more information, please visit: www.magforce.com.

Get to know our Technology: video (You Tube)

Stay informed and subscribe to our mailing list.

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.