MagForce AG Successfully Completes Capital Increase at a Price of EUR 6.00 per New Share

*Proceeds will be Used to Accelerate Commercialization and to Broaden Product Portfolio*

**Berlin, Germany, November 21, 2014** – The Management Board of MagForce AG (Frankfurt, Entry Standard, XETRA: MF6, ISIN: DE000A0HGQF5), a leading medical device company in the field of nanomedicine focused on oncology, has announced today that it has successfully placed 1,700,000 new shares at EUR 6.00 per share against cash contribution with qualified investors raising proceeds in the amount of EUR 10.2 million. New shares will be issued utilizing a portion of the Authorized Capital (2013/III) representing approx. 7 percent of the registered share capital. Subscription rights of existing shareholders had been excluded.

The new shares were offered by Berenberg and Hauck & Aufhäuser Privatbankiers, acting as Joint Bookrunners in a private placement by means of an accelerated bookbuilding to qualified investors in Germany and selected countries outside of the United States, Canada, Australia and Japan.

The proceeds shall be utilized to accelerate the commercialization of NanoTherm™ Therapy outside of North America, where MagForce AG already has European regulatory approval for the treatment of Brain Tumors, and to broaden the product portfolio with further development of next generation nanoparticles. The next generation of nanoparticles provides for temperature-dependent drug release and will significantly accelerate the expansion of the treatment for other solid tumors such as Esophageal and Pancreatic Cancers.

The new shares shall be included in the Open Market of the Frankfurt Stock Exchange (Entry Standard), without publication of a prospectus, and are entitled to dividends starting from January 1, 2014.

**Ben Lipps, CEO and Chairman of the Board of MagForce, commented:** “The successful capital increase shows the continued trust and confidence investors put into the MagForce technology and our team. Further accelerating the commercialization of our NanoTherm™ Therapy and broadening of our product portfolio will help MagForce to unveil the full potential of its technology.”
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.

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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.