MagForce AG Publishes its First Shareholder Letter 2015

Berlin, Germany, and Nevada, USA, February 05, 2015 - MagForce AG (Frankfurt, Entry Standard, SIX: MF6, ISIN: DE000A0HGQF5), a leading medical device company in the field of nanomedicine focused on oncology, today published its first Shareholder Letter 2015:

“Dear MagForce Shareholders,

I am pleased to report that we accomplished our targets in 2014 and had a successful start into 2015.

Financials – EUR 10.2 million raised by MagForce AG end of 2014 helping to unveil the full potential of its technology: In November 2014, MagForce AG successfully completed a capital increase by placing 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. The proceeds shall be utilized to accelerate the commercialization of NanoTherm™ Therapy outside of North America, especially in Europe, 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 successful capital increase shows the continued trust and confidence international institutional investors put into the MagForce technology and our team.

Installation of additional NanoActivator® devices in Germany to treat Glioblastoma: The installation process of NanoActivator® devices in the world class hospitals in Frankfurt and Cologne in Germany has started and will be completed during the first quarter. We are also assembling another activator for installation in Göttingen in the second quarter. Together with the already set up NanoActivator® devices in Muenster, Berlin and Kiel, by mid-2015 we will therefore have six devices operational in Germany and additional centers trained to perform the surgery and the instillation of the nanoparticles, giving us sufficient capacity to complete enrollment in our Post Marketing Glioblastoma Study and accomplish our commercial treatment targets through 2017.

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

Brain Cancer Therapy – US commercial patient treated in Germany: MagForce also restarted the treatment of Brain Tumor patients outside clinical studies. In the department of Neurosurgery at Muenster University Hospital, Germany, headed by Prof Dr Walter Stummer, the treatment in the commercial setting was initiated, for the first time with a US patient who traveled to Germany especially to benefit from the NanoTherm™ therapy approach. Dr Johannes Woelfer, deputy medical director of the department, successfully performed the surgery and the instillation of the nanoparticles for the patient. The treatment is ongoing according to schedule and represents the first step leading to the expected significant increase in commercial treatments with our NanoTherm™ therapy in 2015.

For further information: anne.hennecke@mc-services.eu
Anne Hennecke
MC Services AG
T +49 211 529252 22
F +49 211 529252 29
M +49 151 12 555 759
Prostate Cancer Therapy – in-person meeting successfully held with the FDA: Regarding the application of our NanoTherm™ therapy for the focal treatment of Prostate Cancer, our unique technology is viewed as a very promising complement to current treatment approaches. In January 2015 an in-person meeting was held with the U.S. Food and Drug Administration’s (FDA) Center for Devices and Radiological Health to discuss FDA’s response to our NanoTherm™ Prostate Cancer Therapy Pre-Submission of November 2014. We received very constructive feedback on our submission and have an understanding of the pathway to market in the USA of our therapy to focally ablate prostate cancer. MagForce USA, Inc. will accelerate the Prostate Cancer Investigational Device Exemption (IDE) to utilize the MFH 300F NanoActivator® for both Glioblastoma and Prostate NanoTherm™ Therapy registration.

Investor Relations: In October, in addition to Berenberg & Edison, Hauck & Aufhäuser initiated research coverage with a buy recommendation and a price target of EUR 12.40. In 2015, we will present at approximately 10 equity conferences.

Dear Shareholders, in summary, we are successfully moving forward on our exciting path to develop NanoTherm™ therapy into a globally valued therapy for the treatments of Glioblastoma and Prostate Cancer. 2015 is the year of commercial revenues and will therefore mark a very important milestone in MagForce’s corporate history.

I would like to thank our talented and dedicated staff who are creating the successes. 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.