MagForce publishes 2013 Interim Report

- Capital increase of €33.5 million successfully completed
- New glioblastoma study approved by BfArM
- Ben J. Lipps new Chairman of the Management Board from September 1, 2013
- Operating expenses significantly reduced thanks to implementation package, net loss for the period down 36% to €2.3 million
- Forecast for 2013 confirmed, roll-out plan will lead to increased net loss year-on-year

Berlin, September 30, 2013 – MagForce AG (Frankfurt, XETRA: MF6), a leading medical device company in the field of nanomedicine with a focus on oncology, today published its figures for the first half of 2013, which ended on June 30, 2013.

Chairman of the Management Board Ben J. Lipps commented: “The key event in the first half of 2013 was the successful capital increase in March of this year, which enabled the new glioblastoma study to go ahead. This was approved by the Bundesinstitut für Arzneimittel und Medizinprodukte (BfArM) in April. Based on current developments, we are reiterating our outlook for full-year 2013 as published in the 2012 Annual Report. Given our roll-out plan, we expect the net loss from operating activities to be higher than in 2012, largely due to the start of the new clinical glioblastoma study and to preparations for market entry in other countries. By the end of the year, a total of three NanoActivators will have been installed and commissioned for the new study.”

The Company recorded a net loss of €2.3 million for the reporting period (–36%, previous year: €3.4 million). This improvement is largely due to the restructuring measures implemented and the strategic repositioning of the Company. Operating expenses were reduced by 48% to €1.0 million. The main reasons for this were the writedowns of long-term financial assets made in the previous year, the discontinuation of the former research projects, and reduced staff costs as a result of staff restructuring measures.

In the first half of the year, the Company successfully completed its previously announced capital increase against cash and noncash contributions with preemptive rights for shareholders in the total amount of approximately €33.5 million. The new shares were subscribed in return for cash payments and noncash contributions, and shareholder loans of €15.9 million were converted into equity. This left MagForce debt-free and with €17.5 million in cash at that time.

In June, the Supervisory Board of MagForce AG appointed Dr. Ben J. Lipps, former CEO of Fresenius Medical Care, as Chairman of the Management Board and Chief Executive Officer of the Company.
effective September 1, 2013. Dr. Lipps has represented the Company since that date together with his fellow Management Board members Prof. Hoda Tawfik (CMO/COO) and Christian von Volkmann (CFO), who have remained in their respective positions.

About MagForce AG

MagForce AG is a leading medical device company in the field of nanomedicine in oncology, listed in the entry standard (MF6). The Company’s proprietary, NanoTherm® therapy, enables the targeted treatment of solid tumors through the intratumoral generation of heat via activation of superparamagnetic 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 selected countries. For more information, please visit www.magforce.com.

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