MI Developments Inc.

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MI DEVELOPMENTS ANNOUNCES 2010 SECOND QUARTER RESULTS

August 12, 2010, Aurora, Ontario, Canada — MI Developments Inc. (TSX: MIM.A, MIM.B; NYSE: MIM) (''MID'' or the ''Company'') today announced its results for the three and six-month period ended June 30, 2010.

''We exceeded our expectations during the second quarter with the level of activity related to the assets transferred from MEC, and which resulted in the closing of our joint venture transaction with Penn National Gaming relating to the Maryland Jockey Club, and the sale of Thistledown, both occurring after the quarter,'' stated Dennis Mills, MID's Vice-Chairman and Chief Executive Officer. ''These two significant transactions generated aggregate net proceeds of approximately $45.9 million and are consistent with our plan to enhance the returns of our real estate, racing and gaming assets.''

The results for the three and six-month period ended June 30, 2010 are summarized below (all figures are in U.S. dollars):

	MID CONSOLIDATED			
	Three months ended June 30,		Six months ended June 30,	
(in thousands, except per share figures)	**2010**	2009	**2010**	2009
Revenues				
Real Estate Business	**$ 43,495**	$55,161	**$ 88,058**	$108,980
Racing & Gaming Business[1]	**69,670**	—	**69,670**	—
MEC[2][3]	**—**	—	**—**	152,935
Eliminations	**—**	—		(9,636)
	$113,165	$55,161	**$157,728**	$252,279
Net income (loss) attributable to MID				
Real Estate Business	**$ 17,880**	$31,329	**$ 33,009**	$ 56,490
Racing & Gaming Business	**(6,215)**	—	**(6,215)**	—
MEC — continuing operations	**—**	—	**—**	(54,763)
Eliminations	**—**	—	**—**	(107)
Income (loss) from continuing operations	**$ 11,665**	$31,329	**$ 26,794**	$ 1,620
Income from MEC discontinued operations[4]	**—**	—	**—**	864
	$ 11,665	$31,329	**$ 26,794**	$ 2,484
Diluted earnings attributable to MID per share from continuing operations	**$ 0.25**	$ 0.67	**$ 0.57**	$ 0.03
Diluted earnings attributable to MID per share	**$ 0.25**	$ 0.67	**$ 0.57**	$ 0.05
Real Estate Business				
Funds from operations (''FFO'')[5]	**$ 28,088**	$41,459	**$ 53,746**	$ 76,386
Diluted FFO per share[5]	**$ 0.60**	$ 0.89	**$ 1.15**	$ 1.64

(1) On April 30, 2010, certain assets of Magna Entertainment Corp. (''MEC'') were transferred to MID, including Santa Anita Park, Golden Gate Fields, Gulfstream Park (including MEC's interest in The Village at Gulfstream Park™, a joint venture between MEC and Forest City Enterprises, Inc.), Portland Meadows, The Maryland Jockey Club which includes Pimlico Race Course and Laurel Park, AmTote and XpressBet® (the ''Transferred Assets''), pursuant to the Joint Plan of Affiliated Debtors, the Official Committee of Unsecured Creditors, MID and MI Developments US Financing Inc. pursuant to the Bankruptcy Code (as amended, the ''Plan'').

(2) On March 5, 2009 (the ''Petition Date''), MEC and certain of its subsidiaries (collectively, the ''Debtors'') filed voluntary petitions for reorganization under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the ''Court'') and were granted recognition of the Chapter 11 proceedings from the Ontario Superior Court of Justice under section 18.6 of the Companies' Creditors Arrangement Act (the ''CCAA'') in Canada. As a result of the MEC Chapter 11 filing at the Petition Date, the Company concluded that, under GAAP, it ceased to have the ability to exert control over MEC on or about the Petition Date. Accordingly, the Company's investment in MEC was deconsolidated from the Company's results beginning on the Petition Date. The Company's results of operations for the six-month period ended June 30, 2009 include the results of MEC up to the Petition Date of March 5, 2009. Transactions and balances between the ''Real Estate Business'' and ''MEC'' segments have not been eliminated in the presentation of each segment's results of operations. However, the effects of transactions between these two segments are eliminated in the consolidated results of operations of the Company for periods prior to the Petition Date.

(3) Excludes revenues from MEC's discontinued operations.

(4) Discontinued operations represent MEC's discontinued operations, net of certain related consolidation adjustments. MEC's discontinued operations for the three-month period ended June 30, 2009 include the operations of Remington Park, Thistledown, Portland Meadows and Magna Racino™.

(5) FFO and diluted FFO per share are measures widely used by analysts and investors in evaluating the operating performance of real estate companies. However, FFO does not have a standardized meaning under generally accepted accounting principles (''GAAP'') and therefore may not be comparable to similar measures presented by other companies. The Company determines FFO using the definition prescribed in the United States by the National Association of Real Estate Investment Trusts® (''NAREIT''). For a reconciliation of FFO to net income, please refer to the section titled ''*Reconciliation of Funds From Operations to Net Income*''.

MID CONSOLIDATED FINANCIAL RESULTS

Three-Month Period Ended June 30, 2010

Revenues were $113.2 million in the second quarter of 2010 compared to $55.2 million in the second quarter of 2009. The increase of $58 million in revenues is due to racing and gaming revenues of $69.7 million generated by the Transferred Assets, as well as a $0.5 million increase in rental revenues, partially offset by a $12.1 million reduction in interest and other income from MEC.

Rental revenues in the second quarter ended June 30, 2010 increased $0.5 million to $42.5 million from $42.0 million in the prior year period. The additional rent earned from contractual rent increases, completed projects on-stream and the effect of changes in foreign currency exchange rates was partially offset by the negative impact of vacancies, renewals and re-leasing.

Interest and other income from MEC, consisting of interest and fees earned in relation to loan facilities between the MID Lender and MEC and certain of its subsidiaries, decreased by $12.1 million, from $13.1 million in the second quarter of 2009 to $1.0 million in the second quarter of 2010. During the fourth quarter of 2009, the Company estimated that it would be unable to realize on all amounts due in accordance with the contractual terms of the loan agreements with MEC and, accordingly, the Real Estate Business recorded an impairment provision relating to the loans receivable from MEC. Given the impairment, the Company discontinued accruing interest income and fees on the loans receivable from MEC; however, interest income and fees were recognized under the DIP Loan to the extent income was earned in the period and cash had been either collected as at or subsequent to the balance sheet date. In the second quarter of 2010, $1.0 million represents interest and fees relating to the DIP Loan.

Real Estate Business net income in the second quarter of 2010 was $17.9 million compared to net income of $31.3 million in the prior year period. The decrease of $13.4 million is primarily due to a decrease of $12.1 million in interest and other income from MEC, increases of $3.9 million and $8.8 million in general and administrative expenses and income taxes, respectively, offset by a $10.0 million reversal of the loan impairment provision.

FFO for the second quarter of 2010 decreased by $13.4 million or $0.29 per share as compared to the prior year period due to reduced net income for the reasons noted above.

The Racing & Gaming Business includes the results of operations since April 30, 2010, the acquisition date of the Transferred Assets in the second quarter of 2010. The results for the six-month period ended June 30, 2009 include the results of MEC. The deconsolidation of MEC as at March 5, 2009 and the acquisition of the racing and gaming assets on April 30, 2010 affects virtually all of the Company's reported revenue, expense, asset and liability balances, thus significantly limiting the comparability from period to period of the Company's financial statements.

During May and June 2010, our racetracks hosted a total of 42 live race days and generated racing, gaming and other revenues of $69.7 million, with no comparable figures as a result of MID's acquisition of the Transferred Assets effective April 30, 2010. Net loss in the second quarter from the Racing & Gaming Business was $6.2 million. Overall, the loss is generally reflective of the seasonal nature of our Racing & Gaming Business, lower average daily revenue at many of our racetracks and costs incurred to pursue alternative gaming opportunities.

Six-Month Period Ended June 30, 2010

Revenues were $157.7 million in the first six-months of 2010 compared to $252.3 million in the first six-months of 2009. The $94.6 million decrease in revenues is due to a $24.8 million reduction in interest and other income from MEC, and the impact from consolidating MEC's operations in 2009 up to the Petition Date, partially offset by a $3.8 million increase in rental revenues and revenues generated by the Transferred Assets in May and June 2010 of $69.7 million.

Rental revenues in the first six-months of 2010 increased $3.8 million to $86.2 million from $82.4 million in the prior year period mainly due to the positive impact of foreign exchange.

Interest and other income from MEC, consisting of interest and fees earned in relation to loan facilities between the MID Lender and MEC and certain of its subsidiaries, decreased by $24.8 million, from $26.6 million in the first six-months of 2009 to $1.8 million in the first six-months of 2010.

Real Estate Business net income of $33.0 million for the first six-months of 2010 decreased by $23.5 million compared to net income of $56.5 million in the prior year period. The decrease is primarily due to the reduction in interest and other income from MEC of $24.8 million and increases of $4.3 million and $8.9 million in general and administrative expenses and income tax expense, respectively. Offsetting the reductions in net income are increases of $10.0 million in impairment recovery relating to loans receivable from MEC, $3.8 million relating to increased rental revenues and $1.9 million of other gains.

FFO for the first six-months of 2010 decreased by $22.6 million or $0.49 per share as compared to the prior year period primarily due to reduced net income of $23.5 million for the reasons noted above, partially offset by increased depreciation and amortization of $0.8 million due to the impact of foreign exchange.

As discussed above, the Racing & Gaming Business includes the results of operations since April 30, 2010, the acquisition date of the Transferred Assets. As a result, Racing & Gaming Business operating results for the second quarter and first six-months ended of 2010 are consistent.

A more detailed discussion of MID's consolidated financial results for the three and six-month period ended June 30, 2010 is contained in Management's Discussion and Analysis of Results of Operations and Financial Position, and the unaudited interim consolidated financial statements and notes thereto, which are available through the internet on Canadian Securities Administrators' Systems for Electronic Document Analysis and Retrieval (SEDAR) and can be accessed at www.sedar.com and on the United States Securities and Exchange Commission's Electronic Data Gathering, Analysis and Retrieval System (EDGAR) which can be accessed at www.sec.gov.

RECONCILIATION OF FUNDS FROM OPERATIONS TO NET INCOME

(in thousands, except per share information)	Three months ended June 30, 2010	Three months ended June 30, 2009	Six months ended June 30, 2010	Six months ended June 30, 2009
Net income	**$17,880**	$31,329	**$33,009**	$56,490
Add back depreciation and amortization	**10,208**	10,130	**20,737**	19,896
Funds from operations	**$28,088**	$41,459	**$53,746**	$76,386
Basic and diluted funds from operations per share	**$ 0.60**	$ 0.89	**$ 1.15**	$ 1.64
Basic and diluted number of shares outstanding (thousands)	**46,708**	46,708	**46,708**	46,708

DIVIDENDS

As a result of the decrease in Real Estate Business net income, together with the continued uncertainty concerning current economic conditions and the potential negative impact on real estate markets, MID's Board of Directors has declared a dividend of $0.10 per share on MID's Class A Subordinate Voting Shares and Class B Shares for the second quarter ended June 30, 2010. The dividend is payable on or about September 15, 2010 to shareholders of record at the close of business on August 27, 2010.

Unless indicated otherwise, MID has designated the entire amount of all past and future taxable dividends paid since January 1, 2006 to be an "eligible dividend" for purposes of the Income Tax Act (Canada), as amended from time to time. Please contact your tax advisor if you have any questions with regard to the designation of eligible dividends.

FORBEARANCE

The Special Committee of the Board of Directors of MID continues to consider appropriate forbearance terms to apply to the Transferred Assets. The Corporation has adopted a process pursuant to which the Special

Committee will determine annually, commencing with the 2011 financial year, appropriate forbearance terms for the applicable Transferred Assets.

ABOUT MID

MID is a real estate operating company engaged primarily in the acquisition, development, construction, leasing, management and ownership of a predominantly industrial rental portfolio leased primarily to Magna International Inc. and its automotive operating units in North America and Europe. MID also acquires land that it intends to develop for mixed-use and residential projects. Additionally, MID owns Santa Anita Park, Golden Gate Fields, Gulfstream Park (including an interest in The Village at Gulfstream Park™, a joint venture with Forest City Enterprises, Inc.), The Maryland Jockey Club, Portland Meadows, AmTote and XpressBet®, and through some of these assets, is a supplier, via simulcasting, of live horseracing content to the inter-track, offtrack and account wagering markets. For further information about MID, please visit www.midevelopments.com or call 905-713-6322.

For further information, please contact Dennis Mills, Vice-Chairman and Chief Executive Officer at 905-726-7614 or Rocco Liscio, Executive Vice-President and Chief Financial Officer, at 905-726-7507.

OTHER INFORMATION

For further information about MID, please see our website at www.midevelopments.com. Copies of financial data and other publicly filed documents are available through the internet on Canadian Securities Administrators' Systems for Electronic Document Analysis and Retrieval (SEDAR) which can be accessed at www.sedar.com and on the United States Securities and Exchange Commission's Electronic Data Gathering, Analysis and Retrieval System (EDGAR) which can be accessed at www.sec.gov.

FORWARD-LOOKING STATEMENTS

This press release may contain statements that, to the extent they are not recitations of historical fact, constitute ''forward-looking statements'' within the meaning of applicable securities legislation, including the United States Securities Act of 1933 and the United States Securities Exchange Act of 1934. Forward-looking statements may include, among others, statements relating to the MEC Chapter 11 proceeding and the Company's participation therein and statements regarding the Company's future plans, goals, strategies, intentions, beliefs, estimates, costs, objectives, economic performance or expectations, or the assumptions underlying any of the foregoing. Words such as ''may'', ''would'', ''could'', ''will'', ''likely'', ''expect'', ''anticipate'', ''believe'', ''intend'', ''plan'', ''forecast'', ''project'', ''estimate'' and similar expressions are used to identify forward-looking statements. Forward-looking statements should not be read as guarantees of future events, performance or results and will not necessarily be accurate indications of whether or the times at or by which such future performance will be achieved. Undue reliance should not be placed on such statements. Forward-looking statements are based on information available at the time and/or management's good faith assumptions and analyses made in light of our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances, and are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond the Company's control, that could cause actual events or results to differ materially from such forward-looking statements. Important factors that could cause such differences include, but are not limited to, the risks set forth in the ''Risk Factors'' section in the Company's Annual Information Form for 2009, filed on SEDAR at www.sedar.com and attached as Exhibit 1 to the Company's Annual Report on Form 40-F for the year ended December 31, 2009, which investors are strongly advised to review. The ''Risk Factors'' section also contains information about the material factors or assumptions underlying such forward-looking statements. Forward-looking statements speak only as of the date the statements were made and unless otherwise required by applicable securities laws, the Company expressly disclaims any intention and undertakes no obligation to update or revise any forward-looking statements contained in this press release to reflect subsequent information, events or circumstances or otherwise.