



25 September 2006

Atlas Estates announces further acquisitions as it continues to invest IPO proceeds

Atlas Estates Limited ("Atlas" or "the Company") today announces that it has acquired two further good quality assets in the Central and Eastern European region. This takes the amount of IPO proceeds invested to over €70 million or 43%.

Atlas has acquired two different, strong assets in Budapest. The assets complement the strategy of building a quality, yielding asset portfolio and securing development opportunities that will generate healthy returns.

The acquisitions are:

- **Volan Development Project, Budapest, Hungary**

The Volan project comprises of an area of 20,640 m² of land in Central Budapest. It is located close to Vaci ut. one of the main roads to the centre of the City. Close by are Heroes Square and the West End Shopping Centre and Hilton Hotel Complex. The plot has already been cleared and is ready for redevelopment. It is planned to develop 89,000 m² of mixed residential, commercial, retail and leisure accommodation. Atlas will take a 50% interest in the project but has entered into an agreement to lead the development. The purchase price is based on a value €15 million for the whole site with associated loans of €4 million. Atlas's interest will be acquired for a cash consideration of €5.5 million.

- **Moszkva Office Building, Budapest, Hungary**

The Moskva Building is a 1,350 m², three storey office building located on Moskva Square, a prime location on the Buda side of the city. The property is fully let with an average unexpired lease term in excess of seven years. Atlas will acquire the property for €2.9 million with net operating income of €250,000. This reflects a net initial yield of 8.75%.

Gadi Dankner, Chief Executive Officer of Atlas Management Company Limited said:

“We are delighted to have secured these two good quality assets. There is real potential to create value at the Volan Project due to its central location and proximity to good amenities. The Moskva Building provides good long term secure income as we add to our yielding asset portfolio.”

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Notes to Editors

1. Atlas is a closed-ended property investment company incorporated in Guernsey and listed on the AIM market in London. It specialises in investment in high-quality growth assets in the fast growing economies of Central and Eastern Europe.
2. Atlas Management Company Limited (AMC) is a company whose sole purpose is to manage Atlas assets on their behalf. AMC is a company formed by RP Capital Partners, Elran (D.D.) Real Estate Limited and RI Limited, all experienced investors with significant experience in and knowledge of the region.