



27 March 2007

Atlas Estates announces the completion of two significant transactions

Atlas Estates Limited ("Atlas" or the "Company") today announces that it has completed the acquisition of two high quality assets in the Central and Eastern European region. These had been previously contracted and announced but were subject to formal registration with the local authorities. Atlas is to date 67% invested of its IPO proceeds (excluding those monies used to buy back the company's shares).

The assets were acquired in accordance with Atlas' strategy of building a quality, yielding asset portfolio and securing development opportunities that will generate healthy returns.

The acquisitions are:

- **The Millennium Plaza, Warsaw, Poland**

The Millennium Plaza is a prominent office building comprising of 37,300 m² of high quality accommodation over 28 floors, in a prime location in central Warsaw. The lettable area provides 31,200 m² of office space, 6,100 m² of retail space and 249 underground car parking spaces. The property is currently 95% occupied.

With an acquisition price of €76 million (including costs), the Plaza will generate over €6 million in net operating income, representing an initial yield of 8%. A recent valuation prepared for Atlas showed the market value to be €90.1 million. Atlas has financed the transaction by securing a mortgage loan for €64.8 million at a margin of 1.15% over Euribor, with the balance being paid in cash.

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

An area of 20,640 m² of prepared land in Central Budapest close to Vaci ut. Heroes Square and the West End Shopping Centre and Hilton Hotel Complex, all major landmarks in Budapest.

The plot has been cleared and is ready for development. Atlas will take a 50% holding in the project but will lead the development of a planned 89,000 m² of mixed residential, commercial, retail and leisure accommodation. The purchase price is based on a value of €15 million for the whole site with associated loans of €4 million. Atlas' interest will be acquired for a cash consideration of €5.5 million.

Quentin Spicer, Chairman of Atlas Estates Limited said:

"These are high quality assets in prime positions in two of the main cities in the region. This strengthens our investment portfolio and provides an opportunity to develop a sizeable scheme in a major city centre. We have again been able to demonstrate our ability to source off market transactions at advantageous prices."

Amos Pickel, Chief Executive Officer of Atlas Management Company Limited said:

"We are delighted to have completed the acquisition of these two good quality assets. We see significant potential to create a valuable scheme at the Volan Project due to its central location and proximity to good amenities. The Millennium Plaza will provide strong, secure income returns in a market that is still growing whilst adding to NAV immediately"

Enquiries:**Atlas Management Company (UK) Limited**

Phil Holland – Chief Financial Officer

+44 (0)20 7245 8666

Brunswick Group LLP

Andrew Garfield

Helen Barnes

Justine McIlroy

+44 (0)20 7404 5959

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.