

Current report No. 10/2013, published on 3.09.2013

The board of directors of Atlas Estates Limited (the “**Company**”) hereby announces that on 2 September 2013 a loan agreement (the “**Agreement**”) was signed between Properpol Spółka z ograniczoną odpowiedzialnością with its registered seat in Warsaw (the “**Borrower**”), a company in which Atlas Estates Investment B.V. (a subsidiary of the Company) holds 100% of the shares and BRE Bank S.A., with its registered seat in Warsaw (the “**Bank**”).

Under the Agreement the Bank makes available to the Borrower a EUR term loan facility in an aggregate amount not exceeding the lower of:

- (a) EUR 4,300,000.00 (in words: four million three hundred thousand Euro); and
- (b) 60% (sixty per cent) of the market value of the Property (defined below).

The loan bears interest at the rate of the 3 M EURIBOR, increased by a margin specified in the Agreement, paid on a quarterly basis.

The Borrower shall apply all amounts borrowed by it under the Agreement towards the costs of acquisition of the: (i) office and retail space unit situated on the ground floor of the building located in Warsaw at ul. Grzybowska 61 of the total area of 2,071.67 square meters, constituting a separate property for which the land and mortgage register no. WA4M/00432575/3 is maintained; (ii) the office and retail space unit situated on the upper floor of the building located in Warsaw at ul. Grzybowska 61 of the total area of 402.77 square meters, constituting a separate property for which the land and mortgage register no. WA4M/00432578/4 is maintained, (iii) three parking lots situated at level -1 in the underground car parking constituting separate premises for which the land and mortgage register no. WA4M/00424141/3 is maintained and (iv) the underground parking garage situated at levels -1 to -3 under the building located in Warsaw at ul. Grzybowska 61, together with any related infrastructure built on the land, (v) the plot of land no. 66 at ul. Grzybowska 63 in Warsaw for which the land and mortgage register no. WA4M/00422440/5 is maintained, (vi) the plot of land no. 67 at ul. Grzybowska 61 in Warsaw for which the land and mortgage register no. WA4M/00383171/2 is maintained (jointly the “**Property**”) (including settlement of the purchase price for the Property) and payment of costs relating to the same (including payment of expenditure related to the Property and its purchase) through refinancing of the facility extended to Platinum Tower AEP Spółka z ograniczoną odpowiedzialnością spółka komandytowo-akcyjna by the Raiffeisen Bank Polska S.A., with its registered office in Warsaw pursuant to facility agreements dated 24 July 2008 and 22 November 2007.

Final repayment date of the facility falls 5 years after its utilisation, but in any case not later than on 30 June 2018.

The Loan shall be secured by, inter alia:

1. first ranking mortgage over the ownership right and/or the perpetual usufruct right and/or the participation interest in the perpetual usufruct right in respect of the Property up to the amount of 150% of the loan;
2. financial and registered pledges established on 2 September 2013 (i) the rights from certain bank account agreements concluded by the Borrower and (ii) all the shares in the share capital of the Borrower, (iii) bonds issued by the Borrower;
3. a subordination agreement; and

4. statement of the Borrower of voluntary submission to execution pursuant to Art. 97 of the Banking Law up to the amount of EUR 6,450,000 executed on 2 September 2013;
5. submission to execution granted by the shareholder of the Borrower in favour of the Bank in accordance with 777 of Polish Procedure Code up to the amount of EUR 6,450,000 executed on 2 September 2013;

The value of the Property in the financial accounts of the Borrower amounts to PLN 31,603,160.

*Legal grounds: art. 56 item 1, point 1) of Polish Act on Public Offering, the Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies dated 29 July 2005 (Polish Journal of Laws of 2009, Nr 185, Item 1439)*