

Current report no. 1/2013 dated 18.01.2013

Atlas Estates Limited

Execution of the pledge agreements

Atlas Estates Limited ("AEL") was notified on 18 January 2013 by its subsidiary HGC AEP Spółka z ograniczoną odpowiedzialnością S.K.A ("Borrower") that the following registered and financial pledge agreements were executed on 18 January 2013 with Österreichische Volksbanken-Aktiengesellschaft with registered seat in Vienna ("Bank") in fulfilment of the Borrower's obligations towards Bank resulting from the loan agreement dated 8 April 2004 (amended on 21 November 2007) (as amended) as well as Consent Letter dated 6 December 2012 (jointly "Loan Agreement"):

- 1) registered and financial pledge agreement executed between the Bank and Atlas Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych with its registered seat in Warsaw over the 28,081,200 shares in the share capital of the Borrower, of the nominal value 1 PLN each share, of the joint nominal value of 28,081,200 PLN constituting 99.99% shares in the share capital of the Borrower, being the ownership of Atlas Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych with its registered seat in Warsaw; the pledge secures repayment of the Loan Agreement up to the maximum amount of 70,000,000 EUR; the book value of the pledged shares equals to 200,373,402.60 PLN;
- 2) registered and financial pledge agreement executed between the Bank and Gretna Investments Spółka z ograniczoną odpowiedzialnością with its registered seat in Warsaw ("Gretna") over 2,800 registered shares in the share capital of the Borrower, of the nominal value of 1 PLN each share, of joint nominal value of 2,800 PLN, constituting 0,01% shares in the share capital of the Borrower, being the ownership of Gretna; the pledge secures repayment of the Loan Agreement up to the maximum amount of 70,000,000 EUR; the book value of the pledged shares equals to 19,979.40 PLN;
- 3) registered and financial pledge agreement executed between the Bank and Atlas Estates Investment B.V. with its registered seat in Amsterdam over 100 equal shares in the share capital of Gretna, of the nominal value of 50 PLN each share, of joint nominal value of 5,000 PLN, constituting 100% of the shares in the share capital of Gretna, being the ownership of Atlas Estates Investment B.V. with its registered seat in Amsterdam; the pledge secures repayment of the Loan Agreement up to the maximum amount of 70,000,000 EUR; the book value of the pledged shares equals to 15,464.75 PLN;
- 4) registered and financial pledge agreement executed between the Bank and Gretna over financial receivables of Gretna being the general partner in the Borrower; the pledge secures repayment of the Loan Agreement up to the maximum amount of 70,000,000 EUR; the book value of the pledged rights constitutes 0,0036% of the Borrower's profits;

(jointly "Pledge Agreements")

At the day of signing of the Pledge Agreements total outstanding payment from the Loan Agreement equals o 57,712,141.23 EUR.

The value of the pledged shares described in point 1) exceeds the 10% of the own capital of AEL. Bank is not a related party to AEL.

Legal basis: § 5 section 1 point 1) and 3) of the Regulation of the Minister of Finance dated 19 February 2009 on the current and periodic disclosures to be made by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state (Polish Journal of Laws of 2009, No. 33, Item 259).

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)