



ATLAS
ESTATES

Current report no. 22/ 2008 dated 3 June 2008

Information regarding the performance fee of Atlas Management Company Limited

Atlas Estates Limited ("Atlas" or the "Company"), the Central and Eastern Europe property investor and developer, hereby announces that the Board of Directors of Atlas ("the Board") has reached an agreement with Atlas Management Company Limited ("AMC"), the Company's property manager, regarding AMC's performance fee for the financial year ending 31 December 2007.

As was announced in Atlas' current report No. 18/2008 dated 16 May 2008, AMC's performance fee in respect of the financial year ending 31 December 2007 has been agreed by the Board at €7.037 million.

The first €2.5 million of this amount has already been paid in cash by the Company to AMC in April 2008. However, following AMC initiative based on AMC believe in the company and its growth and indicates willingness to align interests between AMC and the other shareholders of the company, the Board and AMC have now agreed that AMC will receive the remaining €4.537 million of the performance fee in shares, to be completed by the issue of 1,428,306 new ordinary shares, representing an average price of £2.55 (€3.17) per share.

The calculation of the shares payable for the performance fee was based on the following calculation:

- The property management agreement between AMC and the Company allows Atlas to pay AMC up to a third of the performance fee in shares, with the price to be based on the average share price for the 45 days prior to the week after the performance fee was announced, i.e. one week after the Company's full year results for the period ending 31 December 2007 published on 26 March 2008. The average share price of £2.694 translates to 696,595 new shares of the Company.

- The remainder of the performance fee was set on a 45 day average price prior to the Company's Q1 unaudited results, published on 15 May 2008. The average price for this period was £2.396, which translates to 731,711 new shares of the Company.

Due to the fact that the new shares are being issued at below the Company's NAV, and due to the fact that this exceeds the maximum amount of the performance fee that can be paid in shares according to the property management agreement, this new arrangement is subject to shareholder approval by way of a resolution to be proposed at the AGM set for 25 June 2008.

If the resolution is not approved by the AGM, the balance of the performance fee will be paid to AMC in cash.

Legal basis: Art. 56 item 1 point 1) of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies (Journal of Laws 2005, No. 184, item 1539).