

Current report no. 2/2011 dated 03.02.2011

Atlas Estates Limited

Instituting legal proceeding against Atlas Estates (Millennium) Sp. z o.o.

Atlas Estates Limited ("AEL") was notified today by its subsidiary Atlas Estates (Millennium) Sp. z o.o. with its seat in Warsaw ("AEM") that on 20 January 2011 AEM obtained from the court an invitation for a hearing of amicable settlement concerning a claim of Reform Company Sp. z o.o. in bankruptcy proceeding for payment of the amount of 66,791,250 PLN as the compensation of the damages which were caused to Reform Company Sp. z o.o. at execution of the transaction of sale of Millennium Plaza building. The parties invited for the amicable settlement are: AEM, Hendrik Johannes Keilman, Anandrous B.V with its seat in Amsterdam, Hocalar B.V with its seat in Rotterdam, DIR Mangement B.V with its seat in Amsterdam.

AEL hereby informs that in its opinion the motion of Reform Company Sp. z o.o. in bankruptcy for any payments is the result of the internal disputes between the shareholders of Reform Company Sp. z o.o. in bankruptcy.

AEM entered into the transaction of purchase of the Millennium Plaza building over 3 year ago in good faith and paid the fair price for the building. Based on the advice the Board has received from its legal advisors and the evidences as indicated in the motion for the amicable settlement, it is the Board opinion that there is no material background, both factual and legal, to the above-mentioned claim.

Legal basis: : § 5 section 1 pint 8 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).