



**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser (who in the United Kingdom should be authorised under the Financial Services and Markets Act 2000).

**If you have sold all or some of your holding of Ordinary Shares, you should consult your stockbroker or agent without delay. Your stockbroker or agent will then advise you as to what action you should take.**

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## **Atlas Estates Limited**

*(incorporated in Guernsey with registered number 44284)*

### **Proposed cancellation of admission to trading on AIM**

### **Notice of Extraordinary General Meeting**

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Notice of an Extraordinary General Meeting of Atlas Estates Limited, to be held on Tuesday 30 December 2008 at BNP Paribas House, 1 St Julian's Avenue, St Peter Port, Guernsey GY1 1WA at 9.30 a.m. is set out at the end of this document. Whether or not you intend to attend the Extraordinary General Meeting, you should complete and return the enclosed Form of Proxy.

To be valid, the Form of Proxy must be returned in accordance with its instructions so as to arrive with the Company's Registrars, Computershare Investor Services (Channel Islands) Limited, Ordnance House, 31 Pier Road, St. Helier, Jersey, JE4 8PW, as soon as possible and no later than 48 hours before the time of the Extraordinary General Meeting. Completion and return of a Form of Proxy will not prevent a Shareholder from attending and voting at the meeting in person.

**This document should be read as a whole. Your attention is drawn to the letter from your Chairman which is set out on pages 3 to 6 of this Circular and which recommends that you vote in favour of the resolution to be proposed at the Extraordinary General Meeting to be held on Tuesday 30 December 2008.**

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

ACTIONS TAKE PLACE ON BOTH AIM AND WSE UNLESS OTHERWISE INDICATED

|   |                              |                  |
|---|------------------------------|------------------|
| Latest date for receipt of Forms of Proxy   | 9.30 a.m. (Guernsey time) on | 28 December 2008 |
| EGM   | 9.30 a.m. (Guernsey time) on | 30 December 2008 |
| Announcement in London and Warsaw of results of EGM                                     |                              | 30 December 2008 |
| Cancellation of the admission to trading on AIM of all of the Company's Ordinary Shares | 7.00 a.m. (Guernsey time) on | 9 January 2009   |

## LETTER FROM THE CHAIRMAN

### ATLAS ESTATES LIMITED

*(incorporated under the laws of Guernsey under registered number 44284)*

*Directors:*

Quentin Spicer (*Chairman*)  
Shelagh Mason  
Michael Stockwell  
Helmut Tomanec

*Registered Office:*

BNP Paribas House  
1 St Julian's Avenue  
St. Peter Port  
Guernsey  
GY1 1WA

4 December 2008

Dear Shareholder (and, for information only, to holders of warrants)

#### PROPOSED CANCELLATION OF ADMISSION TO TRADING ON AIM

##### Introduction

Atlas Estates Limited (the "**Company**") today announced that it is seeking Shareholder approval for the cancellation of admission to trading on AIM of all of its Ordinary Shares (the "**Cancellation**"). At the current time all Ordinary Shares are admitted to trading on AIM and all Ordinary Shares which are in uncertificated form are either already admitted to trading on WSE (50,128,384 Ordinary Shares) or are expected to be admitted to trading on WSE prior to the proposed date of Cancellation.

Following Cancellation, all Ordinary Shares which are in uncertificated form will continue to trade on the main market of the WSE. Holders of uncertificated Ordinary Shares will be able to trade such shares through any member broker of the WSE, including appropriate UK brokers (subject to certain procedural requirements).

The purpose of this document is to convene an Extraordinary General Meeting by the Notice set out on page 8 of this document (as required by the AIM Rules), provide you with the reasons for the proposed Cancellation and to explain why the Directors unanimously consider the Cancellation to be in the best interests of the Company and its Shareholders as a whole and therefore recommend that Shareholders vote in favour of the Cancellation at the Extraordinary General Meeting.

##### Reasons for the Cancellation

In reaching their decision to recommend the Cancellation to Shareholders the Directors have considered the following:

- the considerable lack of liquidity in the Company's shares;
- the Polish and Central & Eastern European investment communities' enhanced appreciation of the Group's activities, investments and skills;

- the likelihood that a single trading platform for the Company's shares will enhance the Company's ability to raise new capital through targeted contact with institutional investors and reduced administration and transaction costs and expenses;
- the potential for WSE to mature as an appropriate market for companies investing into Central & Eastern Europe;
- the difficulty for small cap AIM companies in attracting institutional investors, particularly in the current economic and stock market environment;
- the potential for enhanced interaction with the local Polish investment community through a sole WSE listing; and
- the anticipated cost saving to the Company in not incurring AIM advisory and other AIM-related fees.

The Directors have therefore concluded that it is in the best interests of the Company and its Shareholders as a whole to maintain admission to trading of relevant Ordinary Shares on only one market. Therefore, the Directors are recommending to Shareholders that the Company cancel the admission to trading on AIM of all of the Ordinary Shares.

### **Recent Trading**

The unaudited quarterly results for the nine (cumulative) and three months to 30 September 2008 announced on 14 November 2008 included an update on recent trading. Copies are available on the Company's website [www.atlasestates.com](http://www.atlasestates.com).

### **The Cancellation**

In accordance with Rule 41 of the AIM Rules, the Company has today notified the London Stock Exchange of the proposed Cancellation. In order for the Cancellation to take effect, the AIM Rules require the consent of not less than 75 per cent. of votes cast by Shareholders at the Extraordinary General Meeting.

The Notice on page 8 sets out the text of the resolution to be put to Shareholders at the Extraordinary General Meeting which proposes that the admission to trading on AIM of the Company's Ordinary Shares is cancelled.

Subject to the requisite Shareholder approval, the Cancellation is expected to be effective from 7.00 a.m. on 9 January 2009.

### **Trading following the Cancellation**

Following the Cancellation the Company will remain a quoted entity with its uncertificated Ordinary Shares traded on WSE. Further details regarding trading in Ordinary Shares are set out below on pages 5 and 6 of this Circular.

### **Strategy following the Cancellation**

The proposal set out in this Circular forms part of a wider review currently being carried out by the Board. This review is focussed on reducing the Group's cost base, where possible and appropriate.

As part of this process the Board is reviewing all areas of expenditure, including the costs arising from the external management of the Group's assets by Atlas Management Company Limited, the third party manager. This review is on-going.

### **Communication with Shareholders following the Cancellation**

The Directors are conscious of the need to preserve the flow of information to non-Polish Shareholders. Although, after the Cancellation, the Company will no longer be obliged to make announcements through a UK regulatory information service it will continue to ensure that all regulatory announcements made by the Company will be made available in English on the Company's website at [www.atlasestates.com](http://www.atlasestates.com).

Notices of meetings and copies of the annual report and accounts of the Company will continue to be sent to registered shareholders in the usual way.

### **Takeover Regulation**

The UK Takeover Code currently applies to the Company and will continue to so apply following the Cancellation. Dealings in the Company's shares are also governed by Polish takeover rules.

### **Extraordinary General Meeting**

You will find set out on page 8 of this document the Notice of Extraordinary General Meeting to be held at 9.30 a.m. on 30 December 2008 at which the resolution to approve the cancellation of the admission to trading on AIM of the Ordinary Shares will be proposed as a special resolution.

If this resolution is passed by the Shareholders at the Extraordinary General Meeting then it is anticipated that the cancellation of the admission to trading on AIM of the Ordinary Shares will become effective from 7.00 a.m. on 9 January 2009.

### **Trading in Ordinary Shares prior to Cancellation**

If Shareholders wish to sell their Ordinary Shares on AIM, they must do so prior to the proposed date of Cancellation becoming effective (such Cancellation will occur no earlier than five business days after the Extraordinary General Meeting). If the resolution proposed at the EGM is passed it is expected that trading in Ordinary Shares on AIM will cease at the close of business on Thursday 8 January 2009 with Cancellation being effected at 7.00 a.m. on Friday 9 January 2009.

### **Trading in Ordinary Shares following the Cancellation**

Following the Cancellation there will be no market facility for dealing in Ordinary Shares on AIM. However trading of uncertificated Ordinary Shares will continue through the register maintained by KPDW relating to the admission to trading of such shares on WSE. All Ordinary Shares currently held in CREST are either already admitted to trading on WSE (50,128,384 Ordinary Shares) or are expected to be admitted to trading on WSE prior to the proposed date of Cancellation.

As at 2 December 2008 the Company had 50,322,014 Ordinary Shares in issue (including 3,470,000 Ordinary Shares held in treasury) all of which are either admitted to trading on WSE (50,128,384 Ordinary Shares) or are expected to be admitted prior to the proposed date of Cancellation. The 182,291 Ordinary Shares which are held in certificated (or paper) form are not admitted to trading on WSE - in order to sell any such Ordinary Shares after Cancellation it will be necessary for them first to

be dematerialised and then for the Company seek admission of such Ordinary Shares to the official list of WSE. If Shareholders wish to sell Ordinary Shares currently in paper form on a public market it will be necessary for such Ordinary Shares to either be sold on AIM prior to close of trading on Thursday 8 January 2009 or to be dematerialised and admitted to trading on WSE.

The Company has arranged a share dealing facility to Shareholders who require the services of the Warsaw based broker. Shareholders wishing to contact CDM Pekao S.A should contact Chalas Mikolaj on +48 22 856 18 76 or email him on [chalas\\_mikolaj@cdmpekao.com.pl](mailto:chalas_mikolaj@cdmpekao.com.pl).

#### **Action to be taken**

You will find enclosed with this Circular a Form of Proxy. If you wish to vote at the Extraordinary General Meeting you are invited to complete and return the Form of Proxy as soon as possible in accordance with the written instructions. The Form of Proxy should be lodged with Computershare Investor Services (Channel Islands) Limited, Ordnance House, 31 Pier Road, St. Helier, Jersey, JE4 8PW so as to be **RECEIVED NOT LATER THAN 9.30 A.M. (GUERNSEY TIME) ON SUNDAY 28 DECEMBER 2008** using the enclosed envelope (UK reply paid).

#### **Recommendation**

The Directors are of the opinion that the Cancellation is in the best interests of the Company and its Shareholders as a whole. The Directors therefore unanimously recommend that Shareholders vote in favour of the Cancellation.

Yours faithfully



Quentin Spicer  
*Chairman*

## DEFINITIONS

|                         |  |
|-------------------------|--|
| "AIM"                   | AIM, a market operated by the London Stock Exchange;   |
| "AIM Rules"             | the AIM Rules for Companies issued by the London Stock Exchange;   |
| "Articles"              | the articles of association of the Company, adopted by written resolution on 24 February 2006 and as further amended by special resolutions passed on the 16 November 2006 and 13 December 2007;   |
| "Board"                 | the board of directors of the Company;   |
| "Cancellation"          | the cancellation of the admission to trading on AIM of the Ordinary Shares;  |
| "Company"               | Atlas Estates Limited (a company incorporated in Guernsey with company number 44284);  |
| "CREST"                 | the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear is the operator;  |
| "Circular"              | this document which is dated 4 December 2008;  |
| "Directors"             | the directors of the Company;  |
| "Euroclear"             | Euroclear UK and Ireland Limited (a company incorporated in England and Wales with company number 02878738);   |
| "Extraordinary Meeting" | <i>General</i> Extraordinary General Meeting of the Company to be held at the Company's registered office at 9.30 a.m. (Guernsey time) on Tuesday 30 December 2008 (or such later time or date to which it may be adjourned) pursuant to the Notice; |
| "Form of Proxy"         | the form of proxy for the Extraordinary General Meeting which accompanies this Circular;   |
| "Group"                 | the Company and its subsidiaries;  |
| "KDPW"                  | Krajowy Depozyt Papierów Wartościowych S.A. (the National Depository of Securities) with its registered seat in Warsaw, Poland;  |
| "London Stock Exchange" | London Stock Exchange plc;   |
| "Notice"                | the notice of the Extraordinary General Meeting set out on page 8 of this Circular;  |
| "Ordinary Shares"       | ordinary shares of €0.01 each in the capital of the Company having the rights, and being subject to the restrictions, set out in the Articles;   |
| "Panel"                 | the Panel on Takeovers and Mergers of the UK;  |
| "Poland"                | the Republic of Poland;  |
| "Shareholders"          | holders of Ordinary Shares;  |
| "UK"                    | the United Kingdom of Great Britain and Northern Ireland; and  |
| "WSE"                   | the Warsaw Stock Exchange, the Listing Authority of Poland.  |

## ATLAS ESTATES LIMITED

(incorporated in Guernsey with registered number 44284) (the "Company")

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting of the Company will be held at BNP Paribas House, 1 St Julian's Avenue, St Peter Port, Guernsey GY1 1WA on Tuesday 30 December 2008 at 9.30 a.m. for the purposes of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution:

### SPECIAL RESOLUTION

THAT, pursuant to Rule 41 of the AIM Rules for Companies, the cancellation of admission of the Company's ordinary shares to trading on the AIM market of the London Stock Exchange plc is hereby approved (the "**Cancellation**") and that the Directors be and are hereby authorised to do all things necessary to give effect to the Cancellation.

**BY ORDER OF THE BOARD**

**Registered Office:**  
BNP Paribas House  
1 St Julian's Avenue  
St. Peter Port  
Guernsey  
GY1 1WA

BNP Paribas Fund Services (Guernsey) Limited  
Company Secretary  
4 December 2008

Notes:

1. A member who is entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and speak and, on a poll, vote instead of him or her. A proxy need not be a member of the Company. Delete "the Chairman of the Meeting" if it is desired to appoint any other person and insert the name and address of your proxy. Subject to any voting directions so given the proxy will exercise his discretion as to how to vote, or whether to abstain from voting on the Resolution, to adjourn the meeting and on any other business that may properly come before the meeting.
2. A UK reply paid Form of Proxy is enclosed for use at the Meeting. The Form of Proxy should be under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation under its common seal or under the hand of an officer or attorney duly authorised. The Form of Proxy should be completed and sent, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, so as to reach Computershare Investor Services (Channel Islands) Limited, Ordnance House, 31 Pier Road, St. Helier, Jersey, JE4 8PW not later than 9.30 a.m. on Sunday 28 December 2008.
3. The Form of Proxy may be delivered by facsimile transmitted to Computershare Investor Services (Channel Islands) Limited, Ordnance House, 31 Pier Road, St. Helier, Jersey, JE4 8PW on +44 (0)1534 825315 and marked for the attention of Sonia Cadwallader provided that the facsimile is actually received (whether or not it appears to the sender to have been received) not later than 9.30 a.m. on Sunday 28 December 2008. The Chairman of the Meeting (or such other person authorised by him) has discretion to determine that any such facsimile has been transmitted in any acceptable manner. In the event that a Form of Proxy is delivered by facsimile transmission it is also necessary for the original Form of Proxy (of which the facsimile transmission is a copy) to be received by Computershare Investor Services (Channel Islands) Limited, Ordnance House, 31 Pier Road, St. Helier, Jersey, JE4 8PW or at the address for the meeting by no later than one hour before the time appointed for the Meeting.
4. Completing and returning a Form of Proxy will not prevent a member from attending in person at the Meeting and voting should he or she so wish.
5. In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated.

6. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 the Company specifies that only those holders of shares registered in the register of members of the Company as at 9.30 a.m. (Guernsey time) on Sunday 28 December 2008 (or, if the meeting is adjourned, shareholders entered on the Company's register of members not later than 48 hours before the time fixed for the adjourned meeting) shall be entitled to attend and vote at the Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after 9.30 a.m. (Guernsey time) on Sunday 28 December 2008 shall be disregarded in determining the right of any person to attend or vote at the Meeting.
7. As at 2 December 2008 the Company's issued share capital consists of 50,332,014 ordinary shares of which 3,470,000 are held in treasury and in respect of which the voting rights are not exercisable. Therefore, the total voting rights in the Company as at 2 December 2008 are 46,852,014.