Current report no. 18/ 2008

Information regarding 2007 dividend of Atlas Estates Limited
("Atlas" or the "Company")

Atlas Estates Limited, the Central and Eastern Europe ("CEE") property investor and developer, today announced its unaudited quarterly results for the three months to 31 March 2008, including statements and recommendations as set out below:

On 29 February 2008, the Board of Directors of the Company resolved to pay a further dividend for the year ended 31 December 2007 of 16.68 eurocents per share ("2007 Dividend") and the disclosure was made in the current report 14/2008 dated 20 March 2008.

The Board will offer to shareholders, subject to shareholder approval, at the forthcoming AGM the choice of receiving the whole or part of the 2007 Dividend in new fully paid ordinary shares in the Company instead of cash (a **"**Scrip Dividend Alternative").

The Scrip Dividend Alternative allows more flexibility for shareholders who wish to receive shares instead of cash dividends or a combination of shares and cash. The Scrip Dividend Alternative will make it possible for shareholders to increase their holdings in the Company without incurring dealing costs. At the same time, the Company will benefit from the retention of cash for reinvestment in the business that would otherwise be paid out as a dividend.

Each of the AMC shareholders have given irrevocable undertakings to the Company to vote in favour of the resolution to approve the Scrip Dividend Alternative and to elect to take up their full scrip dividend entitlement.

As declared in The Company's AIM admission document dated 24 February 2006:

"in order to create a sustainable cash flow stream to underpin Shareholder dividends, the Company anticipates generating cash flow through the following:

- *rental income:* the Directors anticipate that the Company will receive a stable and recurring cash flow from rental income. The Directors expect rental income from income-generating investments to increase over time through a combination of market forces (i.e. increasing demand for quality commercial properties) and the active management of the Portfolio;
- *sales of residential development units:* the Company intends to generate cash through the sale of apartments in its residential development projects. These projects will not produce a steady cash flow but will generate cash flows as apartment units are sold and delivered. The Company expects the net proceeds will be available for reinvestment and/or distribution to shareholders; and
- *sales of investments:* it is possible that the Company will sell certain of its investments. In the event that a disposal is completed, the net

proceeds will be available for reinvestment and/or distribution to shareholders."

Certain statements and disclaimers regarding Company's dividend policy were made in the Prospectus dated 31 January 2008.

The Company's portfolio remains well positioned to deliver long term returns to shareholders. As reflected in the Company's results, the rental income from the current portfolio does not currently generate a net operational cash flow, after group operational and funding costs. However, the sales of residential developments units are expected to deliver strong profits and cash flow from late 2009 onwards.

The dividend policy of the Company as set out in the prospectus remains unchanged. The Board continues to review the Company's dividend policy in the light of the cash flow created from the above activities; the Company's debt and in particular any recourse debt; and the investment opportunities available to the Company.

The long term development of the Company and its assets is dependent upon access to capital, and the changing financial markets and the global liquidity crisis which is affecting all businesses operating in the CEE region, may potentially lead to short-term delays in the Company's ability to progress projects as planned.

In addition, AMC's performance fee in respect of the financial year ended 31 December 2007 has been agreed by the Board at €7.037 million. The first €2.5 million of this amount was paid in cash by the Company to AMC.

AMC and the Company are currently in discussions regarding the terms on which AMC would agree to receive new ordinary shares in settlement of the balance of the performance fee. Any such agreement would be subject to shareholder approval by way of a resolution to be proposed at the AGM.

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).