ATLAS ESTATES LIMITED
CONDENSED CONSOLIDATED QUARTERLY REPORT
FIRST QUARTER 2013

Atlas Estates Limited
Martello Court
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St Peter Port
Guernsey GY1 3HB
Company number: 44284

ATLAS ESTATES LIMITED

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Financial Highlights

Selected Consolidated Financial Items	Three months ended 31 March 2013 €'000	Year ended 31 December 2012 €'000	Three months ended 31 March 2012 €'000
Revenues	7,497	43,159	11,022
Gross profit	2,630	15,078	3,425
Decrease in value of investment properties	-	(19,537)	-
Profit/ (Loss) from operations	1,250	(12,965)	1,562
(Loss)/ Profit before tax	(1,190)	(10,053)	8,150
(Loss)/ Profit for the period	(1,562)	(13,021)	6,263
(Loss)/ Profit attributable to owners of the parent	(1,562)	(13,149)	6,274
Cash flow from operating activities	2,551	14,666	2,745
Cash flow from investing activities	(145)	87	(41)
Cash flow from financing activities	(5,463)	(11,608)	(475)
Net (decrease)/ increase in cash	(3,491)	3,583	2,699
Non-current assets	233,566	239,280	262,001
Current assets	83,011	85,177	76,703
Total assets	317,247	325,157	340,706
Current liabilities	(163,255)	(163,545)	(87,355)
Non-current liabilities	(83,759)	(87,898)	(164,644)
Total liabilities	(247,014)	(251,443)	(251,999)
Working capital	(80,244)	(78,368)	(10,652)
Basic net assets (1)	70,233	73,714	88,707
Issued capital and reserves attributable to owners of the parent	70,233	73,714	88,121
Number of shares outstanding	46,852,014	46,852,014	46,852,014
(Loss)/ Profit per share (eurocents)	(3.3)	(28.1)	13.4
Basic net asset value per share (€)	1.5	1.6	1.9

(1) "Basic net assets" represent net assets value as per the consolidated balance sheet

ATLAS ESTATES LIMITED

Chairman's Statement

Dear Shareholders,

I am pleased to announce the unaudited condensed consolidated quarterly report of Atlas Estates Limited ("Atlas" or "the Company") and its subsidiary undertakings (together "the Group") for the quarter ended 31 March 2013.

In the current financial market conditions, gaining access to capital has become more difficult and enhancing liquidity as well as the retention of cash have become key priorities. All of these objectives are vital for operations as they will underpin our drive to progress the projects we currently have under development through to completion, whilst at the same time supporting growth of the operations. Based on current expectation having access to capital is expected to continue to be key for companies in the foreseeable future.

The projects that the Group is currently developing in Warsaw (*Apartamenty przy Krasińskiego*, *Concept House* and *Capital Art Apartments III*) are well placed to meet the ongoing demand for quality residential property, which is demonstrated by a high level of pre-sales (as presented in the Property Manager's Report on pages 10).

Reported Results

As of 31 March 2013 the Group has reported basic net assets of €70.2 million.

The decrease of basic net asset value by €3.5 million (i.e. by 5%) from €73.7 million as at 31 December 2012 is primarily a result of the following movements:

- €5.3 million fall of investment properties as well as property, plant and equipment mainly due to €4.7 million decrease in foreign exchange movements; offset by

- €2.4 million bank loan write off. In the first quarter 2013 the Group reached a settlement with the bank financing its property in Bulgaria based on which the Group received €2.4 million discount on the one off repayment of the outstanding loan facility.

Working capital has been an area of disappointment, as we observe sudden deterioration from (€10.6 million) as of 31 March 2012 to (€78.4 million) as of 31 December 2012 and (€80.2 million) as of 31 March 2013. This is primarily due to reclassification of two bank loans totaling €65.3 million from non- current liabilities to current liabilities as a result of event of default that occurred on these facilities. However it must be outlined that on 28 February 2013 the Group obtained from the financing bank a signed term-sheet based on which these facilities will be extended by 31 December 2015 (as further disclosed on page 9). This extension is subject to loan documentation to be signed in the coming months following which these loans will be reclassified as long term loans again consequently improving the Group's working capital position.

At the operating level the Group reported an increase in gross profit margin from 31% in the first quarter 2012 to 35% in the first quarter of 2013, which is mainly the result of the reduction of the Company's activity in the residential segment. Property rental and hotel operation segments realise higher gross margins as compared to the residential segment, as presented on pages 23 and 24.

Loss after tax amounts to €1.6 million in the three months period ended 31 March 2013 and is mainly due to €3.6 million foreign exchange losses compensated by gain of €2.4 million due to bank loan write off.

Loss after tax increased by €7.8 million from €6.2 million profit in the first quarter 2012 to €1.6 million loss in the first quarter 2013. This change is mainly due to significant movements in foreign currency rates resulting in gains of €8.6 million in 2012 and loss of €3.6 million in 2013, offset by gain of €2.4 million due to above mentioned bank loan write off.

Foreign currency exchange gains and losses presented in the consolidated income statement mainly represent the unrealised foreign exchange differences on the bank loans. €2.7 million out of €3.6 million foreign exchange losses noted in the first quarter 2013 was due to the unrealised foreign exchange losses on EUR denominated bank loans in Polish subsidiaries. The foreign exchange losses occurred as a result of depreciation of PLN against EUR in the first quarter of 2013.

Financing, Liquidity and Forecasts

The Directors consider that the current outlook presents operating as well as financing challenges in which the Group operates.

The Group's forecasts and projections have been prepared taking into account the economic environment and its challenges and mitigating factors. These forecasts incorporate management's best estimate of future trading performance, potential sales of properties and the future financing requirements of the Group.

While there will always remain some inherent uncertainty within the aforementioned cash flow forecasts, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the condensed consolidated financial information for the three months ended 31 March 2012, as set out in accounting policies to the condensed consolidated financial information.

Investing Policy

Atlas mainly invests in Poland in a portfolio of real estate assets across a range of property types. The Group also operates in the Hungarian, Romanian and Bulgarian real estate markets.

The Company actively targets Poland, where the economy is believed to be the most attractive amongst CEE economies.

The Company makes investments both on its own and, where appropriate, with joint venture partners in residential, industrial, retail, office and leisure properties in order to create an appropriately balanced portfolio of income-generating properties and development projects.

The Company may employ leverage to enhance returns on equity. Wherever possible, the Directors intend to seek financing on a non-recourse, asset by asset basis. The Company has no set limit on its overall level of gearing. However, it is anticipated that the Company shall employ a gearing ratio of up to 75 per cent of the total value of its interest in income-generating properties within its property portfolio.

Net Asset Value ("NAV") and Adjusted Net Asset Value ("Adjusted NAV")

The Company has used NAV per share and Adjusted NAV per share as key performance measures since its IPO. In the three months to 31 March 2013, NAV per share, as reported in the interim condensed consolidated financial information, which has been prepared in accordance with International Financial Reporting Standards ("IFRS"), has decreased to €1.50 per share from €1.57 as at 31 December 2012 (€1.88 as at 31 March 2012).

Until the end of 2011 an independent valuation of the entire property portfolio was carried out on a semi-annual basis. In 2012 the Board of Directors resolved to undertake an independent valuation of the entire property portfolio on an annual basis only, while for the semi-annual accounts valuations are performed partially by external experts and partially internally by the Property Manager. At 31 December 2012 an independent valuation of the entire property portfolio was undertaken by Jones Lang LaSalle, acting as independent expert.

The latest independent valuation was performed on 31 December 2012 and has been used in the interim condensed consolidated financial information at 31 March 2013.

The change in value of the development land holdings over their book cost reflects the latent value within the project, which is over and above the book cost. These land holdings are valued on a residual value and comparative basis. Profit is taken upon completion of the project and when substantially all the risks and rewards of ownership of an apartment or property are transferred to the client.

As in the previously reported quarterly results, the Adjusted NAV per share, which includes valuation gains net of deferred tax on development properties held in inventory and land held under operating lease, has not been included. The Adjusted NAV per share is calculated on semi-annual basis when the market valuation of the Group's assets portfolio takes place.

Prospects

The Company intends to continue to invest resources and management attention in its income producing assets in order to drive occupancy and improve cashflows.

With the stabilized economic environment in Poland the Company is also focusing on driving its sales activities in several residential projects in Warsaw as presented in the Review of the Property Manager.

Andrew Fox
CHAIRMAN
14 May 2013

ATLAS ESTATES LIMITED

Review of the Property Manager

In this review we present the financial and operating results for the three months ended 31 March 2013. Atlas Management Company Limited ("AMC") is the Property Manager appointed by the Company to oversee the operation and management of Atlas' portfolio and advise on new investment opportunities. At 31 December 2012, the Company held a portfolio of twenty one properties comprising eleven investment properties of which eight are income yielding properties, two are held for capital appreciation and one is held for sale, two hotels and eight development properties.

It could be a long road to recovery for the real estate market in Central & Eastern Europe (CEE). Before the global financial crisis, investors perceived the individual countries of the CEE more as one region, resulting in narrowing differences between the individual countries' investment markets. In reaction to the global financial crisis and the reappraising of risk, investors are increasingly tending to look at each country and its economy individually. This divergence and a search for quality have produced a mixed picture in the region, albeit since 2009 the time has been challenging for everyone.

As a result of these uncertainties and changing conditions, management has taken measures to mitigate risks across the portfolio. This has included reducing costs and staffing levels and putting on hold higher risk investment activity. Nevertheless, key development projects have been completed on time and several new developments have commenced.

Markets and Key Properties

Poland

This is the major market of operation for the Group, with 78% of the Group's portfolio located there. The Polish economy has been one of the most resilient in Europe with GDP growth of 2.0% in 2012 (4.3% in 2011). There had been significant increases in property prices in previous years. These were reversed in 2009, which showed significant drop in assets values. So far, 2010-2012 have shown a trend of stabilisation at the lower levels of valuations.

Hilton Hotel, Warsaw

The Hilton Hotel in the Wola district of Warsaw is the Group's flagship asset. The hotel's performance slightly declined in 2013 as compared to 2012 mainly since 2012 was a record year for the hotel in light of the UEFA European Football Championship games that took place in Warsaw last year.

Platinum Towers

With its construction finished, 390 apartments and penthouses have been sold to date and the last 6 penthouses are still on stock. This residential development alongside the Hilton Hotel provides a unique development in the city. The plan is also to build mixed use (residential and office) tower, on the neighbouring plot, which will enhance the attractiveness of this site.

Capital Art Apartments

The Capital Art Apartments project in Warsaw is another development in the Wola district of Warsaw close to the city centre. It is a three stage development which will release 708 apartments in the city with parking and amenities, including retail facilities.

With both the first and the second stage completed, the Company has, to date, sold all of the 219 apartments in the first stage, with a further 290 out of 300 apartments in the second stage having been sold. Construction of the third stage, comprising 189 apartments, commenced in the fourth quarter of 2012 and as of 31 March 2013 the Company has pre-sold 51 apartments.

Concept House

The Concept House project is a development in the Mokotów district of Warsaw. It is a development which will release 160 apartments in the city with parking and amenities, including retail facilities.

The construction of the development commenced in the second quarter of 2011 and as of 31 March 2013 the Company has pre-sold 77 apartments.

Apartamenty przy Krasińskiego

Apartamenty przy Krasińskiego project is a development in the Żoliborz district of Warsaw. This development includes 303 apartments in the city with parking as well as amenities, including retail facilities.

The construction of the development commenced in the third quarter of 2011 and as of 31 March 2013 the Company has pre-sold 181 apartments.

Other properties in Poland

The Group also owns two investment properties in Poland.

The Millennium Plaza is a 32,700 sqm office and retail building centrally located in Warsaw. During the last years its occupancy increased up to 90% in June 2012, then the occupancy sharply decreased to 68% in March 2013 due to the loss of a major tenant. It is expected that occupancy will gradually increase back to its recorded levels over time.

The Sadowa office is a 6,550 sqm office building in Gdańsk. During the year its occupancy ratios increased from 92% as of 31 December 2012 to 100% as of 31 March 2013.

The Group's portfolio also contains valuable land assets in Warsaw and Gdańsk.

Hungary

In Hungary, the Group's portfolio is comprised of seven properties, all of which are located in Budapest. Five are income producing assets. One of them – Moszkva office building – has been classified as an asset held for sale – as disclosed in the note 14 of the condensed consolidated quarterly report.

The Hungarian economy has suffered from the global credit crisis and lack of liquidity available for development projects. As a result, Atlas has stopped development activity and has experienced client losses and pricing pressures affecting its income yielding assets. In 2011 GDP in Hungary increased by 1.7% but in 2012 a decline in GDP of 1.7% was noted.

Romania

The Group's portfolio contains three properties in Romania, including the Golden Tulip Hotel and two significant land banks. The Romanian GDP increased by 0.7% in 2012 (GDP increase of 2.5% was noted in 2011). Despite the difficult trading conditions, occupancy rates at the Golden Tulip slightly increased and amounted to 49% for the first quarter 2013 (45% for the first quarter 2012).

Bulgaria

The Group holds one property in Bulgaria, which is a ca. 3,500 sqm office building in Sofia.

Financial Review

The on-going analysis of the economics of the region and the key measures of the sectors in which the Group operates are vital to ensure it does not become over exposed to, or reliant on, any one particular area. AMC evaluates the risks and rewards associated with a particular country, sector or asset class, in order to optimise the Company's return on investment and therefore the return that the Company is able to deliver to Shareholders over the longer term.

Portfolio valuation and valuation methods

Until the end of 2011 an independent valuation of the entire property portfolio was carried out on a semi-annual basis. In 2012 the Board of Directors resolved undertaking an independent valuation of the entire property portfolio on an annual basis only, while for the semi-annual accounts valuations are performed partially by external experts and partially internally by the Property Manager. At 31 December 2012 an independent valuation of the entire property portfolio was undertaken by Jones Lang LaSalle, acting as independent expert.

Loans and valuations

As at 31 March 2013, the Company's share of bank debt associated with the portfolio of the Group was €199 million (31 December 2012: €206 million; 31 March 2012: €211 million). Loans and valuations may be analysed as follows for those periods in which valuations were undertaken (please note that the most recent valuation was performed as of 31 December 2012):

	Loans	**Valuation**	**Loan to Value Ratio**	**Loans**	**Valuation**	**Loan to Value Ratio**	**Loans**	**Valuation**	**Loan to Value Ratio**
	31 March 2013			**31 December 2012**			**31 March 2012**		
	€ millions	€ millions	%	€ millions	€ millions	%	€ millions	€ millions	%
Investment property	110	135	81%	115	137	84%	116	146	79%
Hotels	60	94	64%	61	94	65%	62	96	65%
Development property in construction	12	55	22%	13	55	24%	16	25	64%
Other development property	17	18	94%	17	18	94%	17	18	94%
Total	**199**	**302**	**66%**	**206**	**304**	**68%**	**211**	**285**	**74%**

The valuations in the table above differ from the values included in the consolidated balance sheet as at 31 March 2013, 31 December 2012 and 31 March 2012 due to the treatment under IFRS of land held under operating leases and development property.

As of 31 March 2013 LTV ratio of investment property improved as compared to 31 December 2012 due to the settlement of banking facility in Bulgaria.

As of 31 December 2012 LTV ratio of investment property worsened as compared to 31 March 2012 due to fall in the valuation of Millennium Plaza (Group's most valuable investment property) as a result of the decrease in its occupancy ratio as at the end of the year as described on page 9.

LTV ratio of development property under construction has improved over the analyzed periods mainly as a result of the increase of the valuation of the currently constructed projects in Warsaw (*Apartamenty przy Krasińskiego and Concept House*).

As of 31 March 2013 LTV ratio of hotels and LTV ratio of other development property amounted to 64% and 94% respectively and remained at similar level as compared to 31 December 2012 and 31 March 2012.

The gearing ratio is 73% based upon net debt as a percentage of total capital (net debt plus equity attributable to equity holders). The ratios remained at the similar levels as compared to 31 December 2012 (72%).

Debt financing

Update on the current status

The Group has 4 facilities that have been cross collateralised since February 2010. As of 31 March 2013 and as of 31 December 2012 these facilities are presented as bank loans and overdrafts due within one year or on demand:

1. €61.4 million facility secured on the Millennium Plaza Building in Warsaw, Poland with a maturity date of 2016;
2. €3.9 million facility secured on the Ligetvaros Centre in Budapest, Hungary with a maturity date of 2021;
3. €12.9 million facility secured on the Voluntari land plot in Bucharest, Romania with a maturity date of December 2012;
4. €13.5 million facility secured on the Solaris land in Bucharest, Romania with a maturity date of December 2012.

Voluntari and Solaris land loans totaling €26.4 million with maturity date 31 December 2012 have not been paid and as a result the remaining loans (Millenium and Solaris) totaling €65.3 million had to be reclassified from non-current liabilities to current liabilities due to event of default in the cross- collateralisation agreement. The Group entered into discussion with the bank in 2012, however, the Group didn't obtain a signed term-sheet amending the cross collateralisation agreement from the bank until 28 February 2013. The term-sheet extends the facilities until 31 December 2015, although the formal agreement has not been signed at the date of this report.

In the preparation of interim condensed consolidated financial information for the three months ended 31 March 2013, the directors have reclassified one additional loan totalling €13.9 million within the consolidated balance sheet from non-current liabilities to current liabilities as bank loans and overdrafts due within one year or on demand, where covenant breaches or defaults on these loans arose. The Company is in dialogue with the bank and is discussing restructuring of this loan.

In addition, there are three loans that are classified as bank loans and overdrafts due within one year or on demand in the amount of €18.7 million. Negotiations are ongoing with the banks on refinancing terms:

- Platinum Towers (€5.4 million) and Kokoszki (€9.9 million) – the Company signed annexes to the existing bank loan agreements extending repayment date to 28 February 2013. Negotiations relating to further extension are in progress.

Review of the operational performance and key items on the Income Statement

The financial analysis of the income statement set out below reflects the monitoring of operational performance by segment as used by management.

	Property Rental	**Development Properties**	**Hotel Operations**	**Other**	**Three months ended 31 March 2013**	**Three months ended 31 March 2012**
	€ millions	**€ millions**	**€ millions**	**€ millions**	**€ millions**	**€ millions**
Revenue	3.2	-	4.3	-	7.5	11.0
Cost of operations	(1.6)	(0.3)	(3.0)	-	(4.9)	(7.6)
Gross profit	1.6	(0.3)	1.3	-	2.6	3.4
Administrative expenses	(0.4)	(0.1)	(0.7)	(0.6)	(1.8)	(1.8)
Gross profit less administrative expenses	1.2	(0.4)	0.6	(0.6)	0.8	1.6
Gross profit %	50%	n/a	30%	n/a	35%	31%
Gross profit less administrative expenses %	38%	n/a	14%	n/a	11%	15%

<u>Revenue</u>

Total revenues for the first three months ended 31 March 2013 were €7.5 million compared to €11.0 million for the three months ended 31 March 2012. The Group's principal revenue streams are from its hotel operations, property rental income and income from the sale of the residential apartments that the Group develops. As the Group maintains a diversified portfolio of real estate investments, seasonality or cyclicality of yielded income or results is also highly diversified.

Development Properties

	31 March 2013 € millions	31 March 2012 € millions	**Total change 2013 v 2012 € millions**	Translation foreign exchange effect € millions	Operational change 2013 v 2012 € millions
Revenue	-	2.7	**(2.7)**	0.1	(2.8)
Cost of operations	(0.3)	(2.7)	**2.4**	(0.1)	2.5
Gross profit	(0.3)	-	**(0.3)**	-	(0.3)
Administrative expenses	(0.1)	(0.1)	**-**	-	-
Gross profit less administrative expenses	(0.4)	(0.1)	**(0.3)**	-	(0.3)

Proceeds from the sale of residential apartments developed by the Group are only recognised when apartments have been handed over to new owners with the full price of the apartment received by the Group. At this moment the economic risks and rewards are transferred to the new owner and in accordance with the Group's accounting policy, the revenue and associated costs of these apartment sales are recognised in the income statement. Please note that for *Concept House*, *Apartamenty przy Krasińskiego* and *Capital Art Apartments III* projects no sales and associated costs have been recognized in the income statement as these projects are still under construction.

The decrease in gross profit realised in the first three months of 2013 as compared to the same period in 2012 is mainly a result of no apartments handed over in *Platinum Towers* and *Capital Art Apartments II* in 2013. As presented below as of 31 March 2013 the Group pre-sold 317 apartments in all development projects. These pre-sale contracts are expected to be completed by the end of 2013.

Apartment sales in developments in Warsaw

	Capital Art Apartments stage 1	**Capital Art Apartments stage 2**	**Capital Art Apartments stage 3**	**Platinum Towers**	**Concept House**	**Apartamenty przy Krasińskiego**
Total apartments for sale	219	300	189	396	160	303
Pre sales of apartments	219	290	51	390	77	181
Sales completions in 2008-2011	216	250	-	383	-	-
Sales completions in 2012	-	37	-	5	-	-
Sales completions in 2013	-	-	-	-	-	-
Total sales completions	216	287	-	388	-	-
Pre sales in 2013	3	3	51	2	77	181

Property Rental

	31 March 2013 € millions	31 March 2012 € millions	**Total change 2013 v 2012 € millions**	Translation foreign exchange effect € millions	Operational change 2013 v 2012 € millions
Revenue	3.2	3.4	**(0.2)**	-	(0.2)
Cost of operations	(1.6)	(1.7)	**0.1**	-	0.1
Gross profit	1.6	1.7	**(0.1)**	-	(0.1)
Administrative expenses	(0.4)	(0.2)	**(0.2)**	-	(0.2)
Gross profit less administrative expenses	1.2	1.5	**(0.3)**	-	(0.3)

In the first quarter 2013 the gross margin realized by the Property Rental segment remained at the similar level as compared to the first quarter 2012.

Hotel operations

	31 March 2013 € millions	31 March 2012 € millions	**Total change 2013 v 2012 € millions**	Translation foreign exchange effect € millions	Operational change 2013 v 2012 € millions
Revenue	4.3	4.9	**(0.6)**	0.1	(0.7)
Cost of operations	(3.0)	(3.2)	**0.2**	(0.1)	0.3
Gross profit	1.3	1.7	**(0.4)**	-	(0.4)
Administrative expenses	(0.7)	(0.8)	**0.1**	-	0.1
Gross profit less administrative expenses	0.6	0.9	**(0.3)**	-	(0.3)

Although the occupancy rates in Group's hotels increased in the first quarter 2013 as compared to the first quarter 2012, the hotel revenues decreased. This is mainly due to decrease in average daily rate per room and additional income from the organization of special events.

Foreign exchange

The fluctuations in exchange rates in the underlying currencies in the countries in which the Group operates and owns assets have resulted in significant foreign exchange differences.

In the three months ended 31 March 2013 the Group reported exchange losses of €3.6 million as compared to €8.6 million gains in the three months ended 31 March 2012. €2.7 million out of €3.6 million foreign exchange losses noted in the first quarter 2013 was due to the unrealised foreign exchange losses on EUR denominated bank loans in Polish subsidiaries. The foreign exchange losses occurred as a result of depreciation of PLN against EUR in the first quarter of 2013.

A summary of exchange rates by country for average and closing rates against the reporting currency as applied in the interim condensed consolidated financial information are set out below.

	Polish Zloty	**Hungarian Forint**	**Romanian Lei**	**Bulgarian Lev**
Closing rates				
31 March 2013	4.1774	304.30	4.4154	1.95583
31 December 2012	4.0882	291.29	4.4287	1.95583
% Change	2.2%	4.5%	-0.3%	0%
31 March 2012	4.1616	295.60	4.3791	1.95583
Average rates				
1st quarter 2013	4.1556	296.42	4.3915	1.95583
Year 2012	4.185	289.42	4.4895	1.95583
% Change	-0.7%	2.4%	-2.2%	0.0%
1st quarter 2012	4.2339	296.97	4.3652	1.95583

Net Asset Value

The Group's property assets are categorised into three classes, when accounted for in accordance with International Financial Reporting Standards. The recognition of changes in value from each category is subject to different treatment as follows:

- Yielding assets let to paying tenants – classed as investment properties with valuation movements being recognised in the Income Statement;

- Property, plant and equipment operated by the Group to produce income, such as the Hilton hotel or land held for development of yielding assets (PPE) – revaluation movements are taken directly to reserves, net of deferred tax; and

- Property developments, including the land on which they will be built – held as inventory with no increase in value recognised in the financial statements unless where an increase represents the reversal of previously recognized deficit below cost.

The Property Manager's basic and performance fees are determined by the adjusted NAV. For the three months to 31 March 2013 the combined fee payable to AMC was €0.4 million (€0.5 million in the first quarter of 2012).

Ongoing activities

During the first three months of 2013, the Company continued to identify ways by which it can generate added value through the active management of its yielding asset portfolio. It has also continued to crystallise the value of development projects by the pre-selling of apartments under construction and by the completion of development property in the course of construction.

The property portfolio is constantly reviewed to ensure it remains in line with the Company's stated strategy of creating a balanced portfolio that will provide: future capital growth; the potential to enhance investment value through active and innovative asset management programmes; and the ability to deliver strong development margins.

A key management objective is to control and reduce construction costs at its development projects, particularly in the light of global variations in commodity prices. Another key objective is the refinancing of the portfolio, the securing of construction loans and the evaluation of various fund raising opportunities.

Financial management, operational management and material risks

In continuing to fulfil its obligations to its Shareholders and the markets, together with maintaining its policy of maximum disclosure and timely reporting, it is continually improving and developing its financial management and operational infrastructure and capability. Experienced operational teams are in place in each country, where there is significant activity, otherwise a central operational team and investment committee monitor and control investments and major operational matters. As such, the management team continually reviews its operating structures to optimise the efficiency and effectiveness of its network, which is particularly important given the current environment.

We continue to enhance our internal control and reporting procedures and IT systems in order to generate appropriate and timely management information for the ongoing assessment of the Group's performance. There is in operation a financial reporting system which provides the Group with the required reporting framework, financial management and internal control.

Global economic conditions

The Board and the Property Manger closely monitor the effects that the current global economic conditions have on the business and will continue to take steps to mitigate, as far as possible, any adverse impact that may affect the business.

An impact of the economic uncertainty is the fluctuations in exchange rates of countries in the region. AMC has been advising the Board on a regular basis with respect to financial performance and the effect of external factors on the business.

Financing and liquidity

Management has experienced a change in the approach and requirements of lenders for financing in the CEE region which has been reflected in the covenants that are applied to facilities, such as a reduction of loan to value ratio, increasing margins and an increase in levels of required pre-sales on development projects. Negotiation and completion of financing agreements is also taking longer than previously experienced. The management team see this as a potential risk to the ongoing development of the Company and as a result are devoting significant resource to the management of banking relationships and the monitoring of risk in this area.

Cash is managed both at local and head office levels, ensuring that rent collection is prompt, surplus cash is suitably invested or distributed to other parts of the Group, as necessary, and balances are held in the appropriate currency. The allocation of capital and investment decisions are reviewed and approved by local operational management, the executive team, the central finance and operational teams, by the investment committee of AMC and, finally, by Atlas' Board. This approach provides the Company with a rigorous risk management framework. Where possible, the Company will use debt facilities to finance its projects, which the Company will look to secure at appropriate times and when available, depending on the nature of the asset – yielding or development.

Currency and foreign exchange

Foreign exchange and interest rate exposures are continually monitored. Foreign exchange risk is largely managed at a local level by matching the currency in which income and expenses are transacted and also the currencies of the underlying assets and liabilities.

Most of the income from the Company's investment properties is denominated in Euro and our policy is to arrange debt to fund these assets in the same currency. Where possible, the Company looks to match the currency of the flow of income and outgoings. Some expenses are still incurred in local currency and these are planned for in advance. Development of residential projects has created receipts largely denominated in local currencies and funding facilities are arranged accordingly. "Free cash" available for distribution within the Company is identified and appropriate translation mechanisms put in place.

Conclusions

AMC's key strategic objective is the maximisation of value for the Company's Shareholders, which it continues to work towards. Its teams are very experienced in the active management of investment and development property and provide the Company with a great deal of valuable local market knowledge and expertise. Good progress has been made with the sales of two key development projects in Warsaw (*Apartamenty przy Krasińskiego* and *Concept House*), *Capital Art Apartments* (the second stage) and *Platinum Towers*. In October 2012 the Company commenced construction and sales of the third stage of *Capital Art Apartments*.

Reuven Havar
Chief Executive Officer
Atlas Management Company Limited
14 May 2013

Ziv Zviel
Chief Financial Officer
Atlas Management Company Limited

ATLAS ESTATES LIMITED

Property Portfolio Information

Location/Property	Description	Company's ownership
Poland		
Hilton Hotel	First Hilton Hotel in Poland – a 4 star hotel with 314 luxury rooms, large conferencing facilities, 4,500 square meters Holmes Place health club and spa and casino and retail outlets. Location close to the central business district in Wola area of Warsaw.	100%
Platinum Towers	396 apartments in two towers; the residential development has been completed in the 3rd quarter of 2009 with two residential towers and a piazza. Location close to the central business district in Wola area of Warsaw.	100%
Platinum Towers – offices	Land with zoning for an office scheme of class A office space planned over 42 floors.	100%
Galeria Platinum Towers	Commercial area on the ground and first floors Platinum Towers with 1,842 square meters of gallery and 208 parking places almost fully let to tenants.	100%
Capital Art Apartments	708 apartments three stage development with Stage 1 completed in 4th quarter 2008 with all apartments sold. Stage 2 with the construction of 300 apartments completed in 2009, out of which 290 were already sold. Stage 3 construction commenced in 4th quarter 2012. Location close to the central business district in Wola area of Warsaw.	100%
Apartamenty przy Krasińskiego	Land with zoning and building permit for 303 apartments. The construction is in progress. Location in a residential area of Warsaw.	100%
Millennium Tower	32,700 square meters of office and retail space in the central business district of Warsaw with 6,100 square meters of retail and 26,600 square meters of office space.	100%
Concept House	3,100 square meters plot of land zoned for 11,000 square meters and with building permit for residential development. The construction is in progress. Location in Mokotow district close to the central business district of Warsaw.	50%
Sadowa project	6,550 square meters office building with 100% occupancy close to the city centre of Gdansk.	100%
Kokoszki, Gdansk	431,591 square meters plot in Gdansk with zoning for construction of 125,000 square meters of mixed use development, situated on the outskirts of Gdansk.	100%
Hungary		
Ikarus Business Park	283,000 square meters plot with 110,000 square meters of built business space and 70,000 of currently lettable, located in the 16th district, a suburban area of Budapest	100%
Metropol Office Centre	7,600 square meters office building in the 13th district of central Budapest.	100%
Atrium Homes	Two phase development of 22,000 square meters of 456 apartments with 235 apartments in phase 1 with building permits, located in the 13th district in central Budapest.	100%
Ligetvaros Centre	6,300 square meters of office/retail space with rights to build extra 6,400 square meters, located in the 7th district, a central district in Budapest.	100%
Varosliget Centre	12,000 square meters plot in the 7th district in central Budapest, with zoning for a mixed use development of 31,000 gross square meters.	100%

Location/Property	Description	Company's ownership
Moszkva Square	600 square meters of office and retail space in the Buda district of Budapest.	100%
Romania		
Voluntari	86,861 square meters of land in three adjacent plots at the pre-zoning stage, in the north eastern suburbs of the city, known as Pipera.	100%
Solaris Project	32,000 square meters plot for re-zoning to mixed-use development in a central district of Bucharest.	100%
Golden Tulip Hotel	4 star 83 room hotel in central Bucharest in the city centre of Bucharest.	100%
Bulgaria		
The Atlas House	Office building in Sofia's city centre with 3,472 square meters of lettable area.	100%

ATLAS ESTATES LIMITED

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
CONSOLIDATED INCOME STATEMENT
For the three months ended 31 March 2013

		Three months ended 31 March 2013 (unaudited) €'000		Three months ended 31 March 2012 (unaudited) €'000	Note
Revenues		7,497		11,022	3
Cost of operations		(4,867)		(7,597)	4.1
Gross profit		**2,630**		**3,425**	
Property manager fee	*(412)*		*(485)*		
Central administrative expenses	*(108)*		*(145)*		
Property related expenses	*(1,301)*		*(1,130)*		
Administrative expenses		(1,821)		(1,760)	4.2
Other operating income		523		162	
Other operating expense		(82)		(265)	
Profit from operations		**1,250**		**1,562**	
Finance income		2,531		163	
Finance costs		(1,397)		(2,189)	
Other (losses)/ gains – foreign exchange		(3,574)		8,614	
(Loss)/ Profit before taxation		**(1,190)**		**8,150**	
Tax charge		(372)		(1,887)	5
(Loss)/ Profit for the period		**(1,562)**		**6,263**	
Attributable to:					
Owners of the parent		(1,562)		6,274	
Non-controlling interests		-		(11)	
		(1,562)		**6,263**	
(Loss)/ Profit per €0.01 ordinary share – basic (eurocents)		(3.3)		13.4	7
(Loss)/ Profit per €0.01 ordinary share – diluted (eurocents)		(3.3)		13.4	7

All amounts relate to continuing operations.

The notes on pages 22 to 38 form part of these consolidated financial information.

ATLAS ESTATES LIMITED

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the three months ended 31 March 2013

	31 March 2013 (unaudited) €'000	31 March 2012 (unaudited) €'000
(LOSS)/ PROFIT FOR THE PERIOD	**(1,562)**	**6,263**
Other comprehensive income:		
Exchange adjustments	(2,129)	5,432
Deferred tax on exchange adjustments	210	(418)
Other comprehensive income for the period (net of tax)	**(1,919)**	**5,014**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**(3,481)**	**11,277**
Total comprehensive income attributable to:		
Owners of the parent	(3,481)	11,288
Non-controlling interests	-	(11)
	(3,481)	**11,277**

The notes on pages 22 to 38 form part of these consolidated financial information.

ATLAS ESTATES LIMITED

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
CONSOLIDATED BALANCE SHEET
As at 31 March 2013

	31 March 2013 (unaudited) €'000	31 December 2012 (audited) €'000	31 March 2012 (unaudited) €'000	Note
ASSETS				
Non-current assets				
Intangible assets	248	280	309	
Land under operating lease - prepayments	11,766	12,059	11,953	
Property, plant and equipment	83,330	85,547	90,442	8
Investment property	130,770	133,845	150,693	9
Other loans receivable	3,331	3,318	3,256	
Deferred tax asset	4,121	4,231	5,348	
	233,566	**239,280**	**262,001**	
Current assets				
Inventories	67,042	66,479	58,221	10
Trade and other receivables	4,947	4,185	4,853	
Cash and cash equivalents	11,022	14,513	13,629	11
	83,011	**85,177**	**76,703**	
Assets held within disposal groups classified as held for sale	670	700	2,002	14
	83,681	**85,877**	**78,705**	
TOTAL ASSETS	**317,247**	**325,157**	**340,706**	
Current liabilities				
Trade and other payables	(32,328)	(30,628)	(13,801)	
Bank loans	(130,522)	(132,497)	(73,215)	13
Derivative financial instruments	(405)	(420)	(339)	
	(163,255)	**(163,545)**	**(87,355)**	
Non-current liabilities				
Other payables	(7,621)	(6,826)	(10,187)	
Bank loans	(68,676)	(73,451)	(137,719)	13
Derivative financial instruments	(1,207)	(1,364)	(1,357)	
Deferred tax liabilities	(6,255)	(6,257)	(15,381)	
	(83,759)	**(87,898)**	**(164,644)**	
TOTAL LIABILITIES	**(247,014)**	**(251,443)**	**(251,999)**	
NET ASSETS	**70,233**	**73,714**	**88,707**	

The notes on pages 22 to 38 form part of these consolidated financial information.

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
CONSOLIDATED BALANCE SHEET
As at 31 March 2013

	31 March 2013 (unaudited) €'000	31 December 2012 (audited) €'000	31 March 2012 (unaudited) €'000
EQUITY			
Share capital account	6,268	6,268	6,268
Revaluation reserve	15,017	15,017	9,809
Other distributable reserve	194,817	194,817	194,817
Translation reserve	(8,728)	(6,809)	(8,758)
Accumulated loss	(137,141)	(135,579)	(114,015)
Issued capital and reserves attributable to owners of the parent	**70,233**	**73,714**	**88,121**
Non-controlling interests	-	-	586
TOTAL EQUITY	**70,233**	**73,714**	**88,707**
Basic net asset value per share	€ 1.5	€ 1.6	€ 1.9

The notes on pages 22 to 38 form part of the consolidated financial information. The condensed consolidated financial information on pages 16 to 38 were approved by the Board of Directors on 14 May 2013 and signed on its behalf by:

Andrew Fox **Chairman**	**Mark Chasey** **Director**	**Guy Indig** **Director**

14 May 2013

ATLAS ESTATES LIMITED

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the three months ended 31 March 2013

Three Months Ended 31 March 2013 (unaudited)	**Share capital account €'000**	**Other reserves €'000**	**Accumulated loss €'000**	**Total €'000**	**Non-controlling interest €'000**	**Total equity €'000**
As at 1 January 2013	6,268	203,025	(135,579)	73,714	-	73,714
Loss for the period	-	-	(1,562)	(1,562)	-	(1,562)
Total other comprehensive income for the period	-	(1,919)	-	(1,919)	-	(1,919)
As at 31 March 2013	**6,268**	**201,106**	**(137,141)**	**70,233**	**-**	**70,233**

Year ended 31 December 2012 (audited)	**Share capital account €'000**	**Other reserves €'000**	**Accumulated loss €'000**	**Total €'000**	**Non-controlling interest €'000**	**Total equity €'000**
As at 1 January 2012	6,268	190,854	(120,289)	76,833	597	77,430
Loss for the year	-	-	(13,021)	(13,021)	-	(13,021)
Other comprehensive income for the year	-	12,219	(128)	12,091	128	12,219
Acquisition of non-controlling interests	-	-	(2,719)	(2,719)	(195)	(2,914)
Transfer to retained earnings	-	(48)	578	530	(530)	-
As at 31 December 2012	**6,268**	**203,025**	**(135,579)**	**73,714**	**-**	**73,714**

Three Months Ended 31 March 2012 (unaudited)	**Share capital account €'000**	**Other reserves €'000**	**Accumulated loss €'000**	**Total €'000**	**Non-controlling interest €'000**	**Total equity €'000**
As at 1 January 2012	6,268	190,854	(120,289)	76,833	597	77,430
Profit for the period	-	-	6,274	6,274	(11)	6,263
Total other comprehensive income for the period	-	5,014	-	5,014	-	5,014
As at 31 March 2012	**6,268**	**195,868**	**(114,015)**	**88,121**	**586**	**88,707**

The notes on pages 22 to 38 form part of the consolidated financial information.

ATLAS ESTATES LIMITED

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
CONSOLIDATED CASH FLOW STATEMENT
Three months ended 31 March 2013

	Note	Three months ended 31 March 2013 (unaudited) €'000	Three months ended 31 March 2012 (unaudited) €'000
Cash inflow generated from operations	12	**2,551**	**2,745**
Tax paid		-	-
Net cash inflow from operating activities		**2,551**	**2,745**
Investing activities			
Interest received		39	55
Purchase of investment property		(102)	(66)
Purchase of property, plant and equipment		(82)	(21)
Purchase of intangible assets		-	(9)
Net cash used in investing activities		**(145)**	**(41)**
Financing activities			
Interest paid		(1,354)	(2,152)
New bank loans raised		3,503	3,537
Repayments of bank loans		(7,612)	(1,860)
Net cash used in financing activities		**(5,463)**	**(475)**
Net (decrease)/ increase in cash and cash equivalents in the period		**(3,057)**	**2,229**
Effect of foreign exchange rates		(434)	470
Net (decrease)/ increase in cash and cash equivalents in the period		**(3,491)**	**2,699**
Cash and cash equivalents at the beginning of the period		**14,513**	**10,930**
Cash and cash equivalent at the end of the period		**11,022**	**13,629**
Cash and cash equivalents			
Cash at bank and in hand	11	11,022	13,629
Cash assets classified as held for sale		-	-
		11,022	**13,629**

The notes on pages 22 to 38 form part of the consolidated financial information.

SELECTED NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Three months ended 31 March 2013

1. Basis of preparation

This condensed interim financial information for the three months ended 31 March 2013 has been prepared in accordance with International Accounting Standard No. 34, "Interim Financial Reporting" ("IAS 34"). The financial information has been prepared on a going concern basis and on a historical cost basis as amended by the revaluation of land and buildings and investment property, and financial assets and financial liabilities at amortised cost. The consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated cash flow statement and consolidated statement of changes in equity are unaudited. This unaudited interim condensed consolidated financial information should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended 31 December 2012. The quarterly financial results are not necessarily indicative of the full year results.

As described in the Chairman's Statement and in the Review of the Property Manager, the economic environment still continues to present a lot of challenges for the Group and its management. As a result the Group has reported a loss of €1.6million for the three months ended 31 March 2013 (compared to profit of €6.3 million for the three months ended 31 March 2012).

The Directors consider that the outlook presents ongoing challenges in terms of the markets in which the Group operates, the effect of fluctuating exchange rates in the functional currencies of the Group and the availability of bank financing for the Group.

As at 31 March 2013 the Group held land and building assets with a market value of €304.2 million, compared to external debt of €199.2 million. Subject to the time lag in realising the value in these assets in order to generate cash, this "loan to value ratio" gives a strong indication of the Group's ability to generate sufficient cash in order to meet its financial obligations as they fall due. Any land and building assets and associated debts which are ring-fenced in unique, specific, corporate vehicles, which are subject to repossession by the bank in case of a default of loan terms would clear the outstanding debt and not result in additional financial liabilities for the Company or for the Group. There are also unencumbered assets which could potentially be leveraged to raise additional finance.

In assessing the going concern basis of preparation of the condensed consolidated interim financial information for the three months ended 31 March 2013, the directors have taken into account the status of current negotiations on loans. The Company has also continued to provide funds to service interest and capital repayments on these loans on behalf of its subsidiary companies.

Nevertheless, the Directors are aware that the liquidity position of the company has been and still continues to be tight. The company so far has been successful in managing its cash position carefully and will continue to do so, despite the various pressures. Managing this situation will require the Company to use its various pockets of liquidity within its portfolio of assets and at the same time to delicately manage its ongoing operations and relationships with its lending banks.

The Group's forecasts and projections have been prepared taking into account the economic environment and its challenges and the mitigating factors referred to above. These forecasts take into account reasonably possible changes in trading performance, potential sales of properties and the future financing of the Group. They show that the Group will have sufficient facilities for its ongoing operations.

While there will always remain some inherent uncertainty within the aforementioned cash flow forecasts, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence in the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the interim condensed consolidated financial information for the three months ended 31 March 2013.

2. Accounting policies

The accounting policies adopted and methods of computation are consistent with those of the annual financial statements for the year ended 31 December 2012, as described in the annual financial statements for the year ended 31 December 2012, and with those expected to be applied to the financial statements for the year ended 31 December 2013.

3. Segmental information

For management purposes, the Group is currently organised into three operating divisions – the ownership and management of investment property, the development and sale of residential property and the ownership and operation of hotels. These divisions are the basis on which the Group reports its segment information. Segment information about these businesses is presented below:

Three months ended 31 March 2013 (unaudited)	Property rental €'000	Residential sales €'000	Hotel operations €'000	Other €'000	2013 €'000
Revenues	3,171	52	4,274	-	7,497
Cost of operations	(1,599)	(325)	(2,943)	-	(4,867)
Gross profit	**1,572**	**(273)**	**1,331**	**-**	**2,630**
Administrative expenses	(345)	(170)	(724)	(582)	(1,821)
Gross profit less administrative expenses	**1,227**	**(443)**	**607**	**(582)**	**809**
Other operating income	5	440	73	5	**523**
Other operating expenses	(44)	(25)	(7)	(6)	**(82)**
Profit / (loss) from operations	**1,188**	**(28)**	**673**	**(583)**	**1,250**
Finance income	2,491	24	7	9	**2,531**
Finance costs	(982)	(86)	(324)	(5)	**(1,397)**
Other gains and (losses) – foreign exchange	(2,028)	(324)	(1,114)	(108)	**(3,574)**
Segment result before tax	**(1,708)**	**(414)**	**(758)**	**1,690**	**(1,190)**
Tax charge					(372)
Loss for the period as reported in the income statement					**(1,562)**
Attributable to non-controlling interests					-
Net loss attributable to owners of the parent					**(1,562)**

Three months ended 31 March 2013 (unaudited)	Property rental €'000	Residential sales €'000	Hotel operations €'000	Other €'000	2013 €'000
Reportable segment assets	140,539	77,495	95,130	-	313,164
Unallocated assets	-	-	-	4,083	4,083
Total assets	**140,539**	**77,495**	**95,130**	**4,083**	**317,247**
Reportable segment liabilities	(122,200)	(55,745)	(64,123)	-	(242,068)
Unallocated liabilities	-	-	-	(4,946)	(4,946)
Total liabilities	**(122,200)**	**(55,745)**	**(64,123)**	**(4,946)**	**(247,014)**

Three months ended 31 March 2013 (unaudited)	Property rental €'000	Residential sales €'000	Hotel operations €'000	Other €'000	2013 €'000
Other segment items					
Capital expenditure	105	66	12	1	**184**
Depreciation	12	39	627	3	**681**
Amortisation	1	-	12	13	**26**

Three months ended 31 March 2012 (unaudited)	Property rental €'000	Residential sales €'000	Hotel operations €'000	Other €'000	2012 €'000
Revenues	3,435	2,716	4,871	-	11,022
Cost of operations	(1,675)	(2,760)	(3,162)	-	(7,597)
Gross profit	**1,760**	**(44)**	**1,709**	**-**	**3,425**
Administrative expenses	(211)	(73)	(799)	(677)	(1,760)
Gross profit less administrative expenses	**1,549**	**(117)**	**910**	**(677)**	**1,665**
Other operating income	30	12	114	6	**162**
Other operating expenses	(33)	(222)	(10)	-	**(265)**
Profit / (loss) from operations	**1,546**	**(327)**	**1,014**	**(671)**	**1,562**
Finance income	107	50	5	1	**163**
Finance costs	(1,285)	(365)	(538)	(1)	**(2,189)**
Other gains and (losses) – foreign exchange	4,661	594	3,272	87	**8,614**
Segment result before tax	**5,029**	**(48)**	**3,753**	**(584)**	**8,150**
Tax credit					(1,887)
Profit for the period as reported in the income statement					**6,263**
Attributable to non-controlling interests					11
Net profit attributable to owners of the parent					**6,274**

Three months ended 31 March 2012 (unaudited)	Property rental €'000	Residential sales €'000	Hotel operations €'000	Other €'000	2012 €'000
Reportable segment assets	159,885	68,609	108,053	-	336,547
Unallocated assets	-	-	-	4,159	4,159
Total assets	**159,885**	**68,609**	**108,053**	**4,159**	**340,706**
Reportable segment liabilities	(128,528)	(46,955)	(74,978)	-	(250,461)
Unallocated liabilities	-	-	-	(1,538)	(1,538)
Total liabilities	**(128,528)**	**(46,955)**	**(74,978)**	**(1,538)**	**(251,999)**

Three months ended 31 March 2012 (unaudited)	Property rental €'000	Residential sales €'000	Hotel operations €'000	Other €'000	2012 €'000
Other segment items					
Capital expenditure	24	5	(98)	10	**(59)**
Depreciation	8	39	648	3	**698**
Amortisation	-	-	12	-	**12**

There are immaterial sales between the business segments.

Unallocated costs represent corporate expenses. Segment assets include investment property, property, plant and equipment, intangible assets, inventories, debtors and operating cash.

Segment liabilities comprise operating liabilities and financing liabilities.

Unallocated assets represent cash balances, receivables and other assets held by the Company and those of selected sub-holding companies, and deferred tax assets.

Unallocated liabilities include accrued costs and deferred taxation liabilities within the Company and selected sub-holding companies as at the balance sheet date. Unallocated liabilities also include borrowings, as these are non-operating activities.

The Group manages its business segments on a region wide basis. The operations in the reporting periods were based in four main countries within the Group's region of focus with mainly cash balances being held by the parent company. The four principal territories were:

- Poland,
- Hungary,
- Bulgaria, and
- Romania.

4. Analysis of expenditure

4.1 Cost of operations

	Three months ended 31 March 2013 (unaudited) €'000	Three months ended 31 March 2012 (unaudited) €'000
Costs of sale of residential property	63	2,412
Utilities, services rendered and other costs	2,747	2,944
Legal and professional expenses	324	380
Staff costs	1,251	1,268
Sales and direct advertising costs	257	375
Depreciation and amortisation	225	218
Cost of operations	**4,867**	**7,597**

4.2 Administrative expenses

	Three months ended 31 March 2013 (unaudited) €'000	Three months ended 31 March 2012 (unaudited) €'000
Audit and tax services	49	58
Incentive and management fee	412	485
Legal and other professional fees	257	181
Utilities, services rendered and other costs	230	212
Staff costs	272	282
Depreciation and amortisation	482	494
Other administrative expenses	119	48
Administrative expenses	**1,821**	**1,760**

5. Tax charge

Continuing operations	Three months ended 31 March 2013 (unaudited) €'000	Three months ended 31 March 2012 (unaudited) €'000
Current tax	(25)	4
Deferred tax	(347)	(1,891)
Tax credit for the period	**(372)**	**(1,887)**

On an individual company basis, an estimate has been made of the effective tax rate for the full year and has been applied to the quarter results.

6. Dividends

There were no dividends declared or paid in the three months ended 31 March 2013 (2012: €nil).

7. Earnings/ Loss per share ("EPS" / "LPS")

Basic earning/ loss per share is calculated by dividing the profit / loss after tax attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

For diluted earnings/ loss per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The difference in the number of ordinary shares between the basic and diluted earnings/ loss per share reflects the impact were the outstanding share warrants to be exercised.

Reconciliations of the profits/ losses and weighted average number of shares used in the calculations are set out below:

Three months ended 31 March 2013 (unaudited) Continuing operations	**Loss €'000**	**Weighted average number of shares**	**Per share amount Eurocents**
Basic (LPS)			
Loss attributable to equity shareholders of the Company	(1,562)	46,852,014	(3.3)
Effect of dilutive securities			
Share warrants	-	-	-
Diluted (LPS) Adjusted loss	**(1,562)**	**46,852,014**	**(3.3)**

Three months ended 31 March 2012 (unaudited) Continuing operations	**Profit €'000**	**Weighted average number of shares**	**Per share amount Eurocents**
Basic (EPS)			
Profit attributable to equity shareholders of the Company	6,274	46,852,014	13.4
Effect of dilutive securities			
Share warrants	-	-	-
Diluted (EPS) Adjusted profit	**6,274**	**46,852,014**	**13.4**

The outstanding share warrants exercise price exceeds current market value; therefore the warrants are not dilutive. As a result, diluted loss per share equals basic loss per share.

8. Property, plant and equipment

	Buildings	Plant and equipment	Motor vehicles	Total
	€'000	€'000	€'000	€'000
Cost or valuation				
At 1 January 2012	80,635	10,115	96	90,846
Additions at cost	24	567	18	609
Exchange adjustments	5,603	744	6	6,353
Disposals	-	(110)	(25)	(135)
Revaluation	(4,722)	-	-	(4,722)
At 31 December 2012	**81,540**	**11,316**	**95**	**92,951**
Additions at cost	-	84	-	84
Exchange adjustments	(1,520)	(232)	(1)	(1,753)
At 31 March 2013	**80,020**	**11,168**	**94**	**91,282**
Accumulated depreciation				
At 1 January 2012	(674)	(3,727)	(62)	(4,463)
Charge for the year	(1,948)	(752)	(12)	(2,712)
Exchange adjustments	-	(282)	(4)	(286)
Disposals	-	42	15	57
At 31 December 2012	**(2,622)**	**(4,719)**	**(63)**	**(7,404)**
Charge for the year	(454)	(188)	(2)	(644)
Exchange adjustments	-	95	1	96
At 31 March 2013	**(3,076)**	**(4,812)**	**(64)**	**(7,952)**
Net book value at 31 March 2013	**76,944**	**6,356**	**30**	**83,330**
Net book value at 31 December 2012	**78,918**	**6,597**	**32**	**85,547**

	Buildings	Plant and equipment	Motor vehicles	Total
	€'000	€'000	€'000	€'000
Cost or valuation				
At 1 January 2012	80,635	10,115	96	90,846
Additions at cost	10	11	-	21
Exchange adjustments	4,373	570	5	4,948
At 31 March 2012	**85,018**	**10,696**	**101**	**95,815**
Accumulated depreciation				
At 1 January 2012	(674)	(3,727)	(62)	(4,463)
Charge for the period	(461)	(199)	(4)	(664)
Exchange adjustments	(37)	(206)	(3)	(246)
At 31 March 2012	**(1,172)**	**(4,132)**	**(69)**	**(5,373)**
Net book value at 31 March 2012	**83,846**	**6,564**	**32**	**90,442**

Buildings were valued as at 31 December 2012 by qualified professional valuers working for the company of Jones Lang LaSalle, Chartered Surveyors, acting in the capacity of External Valuers. All such valuers are Chartered Surveyors, being members of the Royal Institution of Chartered Surveyors ("RICS"). All properties were valued on the basis of Market Value and the valuations were carried out in accordance with the RICS Appraisal and Valuation Standards. For all properties, valuations were based on current prices in an active market.

The Group has pledged property, plant and equipment of €80.7 million (31 December 2012: €82.9 million, 31 March 2012: €87.9 million) to secure certain banking facilities granted to subsidiaries. Borrowings for the value of €60.1 million (31 December 2012: €60.6 million, 31 March 2012: €62.1 million) are secured on these properties (note 13).

9. Investment property

	31 March 2013 (unaudited) €'000	31 December 2012 (audited) €'000	31 March 2012 (unaudited) €'000
At beginning of the year	134,545	144,836	144,836
Disposals	-	(1,234)	-
Capitalised subsequent expenditure	102	574	66
Exchange movements	(3,207)	9,908	7,793
PV of annual perpetual usufruct fees	-	(2)	-
Fair value losses	-	(19,537)	-
At the end of period	**131,440**	**134,545**	**152,695**
Less assets classified as held within disposal groups classified as held for sale (note 14)	(670)	(700)	(2,002)
	130,770	**133,845**	**150,693**

The fair value of the Group's investment property at 31 December 2012 has been arrived at on the basis of a valuation carried out at that date by Jones Lang LaSalle. The valuation, which conforms to International Valuation Standards, was arrived at by reference to market evidence of transaction prices for similar properties. No valuation has been performed at 31 March 2013.

The Group has pledged investment property of €125.8 million (31 December 2012: €128.6 million; 31 March 2012: €137.1 million) to secure certain banking facilities granted to subsidiaries.

10. Inventories

	31 March 2013 (unaudited) €'000	31 December 2012 (audited) €'000	31 March 2012 (unaudited) €'000
Land held for development	32,438	32,799	32,225
Assets under construction	26,399	25,268	12,072
Completed properties	6,975	7,167	12,703
Hotel inventory	1,230	1,245	1,221
Total inventories	**67,042**	**66,479**	**58,221**

€0.6 thousand (31 December 2012: €7.8 million; 31 March 2012: €2.4 million) of inventories was released to cost of operations in the income statement during the period. €0.2 million was recognised in the income statement in relation to the impairment on inventories (31 December 2012: €0.1 million; 31 March 2012: €0.2 million). The stock which is held at fair value less cost to sell amounts to €23.1 million (31 December 2012: €21.4 million; 31 March 2012: €25.4 million)

Bank borrowings are secured on the inventory for the value of €56.5 million (31 December 2012: €55.6 million; 31 March 2012: €47.9 million) (note 13).

11. Cash and cash equivalents

	31 March 2013 (unaudited) €'000	31 December 2012 (audited) €'000	31 March 2012 (unaudited) €'000
Cash and cash equivalents			
Cash and cash equivalents	10,212	13,348	9,097
Short term bank deposits	810	1,165	4,532
Total	**11,022**	**14,513**	**13,629**

Included in cash and cash equivalents is €9.5 million (31 December 2012: €12.7 million; 31 March 2012: €12.2 million) restricted cash relating to security and customer deposits.

12. Cash generated from operations

	Three months ended 31 March 2013 (unaudited) €'000	Three months ended 31 March 2012 (unaudited) €'000
(Loss)/ Profit for the period	**(1,562)**	**6,263**
Adjustments for:		
Effects of foreign currency	3,787	(9,101)
Finance costs	1,397	2,006
Finance income	(147)	(78)
Tax charge	372	1,887
Bad debt write off	108	111
Depreciation of property, plant and equipment	644	664
Amortisation charges	63	48
Provision for inventory	201	201
Bank loan write off	(2,376)	-
	2,487	**2,001**
Changes in working capital		
Increase in inventory	(591)	(2,834)
Increase in trade and other receivables	(869)	(659)
Increase in trade and other payables	2,360	1,934
Effects of foreign currency on working capital translation	(836)	2,303
	64	**744**
Cash inflow generated from operations	**2,551**	**2,745**

13. Bank loans

	31 March 2013 (unaudited) €'000	31 December 2012 (audited) €'000	31 March 2012 (unaudited) €'000
Current			
Bank loans and overdrafts due within one year or on demand			
Secured	**(130,522)**	**(132,497)**	**(73,215)**
Non-current			
Repayable within two years			
Secured	(3,057)	(6,592)	(2,958)
Repayable within three to five years			
Secured	(61,525)	(58,285)	(125,794)
Repayable after five years			
Secured	(4,094)	(8,574)	(8,967)
	(68,676)	**(73,451)**	**(137,719)**
Total	**(199,198)**	**(205,948)**	**(210,934)**

The bank loans are secured on various properties of the Group.

The fair value of the fixed and floating rate borrowings approximated their carrying values at the balance sheet date, as the impact of marking to market and discounting is not significant. The fair values are based on cash flows discounted using rates based on equivalent fixed and floating rates as at the end of the year.

Bank loans are denominated in a number of currencies and bear interest based on a variety of interest rates. An analysis of the Group's borrowings by currency:

	Euro €'000	Zloty €'000	Other €'000	Total €'000
Bank loans and overdrafts – 31 March 2013	**182,316**	**16,882**	**-**	**199,198**
Bank loans and overdrafts – 31 December 2012	188,091	17,857	-	205,948
Bank loans and overdrafts – 31 March 2012	193,597	17,337	-	210,934

Update on current status

The Group has 4 facilities that have been cross collateralised since February 2010. As of 31 March 2013 and as of 31 December 2012 these facilities are presented as bank loans and overdrafts due within one year or on demand:

1. €61.4 million facility secured on the Millennium Plaza Building in Warsaw, Poland with a maturity date of 2016;
2. €3.9 million facility secured on the Ligetvaros Centre in Budapest, Hungary with a maturity date of 2021;
3. €12.9 million facility secured on the Voluntari land plot in Bucharest, Romania with a maturity date of December 2012;
4. €13.5 million facility secured on the Solaris land in Bucharest, Romania with a maturity date of December 2012.

Voluntari and Solaris land loans totaling €26.4 million with maturity date 31 December 2012 have not been paid and as a result the remaining loans (Millenium and Solaris) totaling €65.3 million had to be reclassified from non-current liabilities to current liabilities due to event of default in the cross- collateralisation agreement. The Group entered into discussion with the bank in 2012, however, the Group didn't obtain a signed term-sheet amending the cross collateralisation agreement from the bank until 28 February 2013. The term-sheet extends the facilities until 31 December 2015, although the formal agreement has not been signed at the date of this report.

In the preparation of the interim condensed consolidated financial information for the three months ended 31 March 2013, the directors have reclassified one additional loan totalling €13.9 million within the consolidated balance sheet from non-current liabilities to current liabilities as bank loans and overdrafts due within one year or on demand, where covenant breaches or defaults on these loans arose. The Company is in dialogue with the bank and is discussing restructuring of this loan.

In addition, there are three loans that are classified as bank loans and overdrafts due within one year or on demand in the amount of €18.7 million. Negotiations are ongoing with the banks on refinancing terms:

- Platinum Towers (€5.4 million) and Kokoszki (€9.9 million) – the Company signed annexes to the existing bank loan agreements extending repayment date to 28 February 2013. Negotiations relating to further extension are in progress.

14. Assets classified as held for sale and directly associated liabilities

In March 2011 Atlas management started to actively market for sale Moszkva office building located in Budapest, Hungary. In September 2012 the Company entered into conditional agreement to sell half of the building for the total price of €700 thousand. This transaction was completed in December 2012.

The major classes of assets and liabilities held for sale were as follows:

Assets:	**31 March 2013 (unaudited) €'000**	**31 December 2012 (audited) €'000**	**31 March 2012 (unaudited) €'000**
Investment property	670	700	2,002
Assets held within disposal groups classified as held for sale	**670**	**700**	**2,002**

15. Related party transactions

(a) Key management compensation

	31 March 2013 (unaudited) €'000	31 March 2012 (unaudited) €'000
Fees for non-executive directors	6	6

The Company has appointed AMC to manage its property portfolio. In consideration of the services provided, AMC received a management fee of €0.4 million (3 months ended 31 March 2012: €0.5 million). Under the agreement, AMC are entitled to a performance fee based on the increase in value of the properties over the 12 month period to 31 December 2013. No performance fee has been accrued for the 3 months ended 31 March 2013 (3 months ended 31 March 2012: €nil).

As of 31 March 2013 €0.8 million included in current trade and other payables was due to AMC (31 December 2012: €1.1 million; 31 March 2012: €1.4 million).

(b) Under the loan agreement of 18 May 2007, EdR Real Estate (Eastern Europe) Finance S.a.r.l, which is also a shareholder in Atlas Estates (Cybernetyki) Sp. z o.o., has extended a loan facility of €3.9 million to Atlas Estates (Cybernetyki) Sp. z o.o. for the purpose of covering ongoing investment and business expenses. The loan facility is to be repaid by 31 December 2020 and bears interest at a variable rate equal to the sum of EURIBOR and the lender's margin. In 2013 the lender charged €20 thousand as interest (31 December 2012: €103 thousand, 31 March 2012: €32 thousand). As of 31 March 2013 Atlas Estates (Cybernetyki) Sp. z o.o. has drawn the loan facility plus associated interest in the amount of €4.6 million (31 December 2012: €4.6 million, 31 March 2012: €4.5 million).

(c) Shasha Transport Ltd, which are also shareholder in Atlas and Shasha Zrt (previously: Atlas Estates Kaduri Shasha Zrt), have extended loan facilities to Atlas and Shasha Zrt for the purpose of covering ongoing investment and business expenses. The loan facility has no repayment date and bears interest at a variable rate equal to the sum of EURIBOR and the lender's margin. In 2013 the lender charged €10 thousand as interest (31 December 2012: €50 thousand, 31 March 2012: €15 thousand). As of 31 March 2013 Atlas and Shasha Zrt has drawn the loan facilities plus associated interest in the amount of €2.0 million (31 December 2012: €2.0 million, 31 March 2012: 1.9 million).

(d) On 22 November 2012, the Group acquired 24% interest in the voting shares of Zielono Sp. z o.o., increasing its interests to 100%. The purchase price of €2,914 thousand is due to former non-controlling shareholder (Coralcliff Limited) as of 31 March 2013 (31 December 2012: €2.9 million, 31 March 2012: nil).

16. Post balance sheet events

No specific significant events have occurred which would require an adjustment to this report.

17. Other items

17.1 Information about court proceedings

The Company is not aware of any proceedings instigated before a court, a competent arbitration body or a public administration authority concerning liabilities or receivables of the Company, or its subsidiaries, whose joint value constitutes at least 10% the Company's net equity, except for legal proceeding against:

Atlas Estates Limited and Atlas Estates Investment B.V.

Atlas Estates Limited ("AEL") was notified on 9 March 2011 that Stronginfo Consultants Ltd and Columbia Enterprises Ltd (the "Plaintiffs") have submitted to an arbitrator a statement of claim against Atlas Estates Investment B.V. with its seat in Amsterdam, the subsidiary of AEL as the primary debtor and AEL itself as the guarantor (the "Defendants") asking arbitrator to order the Defendants to provide a full and accurate accounting basis for the calculation of the Completion Consideration as defined in the agreement dated May 8, 2006 on transfer of shares from the Plaintiffs to Atlas Estates Investment B.V. and demanding payments of Completion Consideration which in the absence of any actual accounting yet was estimated by the Plaintiffs of total 55,420,000 PLN.

AEL hereby informs that at the current stage it is not able to assess the legitimacy of the claim as both legal and factual basis of the claim are subject of the investigation of the AEL's legal advisors.

There are no other material legal cases or disputes that are considered material to the interim condensed consolidated financial information that would either require disclosure or provision within the financial information.

17.3 Financial forecasts

No financial forecasts have been published by the Company in relation to the year ended 31 December 2013.

17.4 Substantial shareholdings

As of 2 May 2013, the Board was aware of the following direct or indirect interest in 3% or more of the Company's ordinary share capital. All shares have equal voting rights.

Table 1 – Significant Shareholders	Number of Shares held	Percentage of Issued Share Capital
HSBC Client Holdings Nominee (UK) Limited <636167>	34,994,624	74.69
Forest Nominees Limited <GC1>	6,536,925	13.95
Euroclear Nominees Limited <EOCO1>	4,975,646	10.62
TOTAL	**46,507,195**	**99.26**

17.5 Directors' share interests

There have been no changes to the Directors' share interests during the three months ended 31 March 2013. No Director had any direct interest in the share capital of the Company or any of its subsidiaries during the three months ended 31 March 2013.

17.6 Other share interests

No changes have occurred in the three months ended 31 March 2013 in the number of warrants issued to managing and/or supervisory persons.

18. Principal subsidiary companies and joint ventures

The table below lists the current operating companies of the Group. In addition, the Group owns other entities which have no operating activities. All Group companies are consolidated.

No new subsidiary undertakings were acquired and no investments were made in any additional joint ventures during the period ended 31 March 2013.

Country of incorporation	Name of subsidiary/ joint venture entity	Status	Percentage of nominal value of issued shares and voting rights held by the Company
Holland	Atlas Estates Cooperatief U.A.	Holding	100%
Holland	Atlas Estates Investment B.V.	Holding	100%
Holland	Trilby B.V.	Holding	100%
Guernsey	Atlas Finance (Guernsey) Limited	Holding	100%
Curacao	Atlas Estates Antilles B.V.	Holding	100%
Cyprus	Darenisto Limited	Holding	100%
Cyprus	Kalipi Holdings Limited	Holding	100%
Cyprus	Fernwood Limited	Holding	100%
Poland	AEP Sp. z o.o.	Management	100%
Poland	Platinum Towers AEP Spółka z ograniczoną odpowiedzialnością SKA	Development	100%
Poland	Zielono AEP Spółka z ograniczoną odpowiedzialnością SKA	Development	100%
Poland	Properpol Sp. z o.o.	Investment	100%
Poland	Atlas Estates (Millennium) Sp. z o.o.	Investment	100%
Poland	Atlas Estates (Sadowa) Sp. z o.o.	Investment	100%
Poland	Capital Art Apartments AEP Spółka z ograniczoną odpowiedzialnością SKA	Development	100%
Poland	HGC Gretna Investments Spółka z ograniczoną odpowiedzialnością SKA	Hotel operation	100%
Poland	HPO AEP Spółka z ograniczoną odpowiedzialnością SKA	Development	100%
Poland	Atlas Estates (Cybernetyki) Sp. z o.o.	Development	50%
Poland	Atlas Estates (Kokoszki) Sp. z o.o.	Investment	100%
Poland	Atlas FIZ AN	Holding	100%
Hungary	CI-2005 Investment Kft.	Development	100%
Hungary	Cap East Kft.	Investment	100%
Hungary	Felikon Kft.	Investment	100%
Hungary	Ligetváros Kft	Investment	100%
Hungary	Városliget Center Kft	Investment	100%
Hungary	Atlas Estates (Moszkva) Kft.	Investment	100%
Hungary	Atlas and Shasha Zrt	Development	50%
Romania	World Real Estate SRL	Investment	100%
Romania	Atlas Solaris SRL	Development	100%
Romania	D.N.B. - Victoria Towers SRL	Hotel operation	100%
Bulgaria	Immobul EOOD	Investment	100%

19. INTERIM CONDENSED NON-CONSOLIDATED FINANCIAL INFORMATION

NON-CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2013

	31 March 2013 (unaudited) €'000	31 March 2012 (unaudited) €'000
Revenues	-	-
Cost of operations	-	-
Gross profit	**-**	**-**
Administrative expenses	(223)	(304)
Other operating income	2,376	287
Other operating expenses	(2,181)	-
Loss from operations	**(28)**	**(17)**
Finance income	28	58
Finance costs	(3)	(4)
Other gains – foreign exchange	-	2
(Loss)/Profit before taxation	**(3)**	**39**
Tax expense	-	-
(Loss) / Profit for the period	**(3)**	**39**
Total comprehensive income for the period	**(3)**	**39**

19. INTERIM CONDENSED NON-CONSOLIDATED FINANCIAL INFORMATION

NON-CONSOLIDATED BALANCE SHEET
As at 31 March 2013

	31 March 2013 (unaudited)	31 December 2012 (unaudited)	31 March 2012 (unaudited)
	€'000	**€'000**	**€'000**
ASSETS			
Non-current assets			
Investment in subsidiaries	105,589	103,056	97,421
Loans receivable from subsidiaries	-	-	-
	105,589	**103,056**	**97,421**
Current assets			
Trade and other receivables	21	10	36
Cash and cash equivalents	12	308	99
	33	**318**	**135**
TOTAL ASSETS	**105,622**	**103,374**	**97,556**
Non-current liabilities			
Other payables	(3,086)	(518)	(509)
	(3,086)	**(518)**	**(509)**
Current liabilities			
Trade and other payables	(404)	(721)	(1,098)
	(404)	**(721)**	**(1,098)**
TOTAL LIABILITIES	**(3,490)**	**(1,239)**	**(1,607)**
NET ASSETS	**102,132**	**102,135**	**95,949**
EQUITY			
Share capital account	6,268	6,268	6,268
Other distributable reserve	194,817	194,817	194,817
Accumulated loss	(98,953)	(98,950)	(105,136)
TOTAL EQUITY	**102,132**	**102,135**	**95,949**

19. INTERIM CONDENSED NON-CONSOLIDATED FINANCIAL INFORMATION

NON-CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
As at 31 March 2013

Three Months Ended 31 March 2013 (unaudited)	**Share capital account €'000**	**Other reserves €'000**	**Accumulated loss €'000**	**Total €'000**
As at 1 January 2013	6,268	194,817	(98,950)	102,135
Total comprehensive income for the period	-	-	(3)	(3)
As at 31 March 2013	**6,268**	**194,817**	**(98,953)**	**102,132**

Year ended 31 December 2012 (audited)	**Share capital account €'000**	**Other reserves €'000**	**Accumulated loss €'000**	**Total €'000**
As at 1 January 2012	6,268	194,817	(105,175)	95,910
Total comprehensive income for the year	-	-	6,225	6,225
As at 31 December 2012	**6,268**	**194,817**	**(98,950)**	**102,135**

Three Months Ended 31 March 2012 (unaudited)	**Share capital account €'000**	**Other reserves €'000**	**Accumulated loss €'000**	**Total €'000**
As at 1 January 2012	6,268	194,817	(105,175)	95,910
Total comprehensive income for the period	-	-	39	39
As at 31 March 2012	**6,268**	**194,817**	**(105,136)**	**95,949**

19. INTERIM CONDENSED NON-CONSOLIDATED FINANCIAL INFORMATION

NON-CONSOLIDATED CASH FLOW STATEMENT
Three months ended 31 March 2013

	Year ended 31 March 2013 (unaudited) €'000	Year ended 31 March 2012 (unaudited) €'000
(Loss) / Profit for the period	**(3)**	**39**
Adjustments for:		
Effects of foreign currency	-	(2)
Finance costs	3	3
Finance income	(28)	(58)
Profit on assignment of loan receivable	(2,376)	-
Reversal of impairment on investments	(2,533)	(184)
Impairment/ (Reversal of impairment) against loans receivables from subsidiaries	4,714	(103)
	(223)	**(305)**
Changes in working capital		
Increase in trade and other receivables	(11)	(6)
Decrease in trade and other payables	(317)	(39)
Net cash outflow from operating activities	**(551)**	**(350)**
Investing activities		
New loans advanced to subsidiaries	(170)	-
Repayment of loans with subsidiary undertakings	425	305
Net cash from investing activities	**255**	**305**
Financing activities		
Interest received	-	-
Interest paid	-	-
Net cash (from)/ used in financing activities	**-**	**-**
Net decrease in cash and cash equivalents in the period as a result of cashflows	**(296)**	**(45)**
Effect of foreign exchange rates	-	-
Net decrease in cash and cash equivalents in the period	**(296)**	**(45)**
Cash and cash equivalents at the beginning of the period	**308**	**144**
Cash and cash equivalents at the end of the period	**12**	**99**
Cash and cash equivalents		
Cash at bank and in hand	12	99
Bank overdrafts	-	-
	12	**99**