



Leader in Shopping Centres in Eastern Europe

Interim Financial Report

30 June 2011



Key Indicators

Like-for-like results, NAV, NNNAV (including results per share) are calculated according to EPRA Best Practice Recommendations.

Key indicators in TEUR	6M 2010	6M 2011	1Q 2010	2Q 2010	1Q 2011	2Q 2011
Gross rental income	74,350	85,097	37,245	37,105	42,267	42,830
Like-for-like gross rental income	70,039	76,406	35,021	35,018	38,862	37,544
Net rental income	65,338	78,041	32,723	32,615	38,539	39,502
Like-for-like net rental income	62,124	71,232	30,467	31,657	35,312	35,920
Operating margin	87.9%	91.7%	87.9%	87.9%	91.2%	92.2%
EBITDA* excluding the valuation result	49,782	55,841	25,633	24,149	25,544	30,297
EPRA Earnings	61,575	40,383	44,652	16,923	17,330	23,053
Revaluation of standing investments	44,344	69,056	2,763	41,581	1,346	67,711
Revaluation of developments and land	(6,814)	(10,230)	(3,318)	(3,496)	(2,115)	(8,115)
Profit before taxation	104,350	113,722	46,300	58,050	26,382	87,340
Profit after taxation	89,881	100,690	45,020	44,861	23,492	77,198
Net cash generated from operating activities	46,628	60,282	28,292	18,336	25,928	34,354
Earnings per share in EUR	0.24	0.24	0.12	0.12	0.04	0.20
EPRA Earnings per share in EUR	0.17	0.11	0.12	0.05	0.05	0.06
Adjusted EPRA Earnings per share in EUR	0.09	0.14	0.05	0.04	0.06	0.08

* EBITDA Earnings before interest, taxes, depreciation and amortisation.

Balance Sheet Results in TEUR	31/12/2010	30/6/2011
Standing investments at fair value	1,503,301	1,771,244
Developments and land at fair value	634,616	614,672
Cash and cash equivalents	373,524	209,672
Borrowings	425,235	452,564
LTV	19.9%	19.0%
EPRA NAV per share in EUR	6.02	6.19
EPRA NNNAV per share in EUR	5.79	5.93



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Group Management Report

Financial Summary of the Period Ended 30 June 2011

- Gross rental income ("GRI") increased by 14.5% to EUR 85.1m (6M 2010: EUR 74.4m) with an increase in like-for-like gross rental income of 9.1% to EUR 76.4m (6M 2010: EUR 70.0m).
- Net rental income ("NRI") increased by 19.4% to EUR 78.0m (6M 2010: EUR 65.3m) with an increase in like-for-like net rental income of 14.7% to EUR 71.2m (6M 2010: EUR 62.1m).
- The operating margin increased to 92% (6M 2010: 88%).
- EBITDA excluding the valuation result increased by EUR 6m to EUR 55.8m (6M 2010: EUR 49.8m).
- Profit before taxation increased by 8.9% to EUR 113.7m (6M 2010: EUR 104.4m).
- Earnings per share remain stable at EUR 0.24 (6M 2010: EUR 0.24).
- Adjusted EPRA Earnings were EUR 0.14 (6M 2010: 0.09).
- Net cash generated from operating activities amounted to EUR 60.3m (6M 2010: EUR 46.6m).
- EPRA Net asset value ("NAV") per ordinary share increased by 2.8% to EUR 6.19 (2010: EUR 6.02).
- Borrowings increased from EUR 425.2m as at 31 December 2010 to EUR 452.6m as at 30 June 2011.
- The income producing portfolio increased its value mainly because of the acquisition of Promenada by EUR 171m and revaluation by EUR 69.1m to EUR 1,771 as at 30 June 2011.
- The developments and land portfolio was devalued by EUR 10.2m to EUR 614.7m for the six month period ended 30 June 2011.
- The weighted average occupancy level increased to 96.6% (6M 2010: 94.7%).
- As at 30 June 2011, the Group operates 154 income producing properties classified as standing investments (of which one property is classified as held for sale) and 35 projects classified as developments and land.

Business Activities

Strategy

The strategy of Atrium European Real Estate Limited ("Atrium") is to focus on the management, ownership, and development of shopping centres that are anchored by a supermarket or a hypermarket.

Atrium is pursuing growth through the acquisition of income producing assets in the more stable Central and Eastern European countries, such as Poland, the Czech Republic and Slovakia, where it believes it can create value and best utilise its strong cash position and low leverage.

Atrium will further supplement its growth strategy by executing a number of full scale development projects. Atrium is also implementing a programme of improvements to its current portfolio of standing investments to achieve growth through the re-development and refurbishment of existing assets, in order to increase income and improve the value of the Group's portfolio.

Operational events during the period

Sale of residential apartments in Ufa, Russia

The Group finalised the sale of 422 residential apartments (21,820 sqm) in Ufa, Russia, to the municipality of Ufa for a total consideration of approximately EUR 15m. The first part of this sale took place in 2010 and was subsequently completed in January 2011. The sale, which was financially neutral to the Group, allowed the divestment of this non-core and non-income producing asset.

Completion of the acquisition of Promenada shopping centre and purchase of adjacent land

In May 2011, Atrium completed the acquisition of the Promenada Shopping Centre ("Promenada") in Warsaw, Poland, for EUR 171m. Promenada is Warsaw's fourth biggest shopping centre.

In February 2011, Atrium agreed to acquire the public ground lease of a land plot adjacent to Promenada shopping centre in Warsaw, Poland, from Pirelli Pekao Real Estate for EUR 11m. The plot will provide the Group with the potential to create additional value by further extending the current shopping centre. The transaction remains subject to a number of conditions precedent, which included the closing of the acquisition of Promenada.

Sale of two land plots in Turkey

In February 2011, the Group sold its wholly owned subsidiary MEL 2 GAYRIMENKUL GELISTIRME YATIRIM INSAAT VE TICARET A.S., which owns a land plot in the city of Samsun on the Black Sea coast in Turkey, to Renaissance Development, one of the main retail developers in Turkey, for EUR 18m, in-line with Atrium's book value of the asset.

In April 2011, Atrium signed an agreement to sell its wholly owned subsidiary MEL 3 GAYRIMENKUL GELISTIRME YATIRIM INSAAT VE TICARET A.S., which owns a land plot in Kahramanmaraş, a city located in the southeast of Turkey, also to Renaissance Development, for EUR 16.5m. The sale price was above Atrium's net book value for the asset.

Both sales reflect the management's assessment that neither site fitted within the Group's development strategy.

Purchase of a land plot in Toruń

Atrium has also continued to strengthen its Polish portfolio through the acquisition of a 38,000 sqm land plot adjacent to its Copernicus shopping centre, in Toruń, for EUR 7.5m.

Financial events during the period

Payment of dividend

The Group intends to pay an annual dividend of EUR 0.14 per ordinary share as a capital repayment (subject to any legal regulatory requirements and restrictions of commercial viability), to be declared and paid quarterly. In accordance with this intention, Atrium made dividend payments of EUR 0.035 per share on 31 March and 30 June 2011.

2008 Convertible Bond

In January 2011, Atrium bought back EUR 20m of all of the outstanding units, of the 2008 10.75% convertible bond ("2008 Bond") issued to Meiri Bank and related parties ("Meiri Parties"), at par together with accrued interest.

Tender offer 2001 Bond

In April 2011, the Group announced a tender offer for the guaranteed notes due 2011 for a purchase price of 101% of par value. In May, the Group announced that EUR 8.3m of the notes had been tendered and the tender date extended to November 2011. In June, the Group announced a reduction in the tender price from 101% to 100.5%.

On 8 August 2011, the Group announced a further price reduction to 100% effective from 19 August 2011.

Legal events during the period

On 17 June 2011, the Group announced the settlement of all legal disputes and the severance of all business ties with Meiri Bank. Following the period end, on 28 July 2011 Atrium announced that the settlement had become fully effective. This settlement enables Atrium to focus on its forward-looking strategy rather than historical issues.

Appointment

On 18 May 2011, Atrium announced that Aharon (Roni) Soffer had been appointed as a non-executive director, following the retirement from the board of Michael Bar Haim.

Operating Activities

Atrium's 154 standing investment properties, located across eight countries produced the following results in terms of gross and net rental income during the first six months of 2011:

Gross rental income				Net rental income		
Country	6M 2010 TEUR	6M 2011 TEUR	Change in %	6M 2010 TEUR	6M 2011 TEUR	Change in %
Czech Republic	12,553	13,097	4.3	10,448	11,187	7.1
Hungary	4,135	4,087	(1.2)	3,118	3,607	15.7
Latvia	561	479	(14.6)	243	226	(7.0)
Poland	25,719	29,728	15.6	25,583	29,129	13.9
Romania	3,971	3,466	(12.7)	3,327	3,287	(1.2)
Russia	17,469	22,578	29.3	14,198	20,520	44.5
Slovakia	5,173	5,458	5.5	4,844	5,322	9.9
Turkey	4,769	6,204	30.1	3,577	4,763	33.2
Total	74,350	85,097	14.5	65,338	78,041	19.4

Like-for-like gross rental income				Like-for-like net rental income		
Country	6M 2010 TEUR	6M 2011 TEUR	Change in %	6M 2010 TEUR	6M 2011 TEUR	Change in %
Czech Republic	13,173	13,097	(0.6)	10,931	11,187	2.3
Hungary	4,136	4,087	(1.2)	3,108	3,607	16.1
Latvia	561	479	(14.6)	242	226	(6.8)
Poland	25,750	27,241	5.8	25,611	27,083	5.7
Romania	3,971	3,466	(12.7)	3,347	3,287	(1.8)
Russia	17,275	22,578	30.7	14,041	20,520	46.1
Slovakia	5,173	5,458	5.5	4,844	5,322	9.9
Like-for-like rental income	70,039	76,406	9.1	62,124	71,232	14.7
Remaining rental income	4,769	8,691	82.2	3,570	6,809	90.7
Total rental income	74,808	85,097	13.8	65,694	78,041	18.8

Gross Rental Income

Gross rental income improved by 14.5% to EUR 85.1m in the first half of 2011. Part of this was due to the new shopping centre, Galeria Mosty, in Poland (which opened in November 2010), as well as the acquisition of Promenada in Poland, effective as of May 2011. The remainder was due to growth in rental income in the existing portfolio, as described below.

Like-for-like gross rental income

The like-for-like GRI for the first six months of 2011 improved by 9.1% to EUR 76.4m compared to the same period in 2010 (EUR 70m). 83% of this improvement came from Russia, where strong progress from the first quarter continued, through lower discounts, higher turnover rent and higher income from general mall leasing.

In addition to Russia, Poland contributed to the strong like-for-like GRI growth showing an increase of 5.8%. This was mainly due to the effect of increased income from energy trading undertaken in the first half of 2011.

Like-for-like net rental income

Like-for-like net rental income increased by 14.7% or EUR 9.1m. The growth in net like-for-like gross rental income accounted for EUR 6.4m of this increase. The remainder was mainly due to improved rental collection in the first half of the year, reflecting good credit control and a more positive retail environment in the region.

Geographically, a substantial part of the increase in like-for-like net rental income came from Russia, in line with the higher gross rental income. In addition to this Russia benefitted from improved

operational efficiencies and improved its rental collection, which resulted in an increase of 46.1% in like-for-like net rental income.

In Slovakia, some cost savings on top of the stronger GRI resulted in a like-for-like net rental income improvements of 9.9% compared to the same period in 2010. In Hungary and the Czech Republic the decrease

in like-for-like gross rental income was offset by cost savings resulting in an increase in like-for-like net rental income.

In Romania and Latvia, the negative growth in gross rental income was mainly due to discounts, which could only be partly offset by cost savings.

Standing investments

Country	No. of properties	Gross lettable area sqm	Market value TEUR	Revaluation TEUR
Czech Republic	97	333,700	247,923	(857)
Hungary	25	102,200	92,705	2,327
Latvia	1	20,400	15,720	(230)
Poland	19	348,550	894,059	27,292
Romania	1	53,000	70,390	1,291
Russia	7	215,920	316,264	30,614
Slovakia	3	64,150	134,183	8,619
Turkey	1	48,900	96,900	-
Total	154	1,186,820	1,868,144	69,056
Turkey**	(1)	(48,900)	(96,900)	-
Total standing investments	153	1,137,920	1,771,244	69,056

Standing investments

Country	Net equivalent yield* (weighted average) %	Gross running yield (GRY) %	Net running yield (NRY) %	Occupancy %
Czech Republic	9.3	10.6	9.0	95.5
Hungary	8.9	8.8	7.8	95.5
Latvia	13.0	6.1	2.9	81.2
Poland	7.2	6.7	6.5	97.2
Romania	9.4	9.9	9.3	99.2
Russia	12.9	14.3	13.0	96.2
Slovakia	7.8	8.1	7.9	98.5
Turkey	10.1	12.8	9.8	98.1
Average	8.9	9.1	8.4	96.7
Less: standing investments presented as held for sale as at 30 June 2011				
Turkey**	(10.1)	(12.8)	(9.8)	(98.1)
Group's yield/occupancy	8.8	8.9	8.3	96.6

* The net equivalent yield takes into considerations the potential of rental income and occupancy.

** In December 2010, Atrium reached an agreement with Multi Investment BV ('Multi') to terminate their cooperation. As part of the agreement, Atrium sold 100% of its shares in the entity owning the Forum Trabzon shopping centre to Multi on 14 July 2011.

Due to the acquisition of Promenada for EUR 171m and a revaluation of EUR 69.1m, the market value of Atrium's standing investments increased to EUR 1,771m, at the end of the first half of 2011. In this period, the retail real estate market experienced a great deal of activity, especially in Poland, and, combined with strong investor demand, this resulted in yields being compressed. The increase in valuation in Poland was EUR 27m in the first half of 2011. The value of the portfolio in Russia increased by EUR 31m, mainly as a result of the higher rental income achieved.

In Slovakia, the value increased by nearly EUR 9m, reflecting increased rental income and a positive real estate market.

Occupancy

Occupancy increased to 96.6% from 95.6% in the first quarter and from 94.6% at the end of 2010, which is the highest occupancy for the Group has achieved since 2008. There have been improvements in the shopping centres in most countries, but the biggest impact has been the leasing of a distribution centre in Hungary that is now 100% let and has taken the occupancy for Hungary from 80.7% at the end of 2010 to 95.5% at the end of the first half 2011.

Development Activities

Atrium is currently undertaking an evaluation of its entire development and land portfolio, in order to determine the best approach for each of the assets in its pipeline. Any decision to commence development takes into account specific factors as the location, the size of the project, the economic situation in the country and the risk profile.

Atrium has an extensive development pipeline with 35 projects at different stages. Three development projects in Poland, the first phase of Lublin Felicity, the second phase at Galeria Mosty and Gdynia Media Markt, have been approved by the Board of Directors, with the openings expected in 2013, Q1 2012 and Q2 2012 respectively. Thirteen projects are in the feasibility study phase and 19 projects are classified as a land bank. Atrium is also working on some smaller extension and refurbishment projects to existing standing investments which are either ongoing or about to commence.

The land plot in the city of Samsun in Turkey was sold for EUR 18m in February 2011, as the investment in Samsun did not fit in with the Group's development strategy. The Group has also finalised the sale of 422 residential apartments (21,820 sqm) in Ufa, Russia, to the municipality of Ufa for a total consideration of approximately EUR 15m. The sales, which were financially neutral to the Group, allowed divestment of two non-core and non-income producing assets.

In April 2011, the Group sold a land plot in Kahramanmaraş in Turkey. This divestment was completed at a price above the book value.

A summary of the developments and land portfolio by country is presented in the table below:

Country	31/12/2010 TEUR	30/6/2011 TEUR
Turkey	239,880	216,766
Russia	181,914	190,745
Poland	139,589	140,314
Bulgaria	32,071	29,071
Romania	21,538	21,538
Georgia	14,321	14,321
Ukraine	3,316	-
Czech Republic	1,987	1,917
Total	634,616	614,672

EPRA Reporting

EPRA Earnings

EPRA Earnings are calculated in line with the position paper of the European Public Real Estate Association ("EPRA"). The objective according to EPRA is to promote greater transparency, uniformity and comparability of the financial information reported by property

companies. Unrealised changes in valuation, gains or losses on disposals of properties and certain other items do not necessarily provide an accurate picture of Atrium's underlying operational performance.

	6M 2010 TEUR	6M 2011 TEUR
Earnings attributable to equity holders of the parent company	87,613	90,306
Revaluation of investment property	(37,530)	(58,825)
Profits or losses on disposal of investment properties	249	(5,236)
Tax on profits or losses on disposals	(40)	-
Goodwill impairment and amortisation of intangible assets	277	273
Changes in fair value of financial instruments and associated close-out costs	-	(315)
Deferred tax in respect of EPRA adjustments	7,574	10,951
Non controlling interest in respect of the above	3,432	3,229
EPRA Earnings	61,575	40,383
Weighted average number of shares	372,237,523	372,802,818
EPRA Earnings per share	0.17	0.11
Company adjustments:*		
Net result on bond buy backs	(760)	(940)
Legal fees related to the Mehl dispute	4,895	10,855
Foreign exchange differences	(26,992)	(12,578)
Fair value adjustment to financial instruments	688	7,213
Non controlling interest in respect of company adjustments	(4,796)	6,726
Company adjusted earnings	34,610	51,659
Company adjusted EPS	0.09	0.14

* The "Company adjustments" represent the adjustments of other non-recurring items which could distort Atrium's operating results. These adjustments are non-recurring items and are disclosed separately from the "EPRA Earnings". These items are identified separately from the operating performance to provide stakeholders with the most relevant information regarding the performance of the underlying property portfolio.

EPRA Net asset value ("NAV")

The concept of net asset value is used to describe the value of the assets of a group less the value of its liabilities and eliminating deferred tax and goodwill.

NAV	31/12/2010		30/06/2011	
	TEUR	EUR per ordinary share	TEUR	EUR per ordinary share
Equity	2,186,975		2,250,712	
Non-controlling interest	(3,234)		(15,079)	
NAV per the financial statements	2,183,741		2,235,633	
Effect of exercise of options	14,894		15,640	
Diluted NAV, after the exercise of options	2,198,635		2,251,273	
Goodwill as a result of deferred tax	(11,475)		(11,418)	
Deferred tax	86,685		100,123	
EPRA Net asset value	2,273,845	6.02	2,339,977	6.19
Number of outstanding shares and options	377,718,495		377,801,828	

According to EPRA best practices, the objective of the triple NAV measure is to report net asset value including fair value adjustments in respect of all material balance sheet items which are not reported at their fair value as part of the EPRA NAV. As a result, the EPRA NAV is adjusted for the fair value of debt.

Triple NAV (NNNAV)	31/12/2010		30/06/2011	
	TEUR	EUR per ordinary share	TEUR	EUR per ordinary share
EPRA NAV	2,273,845		2,339,977	
Impact of debt fair value	(1,979)		1,970	
Deferred tax	(86,685)		(100,123)	
EPRA Triple NAV	2,185,181	5.79	2,241,824	5.93
Number of outstanding shares and options	377,718,495		377,801,828	

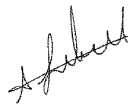
Statement in accordance with § 87 of the Austrian Stock Exchange Act (BörseG)

With respect to paragraph 87 of the Austrian Stock Exchange Act (§ 87 BörseG) the directors confirm that to the best of their knowledge the condensed consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting

standards and that the Group management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions.



CHAIM KATZMAN
Chairman of the Board



AHARON SOFFER
(Director)



DIPAK RASTOGI
(Director)



NEIL HASSON
(Director)



PETER LINNEMAN
(Director)



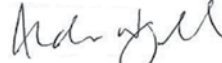
THOMAS WERNINK
(Director)



RACHEL LAVINE
(Director and CEO)



NOAM BEN-OZER
(Director)



ANDREW WIGNALL
(Director)



SIMON RADFORD
(Director)

Statement Regarding Forward Looking Information

This interim report includes statements that are, or may be deemed to be, "forward looking statements". These forward looking statements can be identified by the use of forward looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case their negative or other variations or comparable terminology. These forward looking statements include all matters that are not historical facts. They appear in a number of places throughout this interim report and include statements regarding the intentions, beliefs or current expectations of Atrium European Real Estate Limited ("Atrium") and its subsidiaries (together with Atrium, the "Group"). By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward looking statements are not guarantees of future performance.

You should assume that the information appearing in this interim report is up to date only as of the date of this interim report. The business, financial condition, results of operations and prospects of Atrium or the Group may change. Except as required by law, Atrium and the Group do not undertake any obligation to update any forward looking statements, even though the situation of Atrium or the Group may change in the future.

All of the information presented in this interim report, and particularly the forward looking statements, are qualified by these cautionary statements.

You should read this interim report and the documents available for inspection completely and with the understanding that actual future results of Atrium or the Group may be materially different from what Atrium or the Group expects.





Interim Financial Statements

Interim Financial Statements

Condensed Consolidated Interim Financial Statements

Condensed Consolidated Statement of Financial Position as at 30 June 2011

		31/12/2010		30/6/2011	
	Note	TEUR (Audited)	TEUR (Audited)	TEUR (Unaudited)	TEUR (Unaudited)
Assets					
Non current assets					
Standing investments	3	1,503,301		1,771,244	
Developments and land	4	634,616		614,672	
Other non current assets		112,861		112,840	
			2,250,778		2,498,756
Current assets					
Cash and cash equivalents	5	373,524		209,672	
Assets held for sale	6	134,727		132,626	
Other current assets	7	46,402		102,338	
			554,653		444,636
Total assets			2,805,431		2,943,392
Equity	8		2,186,975		2,250,712
Liabilities					
Non current liabilities					
Long term borrowings	9	364,129		414,612	
Other non current liabilities		91,405		126,148	
			455,534		540,760
Current liabilities					
Short term borrowings	9	61,106		37,952	
Liabilities held for sale	6	30,416		33,304	
Other current liabilities		71,400		80,664	
			162,922		151,920
Total equity and liabilities			2,805,431		2,943,392

For the reporting period ended 30 June 2011, see the independent review report.

The interim Group management report and the interim financial statements were approved and authorised for issue by the Board of Directors during the course of their meeting on 15 August 2011 and were duly signed on the Board's behalf by Rachel Lavine, Chief Executive Officer and Chaim Katzman, Chairman.



Condensed Consolidated Income Statement for the period ended 30 June 2011

(Unaudited)

		1/4/2010 – 30/6/2010		1/1/2010 – 30/6/2010		1/4/2011 – 30/6/2011		1/1/2011 – 30/6/2011	
	Note	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Gross rental income		37,105		74,350		42,830		85,097	
Service charge income		15,804		32,703		16,870		35,030	
Net property expenses		(20,294)		(41,715)		(20,198)		(42,086)	
Net rental income			32,615		65,338		39,502		78,041
Net result on disposal of investment properties		(180)		(249)		5,692		5,236	
Costs connected with developments		-		-		(355)		(1,819)	
Revaluation of investment properties	3,4	38,085		37,530		59,594		58,825	
Other depreciation and amortisation		(406)		(624)		(340)		(774)	
Net administrative expenses		(8,286)		(15,307)		(14,542)		(25,617)	
Net operating profit			61,828		86,688		89,551		113,892
Net financial income/(expenses)	10	(3,778)		17,662		(2,211)		(170)	
Profit before taxation			58,050		104,350		87,340		113,722
Taxation charge for the period		(13,189)		(14,469)		(10,142)		(13,032)	
Profit after taxation for the period			44,861		89,881		77,198		100,690
Attributable to:									
Equity holders of the parent		43,620		87,613		73,797		90,306	
Non controlling interest		1,241		2,268		3,401		10,384	
Basic & diluted earnings per share in EUR attributable to shareholders*		0.12		0.24		0.20		0.24	

* Options under the Employee Share Option Plan have anti-dilutive effect.

Interim Financial Statements

Condensed Consolidated Statement of Comprehensive Income

for the period ended 30 June 2011

(Unaudited)

	1/4/2010 – 30/6/2010		1/1/2010 – 30/6/2010		1/4/2011 – 30/6/2011		1/1/2011 – 30/6/2011	
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Profit for the period	44,861		89,881		77,198		100,690	
Exchange differences arising on translation of overseas operations	1,721		12,239		(3,181)		(11,993)	
Movements in hedging reserves	-		-		(1,500)		(1,500)	
Deferred tax on items taken directly to equity	380		(1,189)		41		1,384	
Net comprehensive income		46,962		100,931		72,558		88,581
Attributable to:								
Equity holders of the parent	50,852		107,572		68,851		76,736	
Non controlling interest	(3,890)		(6,641)		3,707		11,845	

Condensed Consolidated Cash Flow Statement for the period ended 30 June 2011

(Unaudited)

	1/1/2010 – 30/6/2010	1/1/2011 – 30/6/2011
	TEUR	TEUR
Cash flows from operating activities	46,628	60,282
Cash flows from investing activities	(19,283)	(203,982)
Cash flows from financing activities	(253,169)	(10,589)
Decrease in cash and cash equivalents	(225,824)	(154,289)
Cash and cash equivalents at the beginning of the period	610,673	373,524
Foreign exchange differences	1,565	(3,051)
Increase in cash and cash equivalents classified as Assets held for sale	-	(6,512)
Cash and cash equivalents at the end of the period	386,414	209,672

For the reporting period ended 30 June 2011, see the independent review report.



Consolidated Statement of Changes in Equity for the period ended 30 June 2011

(Unaudited)

		Stated capital	Other reserves	Hedging reserves	Income account	Currency translation	Share- holder interest	Non controlling interest	Total equity
	Note	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Balance as at 1 January 2010		2,994,799	360	-	(788,824)	(96,056)	2,110,279	11,488	2,121,767
Total comprehensive income		-	-	-	87,613	19,959	107,572	(6,641)	100,931
Share based payment		-	417	-	-	-	417	-	417
Cost of issuing shares		651	-	-	-	-	651	-	651
Dividends	8	(22,339)	-	-	-	-	(22,339)	-	(22,339)
Balance as at 30 June 2010		2,973,111	777	-	(701,211)	(76,097)	2,196,580	4,847	2,201,427
Balance as at 1 January 2011		2,950,951	1,828	-	(676,401)	(92,637)	2,183,741	3,234	2,186,975
Total comprehensive income		-	-	(1,500)	90,306	(12,070)	76,736	11,845	88,581
Share based payment		-	1,044	-	-	-	1,044	-	1,044
Issue of no par value shares		264	(55)	-	-	-	209	-	209
Dividends	8	(26,097)	-	-	-	-	(26,097)	-	(26,097)
Balance as at 30 June 2011		2,925,118	2,817	(1,500)	(586,095)	(104,707)	2,235,633	15,079	2,250,712

For the reporting period ended 30 June 2011, see the independent review report.

Interim Financial Statements

Notes to the Condensed Consolidated Interim Financial Statements for the period ending 30 June 2011 (Unaudited)

1. Reporting entity

Atrium European Real Estate Limited ("Atrium") is a company incorporated and domiciled in Jersey on 8 December 1997. Its current registered office and principal place of business is 11-15 Seaton Place, St. Helier, Jersey, Channel Islands.

The principal activities of Atrium and its subsidiaries (the "Group") are the ownership, management and development of shopping centres with a supermarket or a hypermarket as the anchor.

The Group primarily operates in the Poland, Russia, Czech Republic, Slovakia, Hungary, Romania, Latvia and Turkey.

The unaudited condensed consolidated interim financial statements were approved and authorised for issue by the directors on 15 August 2011.

2. Principal accounting policies

Basis of preparation

The unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting as endorsed by the EU.

The unaudited condensed consolidated interim financial statements do not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the year ended 31 December 2010.

The annual consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU.

New standards, amendments to and interpretations of existing standards effective as of 1 January 2011 have no material impact on the Group's financial statements. New standards, amendments to and interpretations of existing standards that are not yet effective and have not already been adopted by the Group are not expected to have a material impact on the Group's financial statements.

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 December 2010, with the exception of the hedge accounting applied as explained below, in the second quarter of 2011.

Derivative financial instruments, including hedge accounting

During the course of its general business activities, Atrium is exposed to interest rate risks on loans. The Group policy is to aim to minimise the interest rate risk on loans in order to ensure that the stable

operating cash flows from a shopping centre are matched with fixed interest rate costs.

On initial designation of the derivative as the hedging instrument, the Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual results of each hedge are within a range of 80% – 125%.

Derivatives are recognised initially at fair value; attributable transaction costs are recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

Cash flow hedges

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve in equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the balance in equity is reclassified in profit or loss.

Functional currency

As of 1 January 2011, the functional currency for the Russian entities owning developments and land, an entity in Georgia as well as all the Ukrainian entities was determined to be the Euro. The main triggers which were applied to determine the Euro as the functional currency were the financing currency, the functional currency of the parent company, the dependency of the those entities on the parent company and the assessment of whether cash flows from the activities of those entities are sufficient to service existing and anticipated debt obligations without funds being made available by the parent company.

3. Standing investments

The current portfolio of standing investments of the Group consists of 154 (2010: 153) standing investments out of which the property in

Turkey is presented as an asset held for sale as at 30 June 2011 and as at 31 December 2010.

	31/12/2010 TEUR	30/6/2011 TEUR
Balance as at 1 January	1,474,884	1,503,301
Land plots under finance leases	8,236	15,299
Additions – new properties, technical improvements, extensions	8,484	177,383
Transfer from developments and land	28,629	-
Disposals	(270)	-
Currency translation difference	11,727	6,204
Revaluation of standing investments	68,511	69,057
Transferred to assets classified as held for sale	(96,900)	-
Balance as at the end of the period	1,503,301	1,771,244

In the second quarter, Atrium completed the acquisition of the Promenada Shopping Centre ("Promenada") in Warsaw, Poland at EUR 171m.

4. Developments and land

The current portfolio of developments and land of the Group consists of 35 projects (2010: 38).

	31/12/2010 TEUR	30/6/2011 TEUR
Balance as at 1 January	666,118	634,616
Land plots under finance leases	6,981	7,682
Currency translation difference	10,033	94
Additions – cost of land and construction	23,843	5,868
Disposals	(8,884)	(24,785)
Transfer to standing investments	(28,629)	-
Interest capitalised	9,112	1,429
Revaluation of developments and land	(37,622)	(10,232)
Transferred to assets classified as held for sale	(6,336)	-
Balance as at the end of the period	634,616	614,672

During the first half of 2011, the Group sold its two wholly owned subsidiaries MEL 2 GAYRIMENKUL GELISTIRME YATIRIM INSAAT VE TICARET A.S., for EUR 18.2m and MEL 3 GAYRIMENKUL GELISTIRME YATIRIM INSAAT VE TICARET A.S., for EUR 16.5m. Both subsidiaries owned land plots in Turkey. The sale price of MEL 2 GAYRIMENKUL GELISTIRME YATIRIM INSAAT VE TICARET A.S. was approximately the same as the value of the entity, in comparison to MEL 3

GAYRIMENKUL GELISTIRME YATIRIM INSAAT VE TICARET A.S. where the sale price was above the value of the entity. Both projects were sold, as they no longer fitted in with Atrium's development strategy in Turkey.

5. Cash and cash equivalents

As at 30 June 2011, the Group held cash amounting to a total of TEUR 209,672 (2010: TEUR 373,524) of which TEUR 161,808 (2010: TEUR 325,568) was directly held by Atrium, with the remaining cash being held by Group companies. The Group holds cash of TEUR 23,996 (2010: TEUR 34,568) as backing for guarantees and/or other restricted cash issued by various banks on the Group's behalf.

6. Held for sale

In December 2010, Atrium reached an agreement with Multi Investment BV ('Multi') to terminate their cooperation. As a part of the agreement, Atrium sold 100% of its shares in the entity owning the Forum Trabzon shopping centre (in Turkey) to Multi on 14 July 2011. The shopping centre Forum Trabzon is classified as assets held for sale as at 30 June 2011.

7. Other current assets

In May 2011, Atrium completed the acquisition of the Promenada in Warsaw, Poland. VAT paid as a part of the transaction was EUR 38m.

In June 2011, Atrium entered into a settlement agreement with Meinel Bank; under this agreement Meinel Bank has agreed to release all Atrium's assets including the release of USD 15m cash deposited with Meinel Bank. The cash deposit of USD 15m was withdrawn by Meinel Bank in its own favour as a set off against its claims against Atrium. The cash deposit withdrawn by Meinel Bank is accounted for under other current assets as at 30 June 2011.

On 15 July 2011, the settlement agreement was effective and the USD 15m was received.

8. Equity

During the six month period ended 30 June 2011, Atrium paid a dividend of EUR 0.07 (6M 2010: EUR 0.06) per ordinary share, which amounted to a total of TEUR 26,097 (6M 2010: TEUR 22,339).

Following the approval of the shareholders on 18 May 2010 to authorise the directors to issue ordinary shares in lieu of directors' remuneration by agreement with the relevant directors, the Board adopted a Restricted Share Plan on 16 May 2011 (the "Plan"), which confers on directors of Atrium the right to elect (on an annual basis) to receive ordinary shares in the Company in lieu of their annual directors' fees. The Plan further gives directors the ability to elect (on an annual basis) to subscribe for ordinary shares, up to the value of their annual directors' fees. Directors will be given the opportunity to make the above elections in bi-annual election periods, being the four week free-dealing periods following the announcement of each of the Company's half year and full year results (subject to overriding dealing restrictions). The strike price for the ordinary shares to be issued pursuant to any election notice (being the average market price over

Interim Financial Statements

the 30 dealing days preceding) will be notified to directors at the start of each election period. Directors participating in the Plan agree to certain restrictions and obligations, including (by way of example) (a) compliance obligations in terms of the Company's Code of Conduct, and (b) the authorisation of the Company to complete relevant dealing disclosures and notifications on their behalf (and the provision of information and assistance in connection therewith). Atrium retains the discretion (subject to the approval of the Board) to refuse to satisfy an election notice in certain circumstances.

9. Borrowings

	31/12/2010 Net book value TEUR	30/6/2011 Net book value TEUR
Bonds	327,444	266,407
Loans	86,409	174,775
Other	11,382	11,382
Total	425,235	452,564

The borrowings are repayable as follows:

	31/12/2010 Net book value TEUR	30/6/2011 Net book value TEUR
Due within one year	61,106	37,952
In the second year	14,756	15,553
In the third to fifth years inclusive	221,781	280,826
After five years	127,592	118,233
Total	425,235	452,564
Amount due within 12 months	61,106	37,952
Amount due after more than 12 months	364,129	414,612

During the six month period ended 30 June 2011, Atrium made buy backs in respect of the 2008 bonds of EUR 20.0m, 2003 and 2005 bonds of EUR 33.1m and 2001 bonds of EUR 11.4m.

Main changes in loans were caused by Atrium's subsidiary entering into EUR 105m loan agreement to finance the acquisition of a shopping centre in Poland and repayment of a matured loan of EUR 12m from Bank für Arbeit und Wirtschaft AG.

In order to mitigate interest rate risk associated with the loan agreement, the company entered into an interest rate swap agreement under which it receives 3 month Euribor at the interest payment dates and pays a fixed interest. The cash outflow as a result of interest payments will then match the cash inflow received under the swap agreement.

10. Net financial income/(expenses)

	1/1/2010 – 30/6/2010 TEUR	1/1/2011 – 30/6/2011 TEUR
Interest income	1,879	3,345
Interest expense	(11,666)	(9,121)
Foreign currency differences	26,992	12,578
Net profit from bond buy back	760	940
Impairment of financial instrument	-	(7,213)
Other financial expenses	(303)	(699)
Total financial result	17,662	(170)



11. Operating segments

For the period ended 30 June 2011	Standing investment segment TEUR	Development segment TEUR	Reconciling item TEUR	Total TEUR
Gross rental income	85,097	-	-	85,097
Service charge income	35,030	-	-	35,030
Net property expenses	(42,086)	-	-	(42,086)
Net rental income	78,041	-	-	78,041
Net result on disposal of investment properties	-	5,236	-	5,236
Costs connected with developments and land	-	(1,819)	-	(1,819)
Revaluation of investment properties	69,057	(10,232)	-	58,825
Other depreciation and amortisation	(347)	-	(427)	(774)
Net administrative expenses	(8,857)	(618)	(16,142)	(25,617)
Net operating profit/(loss)	137,894	(7,433)	(16,569)	113,892
Net financial income/(expense)	(3,844)	9,415	(5,741)	(170)
Profit/(loss) before taxation	134,050	1,982	(22,310)	113,722
Taxation credit/(charge) for the period	(13,943)	1,069	(158)	(13,032)
Profit/(loss) after taxation for the period	120,107	3,051	(22,468)	100,690
Investment properties	1,771,244	614,672	-	2,385,916
Segment assets	1,972,131	727,069	244,192	2,943,392
Segment liabilities	526,287	153,312	13,081	692,680

For the period ended 30 June 2010	Standing investment segment TEUR	Development segment TEUR	Reconciling item TEUR	Total TEUR
Gross rental income	74,350	-	-	74,350
Service charge income	32,703	-	-	32,703
Net property expenses	(41,715)	-	-	(41,715)
Net rental income	65,338	-	-	65,338
Net result on disposal of investment properties	(140)	(109)	-	(249)
Revaluation of investment properties	44,344	(6,814)	-	37,530
Other depreciation and amortisation	(414)	(5)	(205)	(624)
Net administrative expenses	(1,782)	(247)	(13,278)	(15,307)
Net operating profit/(loss)	107,346	(7,175)	(13,483)	86,688
Net financial income	675	1,834	15,153	17,662
Profit before taxation	108,021	(5,341)	1,670	104,350
Taxation charges for the period	(13,034)	(1,349)	(86)	(14,469)
Profit/(loss) after taxation for the period	94,987	(6,690)	1,584	89,881
Investment properties	1,536,534	706,707	-	2,243,241
Segment assets	1,621,862	788,709	413,167	2,823,738
Segment liabilities	393,422	136,685	92,204	622,311

12. Subsidiaries liquidated or dissolved

In the first half of 2011, the Group sold two wholly owned subsidiaries MEL 2 GAYRIMENKUL GELISTIRME YATIRIM INSAAT VE TICARET A.S. and MEL 3 GAYRIMENKUL GELISTIRME YATIRIM INSAAT VE TICARET A.S. and also liquidated two wholly owned subsidiaries DALMAZZIO INVESTMENTS LIMITED and INOPOS-LE GRAND HOLDINGS LIMITED.

13. Transactions with related parties

As at 30 June 2011, Mr. Katzman's holdings in Atrium through Gazit Inc and Gazit Globe Limited amounted to 34,123,562 shares representing approximately 9.2% of Atrium's stated capital.

In 2011, Mr Neil Hasson, Director, entered into a consultancy agreement for 18 months with Atrium, and he is entitled to a consultancy fee of TEUR 50 per month.

Aharon Soffer, Director, held an indirect investment of 17,002 ordinary shares of Atrium as at 30 June 2011.

The holdings in Atrium for the other Directors were unchanged since 31 December 2010.

Out of the 5,022,169 outstanding options as at 31 December 2010, 171,667 options were exercised and 131,667 options were returned to the pool during the first six month period ended 30 June 2011. In June 2011, Atrium granted 215,000 options to employees. The total number of the outstanding options was 4,933,835 as at 30 June 2011.

14. Contingencies

Atrium has been party to a number of pending legal proceedings with Meinel Bank AG ("Meinel Bank"), the ultimate owner of the former manager of Atrium (Meinel European Real Estate Limited), and its affiliates, in various courts and arbitration forums (the "Meinel Proceedings").

On 17 June 2011, Atrium entered into a settlement agreement with Meinel Bank, Julius Meinel and the other parties to the Meinel Proceedings (the "Settlement Agreement"). Pursuant to the Settlement Agreement, which fully and finally resolves all disputes between Atrium and Meinel Bank pursuant to the Meinel Proceedings including the derivative action in the Royal Court of Jersey, (i) neither Meinel Bank nor Atrium have any obligation to indemnify the other under any pre-existing agreement or otherwise going forward (save for directors' indemnities to the extent permitted by law), (ii) the remaining business relations between Meinel Bank and Atrium are to be fully unwound, including the replacement of Meinel Bank as trustee of Atrium's 2003 and 2005 bond programmes, (iii) Meinel Bank is required release all assets of Atrium previously withheld by Meinel Bank (including the release of USD 15m previously withheld by Meinel Bank), no provision is made for any payment from any party to another party as damages for claims that have been asserted or under any other legal title, and (iv) Atrium is provided with a broad release of any and all claims by Meinel Bank and Julius Meinel and their affiliates. The

Settlement Agreement became unconditional and fully effective as of 28 July 2011 and, pending that event, the Meinel Proceedings were suspended in the period following 17 June 2011.

Atrium is involved in certain claims submitted by ADC holders alleging losses derived from 2007 price fluctuations and associated potential claims. As at 30 June 2011, the value of the claims and proceedings to which Atrium is a party was less than EUR 7m. Up to the publishing date of the interim report, the value of such claims is not expected to increase to an extent that would be material to the financial statements. Atrium had previously been requested by Meinel Bank to join various other legal proceedings initiated by current or former holders of ADCs against Meinel Bank (to which Atrium is not currently a party) as a co-defendant.

There are currently criminal proceedings pending against Julius Meinel and others before the criminal court in Vienna, relating to events that occurred in 2007 and earlier. In connection with this, a law firm representing various investors in Atrium, who had invested at the time of these events, has alleged that Atrium is liable for various instances of fraud, breach of trust and infringements of the Austrian Stock Corporation Act and Austrian Capital Market Act arising from the same events. The public prosecutor has directed Atrium to reply to the allegations and has started criminal investigation proceedings against Atrium based on the Austrian Corporate Criminal Liability Act. This legislation, which came into force in 2006, is of uncertain application. Atrium's management believes a finding of liability on its part would be inappropriate in the circumstances. On this basis, Atrium intends to actively defend the proceedings.

Due to the nature of the business, the Group is involved in litigation, arbitration and regulatory proceedings arising in the ordinary course of business. In accordance with applicable accounting requirements, the Group provides for potential losses that may arise out of contingencies, including those where potential losses are probable and estimable. Contingencies dealing with legal matters are subject to many uncertainties and the outcome of individual matters cannot be predicted with any assurance. Significant judgment is required in assessing probability and making estimates in respect of contingencies, and the Group's final liabilities may ultimately be materially different. The Group's total liability recorded in respect of litigation, arbitration and regulatory proceedings is determined on a case by case basis and represents an estimate of probable losses after considering the progress of each case, the Group's experience and the experience of others in similar cases, the opinions and views of legal counsel, as well as other factors.

15. Subsequent events

On 13 April 2011, Atrium announced an invitation to the holders of the outstanding EUR 35m 6.8% bonds with ISIN AT0000330964 (the "2001 Bonds") issued by Manhattan Development s.r.o. (an indirect wholly owned subsidiary of Atrium) to tender their Notes for purchase by Atrium for cash (the "2001 Bond Tender"). The initial purchase price under the 2001 Bond Tender was 101% of the nominal

amount of the 2001 Bonds together, with accrued interest thereon. On 16 May 2011 Atrium announced that it had accepted EUR 8.6m in aggregate principal amount of 2001 Bonds for purchase and in addition it was extending the 2001 Bond Tender, with rolling periodic settlement dates of the 19th of any of June, July, August, September, October, or November 2011. On 7 June 2011, Atrium announced that it had amended the terms of the 2001 Bond Tender so that the purchase price was reduced to 100.5% of the nominal amount of the 2001 Bonds, together with accrued interest thereon. On 8 August 2011, Atrium announced that it had further reduced the purchase price to 100% of the nominal amount of the 2001 Bonds, together with accrued interest thereon. The 2001 Bond Tender remains open until 19 November 2011 (or the next business day thereafter). The 2001 Bonds mature on 21 December 2011. As at 30 June 2011, Atrium has accepted to purchase EUR 11.4m in aggregate principal amount of 2001 Bonds.

On 15 July 2011, Atrium executed a settlement agreement with Multi Investment BV pursuant to which the business relationship between those parties is terminated. As a result of this agreement, Atrium received a payment of net cash of approximately EUR 64m. This is expected to generate a profit of approximately EUR 15m, which will be recognised in Q3 2011.

On 27 July 2011, bondholder meetings were held in respect of the bonds issued by Atrium with ISIN AT0000341789 and AT0000341797 (the "2003 Bond") and with ISIN AT0000496641, AT0000492996 and AT0000496633 (the "2005 Bond"). At these bond holder meetings, PwC Österreich GmbH Wirtschaftsprüfungsgesellschaft was appointed to replace Meisl Bank as trustee under the 2003 Bond and the 2005 Bond (in accordance with the terms of the Settlement Agreement).

The Settlement Agreement became fully effective as of 28 July 2011.

The continuing unsettlement in the world markets, especially the real estate market, as well as the limited amount of publicly available up-to-date data and research relating to the real estate markets in the countries in which the Group invests could lead to significant changes in the values of the Group's assets during subsequent periods. The management is not at present able to assess with accuracy the extent of such changes.

Independent Review Report to Atrium European Real Estate Limited

Introduction

We have been engaged by Atrium European Real Estate Limited ("Atrium") to review the condensed consolidated set of financial statements in the interim financial report for the six months ended 30 June 2011 which comprises the condensed consolidated statement of financial position, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated cash flow statement, the consolidated statement of changes in equity, and the related explanatory notes.

We have read the other information contained in the interim financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated set of financial statements.

This report is made solely to Atrium in accordance with the terms of our engagement. Our review has been undertaken so that we might state to Atrium those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Atrium for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The interim financial report is the responsibility of, and has been approved by, the directors.

As disclosed in note 2, the annual consolidated financial statements of Atrium are prepared in accordance with International Financial Reporting Standards as endorsed by the EU. The condensed consolidated set of financial statements included in this interim financial report has been prepared in accordance with IAS 34 "Interim Financial Reporting" as endorsed by the EU.

Our responsibility

Our responsibility is to express to Atrium a conclusion on the condensed consolidated set of financial statements in the interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated set of financial statements in the interim financial report for the six months ended 30 June 2011 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as endorsed by the EU.

Report on the half year Group's management report and management's assertion in accordance with para 87 Austrian Stock Exchange Act (s87 BorseG)

We have read the half year Group's management report to verify whether the report does not contain any apparent inconsistencies with the condensed consolidated set of financial statements. In our opinion, the half year Group's management report does not contain any apparent inconsistencies with the condensed consolidated set of financial statements.

The interim financial report includes management's representation as required by para 87 Austrian Stock Exchange Act (s87 BorseG).

Andrew P. Quinn for and on behalf of KPMG Channel Islands Limited

Chartered Accountants and Recognized Auditor
5 St Andrew's Place
Charing Cross
St Helier
Jersey
JE4 8WQ

15 August 2011

Notes:

- The maintenance and integrity of the Atrium European Real Estate Limited website is the responsibility of the directors, the work carried out by KPMG Channel Islands Limited does not involve consideration of these matters and, accordingly, KPMG Channel Islands Limited accept no responsibility for any changes that may have occurred to the condensed consolidated set of financial statements or review report since 15 August 2011. KPMG Channel Islands Limited has carried out no procedures of any nature subsequent to 15 August 2011 which in any way extends this date.
- Legislation in Jersey governing the preparation and dissemination of condensed consolidated financial statements may differ from legislation in other jurisdictions. The directors shall remain responsible for establishing and controlling the process for doing so, and for ensuring that the condensed consolidated financial statements are complete and unaltered in any way.

- Land Plots
- Standing Investments



Contact

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