

Credit Rating Update

Jersey, 18 October 2011. Atrium European Real Estate Limited (“Atrium” or the “Company”) (VSE/ Euronext: ATRS), one of the leading real estate companies focused on shopping centre investment, management and development in Central and Eastern Europe, is pleased to announce that Fitch Ratings has affirmed Atrium’s Long-term Issuer Default Rating (IDR) of ‘BB+’, senior unsecured rating of ‘BB+’ and Short-term IDR of ‘B’. Fitch Ratings also upgraded Atrium’s outlook to ‘Positive’.

A copy of the Fitch Ratings announcement is below:

Fitch Revises Atrium's Outlook to Positive; Affirms at 'BB+'

18 Oct 2011

Fitch Ratings-London-18 October 2011: Fitch Ratings has revised Atrium European Real Estate Limited's (Atrium) Outlook to Positive from Stable and affirmed its Long-term Issuer Default Rating (IDR) at 'BB+', senior unsecured rating at 'BB+' and Short-term IDR at 'B'.

"Fitch expects Atrium's financial metrics to remain resilient and stable in the next two years, despite two major shopping centre acquisitions in 2011," says Jean-Pierre Husband, a Director in Fitch's EMEA Corporate Finance team. "The Positive Outlook reflects Atrium's substantial progress in resolving outstanding litigation claims, which is a prerequisite for any upgrade of the ratings."

Fitch believes Atrium's EBIT NIC should settle between a still comfortable 5.0x and 5.5x in 2011-2013 (including the Prague and Promenada, Poland shopping centre acquisitions completed this year) despite the agency's assumption of higher interest costs on bank debt during the period. Fitch expects Atrium to maintain an EBIT NIC of above 2.0x for an investment grade rating.

Net leverage should also stay moderate in the next three years (loan-to-value ratio (LTV) of between 5% and 25%) and below industry averages in the short to medium term (LTVs of around 35%-45%). This allows Atrium some financial flexibility, although recent acquisitions have used secured debt, which may constrain the group's unsecured asset cover. Fitch expects Atrium to diversify its access and sources of funding in the next two to three years.

The contentious position between Meinel Bank AG (Meinel) and Atrium was resolved in June 2011, with all claims and lawsuits against each other withdrawn. Fitch notes that Atrium made no cash payments under this settlement. The companies also agreed to sever all business ties and new bond trustees were appointed.

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The ratings are constrained by the remaining outstanding litigation regarding the share buybacks in 2007. Although Fitch believes that the ultimate liability to the owners and management is limited, there is still some residual uncertainty and Atrium's ability to issue new bonds may be constrained. The resolution of all residual litigation claims would be a strong positive towards the restoration of an investment grade rating for the group.

Atrium's EBIT net interest cover (NIC) improved to 7.7x in 2010 (8.6x at H111) from 2.7x in 2009. This was due to stable rental income, reduced property costs and lower interest payments, resulting from high-coupon bond buybacks.

Gross rental income increased by 1.8% in 2010 (+14.5% at H111 compared to H110), as Atrium restricted temporary letting discounts in Russia and improved occupancy rates. This positive trend is underlined by increased occupancy across the group's CEE shopping centre portfolio, now at 96.6% at H111 (94.6% at H110).

At 30 June 2011, while the group had no undrawn committed debt facilities, Atrium had EUR210m of cash deposits available, sufficient to pay the outstanding development costs and total debt maturities of EUR51m in H211 and 2012. With only EUR8m of committed development spending, Atrium's liquidity remains relatively strong (with a liquidity score of around 4.1x at H111). A liquidity score of at least 1.75x is considered appropriate for a return to a 'BBB-' IDR rating.

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Atrium is established as a closed-end investment company domiciled in Jersey. Atrium is registered with the Dutch Authority for the Financial Markets as a collective investment scheme which may offer participations in The Netherlands pursuant to article 2:66 of the Financial Supervision Act (Wet op het financieel toezicht). All investments are subject to risk. Past performance is no guarantee of future returns. The value of investments may fluctuate. Results achieved in the past are no guarantee of

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future results. The Dutch and Austrian paying agent of Atrium is Kempen & Co. N.V., Beethovenstraat 300, 1077 WZ Amsterdam, the Netherlands.