

2 June 2011

Matrix European Real Estate Investment Trust Limited

Disposal Programme

The Board of Matrix European Real Estate Investment Trust Limited (“MEREIT” or the “Company”) announces that it has conducted a strategic review, with advice from Lazard, and has decided that, given the current market outlook, value can best be delivered to shareholders by an orderly disposal programme. The Board aims to complete the sale of all of the Company’s assets by the end of 2013. The Board will review the scope for returning disposal proceeds, post debt paydown, to shareholders on a regular basis and following each disposal. No further property acquisitions will be undertaken except where required to preserve and enhance existing investments.

The terms of the current management contract with Matrix Property Fund Management (Guernsey) Limited (“the Manager”) provide for a three year notice period to termination. The Board gave notice to the Manager in January 2011 and the current contract therefore has approximately 31 months remaining. The Board is exploring potential changes to the Company’s management arrangements with the Manager to reflect the new strategy.

As the disposal strategy constitutes a material change of the Company’s investment policy it is conditional upon the approval of shareholders. A circular is expected to be despatched to shareholders in July convening an EGM to be held in early August.

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