



CMP/JUN/2016/0005

11th June 2016

Mr. Hassan Al Serkal

EVP, COO – Head of Operations Division, Market Operations Division

Dubai Financial Market

P.O Box 9700

Dubai - United Arab Emirates

Dear Mr. Al Serkal,

Subject: GFH to Acquire US\$65 Million Real Estate Portfolio in the United States

GFH Financial Group (“GFH”) would like to inform its shareholders and the markets that its Dubai-based subsidiary GFH Capital Limited (“GCL”) has signed an agreement to acquire a portfolio of industrial real estate located in the United States for an approximate value of \$65 million.

The portfolio comprises of several distribution, warehousing and industrial properties spread across various states in the Midwest region of the United States. The portfolio is expected to provide a regular cash flow stream resulting from long leases and strong tenant base in the properties. Further, the portfolio is well diversified in terms of tenant base, location and individual properties strengthening the portfolio’s performance.

This new acquisition is considered the third project following the acquisition of a portfolio of industrial real estate comprised of approximately 30 buildings located in 7 States and the acquisition of three multifamily properties in Texas and Georgia, which GFH closed successfully over the last 18 months. It is anticipated that this new acquisition will provide an average annual cash yield in excess of 8.5% and an IRR of 10% for GFH and its clients.

GFH expects the deal to reflect positively on its financial results in Q2-2016.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'Nabeel Mirza', written over a light blue circular stamp.

Nabeel Mirza

Compliance Director & MLRO