



CMP/OCT/2015/0018

17TH October 2015

Mr. Hassan Al Serkal

EVP, COO – Head of Operations Division

Market Operations Division

Dubai Financial Market

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Dear Mr. Al Serkal,

Subject: GFH to Acquire US\$ 125 Million Industrial Real Estate Portfolio in the United States

GFH Financial Group would like to inform its shareholders and the markets that its Dubai-based subsidiary, 'GFH Capital Limited' has agreed to acquire an Industrial Real Estate portfolio in the United States in a deal worth US\$125m.

The portfolio includes 18 income producing assets diversified across six states with an overall occupancy rate of 98%. The portfolio has a balanced mix of tenants and the properties either have single-tenants or multi-tenants further ensuring the stability of cash flows and a higher upside potential.

It is expected for the portfolio to return an average cash-on-cash yield of 8.5% and an Internal Rate of Return of 10%.The transaction is expected to reflect positively on the Group's financial results.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Nabeel Mirza', is written over the 'Yours Sincerely,' text.

Nabeel Mirza

Compliance Director & MLRO