CMP/DEC/2013/0004
10th December 2013

Ms. Noura Al Hatimi
VP - Head of Listing & Disclosure Dept.
Dubai Financial Market
PO Box 9700
Dubai - United Arab Emirates

Fax: +971 4331 5148

Dear Ms. Al Hatimi,

Subject: Clarification on GFH Chairman's statement published in a Bahraini Newspaper

With reference to the subject, regarding the statement of Dr. Ahmed Al Mutawa, Chairman of Gulf Finance House with a local newspaper (Al Ayam – Bahrain) on the 8th of December. We would like to clarify to our shareholders and the markets that GFH is committed to finalizing the contract with the developers in India, in order to start the exiting process in the coming year.

As for the Villamar Project, the Bank with the company that owns the project (Gulf Holding Company) are at the stage of negotiating with the current financiers of the project to reach a restructure in allowing resumption of work on the project over the next year, but that is subject to the approval of financers consent on the basis of the offer made to them by the bank as we are waiting for their approval.

Should you require any further details – please feel free to contact us.

Yours Sincerely,

Nabeel Mirza
Compliance Manager & MLRO

Nabeel Mirza
Compliance Manager & MLRO
Compliance Department
Gulf Finance House B.S.C. - CR 44136