

Cairo, 12th of March 2008

Al Arafa for Investment and Consultancies "Arafa Holding" is pleased to announce the following acquisitions:

- On March 11th 2008 the Company signed a share purchase agreement with Speciality Retail Group Acquisitions Limited, a company in which Gresham LLP (Private equity house) is the majority shareholder, to acquire 100% of Speciality Retail Group Limited "SRG". SRG is one of the United Kingdom's leading menswear retailing chains under the brand names of Suits You, Racing Green and Youngs. The company is running a total of 71 stores, of which 40 stores are located in high street and 31 in outlets malls. The company's turnover amounts to GBP 63 million with an expected return on sales of 3%.

Arafa Holding signed an exclusivity agreement with the owners for a period of one month starting Feb. 1st 2008. During this period a complete Due Diligence process took place led by Simmons & Simmons, legal firm, and Pricewaterhouse Coopers, accountant firm. The completion date of the transaction is set on March 31st 2008. The purchase price will be announced upon completion.

SRG would represent Arafa Holding's retail arm in the UK, in addition to its concessionaire's arm represented by BMB and its wholesale's arm in Europe represented by Melka International. Melka Trading has currently 7 distribution offices in 7 European countries. This structure strengthens the Company's position as retailer, distributor and wholesaler of menswear in Europe.

- Through its wholesale's arm, Melka International, Arafa Holding signed an agreement to acquire the wholesale business of John Langford that owns the brands of Piscador, Pierre Sangan and Haynes & Bonner. Additionally, the Company will acquire the Pierre Cardin licenses for men's formal shirts. The agreement will be effective on July 1st 2008 and is expected to generate sales of GBP 9 million associated with net profits of GBP 1 million. The acquisition cost amounted to GBP 1 million.

The Arafa Holding's Board of Directors believes that these developments and the others which are currently being studied would ensure the continued growth of the Company to meet the aspirations of our esteemed investors. The above deals represent almost 50% of the Company's current turnover.