

The Glanmore Property Fund Limited

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Website: www.glanmore.com

29 October 2014

Dear Shareholder,

The Glanmore Property Fund Limited (the "Fund")

Annual General Meeting ("AGM") 2014 results, condensed Interim Report and Unaudited Consolidated Financial Statements for the six months to 30 June 2014 ("Interim Statements") and Prospectus update

Further to my letter of 28 August 2014, I am writing to present the results of the AGM and to inform you that both the Interim Statements and the annual update of the Prospectus have now been issued and are available to view and download from the Fund website, www.glanmore.com. I am also pleased to report on the recent successes of the Fund's ongoing sales programme.

AGM results

All of the resolutions proposed at the 2014 AGM were passed by a large majority and have now been enacted.

Summary of Changes arising from the AGM:

- KPMG has been re-elected as Auditor of the Fund.
- The Directors will determine the Auditor's remuneration.
- The Articles of the Fund will be amended in accordance with shareholder approval to move to electronic distribution of all shareholder communications via email and the Fund website.
- The Directors have incorporated the required changes to the pricing calculation on redemptions.
- The Directors have acquired the necessary authority from shareholders for a 15-month extension of the redemption postponement period.

The period for postponement of redemptions period has been extended by a further 15 months. For example, redemption requests submitted in early 2008 which would have been due for dealing in early October 2014 now have a revised dealing date of January 2016. There will be a delay of approximately one month between the submission of a redemption request and the relevant Subscription Day, plus a postponement period of up to 87 months from the date at which they would ordinarily be due for payment.

Interim Statements

The six months to 30 June 2014 saw continued progress in stabilising the Fund and increasing asset values. The Fund has continued to reduce its borrowings in accordance with the terms of the loans which has opportunely coincided with an improving market.

During the six months to 30 June 2014:

- The Fund sold 15 properties achieving total proceeds of £68.49m. The proceeds went towards meeting the required lending milestones.
- The share price increased by 15.7% from £1.871 to £2.165, assisted by valuation increases and operating cash flow.
- The loan to value ratio ("LTV") including capitalised interest ("PIK") fell from 84.0% to 75.1% due to debt repayment from sales, surplus cash and surrender premiums.
- The Fund became fully compliant with its banking facilities but now has a liability to its principal lender, Galway II S.A.R.L. ("Galway"), of £6m due to the increased profit share on valuation growth of certain secured properties.
- Net income after tax for the period fell by 57.7% from £4.2m to £1.8m, mainly as a result of the reduction in size of the portfolio to 18 Properties.

The Board approved the Interim Statements on 27 October 2014. To save costs, and following the resolutions passed at the AGM, they will no longer be distributed in hard copy format. Once registered on

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the Fund website, shareholders will be able to view and/or download such reports from the Investor Relations & FAQs section.

Following changes to the rules of the Irish Stock Exchange and the Guernsey Class B Rules the Fund will no longer produce Interim Statements from 2015.

Fund Prospectus

I would like to draw your attention to the changes made to the Fund Prospectus which will be available to view and/or download from the Investor Relations & FAQs section of the Fund website. The revised Prospectus will take effect from 31 October 2014 and the Board would encourage shareholders to read its content.

The substantive changes to the Fund Prospectus are as follows:

- Updates following the AGM in September of this year,
- The regulatory rules applicable to the Fund, as published by the Guernsey Financial Services Commission, have been updated and revised. As a result, certain changes have been made to the Fund Prospectus in order to ensure that these comply with the requirements of the new rules,
- Certain additional regulatory statements have been added or updated to reflect the changing legal and regulatory environment, principally in relation to AIFMD and FATCA,
- Updates to reflect the change of the name of the Manager,
- Update of expectations following the improvement in the property market and the reduction in debt levels, and
- A revision of the date that the minimum Northern Trust fee took effect. Under the terms of the original agreement for administration services signed in 2008, Northern Trust is entitled to receive from the Fund an administration fee of up to 0.07% of the Gross Asset Value per annum, subject to a minimum fee of £375,000 per annum. This minimum fee did not take effect from 31 January 2014, as previously disclosed, but from March 2012.

Sales programme

Following the success of the portfolio sale in January, the Fund has sold a further portfolio of six shopping centres (for £80.2m, being £5m above the latest valuation) as well as one other property (for £3.0m, at valuation). This has enabled full repayment of the Canada Life facility and the meeting of October 2014 and April 2015 Galway milestones. As at 30 September 2014, there are 11 properties remaining in the portfolio with a residual debt balance (including PIK) of £36.8m and LTV of 46.3%.

The Board thanks you for your participation in this year's AGM and remains committed to updating Shareholders on progress made during the coming months. Please find enclosed a form to be completed to ensure this process is continued, in accordance with the move to electronic communication.

Should you require any further assistance, please contact the Fund helpdesk via Northern Trust, on +44 1481 745 151 or by email glanmore_ta_queries@ntrs.com.

All published Annual Report & Consolidated Financial Statements, Prospectus updates and quarterly investors reports are available to view or download from the Fund website. www.glanmore.com

Yours sincerely,



Robert Court FRICS ACI Arb