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**TAIB to increase Authorised Capital**  
**from US\$ 200 million to US\$ 1 billion**  
**Shareholders Funds to increase to US\$ 500 million**  
**Bank's Shareholders approve Rights Issue and Share Dividend**

At an Extraordinary General Assembly of Shareholders held today, based on the recommendations of the Board of Directors, Bahrain-based TAIB Bank's shareholders approved an increase in the Authorised Capital of the Bank from US\$ 200 million to US\$ 1 billion, and the Paid-Up Capital from US\$ 107 million to US\$ 250 million.

The increase in Paid-Up Capital approved by the Shareholders will be through a Rights Issue of approx. 138 million shares of the Bank having a face value of US\$ 1.00 each at a premium of US\$ 1.05, and will be subject to regulatory approvals being obtained. Unsubscribed amounts in the Rights Issue, if any will be issued through a private placement.

Shareholders of the Bank at the Annual General Assembly held immediately earlier, approved the distribution of a share dividend of 5% of the paid up capital of the Bank. The Annual General Assembly of shareholders also approved the appointment of 5 new Directors, with effect from 8<sup>th</sup> November 2007, nominated by Dubai Financial Group, which acquired 60% of the shares of the Bank. As a result, the Bank now has 9 Directors on its Board, 5 of whom have been nominated by Dubai Financial Group.

“The increase in the capital of TAIB Bank, is to strengthen the capital base of the Bank in keeping with the substantial enlargement of the Bank's activities envisaged for the coming year”, said Mr Iqbal G. Mamdani, Vice Chairman of the Board of Directors of the Bank at the conclusion of the Shareholders Meeting .