



Press Release

For Immediate release

Dubai Financial Acquires 60% Stake in Bahrain's TAIB Bank

Bahrain/Dubai: 20 June, 2007 - Dubai Financial, the financial holding company for Dubai Group, today announced that it has signed a Stock Purchase Agreement (SPA) to acquire a controlling 60% stake in TAIB Bank, the Bahrain-based investment bank engaged in private banking and wealth management services. EFG Hermes acted as the sole financial advisor to Dubai Financial Group in this transaction.

Under the terms of the agreement, Dubai Financial has agreed to acquire 60% of the shares held by each shareholder of TAIB. The transaction is subject to the approval of Central Bank of Bahrain and other regulatory authorities in the countries in which TAIB's subsidiaries operate. The transaction will close following the receipt of regulatory clearance.

When the transaction closes, Dubai Financial will have control of the TAIB Board and Soud Ba'alawy, Executive Chairman of Dubai Group, will assume the role of the Chairman. Iqbal G. Mamdani will continue as the Vice Chairman and Chief Executive Officer of TAIB.

Dubai Financial CEO Sayanta Basu said: "TAIB has a proven track record and international reach in private banking and investment



services, which can create tremendous value for all shareholders. Together, we can work to develop and enhance the capital markets sector in Bahrain, Dubai and the region.”

Abdul Aziz R. Alrashed, Chairman of TAIB Bank, said: “After the repositioning of the bank three years ago, we realised the need for a sound and strategic partner to serve the bank’s best interests. Our alliance with Dubai Financial will bring greater synergy and strengthen our existing businesses. ”

Iqbal G. Mamdani, the CEO of TAIB bank, said: “Our track record, expansive footprint and brand equity have helped us in our consistent growth. These attractive fundamentals have resulted in a strategic alliance with Dubai Financial. We will build on this partnership with our extensive service offered to High Net Worth individuals and institutions in the GCC region.”

Dubai Financial focuses on identifying and acquiring financial services companies, as well as in building long term value through state-of-the-art governance.

TAIB’s long-term strategy, over the last 27 years, has helped the bank to focus on countries with greater growth potential such as Turkey, India and Kazakhstan, as well as the GCC region.

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Notes for the Editors

About Dubai Group

Dubai Group is the leading diversified financial company of Dubai Holding. It was established to focus on Investments, Banking and Insurance, both at a regional and global level. Dubai Group has five members; Dubai Investment Group, Dubai Capital Group, Noor Investment Group, Dubai Islamic Investment Group, and Dubai Financial.

- **Dubai Investment Group** has built an impressive track record over the past 6 years with a specific industry/sector focus including Alternatives, Financial, Industrial and Islamic with an objective to create a solid platform of earnings through the acquisition of profitable operating companies.
- **Dubai Capital Group** is the regional asset management company of Dubai Group, and the activities of the underlying companies include asset management and private equity, as well as brokerage and corporate advisory.
- **Noor Investment Group** focuses purely on Islamic activities and incorporates Commercial Banking, Takaful and Real Estate.
- **Dubai Islamic Investment Group** focuses on global Shar'iah compliant opportunities and investments in private equity and direct investments.
- **Dubai Financial** is the financial holding company for Dubai Group. It has significant stakes in regional and global institutions such as Marfin Popular Bank, Thomas Cook India, Bank Islam and Dubai Bank.

About TAIB Bank

TAIB Bank, a private bank based in Bahrain, was established in 1979 and is regulated by the Central Bank of Bahrain. Listed on the Bahrain Stock Exchange since 1994, TAIB is one of the region's first private banks with a focus on providing complete wealth management solutions to both high-net-worth individuals and institutional investors alike. The bank's strength lies in identifying and creating unique investment opportunities and is a testament to its 27 years of investment expertise and its network of six subsidiaries around the world.

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