

FOR IMMEDIATE RELEASE

TAIB EXITS PRIME U.S. PROPERTY IN US\$43 MILLION TRANSACTION Investment realizes approximately 27% over the holding period.

MANAMA, BAHRAIN - 12 August 2006: TAIB Bank B.S.C. (c) today announced a successful exit from the investment in 86 Chambers Street, a 112,000 square foot mixed-use commercial office property located in the City Hall district of downtown Manhattan, New York. Anchor tenants included Washington Mutual Bank and the New York State Office of General Services.

"This transaction is our second U.S. real estate exit of the year. We are pleased that throughout the holding period the investment generated a high current yield", stated Iqbal Mamdani, TAIB's Vice Chairman and Chief Executive Officer. "Through the implementation of asset management initiatives, and the leasing of vacant space, we also achieved capital growth," continued Mamdani.

86 Chambers Street was acquired by TAIB in 2004 in strategic partnership with DCD Group, a U.S.-based investment company which owns and operates a diverse mix of property management, asset management and IT businesses. This US\$43 million transaction follows the US\$27.6 million sale of a Florida shopping center and the US\$164 million sale of a portfolio of hotels and service apartments, including the Radisson Hotel in Nice, France. Total exit value for 2006 stands in excess of US\$234 million, with over US\$40 million realized for co-investors. "I expect that our continued focus on income-generating properties will help build on this success", Mamdani concluded.

TAIB's \$1.1 billion real estate portfolio comprises investments in residential commercial, retail and hotel properties principally in the U.S., U.K., Europe, India and Turkey. During the past decade, over 122 transactions have been executed.

TAIB Bank B.S.C. (c), the Bahrain-based private bank that focuses on seizing regional investment opportunities for institutions and HNW individuals, is listed on the Bahrain Stock Exchange. It conducts business in the GCC, Europe, India, Kazakhstan, the U.K. and U.S.