

FOR IMMEDIATE RELEASE

TAIB SELLS TWO MORE U.S. PROPERTIES

Total 2006 real estate exit value exceeds US\$ 675 million, with co-investor realisation of over US\$ 141 million.

MANAMA, BAHRAIN - 17 December 2006: TAIB Bank B.S.C.(c) today announced the sale of two additional U.S. properties for a combined transaction total of US\$ 67.4 million. These exits, together with three others announced recently, place TAIB's total real estate investment exit value for the year in excess of US\$ 675 million. "TAIB Real Estate, our property investment division, has clearly exceeded its 2006 goals, so naturally, we're delighted," exclaimed Iqbal G. Mamdani, TAIB's Vice Chairman and CEO. He added, "Indeed, returns of over US\$ 141 million realised by our co-investors truly adds to the positive outcome overall."

TAIB's current US\$ 800 million real estate portfolio comprises investments in residential, commercial, retail and hotel properties principally in the U.S., U.K., Europe and Asia. The two new exits announced today were upscale shopping centre properties located in two prosperous counties of southeast Florida, U.S.:

Plaza del Mar, a 102,586 sq. ft. property in Manalapan, Florida (Palm Beach County), was acquired in October 2004 and sold last month for US\$ 37.7 million, representing an uplift in value of approximately 33%.

Gateway Plaza, a 214,480 sq. ft. property in Sanford, Florida (Seminole County), was acquired in June 2005 and sold last month for US\$ 29.7 million, representing an uplift in value of approximately 15%.

TAIB's joint venture partner and property manager was Woolbright Development, Inc., a Boca-Raton, Florida-based real estate investment firm that specialises in developing, redeveloping and managing shopping centres in the state's major metropolitan markets.

"Surely, closing the year this way bodes well as we contemplate the outlook for next year. No doubt, we'll continue focusing on income-generating properties," Mamdani concluded.

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