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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11 Case
: :
ARCAPITA BANK B.S.C.(c), *et al.*, : Case No. 12-11076 (SHL)
: :
Debtors. : Jointly Administered
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**NOTICE OF CLOSING OF SALE OF
NON-DEBTOR SUBSIDIARY'S INTEREST IN SUNRISE**

Arcapita Bank B.S.C.(c) and certain of its subsidiaries, as debtors in possession (collectively, the “*Debtors*”) in the above jointly administered chapter 11 cases (collectively, the “*Chapter 11 Cases*”) hereby give notice of the closing of the transaction approved by the Court in the *Order Pursuant to Sections 105 and 363 of the Bankruptcy Code Authorizing Debtors to Grant Approvals and Consents in Connection with Sale by Non-Debtor Subsidiary* [Docket No. 726] (the “*Sale Order*”) dated December 18, 2012.

THE SALE APPROVED BY THE COURT CLOSED ON DECEMBER 19, 2012

1. On December 18, 2012, the Court entered an Order granting Debtors’ *Motion for an Order Authorizing the Debtors to Grant Approvals and Consents in Connection with Sale by Non-Debtor Subsidiary* [Docket No. 684] (the “*Sale Motion*”) approving the actions and consents necessary or appropriate to facilitate the sale by the Debtors’ indirect non-debtor subsidiary, Assisted Living First Euro Investments Ltd. (“*Assisted Living*”) of its 80% interest in

(i) Sunrise First Euro Properties, LP (“*Sunrise LP*”) and (ii) Sunrise First Euro Properties GP Limited (“*Sunrise GP*,” together with Sunrise LP, “*Sunrise*”) to purchaser HCN UK Investments Limited or its assignee or designee (“*HCN UK*”).

2. On or about December 19, 2012, one day after entry of the Sale Order, the Debtors and Assisted Living successfully closed the sale of its interest in Sunrise to HCN UK. The net proceeds of such sale will be applied to reduce obligations arising under that certain *Final Order pursuant to 11 U.S.C. §§ 105, 362, 363(b)(1), 363(m) 364(c)(1), 364(c)(2), 364(c)(3), and 364(e) and Bankruptcy Rules 4001 and 6004 (I) Authorizing Debtors (A) To Enter into and Perform under Murabaha Agreement, and (B) To Obtain Credit on a Secured Superpriority Basis, and (II) Granting Related Relief* entered on December 18, 2012 [Docket No. 727].

NOTICE

No trustee or examiner has been appointed in the Chapter 11 Cases. The Debtors have provided notice of filing of this Notice by electronic mail, facsimile and/or overnight mail to: (i) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Richard Morrissey, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York 10005 (Attn: Dennis F. Dunne, Esq., Abhilash M. Raval, Esq., and Evan R. Fleck, Esq.), counsel to the official committee of unsecured creditors; (iii) counsel to HCN UK, attention: Evan C. Hollander, Esq., Arnold & Porter LLP, 399 Park Avenue, New York, New York 10022 and Charles A. Malloy, Esq., Arnold & Porter LLP, 555 Twelfth Street, N.W., Washington D.C. 20004; and (iv) all parties listed on the Master Service List established in these Chapter 11

Cases. A copy of the Notice is also available on the website of the Debtors' notice and claims agent, GCG, at www.gcginc.com/cases/arcapita.

Dated: New York, New York
December 20, 2012

/s/ Michael A. Rosenthal
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