

PRESS RELEASE

FOR IMMEDIATE RELEASE

**NSE REPORTS A NOTABLE 18%
INCREASE IN PROFIT AFTER TAX**

March 19, 2018

Nairobi March 19, 2018: NSE today announced its results for the year ending 31 December 2017, reporting a growth in profit after tax of 18% from Kshs.184 million in 2016 to Kshs.216 million in 2017, in the face of a challenging business environment characterized by prolonged drought, heightened political activity and slow credit growth.

Total income increased by 6% from Kshs.717 million in 2016 to Kshs.757 million in 2017. Market performance was buoyant as equity trading volumes increased by 22% from Kshs.5.8 billion in 2016 to Kshs.7.1 billion in 2017, whilst equity turnover increased 17% from Kshs.294 billion in 2016 to Kshs.343 billion in 2017.

The Group also prudently managed its costs during the year through optimization and automation of its processes, which led to a marginal decrease in costs of 2% leading to an improved cost to income ratio of 66% from 68% in 2016. The Group's performance ratios were on a positive trajectory with a return of assets at 10.4% and return on equity at 11%.

Speaking during the results announcement, the Chief Executive of NSE, Mr. Geoffrey O. Odundo noted, *"The Group delivered positive numbers on the back of a challenging economic year for the country. We launched a number of new products and services demonstrating that our growth strategy is resonating well with our stakeholders and that we continue to execute correctly. Our highly competent employees, clear strategy and strong financial position make me confident in NSE's future development."*

NSE remains committed to delivering value to its shareholders through broadening its product offering and deepening the Kenyan capital market while further strengthening its position as the financial services hub for East and Central Africa. The outlook for 2018 is positive driven by a good macro-economic environment, improved rainfall and increased infrastructure investments. In line with this, the Group will continue to focus on delivery on its 2015 - 2019 strategy which is also in line with our aspiration of stimulating and supporting a vibrant and growing capital market in Kenya

-Ends-

Notes to the Editor

About Nairobi Securities Exchange

The Nairobi Securities Exchange (NSE) is the principal securities exchange of Kenya. Besides equity securities, the NSE offers a platform for the issuance and trading of debt securities. The NSE is a member of the African Securities Exchanges Association (ASEA) and the East African Securities Exchanges Association (EASEA). It is a full member of the World Federation of Exchanges (WFE), an associate member of the Association of Futures Markets (AFM) and a partner Exchange in the United Nations Sustainable Stock Exchanges Initiative (SSE). About the Sustainable Stock Exchanges (SSE) initiative.

FOR FURTHER INFORMATION PLEASE CONTACT:

Waithera Mwai-Ireri
Head of Brand and Corporate Affairs
Nairobi Securities Exchange Ltd.
Tel: +254 (020) 283 1000
Email: wmwai@nse.co.ke
Website: www.nse.co.ke