

PRESS RELEASE

FOR IMMEDIATE RELEASE

**NSE REPORTS NOTABLE PROFITS AFTER TAX OF OVER
100% AMID CHALLENGING ECONOMIC CONDITIONS**

Nairobi, August 27, 2020

The Nairobi Securities Exchange (NSE) has today announced its results for the six months ended June 30, 2020 recording a strong performance on the back of a disconcerting macro-economic environment in Kenya and other global markets.

The Group's Profits after Tax increased by over 100% for the six months ending 30 June 2020 to Kshs. 110.6 Million up from Kshs.24.3 Million recorded in the same period last year. This was primarily driven by a reduction in administrative expenses as well as an increase in the share of profits of associate investments.

The Group's interest and other investment income increased by 14.8% from Kshs. 47.2 Million to Kshs. 54.2 Million. Income from trading activities increased marginally recording a 3.6% year on year growth to Kshs. 220.4 Million up from 212.7 Million.

Guided by a prudent cost optimization strategy, the Group achieved double digit reduction in key cost items such as staff and other expenses which reduced by 41.7% and 23% respectively. Equally, system related expenses reduced by a further 5.9% in the period under review.

Commenting on the performance, the NSE Chief Executive, Mr. Geoffrey Odundo, noted, *"The Group's solid performance in the wake of an extremely challenging operating environment accelerated by the outbreak of a global pandemic, is a testament of the effectiveness of our corporate contingency strategy, the resilience of our business and the confidence of our investors and shareholders in the firm."*

"We are cognizant of the challenges the global pandemic has caused in the market, however we are working tirelessly to ensure we provide value to our shareholders, investors and the general public. We are working with the entire capital markets ecosystem to create and implement innovative solutions to address the new challenges we are facing." he added.

In the second half of the year, the NSE will continue to implement on its business continuity plans which place special focus on ensuring uninterrupted market availability to investors and remote access by trading participants, cost optimization as well as protecting the health and safety of our staff and market players.

The NSE will continue to support the growth and uptake of all its listed asset classes with emphasis on asset classes that have proved to offer investors lucrative avenues for deployment of capital during this period. The NSE Exchange Traded Funds, Real Estate Investment Trusts as well as the Derivatives Market offer investors unique opportunities to make returns as well as safeguard against capital attrition during this period.

-Ends-

Notes to the Editor

About Nairobi Securities Exchange Plc

The Nairobi Securities Exchange is the principal securities exchange in Kenya. Besides equity securities, the NSE offers a platform for the issuance and trading of debt securities and Derivatives. 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).

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