

ANNUAL GENERAL MEETING

Notice is hereby given that the fifty second Annual General Meeting of the shareholders of NIC Bank Limited will be held at the Kenyatta International Conference Centre (KICC) – Tsavo Ball Room, Nairobi, on Wednesday 2nd May, 2012 at 11.00a.m.

DIVIDEND

An interim dividend of Shs 0.25 was paid on 5th October, 2011.

The Directors recommend the payment of a final dividend of Shs 0.25 per share (2010 – Shs 0.25 per share). The dividend payment is subject to the approval of the shareholders at the Annual General Meeting and dividend warrants will be posted on or about 2nd May, 2012 to all members on the register at the close of business on 29th March, 2012.

The register of members will be closed for one day on 30th March, 2012.

INCREASE IN AUTHORIZED SHARE CAPITAL / RIGHTS ISSUE

The Directors recommend for approval at the upcoming Annual General Meeting increase in the authorized share capital and the raising of additional capital of Shs 2b through a rights issue. The increase in the authorized share capital and the rights issue are also subject to the necessary regulatory approvals.

ISSUE OF BONUS SHARES

The Directors recommend, and subject to above increase in authorized share capital and rights issue and subject to regulatory approvals and that of the shareholders, to make a bonus issue in the proportion of 1 new ordinary share for every 10 fully paid up ordinary shares then held.

REGIONAL EXPANSION

The Directors will be seeking from the shareholders approval to conduct banking business in Uganda through a wholly owned subsidiary. The capital injection required for this investment is Shs 961m (Uganda Shillings 25 billion). The establishment of the new subsidiary is subject to the necessary regulatory approvals.

MESSAGE FROM THE DIRECTORS

The Balance Sheet and Profit & Loss statements are extracts from the Bank's financial statements as audited by Deloitte & Touché and have received an unqualified opinion.

A full set of published accounts will be available from our Registrars and Transfers Office, Custody & Registrar Services Ltd, Bruce House, Nairobi and online at www.nic-bank.com after approval by members at the Annual General Meeting.

The financial statements were approved and authorized for issue by the Board of Directors on 22nd February 2012 and were signed on its behalf by:

J P M Ndegwa
Chairman

J W Macharia
Group Managing Director

F N Mwanzia
Director

Livingstone Murage
Group Company Secretary