

**Press Release – 26<sup>th</sup> August 2014**

## **DTB Announces the Listing of New shares on the Nairobi Securities Exchange after a Record 340% Over- Subscription Rate**

- Rights Issue over-subscribed by 340% making it the highest subscription for a rights issue in at least the last 10 years
- 22,010,009 additional shares to begin trading at the Nairobi Securities Exchange
- Market capitalisation of DTB group stands at Kshs 63 billion.

Diamond Trust Bank is pleased to announce the official listing of its rights issue of 22 million shares on the floor of the Nairobi Securities Exchange (NSE). The bank raised Kshs 3.63 billion in additional capital by offering some 22 million rights to its shareholders, at a discounted price of Kshs 165 which was subscribed at a record 440%. Last week DTB's shares were trading at an all time high of Kshs 260 per share, resulting in a capital appreciation of nearly 60% over the price at which the rights were issued.

DTB Group Chairman Mr Abdul Samji said that the that the Rights Issue subscription of 440% was recording breaking for DTB which has undertaken three rights issues previously and also for the NSE as no previous rights issues undertaken at the bourse over at least the past ten years t had achieved such a high level of subscription. Mr. Samji also advised that refunds to shareholders who had applied for additional shares had been made to the shareholders last Friday 22<sup>nd</sup> August, ahead of the scheduled date of Monday 26<sup>th</sup> August.

Commenting on the listing said Mr Samji said: "We thank our shareholders for their significant show of support and continuing confidence in DTB. The funds raised will further strengthen our ability to achieve our long term strategic objectives anchored on deepening our presence in Eastern African and expanding to new markets in Sub Saharan Africa".

In line with the Information Memorandum supporting the rights issue, the funds raised will be used mainly to continue with DTB's expansion plans and explore additional opportunities to further strengthen its presence in Kenya and the sub region, through its affiliates in Uganda, Tanzania and Burundi, as well as explore new investment opportunities in surrounding markets.

Speaking at the same event Nairobi Securities Exchange Chairman Mr Eddy Njoroge, said that increased attempt by quoted companies to raise fresh funds through rights issue is an attestation that the primary segment of the Kenyan capital market has picked up.

"This is DTB's fourth successful Rights Issue after three others in 2006 (Kshs.776 million), 2007 (Kshs.1.6billion) and 2012 (Kshs.1.8billion). DTB has used the funds to invest in its businesses across Burundi, Kenya, Uganda and the United Republic of Tanzania.

This has enabled DTB to use the capital markets to expand its footprint and brand across the region. The latest capital raise will be used to bolster its core capital” stated Mr Njoroge.

He added that the success of the DTB rights issue, signals the great demand from domestic and international investors for investment opportunities in the capital markets.

“We strongly urge our private sector and the Government of Kenya to take advantage of the current interest from investors to tap the capital markets to finance their projects” added Mr Njoroge

With the listing today, the market capitalization of DTB group stands at Kshs 63 billion, rising by a massive 65% in the past one year.

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**Notes to editors:**

**About Diamond Trust Bank**

1. In the 2014 Banking Awards, DTB was voted by customers in East Africa as the top bank in the region for customer service. It was also recognized as a top three retail bank and overall bank in East Africa.
2. DTB has operated in East Africa for 70 years and has been listed on the Nairobi Stock Exchange since 1972.
3. DTB is an affiliate of the Aga Khan Fund for Economic Development (AKFED), the economic development arm of the Aga Khan Development Network. Amongst the bank's key shareholders are Habib Bank Limited and Jubilee Insurance Company of Kenya Limited, both affiliates of AKFED, as well as the International Finance Corporation, the private lending arm of the World Bank.