



FOR IMMEDIATE RELEASE

NAIROBI SECURITIES EXCHANGE COMMENCES TRADING OF ITS SHARES ON THE BOURSE AT AN OPENING PRICE OF KSHS 16.00

September 9, 2014

Nairobi, 9 September 2014 - The Nairobi Securities Exchange this morning listed its 194,625,000 issued and fully paid up shares on the Main Investment Market Segment (MIMS) under a new sector - Investment Services of the bourse. The share which traded at a high of Kshs.18.00, and a low of Kshs.15.00, closed its first trading session at a volume weighted average price of Kshs.16.30. Mr. Adan Mohammed, the Cabinet Secretary for Industrialization and Enterprise Development presided over the NSE Self Listing Bell Ringing Ceremony on behalf of His Excellency President Uhuru Kenyatta. The distinguished guests included Mr. Henry Rotich, Cabinet Secretary for the National Treasury, Mr. Najib Balala, Cabinet Secretary for Mining and Dr. Evans Kidero, Governor, Nairobi County.

The listing comes after a successful Initial Public Offering which sought to raise Kshs.627 million by selling 66 million new shares at a price of Kshs. 9.50 per share. 17,859 investors applied for 504,189,700 new shares worth Kshs. 4.789 billion; a subscription rate of 763.9%, garnering an oversubscription of 663.92%.

“The demutualization and self-listing of the NSE are part of the government’s plans to position Kenya as the financial services hub of East and Central Africa. The listing of the NSE builds on the Capital Markets Master Plan reforms which aim to enhance accountability, transparency, market discipline as well as corporate governance. We expect it to encourage further innovation in the product and service offerings and deepen market participation. We seek transformative economic development, and this is a step in that direction.” said Mr. Adan Mohammed.

The Cabinet Secretary, National Treasury reiterated these remarks by adding that *“The NSE IPO is indeed a timely impetus for Kenya’s progress towards the achievement of middle-income status. Today therefore marks a milestone in the development of the Capital Market in Kenya and the East African region as the Nairobi Securities Exchange becomes the second African securities exchange after the Johannesburg Stock Exchange to self-list its own shares”*.

NSE Chairman, Mr. Eddy Njoroge thanked all the 17,859 new shareholders who participated in the NSE IPO, saying it was a clear indication of the great confidence that both local and foreign investors have in the future of the Exchange.

“With the IPO funds, we are now in a position to finance the acquisition of new generation technology systems that will provide the backbone for the listing and trading of these new products which, going forward, will not only have an incremental positive impact on the top line of the company but also contribute to the development of the overall economy,” Mr. Njoroge said.

The Exchange will invest in new trading infrastructure to increase efficiency in preparation for introduction of new products. Some of the products planned for introduction include the Exchange Traded Funds (ETFs) which operate like unit trusts, Real Estate Investment Trusts (REITS), the Derivatives Exchange and Asset Backed Securities.

ABOUT THE 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 an affiliate member of the World Federation of Exchanges (WFE) and an associate member of the Association of Futures Markets (AFM).

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