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PRESS RELEASE

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**NAIROBI SECURITIES EXCHANGE ISSUES ITS DEBUT
BONUS SHARES AND DECLARES A 29% INCREASE IN
DIVIDEND PAY-OUT**

March 24,2016

Nairobi, March 24, 2016; NSE continues to deliver substantial shareholder value in the midst of the volatile macro- economic environment in 2015. Shareholders of the Exchange will receive a payout of Kshs. 0.49 per ordinary share for the year 2015, an increase of 29% from the dividend paid in 2014.

For the first time since its listing, the Exchange will make a bonus issue of one new ordinary share for every three fully paid up ordinary shares. This accentuates the company's long term growth strategy.

Overall, the NSE realized a marginal decrease of Kshs 13.6 million (1.7%) in total income of Kshs. 808.3 million compared to 821.9 million the previous year. Profit After Tax stood at Kshs. 305.6 million, a 4.5% decrease in net earnings of Kshs. 320 Million recorded in 2014. Equity turnover dropped by 3% to Kshs 419 billion from Kshs 431 billion and fixed income market performance declined by 39.7% from Kshs 1,012 Billion in 2014 to Kshs 610 Billion in 2015.

Speaking during the results announcement, the Chief Executive of the Exchange, Mr. Geoffrey Odundo noted, " *The financial performance in 2015 was impacted by the introduction of the Capital Gains Tax (CGT) that had a negative effect on trading activity. In addition, the rise in interest rates and volatility of the currency also impeded market performance. In spite of the decline in profit, we are confident of better performance in 2016 in light of the new products the Exchange will be bringing to market. The company will continue to deepen shareholder value as evidenced in the 29% increase in dividend payout for 2015.* "

The Exchange is working towards an improved performance in 2016 through its growth strategy initiatives such as the launch of new products which include; Derivatives and Exchange Traded Funds (ETFs), while aggressively seeking new listings in its existing product lines. The Exchange is also upgrading its Automated Trading System (ATS) to support its new product and service offerings.

Notes to the Editor

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), 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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