

Centum confirms Carbacid shares sale

NAIROBI, May 11 2011... Centum Investment Company Limited, East Africa's largest publicly listed investment company, has officially announced substantial divestiture of its 22% shareholding from the Nairobi Stock Exchange listed Carbacid Investment Ltd.

The divestiture was driven by the need to raise funds to invest in other opportunities that have the promise of delivering even better returns.

Centum Chief Executive Officer James Mworira, confirmed the move saying; "We acquired the 22% equity block in Carbacid for Kshs 418 million (\$4.9 million) in May 2009. Over the two years we have held this investment it has generated Kshs 1.2 Billion (\$14.2 million) in dividends and disposal proceeds. We still believe that Carbacid has very strong business fundamentals, which are underpinned by an expected expansion of the beverage sector and the strong economic growth in the region."

"We have now developed an attractive pipeline of opportunities across Sub-Saharan Africa and it is important that we rank the return potential of our existing investments against that of potential investments," he explained.

Mworira noted that Centum had made a holding period return of 190% and this investment was illustrative of the sort of investments the Company is making and demonstrates Centum's capacity to create real tangible wealth for its investors.

He added that this exit showed that there was sufficient liquidity and depth in our capital markets and that there exist opportunities to generate market beating returns not only in Kenya but in most of Sub-Saharan Africa.

Centum, which is listed on the Nairobi Stock Exchange (NSE) and the Uganda Securities Exchange (USE), seeks to provide investors with access to a portfolio of inaccessible, quality and diversified investments in the firm's quoted private equity, private equity and real estate and infrastructure business lines.

The company has maintained a strong track record of delivering market beating returns. Between March 2009 and September 2010, Centum increased its asset base from Kshs 6.4 billion (\$75 million) to Kshs 12.3 billion (\$144 million) and has delivered a 146% return to its shareholders with its market capitalization increasing to Kshs 13.9 billion (\$163 million).

NIC Capital advised Centum on the Carbacid exit.

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