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Our Ref:CI/CEO/Corr/Vol.2

31st July 2014

Mr. Peter Mwangi
Chief Executive
Nairobi Stock Exchange
The Exchange
55 Westlands Road
NAIROBI

Dear Sir

RE: PROPOSED ACQUISITION OF ADDITIONAL 66% OF SHAREHOLDING IN K-REP BANK LIMITED BY CENTUM INVESTMENT COMPANY LIMITED

We are pleased to inform you of our intended acquisition of an additional 66% shareholding in K-REP Bank Limited through a Non Holding Operating Company, to bring our total shareholding in the Bank to 67.54%.

Please find attached our public announcement of the said acquisition.

Kind Regards,

Fred Murimi

Director Corporate Affairs & Company Secretary

Cc: Mr. Paul Muthaura
The Acting Chief Executive
Capital Markets Authority
3rd Floor, Embankment Plaza,
Longonot Road, off Kilimanjaro Avenue
Upper Hill, Nairobi

ACQUISITION OF SHAREHOLDING IN K-REP BANK LIMITED (K-REP)

Centum Investment Company Limited ("Centum") is pleased to announce its intended acquisition of an additional 66% shareholding in K-REP Bank Limited ("K-REP") from several existing shareholders to bring its total shareholding in KREP to 67.54%. Centum has been a minority shareholder in the bank since 2004 and intends to effect the acquisition through a Non-Operating Holding Company ("NOHC") as provided for in the Banking Act and Prudential Guidelines.

The acquisition is expected to be completed within the next four months and is subject to customary closing conditions and receipt of statutory and regulatory approvals from, inter alia, the Central Bank of Kenya on use of the NOHC and the subsequent acquisition of the shares in K-REP, and the Competition Authority of Kenya. K-REP was licensed in Kenya as full service commercial bank in 1999 by the Central Bank of Kenya. K-REP has since grown from strength to strength and as at March 31st 2014, K-REP had total assets of KES 13,910 Million. In the year to December 2013, the Bank generated a Profit After Tax of KES 360 Million, up from KES 196 Million in the prior year. K-REP banks over 200,000 Retail, Small & Medium Enterprises and Micro-Finance customers through its 36 branches across the country.

The intended acquisition of a controlling interest in K-REP is in line with Centum's strategic objective of expanding our presence in the financial services sector. Together with the management team at K-REP, we will deliver an improved and robust banking experience and provide more diversified financial services to all of K-REP's current and future customers.

Centum seeks to be Africa's foremost investment channel providing investors with access to a portfolio of otherwise inaccessible, quality and diversified investments in Financial Services, Real Estate, FMCG, Agriculture, Energy, Healthcare, Education and ICT sectors. As at March 31, 2014, Centum had over KES 30 Billion of its own assets under management and over KES 120 Billion of third party assets under management.

By order of the Board

Fred Murimi
Corporate Affairs Director
& Company Secretary
31 July 2014