



**Diamond Trust Bank Kenya Limited**

(Incorporated in Kenya on 30/09/1965 under the repealed Companies Act (CAP.486))

(Registration Number C.15/67)

---

Capital Markets (Public Offers, Listing and Disclosures) Regulations 2002 as amended:

**CAUTIONARY NOTICE**

to shareholders and the public of intention to acquire the Business, Assets and Liabilities of Habib Bank Limited Kenya Branches, as a going concern

---

Diamond Trust Bank Kenya Limited (“**DTB**”), a leading bank in Kenya, listed on the Nairobi Securities Exchange with banking subsidiaries in Uganda, Tanzania and Burundi, today announced that it has entered into a definitive agreement to acquire the Business, Assets and Liabilities of Habib Bank Limited Kenya Branches (“**HBL Kenya Branches**”) as a going concern from Habib Bank Limited (“**HBL**”), a global banking group headquartered in Karachi, Pakistan and listed on the Pakistan Stock Exchange (the “**Transaction**”). HBL is at present the largest private bank in Pakistan operating 1,673 branches in that country with an additional footprint in 22 countries.

The completion of the Transaction is subject to closing conditions that include procurement of shareholders’ approvals as well as regulatory approvals from various regulators including the State Bank of Pakistan, the Central Bank of Kenya, the Competition Authority of Kenya and the Capital Markets Authority which DTB expects will be concluded in the first half of 2017.

Under the Transaction the entire consideration is intended, subject to all requisite regulatory approvals, to be satisfied by the issuance of **13,281,105 ordinary new shares** in DTB at a price of **KShs. 137.39 per share** to HBL who is already a shareholder in DTB. As a consequence, upon completion of the Transaction, all the existing shareholders of DTB will be diluted by **4.75%**.

The satisfactory completion of the Transaction will, among others, increase DTB’s market share, enhance its operational leverage and diversify its presence through correspondent relationships in additional geographical areas that include some of the most promising growth frontier markets in Asia within the markets where HBL has operations. Furthermore, this Transaction will also support the consolidation of the banking sector in line with the policy statements by the Central Bank of Kenya and the National Treasury of the Government of Kenya.

Further details of the Transaction will be provided to the shareholders in due course.

The shareholders of DTB and the public are advised to exercise caution when dealing with the shares of DTB.

By Order of the Board

**Stephen Kodumbe**

**Company Secretary**

Date: 21 March 2017; Nairobi - Kenya.

**DISCLAIMER:** This announcement is for information purposes only. It has been issued with the approval of the Capital Markets Authority pursuant to the Capital Markets (Public Offers, Listing and Disclosures) Regulations 2002 as amended. As a matter of policy, the Capital Markets Authority assumes no responsibility for the correctness of the statements appearing in this announcement.

**Diamond Trust Bank Kenya Limited is regulated by the Central Bank of Kenya**

**DTB TRANSACTION ADVISERS**

**Lead Transaction Adviser**

Pacifis Advisory Limited

Attention: John Kiruthu

**Financial Adviser**

PricewaterhouseCoopers (PwC)

Attention: Anthony Murage

**Lead Legal Adviser**

Anjarwalla & Khanna Advocates

Attention: Karim S. Anjarwalla/Rosa N. Mutero

**Share Registrar**

Diamond Trust Bank Kenya Limited

Attention: Duncan Nyingi