

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(Incorporated in Kenya on 30/09/1965 under the repealed Companies Act (CAP.486))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

PUBLIC ANNOUNCEMENT

to Shareholders and the public of intention to acquire the Business, Assets and Liabilities of Habib Bank Limited Kenya Branches, as a going concern; and availability of the Shareholders Circular which contains detailed information on the Proposed Acquisition for use by Shareholders

Reference is made to the Diamond Trust Bank Kenya Limited's ("DTB" or "Company") Cautionary Notice dated 21st March 2017 published on 22nd March 2017 as well as the AGM Notice dated 28th April 2017 published on 2nd and 3rd May 2017, in relation to the Proposed Acquisition by DTB of the Business, Assets and Liabilities of Habib Bank Limited Kenya Branches, as a going concern from Habib Bank Limited ("HBL") (the "Transaction").

The completion of the Transaction is subject to customary 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 (the "CMA") which DTB expects will be obtained in the first half of 2017.

Under the Transaction the entire consideration of **KShs. 1,824,691,016.00**, 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, the issued share capital of DTB will increase from **266,321,115 ordinary shares** to **279,602,220 ordinary shares**. All the existing Shareholders of DTB will therefore be diluted by **4.75%**, while the existing HBL shareholding in DTB of **31,878,744 shares** (representing 11.97% shareholding in DTB) will increase to **45,159,849 shares** (representing 16.15% shareholding in DTB).

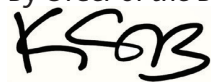
The satisfactory completion of the Transaction will, among others, increase DTB's market share, enhance its operational leverage and diversify its presence through correspondent relationships in additional geographical areas that include some of the most promising growth frontier markets in Asia within 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.

The AGM Notice informed the Shareholders that a copy of the Shareholders Circular ("Circular") will be made available on the Company's website www.dtbafrica.com, once approval has been obtained from the CMA.

The Board is pleased to announce that approval has been obtained from CMA to issue the Circular and accordingly the Shareholders are advised to obtain the Circular from the Company's website www.dtbafrica.com, or upon request, printed copies of the Circular, from the Company Secretary, Diamond Trust Bank Kenya Limited, DTB Centre, Mombasa Road, P.O Box 61711, City Square 00200, Nairobi, Kenya. The Circular is important for the Shareholders as it provides the necessary detailed information on the Transaction.

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: 11 May 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 ADVISORS

Lead Transaction Advisor

Pacifis Advisory Limited
Attention: John Kiruthu

Financial Advisor

PricewaterhouseCoopers (PwC)
Attention: Anthony Murage

Lead Legal Advisor

Anjarwalla & Khanna Advocates
Attention: Karim S. Anjarwalla/Rosa Nduati-Mutero

Share Registrar

Diamond Trust Bank Kenya Limited
Attention: Duncan Nyingi