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FOR IMMEDIATE RELEASE

"CYTONN INVESTMENTS RELEASES FINANCIAL RESULTS FOR THE 9 MONTHS ENDED SEPTEMBER 2017, POSTING STRONG PROFITABILITY OF KSHS 537.0 MN, REPRESENTING GROWTH OF 421.4%. GROWTH WAS DRIVEN BY SIGNIFICANT GAINS FROM INVESTMENTS IN FINANCIAL SERVICES STOCKS AND REAL ESTATE INVESTMENTS

NAIROBI, KENYA, 4 December, 2017

Cytonn Investments Management Plc ('Cytonn Investments') have today released their Q3'2017 unaudited results, posting impressive growth. Revenues grew by 127% to Kshs 2 billion for the 9 months' period ending 30th September 2017, from Kshs 886 million for the period ending September 2016. Profitability was driven by investments in financial services stocks and real estate investments.

Balance Sheet growth was also robust, with total assets growing by 54.0%, to Kshs 18.2 bn as at 30th September 2017 from Kshs 11.8 bn as at FY'2016. The strong growth in the balance sheet was driven by a 45.0% growth in the company's real estate holdings in Investment Property, from Kshs 10.1 bn as at FY'2016 to Kshs 14.6 bn as at 30th September 2017. The growth in total assets was also supported by strong growth in our real estate projects under mandate, and strategic investments in financial services through our Quoted Investments. Projects under mandate in the real estate portfolio increased by 10.8% from Kshs 74 bn as at FY'2016 to Kshs 82 bn as at 30th September 2017.

Kshs Million	17-Sep	16-Sep	% Change
Proceeds from Sale of Real Estate Projects	522	247	111%
Services and Advisory Fees	271	128	112%
Asset Management Income	141	24	509%
Investment Income	159	86	85%
Operating Fair Value Gains	922	401	130%
Total Operating Income	2,015	886	127%
Cost of Sales	(609)	(243)	150%
Operating and Finance costs	(869)	(540)	61%
Profit before tax	537	103	421%

"2017 is a great year for our investors, as can be seen from our financial results, and we shall look to close the year strongly. During a period where the market was distracted by the long electioneering period, Cytonn was focused on picking opportunities at attractive valuations to deliver the best returns to clients. Our private offers distribution continues to be a key focus area for the firm, and in line with the same we have opened two offices this year one in Nyeri and in Nairobi, which brings the total number of offices in Kenya to six" noted Edwin H. Dande, the Managing Partner and CEO at Cytonn Investments. "Given the long-term growth prospects of Kenya and the Sub Saharan African Region, we shall continue to be investing in our strategic initiatives such as education and hospitality, while also growing in the Region and offering our clients exposure to a number of regional markets. More importantly, all of our growth



and investments is based on rigorous research and have been made with adherence to a strong corporate governance structure with a key focus on processes and policies”, added Edwin.

“In a year when the economy faced uncertainties due to the Kenyan General Elections, our investors have so far realized excellent returns driven by our investments in prime real estate developments in locations with compelling demographics and our Quoted Investments in the financial services sector. We invested in strong brands such as KCB Group shares, which have almost doubled since their low valuations of February 2017” said Elizabeth N. Nkukuu, CFA, Senior Partner & Chief Investment Officer at Cytonn.” We are confident in continuing to deliver superior returns to our investors. All of our investments continue to address the housing shortage, create employment opportunities, with over 1,500 jobs having been created to date, and play a part in the growth of our economy,” added Elizabeth.

“We are pleased to present strong financial results, and look to continue and close the year well. During the year, we have made heavy investments in real estate, with a 45.0% increase in investment property, to Kshs 14.6 bn as at September 2017, from Kshs 10.1 bn as at FY’2016. Revenue increased by 134.0% to Kshs 932.9 mn for September 2017, from Kshs 398.7 mn for the same period last year, driven by our live real estate developments. The investment property in the development pipeline of Kshs 82.1 bn has had gains of Kshs 581.2 mn YTD 2017, which highlights the attractive investment opportunity in real estate in Kenya and the region,” said Shiv Arora, Cytonn’s Financial Controller. “Group accounting profit for the 9-months ended September 2017 came in at Kshs 526.0 mn. This resulted in growth of shareholder equity of 15.8% to Kshs 6.2 bn, from Kshs 5.3 bn in the same period last year,” added Shiv Arora.



Notes to the Editor:

Cytonn Investments is an independent investment management firm, with offices in Nairobi - Kenya and D.C. Metro - U.S. We are primarily focused on offering alternative investment solutions to individual high net-worth investors, global and institutional investors and Kenyans in the diaspora interested in the high-growth East-African region. We currently have over Kshs. 82 billion of investments and projects under mandate, mainly in real estate.

Cytonn Real Estate is Cytonn's development affiliate, which is focused on developing institutional grade real estate targeted at specific institutional, high net-worth and Diaspora investors.

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