



Kenya Power

PROFIT WARNING ANNOUNCEMENT

THIS ANNOUNCEMENT IS MADE PURSUANT TO PARAGRAPH G.05 (1) (F) AND (2) OF THE FIFTH SCHEDULE TO THE CAPITAL MARKETS (SECURITIES) (PUBLIC OFFERS, LISTING AND DISCLOSURES) REGULATIONS, 2002

The Board of Directors of The Kenya Power and Lighting Company Limited (the "Company") wishes to inform its shareholders, potential investors and the general public that the Company's net earnings for the financial year ended 30th June 2019 are projected to decline by more than 25% of the net earnings reported in the financial year ending 30th June 2018.

The drop in profits is attributable to, among others, an increase in non-fuel costs in line with the Company's long term strategy of growing cheaper and cleaner renewable energy. The growth in renewable energy is aimed at enhancing the Company's sustainability and making power affordable to all whilst reducing dependency on thermal generation.

Under the current strategy, The long term cost of energy to the consumers will be reduced and the long term profitability of the Company will be increased.

ENG. JARED OTHIENO
AG. MANAGING DIRECTOR & CEO

DISCLAIMER

This announcement has been issued with the approval of the Capital Markets Authority pursuant to the Capital Markets (Securities) (Public Offers, Listing and Disclosure) 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.