

LIMURU TEA COMPANY LIMITED

The Capital Markets Act, Chapter 485a of Laws of Kenya
The Capital Markets (Securities) (Public Offers, Listing and Disclosures)
Regulations, 2002

PROFIT WARNING ANNOUNCEMENT

The Board of Limuru Tea Company Limited makes this announcement in compliance with the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002.

The Board of Directors of the Company hereby informs holders of securities issued by the Company and the general public that based on a preliminary review of the financial statements of the Company, the Company is expected to record a decline of more than 25% in the net profits attributable to the shareholders of the Company for the financial year ended 31st December 2016 as compared with that for the same period ending 31st December 2015.

The Board is of the view that the estimated decrease in the results for the period is mainly due to:-

1. The impact of the amendment of IAS 41(Biological Assets Valuation), Bearer Plants to IAS 16 (Property, Plant and Equipment) resulting in the classification of Bearer Plants as depreciating assets which negatively impacts the earnings.
2. Increase cost of production

The information contained in this announcement is only based on the information currently available to the Board and a preliminary evaluation of the financial statements of the Company for the period of 12 months (which are being audited and being reviewed by the Company's auditors). Details of the Company's financial information will be disclosed in the announcement of final results of the Company for the financial year ended 31st December 2016 which is expected to be published by mid of March 2017.

This announcement has been approved by the Capital Markets Authority (The CMA). As a matter of policy, the CMA does not assume responsibility for the accuracy of any of the statements made or opinions or reports expressed or referred to in this announcement.

Dated 24th February 2017.

By Order of the Board

For and on Behalf of Limuru Tea Company Limited

Signed

Duncan Stickler

Chairman