

**THE REACTION OF STOCK PRICES TO DIVIDEND
ANNOUNCEMENT: SEGMENTAL EVIDENCE FROM THE
NAIROBI SECURITIES EXCHANGE**

BY

FREDRICK LUKOBA SHITABULE

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DECLARATION

This research project is my original work and has not been submitted for a degree in any other university and where have used other people's work I did duly acknowledge such herein.

Signature:

Date:.....

Name: Fredrick Lukoba Shitabule

Reg : D63/83935/2012

This research project has been submitted for examination with my approval as the University Supervisor.

Herick Ondigo

Lecturer,

Department of Finance and Accounting

School of Business

University of Nairobi

Signature.....Date:

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DEDICATION

This work is dedicated to my dear wife Juliet, daughter Joy and sons Sam and Nathaniel for moral support, encouragement and patience during the course of my studies.

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LIST OF ABBREVIATIONS

AAR	:	Average abnormal return
AR	:	Abnormal return
CAAR	:	Cumulative Average Abnormal return.
CAR	:	Cumulative Abnormal Return
CMA	:	Capital Markets Authority
EMH	:	Efficient Market Hypothesis
FISMS	:	Fixed Income Securities Segment
GEMS	:	Growth Enterprise Market Segment
IPO	:	Initial Public Offer
NSE	:	Nairobi Securities Exchange
MIS	:	Main Investment Segment

ABSTRACT

The impact of dividend announcement on stock prices has been a matter of intense debate for academics, the managers and shareholders of many companies for several years. Several theories have been developed to explain the relationship that exists between dividend announcement and stock prices. Much research done in this area have given contradicting findings. Modern corporate organizations listed in the security markets periodically communicate their financial performance to stakeholders through dividend announcements. Efficient markets immediately absorb and reflect the new information into the share prices. This study examines the effect of dividend announcement at the securities Exchange (NSE) by analyzing changes in share prices of stock in different segments. The specific objective is to determine how different segment react to dividend announcement. The period covered 2009 to 2013. Abnormal returns during the event window of 61 days were determined using the event study methodology employing the market model on data from 10 listed companies. Inferential and descriptive statistics were used to test for significant on abnormal returns at 5% probability level. There was a significant positive change in stock prices in the Main Investment Market compared to Alternative Investment Market Segment whose positive change was not significant. This is an indication of varied efficiency between the segments.

CHAPTER ONE

1.1 Background of the Study

There are numerous researchers that have been concerned in their papers with the impact of the dividend announcements on the stock prices. Patell and Wolfson (1984) examined the effects of news release of earnings and dividend announcements on mean, variance and serial correlation in consecutive changes. The results show dividend announcements bring much less activity than earnings do. However, it is a matter of intense debate for the academics, the managers and the shareholders of many companies for several years. Several theories have been developed to explain the relationship that exists between dividend announcement and stock prices nevertheless none of these theories that have been introduced by significant academics were essentially able to terminate the above mentioned debate, as the empirical results of various studies, in the most important stock exchanges globally, concluded to different outcomes, supporting different theories. Gordon (1962) suggested a valuation models relating the market value of the stock with dividend policy. Gordon studied dividend policy and market price of the share and proposed that the dividend policy of firms affects the market value of stocks even in the perfect capital markets.

Miller & Modigliani 1961 proposed irrelevance of dividend policy theory suggesting that the wealth of the shareholders is not affected by dividend policy. It is argued in their theory that the value of the firm is subjected to the firms earning, which comes from company`s investment policy. The literature proposed that dividend does not affect the shareholders` value in the world without taxes and market imperfections. They argued that dividend and capital gain are two main ways that contribute profits of firm to shareholders. When a firm chooses to distribute its profit as dividends to its shareholders, then the stock price will be reduced automatically by the amount of dividends per share on the ex-dividend date.

1.1.1 Dividend Announcement

Dividends are distribution of a portion of a company's earnings, decided by the board of directors, to a class of its shareholders. As per the capital market authority act (CMA) Once a board passes a resolution to pay either interim or final dividend such a resolution should be registered with capital market authority within 24 hours. The dividend is most often quoted in terms of the amount each share receives (dividends per share). It can also be quoted in terms of a percentage of the current market price, referred to as dividend yield. It relates to the amount and timing of any cash payments made to the company's stockholders. The decision is an important one for the firm as it may influence its capital structure and stock price. In addition, the decision may determine the amount of taxation that stockholders pay (Mokaya et al., 2013)

Traditionally, managers pay attention to their choice of dividend policy for the firm since they believe that dividend policy influence the value of their company and hence the wealth of their shareholders. Value is important for both companies listed at the stock exchange and those not listed. It is important especially when there is a takeover bid and the offer price is an estimated fair value in excess of the current market price of shares. This is also important in case of a scheme of merger and each company`s shares must be assessed. For purposes of taxation value of shares is very important and if shares are to be pledged as collateral for loan their value will be very important. Firms therefore are interested in maximizing the value of the firms and therefore most of them go for dividend policies that will enable them achieve this objective.

1.1.2 Stock Prices

A company worth – its total – value is its market capitalization, and it is represented by the company`s stock price. Market capitalization is equal to the stock price multiplied by the number of shares outstanding. Thus, the stock price is a relative and proportional value of a company`s worth and only represents percentage changes in market

capitalization at any given point in time. Any percentage changes in a stock price will result in an equal percentage change in a company's value. This is the reason why investors are so concerned with stock prices and any changes that may occur a drop can result in loss for shareholders. Stock price of a company is calculated when a company goes public, an event called an initial public offering (IPO). This when a company will pay an investment bank which then uses very complex formulas and valuation techniques to derive a company's value by determining how many shares will be offered to the public and at what price. That is, an investment bank evaluates the company's current and projected performance and health to determine the value of the initial public offer for the business. The bank can do this by comparing with the IPO of another similar company, or by calculating the net present value of the firm. The company and the investment bank will meet with investors to help determine the best IPO price through a series of road shows. Finally, after the valuation and road shows, the firm must meet with the stock exchange, which will determine if the IPO price is fair (Koech., 2013)

Once trading starts, share prices are largely determined by the forces of supply and demand. A company that demonstrates long-term earnings may attract more buyers, thereby enjoying an increase in share prices. A company with a poor outlook, on the other hand may attract more sellers than buyers, which can result in lower prices. In general, prices rise during periods of increased demand when there are more buyers than sellers. Prices fall during periods of increased supply when there are more sellers than buyers. A continuous rise in price is known as an uptrend, and a continuous drop in prices is called a downtrend. Other factors can affect prices and cause sudden or temporary changes in price. Some examples of this include earnings reports, political events, financial reports and economic news (Koech., 2013)

1.1.3 Effect of Dividend Announcement on Stock Prices

Theoretically, cash dividend means giving reward to the shareholders that is something they already own in the company; hence this will be offset by the decline in stock value

(Porterfield, 1959 and 1965). In an ideal world (without tax and any restrictions) therefore dividend payments would have no impact on the shareholders' value (Miller and Modigliani, 1961). In the real world, however a change in the dividend policy is often followed by change in the market value of stocks. The economic argument for investor' preference to dividend income was offered by Graham-Dodd (1951). Subsequently, Walter (1956) and Gordon (1959 and 1962) forwarded the dividend relevancy idea, which has been formalized into a theory, postulating that current stock price would reflect the present value of all expected dividend payments in the future.

Empirical studies however showed mixed evidence, using the data from US, Japan and Singapore markets. A number of studies found that stock price has a significant positive relationship with the dividend payment [Gordon (1959), Ogden (1994), Stevens and Jose (1989), Kato and Loewenstein (1995), Ariff and Finn (1986), and Lee (1995)], while others found a negative relationship [Loughlin (1989) and Easton and Sinclair (1989)]. A negative relationship between dividend announcement stock returns is expected due to tax effect, but researchers tended to relate the positive relationship between the stock returns and dividend announcement with the information effect of dividend. The dividend information hypothesis postulates that cash dividend carries information regarding the future cash flows of firm that is to be reflected in the market price of stock after announcement of dividend, particularly when dividend increases [Bhattacharya (1979), Bar-Yosef and Huffman (1986) and Yoon and Starks (1995)].

1.1.4 The Segments of Nairobi Securities Exchange

The Nairobi Securities Exchange (NSE) is the only stock market in Kenya and is isolated in Nairobi city. It was formed in 1954 as a voluntary organization of stock brokers and is now one of the most active capital markets in Africa. As a capital market institution, the stock Exchange plays an important role in the process of economic development. It helps mobilize domestic saving thereby bringing about the reallocation of financial resources from dormant to active agents. Long term investments are made liquid, as the transfer of

securities between shareholders is facilitated. The stock has also enabled companies to engage local participation in their equity thereby giving Kenyans a chance to own shares.

The NSE is organized into four market segment namely; Main investment market (MIM), Alternative Investment Market Segment (AIM), Growth Enterprise Market Segment (GEMS) and Fixed Income Securities Market Segment (FISMS)

The MIM is the main quotation market; the AIMS provide an alternative method of raising capital to Small Medium Sized and young companies that find it difficult to meet the more stringent listing requirement of the MIMS. GEMS mean securities which facilitates trading of securities of start-up small and medium size companies. The FIMS provides an independent market for fixed income securities such as treasury bonds, corporate bonds preference shares and debenture stocks, as well as short financial instruments such as treasury bills and commercial papers (www.nse.ke)

There are sixty two listed companies at the NSE as at July 2014 classified according to the sector in which they operate i.e Agriculture, Automobiles and Accessories, Banking, Commercial and services, Construction and allied. Energy and petroleum, Insurance, Investment, Manufacturing, Telecommunication & technology and lastly Growth enterprise market segment.

1.2 Research Problem

Dividend policy is concerned with financial policies regarding paying cash dividend in the present or paying an increased dividend at a later stage. Coming up with a dividend policy is challenging for the directors and financial managers of company, because different investors have different views on present cash dividends and future capital gains. Another confusion that pops up is regarding the extent of effect of dividends on the share price. The empirical studies which have mainly focused on developed economies show that there is a relationship between the dividend payments and stock prices (Pandey, 2004). Current dividend payments reduce investor's uncertainty, causing investors to

discount the firm's earning at lower rate of return while dividend reduction increases investors' uncertainty raising the rate of return.

The goal of corporate entities is to maximize the value of shareholders' investment in the firm. Managers pursue this goal through their investment and financing decisions. Investment decisions involve selection of positive net present value projects while financing decisions involve selection of a capital structure that would minimize the cost of capital of firm. Apart from the investment and financing decisions, managers need to decide on regular basis whether to payout the earning to shareholders, reducing the agency problem (Jensen and Meckling, 1976). However, the question remains whether paying out of earnings would essentially create value for the shareholders or not.

Numerous studies have been done on NSE in this area including: A study by Kirago et al (2012) on effects of dividend policy on share prices case of companies in NSE. This study was prompted by a Nairobi Securities Exchange publication (2010) which showed CMC Holding limited which had increased their payout ratio from 27.49% in 2009 to 28.28% in 2010 thus impacting positively on the stock prices from 15.35 in 2008 to Kshs 18.85 in 2009. It also showed that CFC stanbic bank limited changed their payout ratio from 32.05% in 2009 to 16.6% in 2010 thus impacting negatively on the stock prices from 129.00 in 2007 to Kshs 60.00 in 2008. This evidently showed that indeed dividend policy has an impact on the share prices of NSE however they wanted to identify how clientele effect influence share prices of NSE, also wanted to determine how tax incentive influence share prices of NSE and how free cash flows influence share prices of NSE.

In Koech (2013) research on effects of stock split announcement on stock of publicly quoted firms in Kenya where he sought to establish the effect of stock split announcements on stock prices of quoted firms in Kenya. It was observed and concluded that stock split announcements are informational events that cause increase in stock prices. It was also concluded that these events (stock splits announcements) cause a general increase in stock prices.

In a research by Kiremu, et al (2013) where they sought to establish Stock price and volume Reaction to Annual Earnings Announcement a case of the Nairobi Securities Exchange. It was established that NSE is of semi-strong efficiency, where it is not possible to earn abnormal returns in the NSE using the publicly available information. In Mokaya, Nyang`a and Tintira (2013) research on the effects of dividend policy on market share value where the study sought to determine the effects of dividend policy on the market share value in the banking industry in Kenya using National bank as case for the study. It was established that a strong and positive correlation between dividend payout and market share value exists.

From the forgoing studies discussed above, so far there has been no study done to compare the reaction of various segment in the NSE to any information. Hence to determine and illustrate the difference in levels of efficiency of the various segments as postulated by Market Efficiency Theory. This study undertakes to compare how segment market prices react to dividend announcement.

Various models have been developed to help firms analyze and evaluate the perfect dividend policy. There is no agreement between these schools of thought over the relationship between dividends and the value of the share or the wealth of the shareholders in other words. One school consists of people like Walter and Gordon who believe that current cash dividends are less risky than future capital gains. Thus, they say that investors prefer those firms which pay regular dividends and such dividends affect the market price of the share. Another school linked to Modigliani and Miller (1961) Where they demonstrated the irrelevance of dividend policy under a set of assumption, that's, dividend policy has no effect on stock prices. But when these assumptions are relaxed, the theory begins to collapse. The market Efficiency Hypothesis asserts varying levels of efficiency in the various market sectors. This raises the question: Does the reaction of stock prices to dividend announcements differ from one sector of Nairobi Securities Exchange to the other?

1.3 Research Objective

To establish the reaction of stock prices to dividend announcement in the different segments of Nairobi Securities Exchange.

1.4 Value of the Study

This research aimed to extend evidence on how the segments of Nairobi Securities Exchange react to dividend announcement. This will help management of publicly quoted companies to determine the effect of dividend announcement on price of their stock in relation to the market segment that they operate in. The study is aimed to provide a comparison on market efficiency of the market segments. This research is important to investors, portfolio managers, decision makers and other market players who use dividend announcements to measure their trading expectations. Lastly, evidence from analyzing stock price reaction to dividend announcements in developing and emerging markets respectively casts more light on whether the theory of efficient market is supported, or contradicted by the various empirical findings.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter has discussed the review of related theoretical and empirical literature on effect of dividends on stock behavior. Much has been done on effect of earning/dividend announcement on stock prices. The contextual issues and conceptual issues have been addressed in this Chapter.

2.2 Theoretical Review

This presents an overview of theories upon which this study is based the theory of market efficiency developed by Fama, Stock Market Valuation Model developed by Smith and Gordon, Modigliani and Miller theorem including Clientele and Signaling Effect. Theoretical explanations and the various researches that have been done are also presented.

2.2.1 The Efficient Market Hypothesis

Fama (1965) organized growing empirical evidence of efficient capital markets and came up with the efficient market hypothesis as a formal statement of the market efficiency (EMH). An efficient market is one which securities fully reflect all possible information quickly and accurately. The concept holds that investors incorporate all available information into their decisions about the price at which they are willing to buy and sell. At any point in time then, the current price of a security incorporates all information. Additionally, the current price reflect not only past information such as might be found in company`s report and financial publications, but also events that have been announced but haven`t yet occurred, like a forthcoming dividend payment. Furthermore, the current prices reflect predictions about future information. Investors actively forecast important

events and incorporate those forecasts into their estimates. Obviously, because of keen competition among investors, when the new information becomes known; the price of the security adjusts quickly. This adjustment is not always perfect. Some time it is too large and other times too small. But on average it balances out and is correct. The new price is set after investor have fully assessed the new information (Malkiel 2003)

Fama (1970) reviewed the theory of efficient Market Hypothesis. In his study he made a distinction between three forms of EMH: the weak form, the semi strong form and the strong form of market efficiency. It is the semi strong form that has formed the basis for most research.

The strong form suggests that security prices reflect all available published and unpublished information: even privately held information. Seyhum (1986) provides sufficient evidence that insiders profit from trading on information not already incorporated into prices. Hence the strong form does not hold in a world with uneven playing field. The semi strong form of EMH asserts that security prices reflect all publicly available information. There are no undervalued or overvalued securities and thus, trading rules are incapable of producing superior returns. When new information is released, it is fully incorporated into the price rather speedily. The Availability of intraday data enabled tests which offer evidence of public information impacting stock price within minutes (Gosnell, Keown and Pinkerton, 1996)

To establish whether the market is strong, researchers have employed event studies. One can study the effect of earnings/dividends announcements, bonus issues or changes in accounting policies. The semi strong efficient market hypothesis implies that the prices reflect an event or information very quickly and therefore, it is not possible for an investor to beat the market using such information. The weak form of the hypothesis suggests that past prices or returns reflect future prices of returns the security prices reflect all past information about the price movements. It's therefore not possible for an investor to predict future security price by analyzing historical prices and achieve a

performance better than the stock market index. The inconsistent performance of technical analysts suggests this form holds. However the concept of the weak form was expanded to include predicting future returns with the use of accounting or macroeconomic variables.

While the semi strong form of EMH has formed the basis of most empirical research, recent studies have expanded the tests of market efficiency to include the weak form of EMH. There continues to be disagreements on the degree of market efficiency. There are several implications associated with market efficiency; if markets are efficient, then security selection becomes less important as to whether overvalued or undervalued. In fact, if markets are efficient it would be a good idea to buy a large number of stocks with reduced costs whilst maintaining a passive diversified investment portfolio. Thirdly, if markets are efficient then little role exists for professional money managers, full service brokers and purchasing mutual funds, shares would be cost less that is no load fees.

Another implication is that if market is efficient, then there is no need to time the market. Market timing involves moving money in and out of the market based on your expectations of future market trend. By trying to time the market on average may lead to underperforming the market. Lastly, historically most of the gains earned in the stock market have tended to occur over relatively short periods of time (Jordan et al., 2012). One implication of an efficient market is that abnormal returns can be made from this information because current prices already reflect the information (Adelegan, 2009).

2.2.3 Tobin`s Q theory

Tobin (1996) defines Q as firm`s market value divided by the replacement cost of capital, and further argues that new plant and equipment is cheap relative to the market value of business firms. Companies can then issue equity and get a high price for it relative to the cost of plant and equipment they are buying. Thus investment spending will rise because firms can buy a lot of new investment goods with only a small issue of equity.

On the other hand, when Q is low, firms will not purchase new investment goods because the market value of firms is low relative to the cost of capital. If companies want to acquire capital when q is low, they can buy another instead. Investment spending will then be low. It follows that a link exists between Tobin's Q and investment spending. In a monetarist view, when the money supply rises, the public finds that it supply rises, the public finds that it has more money than it wants and so tries to reduce the holdings of money by increasing their spending. One place the public can spend more is the stock market, increasing the demand for equities and consequently raising their prices (Mishkin, 1996).

2.2.4 Modigliani-Miller Theorem

The Modigliani and Miller (1958) Theorem states that shareholders are indifferent to the division of retained earnings into dividends and new investments. If correct, it predicts that the amount of retained earnings spent on dividends, which raise stock prices, is offset by the effect of issuing new stock to replace the money spent on dividends, which lowers stock prices. The model doesn't consider the use of debt instead of new stock issuance. The M-M Theorem concludes that dividend policy does not affect stock price.

2.2.5 Clientele Effect theory

Developed by Miller and Rock (1985), the theory acknowledges the fact that income-oriented investors are drawn to dividend-paying stock, while those who are less risk-adverse prefer capital gains. Thus, if a company makes substantial changes to its dividend policy, some shareholders will approve and may buy additional shares, while other shareholders will sell their shares and find others that are more to their liking.

2.2.6 Signaling Effect theory

Developed by Ross (1977) who argued that in an efficient market, managers can cause dividend payment to signal important information to the market thus this theory states

that an increase in the dividend rate should be viewed as a vote of confidence by the corporation board about the company's prospects to increase growth and earnings. If the board thought that the firm would be short of funds, it would cut dividends rather than raise them. Since board directors know the most about the company, the positive signals it sends should be viewed by investors as a reason to buy shares and thus raise share prices.

2.3 Determinants of Stock Prices

Historical movement in stock prices indexes may be attributed to new information either about future real dividends or about real interest rates used to discount these dividends to today's price the determinants would include:

2.3.1 Dividend Announcements

Dividend announcement is an alternative signaling mechanism that informs investors about the future profitability of their investments in a firm (Osei, 2002). Several researches have done to examine the reaction of stock prices to dividend announcement and also to examine the adjustment of stock prices in response to both earnings and dividend releases. A study by Adelegan (2009) examined whether the Nigerian stock market reacts efficiently to dividend announcement in terms of price changes and the findings suggested that dividend policy matters therefore share prices do react to dividend announcements

2.3.2 Stock Split Announcement

Fama et al (1969) defined a stock split as an exchange of shares in which at least five shares were distributed for every four formerly held outstanding. This means that shareholders got additional shares for every share previously held. Study done on this have indicated a positive reaction about stock, for instance , Dhar and chhaochharia (2008) carried out a research on market reaction to stock splits and bonus issue in the

indian stock market. They found a positive average abnormal return which was significant.

2.3.3 Earnings Announcements

Earning announcement contains information about past earnings and future earnings prospects. Researchers have shown that significant price changes do arise in expectation of actual earnings. According to the EMH, stock prices changes should then respond instantly to surprising news, or the earnings “surprise”. In addition, some researchers have found that buying stock after positive earnings surprise is a profitable investment strategy (Jordan, et al., 2012)

2.3.4 Political Events

A significant body of literature suggests that political events adversely affect economic performance. For example a study by Schwert (1989) notes that the volatility of stock market returns in the United States during great depression (1929-1939) could be attributed to political uncertainty regarding the survival of the capitalist system in the United States.

2.4 Event Study Methodology

Event methodology is viewed as a powerful tool in efficient market hypothesis research and many researchers e.g. Fama, et al (1969); Aga and Kocaman (2008); Lonie, et al (1996); Gajewski and Quere (2001) have successfully utilized the event study to determine how prices react to new information releases in the market. Mushidzi and ward (2004) emphasizes that event methodology is often used to determine whether there is a statistical difference between actual stock returns and expected returns surrounding an event.

Binder (1998) provides a framework for conducting an event study, in instances when the event date is known and unknown. Practical experience and opinion of most authors

suggest that most cases, if the date is known when information will reach the market, therefore, the popularity of methodologies that assume known event dates have gained prominence over the other. In extant studies, for instance Jegadeesh and Karceski (2009) successfully implemented the known event methodology. This study now acts as a reference to most current studies that assumes a known event date. In this study, the events dates for dividend announcement are well known and documented. For this reason, we adopt the methodology discussed by Binder (1998) and implemented by Jegadeesh and Karceski (2009).

The market reaction to dividend announcement is often determined over a short term and over a medium term or long term periods. As in Ball and Kothari (1991), the short-term period uses daily data where the event window is -10 days before and +10 days after the announcement date and day 0 is the event date. The 10 days before the announcement date helps to determine if the news leaked into the market before announcement date. The medium term analysis investigates market reaction about six months after the dividend announcement date. The medium term analysis enables researchers to determine if there is post announcement drift on the NSE capital markets. The long term analysis is often used to test the market reaction over a period longer than a year. This research adopts the short term period using daily share data for analysis purposes.

Confounding events such as bonus issues, stock splits, right issues, management changes (hiring or dismissal of key management staff), restructuring (either operational or financial), mergers and acquisitions will be excluded from the study. We shall obtain from NSE firms that have had stock splits during the research periods and will be deleted. Also we will ensure that the firms under study had both their dividend announcement made on the same date. This is to ensure that the price movement is solely due to the dividend announcements (Mlonzi et al., 2011).

2.5 Empirical Review

There are several studies which have been done on information content of dividend announcement on the price of common shares both locally and internationally.

2.5.1 International Evidence

Black and Scholes (1974) attempted to answer the question of how stock prices react to dividend announcement in a study that covered a period of 35 years (from 1931 to 1966). They created 25 investment portfolios from companies listed in the New York Index and classified them into five groups according to the cash dividend policy they followed. Then they divided each group into five categories according to risk (beta coefficient). Examining the investment portfolio returns compared with the cash dividends (cash dividends distribution policy in place), they did not find any statistically significant relationship between the cash dividends and the total portfolio return.

Strong form market efficiency has also been investigated by Adelegan (2003) in Nigerian market through the application of event study. He examined the reaction of stock market to dividend announcement and concluded that Nigerian stock market was not found to be efficient one with respect to semi strong form.

In Aamir and Shah (2011) where event study was conducted on 26 announcements to investigate dividend announcement and abnormal stock returns for the event firm and its rival in Pakistan. In this study data span of 2004-2008 was covered. Impact of dividend announcement on stock prices of event and rival firms was analyzed and it was found that dividend announcement depicts positive impact on share prices of companies at the time of announcement as well as immediately after such announcement.

The empirical result of a study done by Mahdavi and Younesi (2012) on the impact of dividend policy on share price volatility in Malaysian Stock market showed significant negative relationship between share price volatility with two main measurements of

dividend policy which are dividend yield and dividend payout. Moreover, a significant negative relationship between share price volatility and size is found. Based on findings of this study, dividend yield and size have most impact on share price volatility amongst predictor variables.

Finally a study by Lashgari and Ahmadi (2014). The main purpose of this study was to examine the impact of dividend policy on share price volatility in Tehran Stock exchange. The number of statistic community was 470 companies in Tehran Stock Exchange. 51 companies were chosen during 2007 to 2012. The statistical model used was multivariable regression model and for testing compound data (panel) were used. Before analyzing the data, Unit root test, Chaw test and Hausman test for stationary tests of the variables, Select panel data in pooling data and the fixed effects model was chosen. Then the fixed effects model to test the research hypotheses. The result indicated at the error level on 5%, Dividend payout ratio has a significant negative effect on stock price volatility and asset growth rate has a significantly positive effect on stock price volatility.

2.5.2 Local Evidence

Research by Karanja (1987) on dividend practices of publicly quoted companies, it was found that there are many reasons why firms pay dividends and the dividend payment directly affected the share price of the company in question. One reason is lack of investment opportunities, which promises adequate returns. Firm`s cash position was the most important consideration of timing of dividends.

Study by Bitok (2004) on the effect of dividend policy on the value of the firms quoted at the NSE found that paying dividends reduces risk to the companies and thus influence stock price. The study also found that dividend yields and payout ratio serves as proxies for the amount of projected growth opportunities.

Study on Effects of dividend policy on share prices: A case of companies in NSE by Waithaka, et al. (2012) which sought to identify how clientele effect influence share

prices of NSE, also determine how tax incentives influence share prices of NSE and to identify how free cash flows influence share prices of NSE. The study employed a case method and concluded that higher pre-tax risk adjusted returns associated with higher dividend yield stocks affected share price and that investors whose portfolios had low systematic risk preferred high-pay-out stocks. The study further concluded that an increase in firms stocks trading volume affected the share price and those investors who wanted current investment income owned shares in high dividend payout firms.

A study by Kiremu et al. (2013) which examined the effects of earnings announcement at the NSE by analyzing changes in share prices and trading volumes for the period from 2006 to 2010. This event study indicated that the abnormal returns and TAR were not significant at 5% probability level. Hence indicating that NSE is of semi-strong efficiency, where by it is not possible to earn abnormal returns in the NSE using the publicly available information.

2.6 Summary of Literature Review

Many studies undertaken in various stock markets in the world produced mixed results. In many of the studies, Dividend announcement elicited positive results. This supports proponent of dividend relevance theories like Gordon. (Gordon, 1962) suggested a valuation model relating the market value of the stock with dividend policy. On the other hand other studies that produced negative results of dividend announcement supports dividend irrelevance theory. (Miller & Modigliani 1961)

Many local studies have been done on this area. Many of the studies found that dividend announcement led to an increase in the price of shares. However most of the studies were concern with how generally the stock market reacts to dividend as information. No study has been done to investigate how different market segment of Nairobi Securities Exchange react to dividend information. It's this gap that this study undertakes to fill.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This section provides an overview of the research methodology employed in this study. It describes the nature of data required and the sources of the data for the study. It also describes the sampling method and the criteria for the selection. The chapter outlines the research design providing a description of event study methodology used to test the behavior of stock returns and market efficiency.

3.2 Research Design

The standard event-study methodology is employed in this study to determine how different segments of NSE react to dividend announcements. An Event study is a statistical method to assess the impact of an event on the value of a firm. For example, the announcement of a merger between two business entities can be analyzed to see whether investors believe the merger will create or destroy value (Mitchell and Netter 1994). Similar studies have successfully utilized event study to determine how prices react to new information released in the market. Thus the use of event study in this research (Gajewski and Quere, 2001).

3.3 Population

The population of interest in this study consisted of 62 companies quoted on Nairobi Securities Exchange as at 31st December 2013 (See Appendix 1). However, we consider all firms in the alternative investment segment (AISM) that announced dividend and a sample of five firms from the main investment segment market (MISM) that announced dividend as well. The quoted companies were chosen due to lack of readily available data from private companies.

3.4 Data Collection

The study was based on data from secondary sources. Data on dividends was extracted from NSE handbook and published financial statements/reports of companies quoted on NSE. Data on announcement of dividend was extracted from NSE Handbook. Data on price of the shares of the firms was obtained from daily trading sheets and extracts from NSE Handbook. Firms whose daily prices were not available or had no dividend payout over the study period were eliminated because they could not satisfy the set criterion.

3.5 Data Analysis

Data that is presented in this study is mainly extracted from Nairobi Securities Exchange Handbook and daily trading sheets. Model employed in event study were used in analyzing the data.

3.5.1 Analytical Model

In order to study the impact of dividend announcement on market price of Shares, two measures are used; abnormal return and accumulative abnormal return. The NSE 20-share price index was used as a proxy of average market price.

Compute the Expected Returns using the market model

$$E(R_{it}) = R_f + \beta_j(R_{mt}).$$

Where,

$E(R_{it})$ = Expected return on security 'i' during time period 't'.

R_f = Intercept of a straight - line or alpha coefficient of ith security.

β_j = Slope of a straight - line or beta coefficient of ith security

R_{mt} = Expected return on the NSE 20-share price index during period "t".

β_j values are estimated by using the following formula:

$$B_j = \frac{N \sum_{t=1}^N R_{mt} R_{it} - (\sum_{t=1}^N R_{mt})(\sum_{t=1}^N R_{it})}{N(\sum_{t=1}^N R_{mt}^2) - (\sum_{t=1}^N R_{mt})^2}$$

Where,

b_i = Slope of a straight line or beta coefficient of security 'i'

N = Number of observations

R_{mt} = Return on market index 'm' during time period 't'

R_{it} = Return on security 'i' during time period 't'

Compute the Abnormal Return

Calculate the excess returns using the mean-adjusted model proposed by Brown and Warner (1980) which observes the event period of all shares market index minus a constant; which is that all shares market index mean market index derived over the estimation period. For the daily market index, the excess return takes the model.

$$AR_{i,t} = R_{i,t} - E(R_{i,t})$$

Compute the Cumulative Abnormal Return

Calculate Cumulative abnormal returns (CAR) will be calculated for the daily index over the event window $t = -T_2$ to T_3 . For the daily market index, the following CAR model shall be used to compute the cumulative abnormal returns.

$$CAR(-T_2, T_3) = \sum AR_{i,t}$$

$$t = -T_2$$

Test of significance

At this stage we perform statistical tests to assess the significance of the observed abnormal returns owing dividend announcements shall perform parametric tests of simple student t statistic. Other writers on event studies prefer to use parametric tests (eg Brown and Warner 1985, Barber and Lyon 1997). In addition, parametric t-tests have been found to work well (Berry Gallinger and Henderson, 1990). Therefore will have used for ease of generalization the Nairobi securities exchange the t-statistic model.

$$tCAR = CAR_{i,t}/S_{e,t}$$

Where $S_{e,t}$ is the standard deviation over the estimation period.

CHAPTER FOUR: DATA ANALYSIS, RESULT AND PRESENTATION

4.1 Introduction

This section presents the data analysis and the Nairobi Securities Exchange market share index over the study period and event window. Its followed by a presentation of the results and a detailed discussion of the data and results.

4.2 Sample Characteristics

The sample includes 10 companies listed on the Nairobi Stock Exchange (NSE) that had announced dividend between 2010 and 2013. The table 4.1 and 4.2 shows the descriptive statistics on the rates of dividends paid out by the companies between 2010 and 2013.

Main Investment market (MIM)

Table 4.1 Descriptive statistics on pay-out rate (2010-2013)

Company	Minimum payout rate (2009-2013)	Maximum Payout rate (2009-2013)	Average payout rate (2009-2013)
Barclays Bank Kenya	77.2%	93.5%	95.6%
Nation Media Group	30.7%	50.0%	38.3%
Car and General	60.2%	40.5%	50.4%
Rea vipingo	44.5%	62.4%	53.45%
Kenya Power	63.7%	72.6%	68.15%
British American Tobacco			

Source: Research Findings

ALTERNATIVE INVESTMENT MARKET SEGMENT (AIM)

Table 4.2: Descriptive statistics on pay-out rates (2009-2013)

Company	Minimum payout rate (2010-2013)	Maximum payout rate (2010-2013)	Average payout rate (2010-2013)
Limuru Tea Kenya Ltd	30.1%	60.4%	45.25%
Williamson Tea Kenya Ltd	16.3%	51.0%	27.1%
Eaagads Ltd	30.5%	63.1%	46.8%
Trans-Century Ltd	45.4%	79.5%	62.45%
Kapchorua Tea Co. Ltd	14.1%	156%	57.6%

Source: Research Findings

According to the NSE Handbook (2013), the payout Ratio is calculated by dividing dividend declared per share by earning per share in that particular year and the result expressed as a percentage (%).

4.3 Cumulative Abnormal Return

4.3.1 CAR for 2009

Table 4.3 shows CAR_t findings for the 61-day window period for a sample of 10 from both Segments which paid dividends. The findings indicate that the market cumulative abnormal return improved significantly for all companies in the MIM after the announcement of dividend payout unlike in the Alternative investment where only one firms CAR improved after announcement of dividend. This is evidenced by the significant gains in the values of CAR_t for the period between $(t=0)$ and $(t=+30)$.

Table 4.3 Cumulative Abnormal Return

Company	CAR _t (t=-30 days)	CAR _t (t=day 0)	CAR _t (t=+30day)	CAR _t 61 days
Barclays Bank Kenya (MIM)	0.0244	0.0981	0.9943	1.1168
Nation Media Group (MIM)	-0.056	0.123	0.915	0.982
Car and General (MIM)	-0.105	0.4493	1.1583	1.5026
Rea vipingo (MIM)	-0.046	-0.01	1.2311	1.1751
Kenya Power (MIM)	-0.011	0.224	0.432	0.645
British American Tobacco (MIM)	-0.0044	0.215	0.31	0.5206
Limuru Tea Kenya Ltd (AIMS)	-0.016	0.044	0.0104	0.0384
Williamson Tea Kenya Ltd (AIMS)	-0.011	-0.013	0.0112	-0.0128
Eaagads Ltd (AIMS)	-0.019	-0.012	0.011	-0.02
Trans-Century Ltd (AIMS)	-1.106	0.023	0.11	-0.973
Kapchorua Tea Co. Ltd (AIMS)	-1.082	0.012	0.015	-1.055

Source : Research Findings.

4.3.2 CAR for 2010

Table 4.4 shows CAR_t findings for the 61-day window period for a sample of 10 from both Segments which paid dividends. The findings indicate that the market cumulative abnormal return improved significantly for all companies in the MIM after the announcement of dividend payout unlike in the Alternative investment where only one firms CAR improved after announcement of dividend. This is evidenced by the significant gains in the values of CAR_t for the period between (t=0) and (t=+30).

Table 4.4 Cumulative Abnormal Return

Company	CARt (t=-30 days)	AR (t=day 0)	CARt (t = +30days)	CARt 61 days
			(t= +30 days)	61 days
Barclays Bank Kenya (MIM)	-0.011	0.415	1.5112	1.9152
Nation Media Group (MIM)	-0.026	-0.069	0.915	0.82
Car and General (MIM)	-0.036	0.6171	0.9171	1.4982
Rea vipingo (MIM)	-0.056	0.116	1.1112	1.1712
Kenya Power (MIM)	-0.012	0.225	1.234	1.447
British American Tobacco (MIM)	0.0046	0.219	1.211	1.4346
Limuru Tea Kenya Ltd (AIMS)	-0.014	0.566	0.0109	0.5629
Williamson Tea Kenya Ltd (AIMS)	-0.01	-0.015	0.0112	-0.0138
Eaagads Ltd (AIMS)	-0.009	-0.013	0.001	-0.021
Trans-Century Ltd (AIMS)	-1.116	0.026	0.115	-0.975

Source: Research Findings.

4.3.3 CAR FOR 2011

Table 4.5 shows CAR findings for the 61-day window period for a sample of 10 companies that paid out dividends in 2011. The findings indicate that the market CAR improved for 5 out of the 10 companies of which 4 are from the main investment market and one from Alternative Investment market segment.

Table 4.5 Cumulative Abnormal Return

Company	CARt (t=30 days)	CARt (t= 0 days)	CARt (t=+30 days)	CARt 61 days
Barclays Bank of Kenya	-0.0244	0.0226	1.1106	1.1088
Nation Media Group (MIM)	0.0184	0.5162	0.6139	1.1485
Limuru Tea Kenya Ltd	-0.0012	0.0675	0.0276	0.0939
Williamson Tea Kenya Ltd	-0.0105	0.0105	0.01142	0.01142
Eaagads Ltd (AIMS)	-1.0124	0.0026	0.0139	-0.9959
Car and general (MIM)	-0.0246	-0.0652	0.031	-0.0588
Rea vipingo (MIM)	-0.0212	0.0145	1.1216	1.1149
Trans-Century Ltd (AIMS)	-1.116	0.026	0.115	-0.975

Kapchorua Tea Co. Ltd	-0.0156	-0.0869	-0.0145	-0.117
Kenya power (MIM)	-0.0032	0.1115	1.1226	1.2309

Source: Research Findings.

4.3.4 CAR FOR 2012

The table 4.6 shows CAR_t findings for the 61-day window period for a sample of 10 from both segments which paid in 2012. The findings indicate that 6 out of the 10 companies had the CAR_t values high for the 61-days period. This is due to the significant gains in the CAR_t for the period between day ($t=0$) and day ($t=+30$). Out of the Six firm five were from MIM one from AIMS. A significance test at 5 % level on this CAR found CAR from MIM significant while CAR from the AIMS insignificant.

Table 4.6 Cumulative Abnormal Return

Company	CAR_t (t=30 days)	CAR_t (t= 0 days)	CAR_t (t=+30 days)	CAR_t 61 days.
Barclays Bank of Kenya (MIM)	0.0846	0.0779	0.0182	1.0482
Nation Media Group (MIM)	0.0326	-0.0204	0.0144	0.9761
Limuru Tea Kenya Ltd (AIMS)	-0.0303	-0.0130	0.0132	-1.0133
Williamson Tea Kenya Ltd (AIMS)	-0.0105	-0.0105	0.0134	-0.9543
Eaagads Ltd (AIMS)	-1.0124	-0.0026	0.0139	-1.0432
Car and general (MIM)	1.0163	0.0316	0.1402	0.8024
Rea vipingo (MIM)	-0.0224	-0.0903	0.0321	1.1196
Trans-Century Ltd (AIMS)	-1.116	-0.126	0.115	-0.753
Kapchorua Tea Co. Ltd (AIMS)	0.0210	-0.0438	0.0298	0.9208
Kenya power (MIM)	-0.0224	0.0902	0.0881	1.0924

Source: Research Findings.

4.3.5 CAR FOR 2013

The table 4.7 shows CAR_t findings for the 61-day window period for a sample of 10 firms from both segments which paid dividends in 2013. The findings indicate that 7 out of the 10 companies had the CAR_t values high for the 61-days period. This is due to the significant gains in the CAR_t for the period between day ($t=0$) and day ($t=+30$) after dividend announcement. Out of the 7 firm five were from MIM and two from AIMS. A

significance test at 5 % level on this CAR found CAR from MIM significant while CAR from the AIMS insignificant.

Table 4.7 Cumulative Abnormal Returns

Company	CARt (t=30 days)	CARt (t= 0 days)	CARt (t=+30 days)	CARt 61 days.
Barclays Bank of Kenya (MIM)	0.0917	0.0371	1.0811	1.2099
Nation Media Group (MIM)	1.0472	0.0743	0.0135	0.9678
Limuru Tea Kenya Ltd (AIMS)	-0.0133	-0.4501	0.0132	-1.3426
Williamson Tea Kenya Ltd	-0.1123	-0.1234	0.3041	0.9543
Eaagads Ltd (AIMS)	0.0124	1.0026	0.0139	-1.0432
Car and general (MIM)	1.0163	0.0316	0.1342	0.8024
Rea vipingo (MIM)	-0.0894	-0.0357	0.0128	1.1364
Trans-Century Ltd (AIMS)	-1.324	-0.124	-0.115	-0.753
Kapchorua Tea Co. Ltd (AIMS)	-0.0671	0.0702	0.0092	1.0946
Kenya power (MIM)	0.0456	0.0634	0.0346	0.9411

Source: Research Findings.

4.4 Test of Hypothesis

The study sought to test the following hypothesis:

H_0 : Reaction of stock prices to dividend announcement at NSE does not differ from one

Segment to the other.

H_1 : Reaction of stock prices to dividend announcement at NSE differ from one segment

to the other

Findings reported in tables 4.3 through to 4.7 indicated that cumulative Abnormal Return (CAR) on the day of dividend announcement (day $t=0$) had significantly improved as compared to the values obtained 30 days before the day of announcement for companies

in the Main Investment market unlike their counter parties in the alternative investment segment which showed no significant improvement. The CAR_t statistics were found to be statistically significant at 95% levels of confidence over the 61-day period for the all the year. The improvements could be due to the fact that information of dividend payment often leaks out to the market a few days before the announcement made by the company. This is a clear indication that different market segment react differently to information. Therefore, the null hypothesis is rejected and the conclusion can thus be drawn to the effect that reactions of stock prices differ from one segment to the other.

4.6 Interpretation of the Findings

The significance of CAR_t after dividend announcement indicates that stock prices in the Main Investment Market reacted positively to this good news unlike the Alternative Investment Market Segment whose response was not significant. This generally shows that the NSE efficiency differs from one market to the other. These findings are consistent with previous finding where generally NSE had been found to be semi efficient without considering different segments.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The next section presents the summary of Key data findings, conclusions drawn from findings highlighted and recommendations drawn in quest of addressing research objectives.

5.2 Summary

The general objective of the study was to determine how stocks prices in different segment of NSE react to dividend announcements. The specific objectives of the study were to find out whether dividend announcements will give different results on stock price based on the market segment. The study utilized the event study methodology to analyze data obtained from sample firms picked from a population of NSE listed firms and which had paid dividend during the period under study. Excess returns were calculated, cumulative abnormal returns determined and compared with the t-statistic at 95% level of confidence.

The major finding of the study is that dividend announcement had greater impact on the prices of firms in the Main Investment Market than Alternative Investment Segment Market. This is a clear indication that NSE market segment vary in information efficiency.

5.3 Conclusions

In academic literature, it was suggested that dividend payments have no impact on the shareholders` value (Miller and Modigliani, 1961) in the absence of taxes and other market imperfections. A dividend payment provides cash flow to the shareholders but it

reduces firm`s recourses for investment. Hence, firms should not pay dividend if they have any positive net present value project in hand. However, Walter (1956) and Gordon (1959 and 1962) Showed that valuation of stock depends on the expected future dividends. If company pays out all the earnings to shareholders, funds for future dividends will decrease and dividend may not increase in the future. Therefore, theoretical literature suggested that dividends payout should not be desirable provided that companies can better invest their funds. Moreover, cash dividend is not desirable if investors need to pay taxes on their dividend income. Given the valid reasons for not paying dividends, an announcement of dividend payments may carry some information for the market and stock prices may be adjusted accordingly.

In this study a system that accounts for the interaction between firms` market share price and dividend announcement was presented and tested. The testing methodology considered the investors` total return over a period starting from 30 days well before the announcement of dividend to 30 days well after the dividend announcement day (Using CAR). According to Elfakhani (1995), the dividend payout signal of the firm has three components: (i) Content favorableness (good or bad); Sign of dividend change (+, 0, or -), and (iii) role of dividend payout signal (confirmatory, clarificatory, or unclear). The study established that for most of the companies quoted at the NSE (MIM), the market value of shares of the firms are sensitive to each of the three components. This implies that irrespective of the content favorableness and the sign of the dividends offered, the role of the dividend payout signal at the NSE is clear, a multiplication to investors` wealth thus resulting to price changes due to the confidence gains made. However on the NSE (AIMS) though there was a positive reaction to dividend announcement, it was not significant compared to the Main Investment Segment hence NSE segments vary in information efficiency.

5.4 Recommendations for Policy and Practice

The findings established that the values of shares for firms listed at the NSE are sensitive to the components of the dividend payout signals, particularly those in the Main Investment Market. Therefore, Institutional and retail investors wishing to make capital gains from their investment should peg their investment decisions on fundamental aspects of the firms on the basis of its dividend payout history based on the segment the firm belongs.

A most stock in the NSE AIMS were found to be illiquid due to thin trading. This is associated with the fact that most investors are poorly informed. To counter this problem, educational programmes should be implemented especially to the general public in order to increase awareness about stock market activity. This will attract an increased number of participants, but it will also boost liquidity (Mlonzi et al, 2011)

The stock market should be encouraged to maintain a record of the various event dates in a way that they are easily accessible so as to aid event studies as opposed to the current way where these are not kept in a summarized form and a researcher has to rummage through so much information to extract the announcement dates.

5.5 Limitations of the Study

The study was limited to observation based on the announcement of dividend payout by the listed firms. The study was not able to account for price behavior that is influenced by the fundamentals of the company as opposed to speculation. This is due to the irrational behavior that usually characterized trading of shares at the Nairobi Securities Exchange.

The availability of information, NSE does not maintain a systematic record of events and make the information to a researcher. This research had to go through huge volumes of data trying to get such information and some instances given information could not be made available.

Huge volumes of data involved in this study ie on daily prices. This limited the study in that few firms were used because if many firms we could use many firms we would have gotten into data analysis problems. Otherwise large samples provide more precise estimates.

5.6 Suggested areas of Further Research

This study focused on one variable that affect stock prices that's dividend announcement, further research in this area is needed on other variables ie Stock split announcement political event. How different segment react to information.

There is also need to conduct a similar research covering a longer period than 61 days with new data that's covering different periods to determine whether similar findings will be arrived at.

The researcher sampled 10 out of 62 firms. A census study is recommended for any further empirical investigations into NSE dividend announcements.

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APPENDIX 1: COMPANIES LISTED AT THE NSE
AGRICULTURAL

Uniliever Tea Kenya Ltd. Kakuzi Ltd	Kakuzi Ltd
Rea Vipingo Plantations Ltd	Sasini Tea and Coffee Ltd

COMMERCIAL AND SERVICES

Car and General (K) Ltd CMC HoldingsLtd	CMC Holding ltd
Hutchings Biemer Ltd Kenya Airways Ltd	Kenya Airways Ltd
Marshalls (E.A) Ltd Nation Media Group	Nation Media Group
TPS Eastern Africa (Serena) Ltd	

FINANCE AND INVESTMENT

Barclays Bank Ltd C.F.C Bank Ltd	C.F.C Bank Ltd
Diamond Trust Bank Kenya ltd Housing Finance Company Ltd	Housing Finance Company Ltd
I.C.D.C Investments Company Ltd Jubilee Holdings Ltd	Jubilee Holdings Ltd
Kenya commercial Bank Ltd National Bank of Kenya Ltd	National Bank of Kenya Ltd
NIC Bank Ltd Pan Africa Insurance Holdings Ltd	Pan African Insurance Holdings Ltd
Standard Chartered Bank	

INDUSTRIAL AND ALLIED

Athi River Mining B.O.C Kenya Ltd	B.O.C Kenya Ltd
Bamburi Cement Ltd British American Tobacco Kenya Ltd	British American Tobacco Kenya Ltd
Carbacid Investments Ltd Crown Berger Ltd	Crown Berger Ltd
E.A Cables Ltd E.A Portland Cement Ltd	E.A Portland Cement Ltd
East Africa Breweries Ltd Kenya Oil Co Ltd	Kenya Oil Co. Ltd
Kenya Power and Lighting Ltd KenGen Ltd	KenGen Ltd
Mumias Sugar Co. Ltd Olympia Capital Holdings Ltd	Olympia Capital Holdings Ltd
Sameer Africa Ltd Total Kenya Ltd	Total Kenya Ltd

Unga Group Ltd	
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ALTERNATIVE INVESTMENT MARKET SEGMENT

A.Baumann & Co. Ltd City Trust Ltd	City trust Ltd
Eaagads Ltd Express Ltd	Express Ltd
Williamson Tea Kenya Ltd Kapchorua Tea Co. Ltd Kenya Orchards Ltd	Kapchorua Tea Co. Ltd Kenya Orchards Ltd
Limuru Tea Co. Ltd Standard Group Ltd	Standard Group Ltd

Source: NSE Handbook (2013)

**APPENDIX II: DIVIDEND PAYOUT HISTORY AND
ANNOUNCEMENTS DATES**

COMPANY	DECLARE D	RATE	ANN'CED	CLOSURE	PAYMENT
Rea Vipingo	1st & FINAL	0.80	08/01/20 08	14/03/2008	03/06/2008
CMC Holdings	FINAL	0.35	10/01/20 08	31/01/2008	22/02/08
CMC Holdings	BONUS	1:5	10/01/20 08	31/01/2008	Uploads: 03/3/2008
EVEREADY	FINAL	0.45	23/01/20 08	1/3/2008	30/5/2008
CAR & GENERAL	FINAL	0.67	31/01/20 08	22/2/2008	31/3/2008
E.A.CABLES	DIVIDEND	0.90	13/02/20 08	21/3/2008	20/4/2008
ACCESSKENYA	FINAL	0.30	20/02/20 08	09/5/2008	
BARCLAYS	FINAL	1.15	20/02/20 08	19/3/2008	09/5/2008
B.O.C	FINAL	4.25	21/02/20 08	28/4/2008	16/5/2008
B.O.C	SPECIAL.D IV	2.00	21/02/20 08	28/4/2008	16/5/2008
BAMBURI	FINAL	0.5	26/02/20 08	28/3/2008	05/JUN/08
K.POWER	INTERIM	1.00	26/02/20 08	28/3/2008	30-APR-08
NIC BANK	FINAL	0.80	27/02/20 08	03/4/2008	21-MAY-08
KCB	1ST & FINAL	0.70	28/02/20 08	27/3/2008	16-MAY-08
SCBK	FINAL	5.00	28/02/20 08	03/4/2008	22-MAY-08
EA BREWERIES	INTERIM	2.40	29/02/20 08	28/3/2008	14-APR-08
DIAMOND TRUST	1ST & FINAL	1.40	04/03/20 08	30/5/2008	30-JUN-08
PAN AFRICA INS.	1ST & FINAL	1.60	04/03/20 08	21/5/2008	09-JUN-08

EQUITY BANK	DIVIDEND	2.00	07/03/2008	04/4/2008	Subj to app
H.F.C.K	1ST & FINAL	0.25	12/03/2008	22/4/2008	30-JUN-08
CARBACID	INTERIM	5.00	13/03/2008	04/4/2008	29-APR-08
TOTAL KENYA	DIVIDEND	2.50	13/03/2008	28/5/2008	25-JUN-08
B.A.T	FINAL	10.50	18/03/2008	22/4/2008	07/MAY/2008
NATION MEDIA GROUP	SHARE SPLIT	2:1	18/03/2008	25-jul-08	Commencement of trading new shares 11-Aug-08
NATION MEDIA GROUP	FINAL	7.50	18/03/2008	16/5/2008	30/JUN/2008
EXPRESS KENYA	1ST & FINAL	0.50	19/03/2008	SUBJECT TO APPROVAL	
JUBILEE Holdings	FINAL	3.25	26/03/2008	19/5/2008	11/JUN/2008
C.F.C BANK	FINAL	0.50	27/03/2008	SUBJECT TO APPROVAL	
Athi River Mining	FINAL	1.25	31/03/2008	28/5/2008	
TPS Serena	FINAL	1.25	03/04/2008	30/5/2008	01/JUL/2008
SCANGROUP	1ST & FINAL	0.90	16/04/2008	20/5/2008	39618
kenya RE	1ST & FINAL	0.35	28/04/2008	39633	39721
LIMURU TEA	1ST & FINAL	5.00	28/04/2008	21/5/2008	SUBJECT TO APPROVAL
STandard Group	INTERIM	1.10	28/04/2008	39759	39675
cberger	FINAL	1.00	29/04/2008	16/6/2008	39646
KENYA AIRWAYS	1st & final	1.75	05/05/2008	26-sep-08	24-oct-08
H.F.C.K	Rights Issue	1:1	06/05/2008	39580	Uploads: 11/6/2008
Kenya Oil	INTERIM	1.25	06/05/2008	39597	39616
C.F.C BANK	INTERIM	0.50	03/06/2008	20-Jun-2008	

			08		
KAPCHORUA	1ST & FINAL	0.50	17/06/2008	25-Jul-2008	
WILLIAMSON TEA	1ST & FINAL	0.50	17/06/2008	25-Jul-2008	
CENTUM Investment	1ST & FINAL	0.45	26/06/2008	07-Aug-08	25-oct-08
CENTUM Investment	1st & final	0.45	26/06/2008	07-aug-08	15-jan-09
OLYMPIA CAPITAL	DIVIDEND	0.20	01/07/2008	23-Jul-08	11-Aug-08
B.A.T	1ST & FINAL	4.50	21/07/2008	15-Aug-08	5-Sep-08
scbk	INTERIM	2.50	21/07/2008	4-Sep-08	26-Sep-08
BAMBURI	INTERIM	3.20	07/08/2008	05-SEP-08	06-NOV-2008
NIC BANK	INTERIM	0.25	14/08/2008	12-SEP-08	03-OCT-2008
NATION MEDIA GROUP	INTERIM	1.50	20/08/2008	29-SEP-08	20-SEP-2008
B.O.C	INTERIM	2.00	22/08/2008	25-AUG-08	19-SEP-2008
MUMIAS Sugar	FINAL	0.40	28/08/2008	31-oct-08	22-dec-2008
EA BREWERIES	FINAL	5.65	29/08/2008	09-oct-08	03-nov-08
unga group	BONUS	1.5	25/09/2008	30-Dec-2008	
CITY TRUST	BONUS	1:10	14/10/2008	02-Mar-09	18-mar-2009
CITY TRUST	DIVIDEND	0.50	14/10/2008	09-dec-08	19-jan-08
KENGEN	1st & final	0.90	15/10/2008	21-nov-08	02-feb-09
K.POWER	FINAL	3.00	16/10/2008	07-NOV-08	20-DEC-08
CARBACID	FINAL	5.00	28/10/2008	19-nov-08	09-Dec-2008
Kenya Oil	INTERIM	2.50	03/11/2008	25-NOV-08	09-DEC-2008
SCBK	2ND	2.50	10/11/2008	03-dec-2008	19-dec-2008

	INTERIM		08		
EAAGADS	BONUS	1:1	26/11/2008	23-Mar-09	13-apr-2009
LIMURU TEA	BONUS	1:1	18/12/2008	SUBJECT TO APPROVAL	
CMC Holdings	FINAL	0.45	09/01/2009	31-JAN-09	27-Feb-2009
Rea Vipingo	1ST & FINAL	0.20	21/01/2009	28-Mar-09	15-Jun-09
CAR & GENERAL	FINAL	0.67	28/01/2009	02-Mar-09	24-mar-2009
EA CABLES	FINAL	1.00	10/02/2009	13-mar-09	15-may-2009
EQUITY BANK	FINAL	3.00	12/02/2009	25-Mar-2009	3-Apr-2009
EQUITY BANK	SHARE SPLIT	1:10	12/02/2009	RECORD DATE 25-Mar-09	
BARCLAYS	FINAL	1.50	17/02/2009	18-Mar-09	15-May-2009
NIC BANK	FINAL	0.25	19/02/2009	19-mar-09	29-apr-2009
NIC BANK	BONUS	1:10	19/02/2009	19-mar-09	29-apr-2009
eabl	INTERIM	2.50	20/02/2009	16-mar-09	15-apr-2009
kplc	INTERIM	2.00	24/02/2009	19-mar-2009	30-apr-09
BAMBURI	FINAL	2.80	26/02/2009	27-mar-09	01-jul--09
KCB	1ST & FINAL	1.00	27/02/2009	11-may-09	29-may-09
hfck	1ST & FINAL	0.30	03/03/2009	28-may-09	30-jun-2009
scbk	FINAL	5.00	03/03/2009	08-apr-09	29-may-09
co-operative Bank	1ST & FINAL	1.00	05/03/2009	20-may-09	
Kakuzi	1ST & FINAL	1.00	05/03/2009	20-may-09	SUBJECT TO APPROVAL
DIAMOND TRUST	1ST & FINAL	1.40	09/03/2009	29-may-09	18-jun-09
ACCESSKENYA	FINAL	0.40	16/03/2009	18-jun-09	SUBJECT TO

			09		APPROVAL
NATION MEDIA GROUP	FINAL	4.00	26/03/2009	15-MAY-09	30-JUN-09
TPS Serena	FINAL	1.25	30/03/2009	4-JUN-09	6-JUL-09
ARM	1ST & FINAL	1.25	31/03/2009	SUBJECT TO APPROVAL	
TOTAL KENYA	FINAL	2.50	02/04/2009	20-MAY-09	08-JUN-09
KENOL	FINAL	3.50	03/04/2009	25-MAY-09	11-JUN-09
JUBILEE Holdings	FINAL	3.25	04/04/2009	15-JUN-09	10-JULY-09
SCANGROUP	1ST & FINAL	0.75	16/04/2009	39962	30-JUN-09
LIMURU TEA	FINAL	10.00	20/04/2009	11-MAY-09	
Kenya Reinsurance	DIVIDEND	0.50	29/04/2009	22-Jun-09	24-JUL-2009
EAAGADS	DIVIDEND	0.625	11/05/2009	(30/6-7/7/09)	29-SEP-09
SAFARICOM	1st & FINAL	0.10	21/05/2009	19-AUG-09	12-NOV-09
KENYA AIRWAYS	1st & FINAL	1.00	05/06/2009	25-SEP-09	23-OCT-09
KAPCHORUA	1st & FINAL	2.50	24/06/2009	05-AUG-09	SUB TO APPROVAL
WILLIAMSON TEA	1st & FINAL	4.00	24/06/2009	05-AUG-09	SUB TO APPROVAL
BAT	INTERIM	4.50	17/07/2009	14-AUG-09	04-SEP-09
OLYMPIA CAPITAL	DIVIDEND	0.10	03/08/2009	21-AUG-09	23-OCT-09
BARCLAYS	INTERIM	0.50	04/08/2009	27-AUG-09	09-OCT-09
SCBK	INTERIM	2.50	05/08/2009	03-SEP-09	02-OCT-09
NIC BANK	INTERIM	0.25	13/08/2009	16-sep-2009	02-oct-09
JUBILEE Holdings	INTERIM	1.00	19/08/2009	23-SEP-2009	09-OCT-2009
BOC GASES	INTERIM	2.00	19/08/2009	28-AUG-2009	18-SEP-2009

			09		
NATION MEDIA GROUP	INTERIM	1.50	26/08/2009	04-SEP-09	30-SEP-2009
EABL	FINAL	5.55	27/08/2009	29-SEP-2009	26-OCT-2009
MUMIAS Sugar	FINAL	0.40	28/08/2009	06-NOV-2009	
EA PORTLAND	1ST & FINAL	1.30	30/09/2009	19-NOV-2009	
EA CABLES	INTERIM	0.50	13/10/2009	12-NOV-2009	26-NOV-2009
KENGEN	FINAL	0.50	16/10/2009	23-NOV-2009	40210
CARBACID	FINAL	5.00	22/10/2009	12-NOV-2009	10-DEC-2009
CARBACID	SPECIAL.DIV	5.00	22/10/2009	12-NOV-2009	10-DEC-2009
CARBACID	BONUS	2:1	22/10/2009	SUBJECT TO APPROVAL	10-DEC-2009
CITY TRUST	FINAL	1.00	28/10/2009	07-DEC-2009	22-JAN-2010
kplc	FINAL	6.00	28/10/2009	26-NOV-2009	25-JAN-2009
SCBK	2ND INTERIM DIV	2.50	02/11/2009	01-DEC-2009	
SASINI	FINAL	0.20	09/12/2009	18-FEB-2010	04-MAR-2010
CMC Holdings	FINAL	0.35	12/01/2010	29-Jan-10	26-Feb-10
Rea Vipingo	FINAL	0.50	20/01/2010	26-Mar-10	15-Jun-10
CAR & GENERAL	FINAL	0.67	29/01/2010	25-Feb-2010	
EA BREWERIES	INTERIM	2.50	17/02/2010	18-MAR-10	15-APR-2010
BARCLAYS	FINAL	2.00	18/02/2010	11-MAR-10	28-MAY-2010
EQUITY BANK	FINAL	0.40	18/02/2010	25-MAR-10	09-APR-2010
BOC GASES	FINAL	4.80	19/02/2010	30-APR-10	14-MAY-2010

NIC BANK	FINAL	0.25	24/02/2010	25-MAR-2010	12-MAY-2010
NIC BANK	BONUS	1:10	24/02/2010	25-MAR-10	12-MAY-2010
KCB	1ST & FINAL	1.00	25/02/2010	10-MAY-10	28-MAY-2010
kplc	INTERIM	3.00	26/02/2010	29-MAR-10	30-APR-2010
EA CABLES	FINAL	0.50	26/02/2010	26-MAR-10	28-MAY-2010
BAMBURI	SPECIAL.D IV	4.00	26/02/2010	40263	23-APR-2010
BAMBURI	FINAL	5.50	26/02/2010	40263	16-JUL-2010
SAMEER AFRICA	1ST & FINAL	0.50	26/02/2010	16-APR-2010	14-MAY-10
BAT	FINAL	10.25	02/03/2010	02-APR-10	28-APR-10
KCB	Rights Issue	1:9 @ 25/-		04-Jun-08	Uploads: 15-Aug-08
SCBK	Rights Issue	1:18 @ 165.45		18-AUG-10	40480
SCBK	FINAL	7.00	04/03/2010	06-APR-2010	13-MAY-2010
hfck	1st & final	0.50	04/03/2010	28-MAY-2010	30-JUN-10
TOTAL KENYA	1st & final	1.00	04/03/2010	03-JUN-2010	21-JUN-2010
CARBACID	INTERIM	2.00	05/03/2010	29-MAR-10	21-APR-10
PAN AFRICA INS.	1ST & FINAL	1.70	08/03/2010	26-MAY-10	28-JUN-10
co-operative Bank	FINAL	0.20	10/03/2010	03-JUN-10	25-JUN-10
NATIONAL BANK	BONUS	2:5	10/03/2010	09-APR-10	18-JUN-10
Athi River Mining	1st & final	1.50	15/03/2010	25-MAY-10	
DIAMOND TRUST	1st & final	1.55	18/03/2010	27-MAY-10	22-JUN-10
NATION MEDIA GROUP	FINAL	4.00	22/03/2010	07-MAY-10	30-JUN-10

NATION MEDIA GROUP	BONUS	1:10	22/03/2010	07/MAY/10	
ACCESSKENYA	FINAL	0.30	22/03/2010	05-MAY-10	
STandard Group	SCRIP DIVIDEND	0.50	24/03/2010	04-JUN-10	20-AUG-10
STandard Group	SCRIP DIVIDEND	0.50	24/03/2010	11-AUG-10	05-OCT-2010
JUBILEE Holdings	FINAL	3.50	29/03/2010	14-JUN-10	09-JUL-10
JUBILEE Holdings	BONUS	1:10	29/03/2010	14/6/10	13/AUG/10
TPS Serena	FINAL	1.25	29/03/2010	24-MAY-10	24-JUN-10
TPS Serena	BONUS	1:6	29/03/2010	24/6/10	6/JUL/10
TPS Serena	Rights Issue	1:5 @ 48/-	29/03/2010	29/7/10	Commencement of trading new shares 4-Oct-10
LIMURU TEA	FINAL	7.50	31/03/2010	21-APR-10	
Kenya Oil	FINAL	3.25	07/04/2010	21-MAY-10	11-JUN-10
SCANGROUP	1st & final	0.50	29/04/2010	29-Jun-10	29-Jul-10
kenya re	1st & final	0.50	29/04/2010	21/6/10	23/7/10
CROWN BERGER	FINAL	1.25	29/04/2010	07-Jun-10	29-Jun-10
KENOLKOBIL	SHARE SPLIT	10:1	20/05/2010	01-Jun-2010	
SAFARICOM	FINAL	0.20	25/05/2010	02-Sep-10	02-Dec-10
SCBK	Rights Issue		02/06/2010	SUBJECT TO APPROVAL	
KCB	Rights Issue	2:5 @ 17/-	03/06/2010	18-Jun-10	Commencement of trading new shares 19-Aug-10
KENYA AIRWAYS	1st & final	1.00	04/06/2010	24-Sep-10	22-Oct-2010
CENTUM Investment	BONUS	1:10	08/06/2010	16-Jul-10	30-SEP-10

WILLIAMSON TEA	1st & final	6.25	25/06/20 10	10-AUG-10	
KAPCHORUA	1st & final	6.25	25/06/20 10	10-AUG-10	
OLYMPIA CAPITAL	FINAL	0.10	02/07/20 10	29-JUL-10	01-SEP-10
hfck	INTERIM	0.35	21/07/20 10	29-OCT-10	30-NOV-10
NATION MEDIA GROUP	INTERIM	1.50	02/08/20 10	27-AUG-10	30-SEP-10
BAMBURI	INTERIM	1.50	06/08/20 10	3-SEP-10	30-OCT-10
BARCLAYS	INTERIM	0.75	11/08/20 10	02-SEP-10	08-OCT-10
JUBILEE Holdings	INTERIM	1.00	16/08/20 10	20-SEP-10	08-OCT-10
NIC BANK	INTERIM	0.25	19/08/20 10	16-SEP-10	05-OCT-10
eabl	FINAL	6.25	27/08/20 10	29-SEP-10	26-OCT-10
MUMIAS Sugar	1ST & FINAL	0.40	27/08/20 10	5-NOV-10	40515
BOC GASES	INTERIM	2.00	16/09/20 10	30-SEP-10	15-OCT-10
kplc	FINAL	5.00	24/09/20 10	8-NOV-10	15-DEC-10
unga group	1ST & FINAL	0.50	30/09/20 10	01-DEC-10	17-JAN-11
kplc	Rights Issue	20:51 @ 19.50/-	07/10/20 10	25-NOV-10	24-JAN-2011
kplc	SHARE SPLIT	1:8	07/10/20 10	SUBJECT TO APPROVAL	
KENGEN	FINAL	0.50	13/10/20 10	12-NOV-10	18-JAN-2011
CARBACID	FINAL	3.00	26/10/20 10	17-NOV-10	10-DEC-2010
CITY TRUST	DIVIDEND	4.00	01/11/20 10	29-NOV-2010	10-JAN-2011
WILLIAMSON TEA	INTERIM	2.50	29/11/20 10	31-DEC-201	
KAPCHORUA	INTERIM	1.25	29/11/20 10	31-DEC-201	

SASINI	FINAL	0.30	08/12/2010	16-FEB-2011	10-MAR-2011
REA VIPINGO	1ST & FINAL	0.80	12/01/2011	25-MAR-11	14-JUN-11
CMC Holdings	FINAL	0.20	13/01/2011	31-JAN-2011	04-MARCH-2011
CAR & GENERAL	FINAL	0.80	28/01/2011	18-FEB-2011	
CAR & GENERAL	BONUS	1:2	28/01/2011	18-FEB-2011 & Subject to approval	
EA CABLES	DIVIDEND	1.00	02/02/2011	18-MAR-11	27-MAY-2011
EA CABLES	BONUS	1:4	02/02/2011	18-MAR-11	AVAILABLE ON 13-JUN-2011
EABL	INTERIM	2.5	18/02/2011	22-MAR-11	15-APR-2011
BOC GASES	FINAL	1.40	18/02/2011	30-APR-11	26-MAY-2011
BOC GASES	SPECIAL.DIV	6.00	18/02/2011	30-APR-11	26-MAY-2011
BARCLAYS	FINAL	4.70	22/02/2011	15-MAR-11	27-MAY-2011
BARCLAYS	SHARE SPLIT	4 FOR 1	22/02/2011	30-MAY-11	AVAILABLE ON 13-JUN-2011
NIC BANK	FINAL	0.25	24/02/2011	07-APR-11	25-MAY-2011
NIC BANK	BONUS	1:10	24/02/2011	07-APR-11	25-MAY-2011
BAT	FINAL	14.50	24/02/2011	30-MAR-11	04-MAY-2011
KCB	1ST & FINAL	1.25	24/02/2011	09-MAY-2011	03-JUN-2011
KPLC	INTERIM	0.35	25/02/2011	31-MAR-2011	31-MAY-2011
BAMBURI	FINAL	7.00	28/02/2011	28-MAR-11	15-JUN-2011
EQUITY BANK	1ST & FINAL	0.80	28/02/2011	18-MAR-11	08-APR-2011
HFCK	DIVIDEND	0.70	03/03/2011	27-MAY-2011	30-JUN-2011
SCBK	FINAL	8.50	07/03/2011	05-APR-11	19-MAY-2011

			11		
CO-OPERATIVE BANK	1ST & FINAL	0.40	10/03/2011	03-JUN-11	24-JUN-2011
TOTAL KENYA	1ST & FINAL	1.05	10/03/2011	09-JUN-11	27-JUN-2011
DIAMOND TRUST	1ST & FINAL	1.60	10/03/2011	20-MAY-11	30-JUN-2011
DIAMOND TRUST	BONUS	1:5	10/03/2011	20-MAY-11	
CFC STANBIC HOLDINGS	DIV IN SPECIE	1:1	14/03/2011	08-APR-11	20-APR-2011
PAN AFRICA INS.	1ST & FINAL	3.00	16/03/2011	17-MAY-11	30-JUN-2011
PAN AFRICA INS.	BONUS	1:1	16/03/2011	17-MAY-11	SUBJECT TO APPROVAL
ARM	1ST & FINAL	1.75	17/03/2011	25-MAY-11	29-JUL-2011
STANDARD GROUP	FINAL	0.50	17/03/2011		
NBK	1ST & FINAL	0.60	17/03/2011	08-APR-11	03-JUN-2011
KAKUZI	1ST & FINAL	2.50	18/03/2011	31-MAY-2011	03-JUN-2011
CFC STANBIC HOLDINGS	FINAL	0.804	21/03/2011	19-MAY-11	25-MAY-2011
TPS EASTERN AFRICA	FINAL	1.25	24/03/2011	31-MAY-11	20-JUN-2011
KENOLKOBIL	1ST & FINAL	0.52	24/03/2011	29-APR-2011	
CARBACID	INTERIM	2.00	28/03/2011	27-APR-2011	20-MAY-2011
LIMURU TEA	FINAL	7.50	30/03/2011	21-APR-2011	
NATION MEDIA GROUP	FINAL	4.00	31/03/2011	31-MAY-2011	30-JUL-11
NATION MEDIA GROUP	SPECIAL.D IV	2.50	31/03/2011	31-MAY-2011	30-JUL-11
JUBILEE HOLDINGS	FINAL	4.50	04/04/2011	26-MAY-2011	08-JUL-2011
JUBILEE HOLDINGS	BONUS	1:10	04/04/2011	26-MAY-2011	SUBJECT TO APPROVAL
SCANGROUP	1ST &	0.70	19/04/20	24-MAY-2011	24-JUN-2011

	FINAL		11		
SCANGROUP	BONUS	1:5	19/04/2011	24-MAY-2011	SUBJECT TO APPROVAL
KENYARE	1ST & FINAL	0.35	20/04/2011	10-JUN-2011	15-JUL-2011
CROWN BERGER	DIVIDEND	1.25	26/04/2011	15-JUN-2011	15-JUL-2011
SAFARICOM	DIVIDEND	0.20	19/05/2011	08-SEP-2011	08-DEC-2011
SASINI	INTERIM	0.50	23/05/2011	13-JUN-2011	04-JUL-2011
KENYA AIRWAYS	1ST & FINAL	1.50	02/06/2011	14-OCT-2011	16-NOV-2011
CENTUM Investment	BONUS	1:10	07/06/2011	22-JUL-2011	SUBJECT TO APPROVAL
WILLIAMSON TEA	FINAL	12.50	20/06/2011	05-AUG-2011	
KAPCHORUA	FINAL	7.50	20/06/2011	22-JUL-2011	
BAT	INTERIM	3.50	08/07/2011	12-AUG-2011	09-SEP-2011
EA CABLES	INTERIM	0.30	14/07/2011	02-SEP-2011	30-NOV-2011
HFCK	INTERIM	0.50	20/07/2011	28-OCT-2011	30-NOV-2011
EA BREWERIES	FINAL	6.25	26/08/2011	30-SEP-2011	11-NOV-2011
MUMIAS Sugar	1ST & FINAL	0.50	26/08/2011	04-NOV-2011	
unga group	1ST & FINAL	0.75	30/09/2011	06-DEC-2011	10-JAN-2012
CITY TRUST	1ST & FINAL	4.00	03/10/2011	29-DEC-2011	27-JAN-2012
KPLC	BONUS	1:8	19/10/2011	28-FEB-2012	SUBJECT TO APPROVAL
KPLC	FINAL	0.10	19/10/2011	16-DEC-2011	28-FEB-2012
CARBACID	FINAL	3.00	24/10/2011	15-NOV-2011	
KENGEN	FINAL	0.5	26/10/2011	09-DEC-2011	31-JAN-2012
EA PORTLAND	1ST &	0.50	28/10/2011	15-DEC-2011	20-JAN-2012

	FINAL		11		
SASINI	FINAL	0.50	13/12/20 11	03-FEB-2012	09-MAR-2012
REA VIPINGO	1ST & FINAL	1.10	16/01/20 12	30-MAR-2012	14-JUN-2012
CAR & GENERAL	FINAL	0.55	30/01/20 12	23-FEB-2012	
CARBACID	INTERIM	3.00	20/03/20 12	10-APR-2012	04-MAY-12
BOC GASES	FINAL	4.80	02/03/20 12	31-MAY-2012	26-JUN-12
WILLIAMSON TEA	INTERIM	50.00	09/02/20 12	12-MARCH-2012	
BARCLAYS	SPECIAL.D IV	0.60	16/02/20 12	23-MARCH-2012	06-JUNE-2012
BARCLAYS	FINAL	0.7	16/02/20 12	23-MARCH-2012	06-JUNE-2012
PAN AFRICA INS.	1ST & FINAL	2.00	21/02/20 12	16-MAY-2012	30-JUNE-2012
HFCK	FINAL	0.70	22/02/20 12	28-JUNE-2012	27-JULY-2012
NIC BANK	BONUS	1:10	23/02/20 12	SUBJECT TO APPROVAL	
NIC BANK	Rights Issue		23/02/20 12	SUBJECT TO APPROVAL	
BAT	FINAL	27.00	24/02/20 12	23-MARCH-2012	26-APRIL-2012
BAMBURI	FINAL	8.00	24/02/20 12	23-MARCH-2012	15-JUNE-2012
KPLC	INTERIM	0.20	27/02/20 12	12-APRIL-12	31-MAY-12
KENOLKOBIL	FINAL	0.43	29/02/20 12	30-APRIL-2012	14-MAY-2012
DIAMOND TRUST	1ST & FINAL	1.70	01/03/20 12	04-MAY-12	15-JUNE-12
DIAMOND TRUST	Rights Issue	1:8	01/03/20 12	(17-31-July- 2012)	New shares 12-Sept- 2012
KCB	1ST &FINAL	1.85	01/03/20 12	21-MAY-12	18-JUNE-12
CO-OPERATIVE BANK	FINAL	0.40	08/03/20 12	28-MAY-12	22-JUNE-12
CO-OPERATIVE	BONUS	1:5	08/03/20	15-JUNE-12	SUBJECT TO

BANK			12		APPROVAL
SCBK	FINAL	11.00	13/03/2012	13-APRIL-2012	31-MAY-2012
ACCESSKENYA	BONUS	1:20	14/03/2012	13-JUNE-12	SUBJECT TO APPROVAL
NATION MEDIA GROUP	FINAL	6.50	15/03/2012	13-APRIL-12	06-JUNE-12
TPS EASTERN AFRICA	FINAL	1.30	15/03/2012	29-MAY-12	20-JUNE-12
KENYA AIRWAYS	Rights Issue	16:5	19/03/2012	(2-18/APR/12)	07-JUN-12
NBK	1ST & FINAL	0.40	19/03/2012	12-APRIL-12	08-JUNE-12
BRITAK	1ST & FINAL	0.15	22/03/2012	26-APR-12	25-MAY-12
EA CABLES	FINAL	0.50	23/03/2012	04-MAY-12	03-SEP-12
TRANSCENTURY	FINAL	0.25	23/03/2012	12-APR-12	05-OCT-12
LIMURU TEA	FINAL	7.50	27/03/2012	18-APR-12	
Athi River Mining	1ST & FINAL	2.00	28/03/2012	24-JUL-12	24-AUG-12
JUBILEE HOLDINGS	FINAL	4.50	30/03/2012	23-MAY-12	06-JUL-12
JUBILEE HOLDINGS	BONUS	1:10	30/03/2012	23-MAY-12	New shares 29-July-2012
KAKUZI	1ST & FINAL	3.75	02/04/2012	31-MAY-12	30-JUN-12
STANDARD GROUP	BONUS	1:10	04/04/2012	23-APR-12	MAY-18-12
SAMEER AFRICA	1ST & FINAL	0.20	20/04/2012		
KENYA REINSURANCE	1ST & FINAL	0.35	24/04/2012	08-JUN-12	13-JUL-12
KENYA REINSURANCE	BONUS	1:6	24/04/2012	08-JUN-12	13-JUL-12
CROWN PAINTS	DIVIDEND	1.25	25/04/2012	22-JUN-12	
SAFARICOM	DIVIDEND	0.22	10/05/2012	13-SEP-12	11-DEC-12
SCANGROUP	1ST &	0.70	18/04/2012	31-MAY-12	

	FINAL		12		
Athi River Mining	SHARE SPLIT	5:1	14/05/2012	ELECTRONIC CREDITING 07-JAN-2013	
KENYA AIRWAYS	1ST & FINAL	0.25	14/06/2012	27-SEP-12	30-OCT-12
WILLIAMSON TEA	FINAL	7.50	02/07/2012	20-AUG-12	
KAPCHORUA	FINAL	7.50	02/07/2012	20-AUG-12	
OLYMPIA CAPITAL	1ST & FINAL	0.10	19/07/2012		
EAAGADS	BONUS	1:1	24/07/2012	05-OCT-12	15-OCT-12
EAAGADS	1ST & FINAL	1.25	24/07/2012	21-SEP-12	16-NOV-12
BAMBURI	INTERIM	2.00	03/08/2012	31-AUG-12	12-OCT-12
BARCLAYS	INTERIM	0.30	07/08/2012	04-SEP-12	05-OCT-12
NATION MEDIA GROUP	INTERIM	2.50	08/08/2012	31-AUG-12	28-SEP-2012
BOC GASES	INTERIM	2.00	14/08/2012	06-SEP-12	05-OCT-12
CFC STANBIC HOLDINGS	INTERIM	0.73	23/08/2012	13-SEP-12	30-OCT-12
JUBILEE HOLDINGS	INTERIM	1.00	23/08/2012	21-SEP-12	12-OCT-12
EA BREWERIES	FINAL	6.25	24/08/2012	21-SEP-12	26-OCT-12
MUMIAS Sugar	1ST & FINAL	0.50	31/08/2012	02-NOV-12	
CITY TRUST	INTERIM	6.00	05/09/2012	28-SEP-12	31-OCT-12
KENGEN	FINAL	0.60	27/09/2012	05-DEC-12	31-JAN-13
unga group	1ST & FINAL	0.75	28/09/2012	05-DEC-12	10-JAN-13
UCHUMI	1ST & FINAL	0.30	17/10/2012	07-JAN-2013	28-FEB-2013
CARBACID	FINAL	3.00	23/10/2012	14-NOV-2012	

KENYA POWER	FINAL	0.30	27/10/2012	19-DEC-2012	28-FEB-2013
SAMEER AFRICA	INTERIM	0.25	26/11/2012	05-FEB-2013	15-FEB-2013
EA CABLES	INTERIM	0.40	26/11/2012	27-DEC-2012	18-JAN-2013
SASINI	FINAL	0.25	20/12/2012	21-FEB-2013	15-MARCH-2013
CAR & GENERAL	FINAL	0.55	21/12/2012	20-FEB-2013	
REA VIPINGO	1ST & FINAL	1.10	14/01/2013	27-MAR-13	07-JUNE-13
CITY TRUST	SHARE SPLIT	5:1	23/01/2013	28-MAY-2013	
BARCLAYS	FINAL	0.70	12/02/2013	13-MAR-13	30-MAY-13
EABL	INTERIM	1.50	15/02/2013	19-MAR-13	11-APR-13
HFCK	FINAL	0.70	20/02/2013	17-MAY-13	14-JUN-13
NIC BANK	1ST & FINAL	1.00	21/02/2013	27-MAR-13	08-MAY-13
PAN AFRICA INS.	1ST & FINAL	3.00	21/02/2013	17-MAY-13	01-JUL-13
EA CABLES	FINAL	0.60	26/02/2013	03-MAY-13	14-JUN-13
SCANGROUP	1ST & FINAL	0.60	28/02/2013	27-JUN-13	30-JUL-13
CO-OPERATIVE BANK	1ST & FINAL	0.50	28/02/2013	23-MAY-13	21-JUN-13
EQUITY BANK	1ST & FINAL	1.25	28/02/2013	15-MAR-13	
BAMBURI	FINAL	8.50	01/03/2013	02-APR-2013	15-JUNE-2013
KCB	1ST & FINAL	1.90	01/03/2013	13-MAY-2013	14-JUNE-2013
BAT	FINAL	29.00	01/03/2013	29-MARCH-2013	30-APR-13
ACCESSKENYA	FINAL	0.30	13/03/2013	30-MAY-13	SUBJECT TO APPROVAL
BRITAM	1ST & FINAL	0.25	14/03/2013	01-JUL-2013	30-JUL-2013

DIAMOND TRUST	1ST & FINAL	1.90	14/03/2013	31-MAY-2013	20-JUNE-13
SCBK	FINAL	12.50	15/03/2013	17-APR-13	31-MAY-13
LIBERTY KENYA HOLDINGS	1ST & FINAL	0.40	15/03/2013	SUBJECT TO APPROVAL	
CARBACID	INTERIM	3.00	15/03/2013	10-APR-2013	
LIMURU TEA	FINAL	7.50	19/03/2013	05-APR-2013	
NATION MEDIA GROUP	FINAL	7.50	21/03/2013	12-APR-13	15-JUL-13
NATION MEDIA GROUP	BONUS	1:5	21/03/2013	12-APR-13	SUBJECT TO APPROVAL
ARM CEMENT LTD	1ST & FINAL	0.50	21/03/2013	10-JUL-13	12-AUG-13
NBK	1ST & FINAL	0.20	25/03/2013	12-APR-13	
BOC GASES	FINAL	3.05	27/03/2013	31-MAY-13	28-JUN-13
CIC INSURANCE	1ST & FINAL	0.10	27/03/2013	SUBJECT TO APPROVAL	
TOTAL KENYA	1ST & FINAL	0.20	28/03/2013	13-JUNE-2013	12-July-2013
UMEME	FINAL	USHS.15	27/03/2013	24-MAY-2013	28-JUN-13
KAKUZI	1ST & FINAL	3.75	02/04/2013	31-MAY-2013	30-MAY-13
TPS EASTERN AFRICA	FINAL	1.3	10/04/2013	30-MAY-2013	20-JUNE-13
TRANSCENTURY	FINAL	0.4	12/04/2013	02-MAY-2013	41486
KENYA RE INSURANCE	1ST & FINAL	0.4	12/04/2013	41396	41486
CROWN BERGER	FINAL	1.25	02/05/2013	28-JUNE-2013	
JUBILEE HOLDINGS	FINAL	6	02/05/2013	06-JUNE-2013	41466
SAFARICOM	FINAL	0.31	14/05/2013	12-SEPTEMBER-2013	41619
SASINI	INTERIM	0.25	24/05/2013	17-JUNE-2013	41481

KAPCHORUA	FINAL	7.5	31/05/2013	41450	
WILLIAMSON TEA	FINAL	7.5	31/05/2013	41450	
CARBACID	INTERIM	3	15/03/2013	10-APRIL-2013	
LIMURU TEA	FINAL	7.5	19/03/2013	05-APRIL-2013	
I&M Holdings	INTERIM	1.90	03/07/2013	22-July-2013	30-July-2013
HFCK	INTERIM	0.75	18/07/2013	02-Aug-2013	30-Aug-2013
BARCLAYS	INTERIM	0.2	06/08/2013	06-SEP-2013	OCT/04/2013
BAMBURI	INTERIM	2	08/08/2013	06-SEP-2013	OCT/11/2013
CFC STANBIC HOLDINGS	INTERIM	0.63	12/08/2013	30-AUG-2013	OCT/30/2013
BOC GASES	INTERIM	2.6	13/08/2013	06-SEP-2013	SEP/30/2013
JUBILEE HOLDINGS	INTERIM	1	15/08/2013	13-SEPT-2013	OCT /07/2013
NIC BANK	INTERIM	0.25	22/08/2013	19-SEP-2013	OCT /01/2013
EA BREWERIES	FINAL	4	23/08/2013	30-SEP-2013	NOV /01/2013
NATION MEDIA GROUP	INTERIM	2.5	02/09/2013	06-SEP-2013	SEP/30/2013
UCHUMI	1ST & FINAL	0.3	03/09/2013	28-NOV-2013	JAN/10/2014
LONGHORN	1ST & FINAL	0.8	20/09/2013	15-NOV-2013	FEB/15/2014
UNGA GROUP	1ST AND FINAL	0.75	27/09/2013	28-NOV-2013	JAN/08/2014
EACABLES	1ST AND FINAL	0.4	16/10/2013	28-DEC-2013	JAN/24/2014
CARBACID	SHARE SPLIT	1:5	23/10/2013	15-Nov-2013	upload 09-jan 2014
CARBACID	BONUS	1:2	23/10/2013	15-Nov-2013	10-DEC-2013
CARBACID	FINAL	3.00	23/10/2013	15-Nov-2013	10-DEC-2013

EA PORTLAND	1ST & FINAL	0.75	28/10/2013	17-DEC-2013	20-JAN-2014
KENGEN	FINAL	0.60	30/10/2013	18-DEC-2013	31-JAN-2014
UMEME	INTERIM	Ushs.8.00	18/11/2013	09-dec-2013	20-dec-2013
CAR & GENERAL	BONUS	1:5	29/01/2014	19-FEB-2014	20-MAR-2014
CAR & GENERAL	FINAL	0.80	29/01/2014	19-FEB-2014	
BARCLAYS	FINAL	0.50	06/02/2014	06-MAR-2014	23-MAY-2014
EA BREWERIES	INTERIM	1.50	14/02/2014	14-MAR-2014	11-APR-2014
HFCK	FINAL	1.00	19/02/2014	09-MAY-2014	30-MAY-2014
KPLC	INTERIM	0.20	27/02/2014	31-MAR-2014	30-MAY-2014
KCB	1ST & FINAL	2.00	27/02/2014	12-MAY-2014	13-JUNE-2014
EQUITY BANK	1ST & FINAL	1.50	28/02/2014	14-MAR-2014	SUBJECT TO APPROVAL
BAT	FINAL	33.50	28/02/2014	28-MAR-2014	29-APR-2014
NIC BANK	BONUS	1:10	03/03/2014	SUBJECT TO APPROVAL	21-MAY-2014
NIC BANK	FINAL	0.75	03/03/2014	27-MAR-2014	21-MAY-2014
CFC STANBIC HOLDINGS	FINAL	1:52	03/03/2014	03-Jun-2014	05-Aug -2014
PAN AFRICA INS.	1ST & FINAL	4.50	04/03/2014	16-MAY-2014	02-JUL-2014
DIAMOND TRUST	1ST & FINAL	2.10	04/03/2014	15-MAY-2014	12-JUN-2014
BAMBURI	FINAL	9.00	07/03/2014	07-APR-2014	11-JULY-2014
BRITISH-AMERICAN INVESTMENTS	1ST& FINAL	0.25	07/03/2014	02-MAY-2014	30-MAY-2014
CIC INSURANCE	1ST& FINAL	0.10	12/03/2014	24-JUN-2014	18-JULY-2014
CIC	BONUS	1:5	12/03/20	30-JULY-2014	

INSURANCE			14		
EA CABLES	FINAL	0.60	18/03/2014	09-MAY-2014	16-JUN-2014
KAKUZI	1ST& FINAL	3.75	19/03/2014	30-MAY-2014	30-JUN-2014
CO-OPERATIVE BANK	1ST& FINAL	0.50	19/03/2014	29-MAY-2014	30-JUN-2014
CO-OPERATIVE BANK	BONUS	1:6	19/03/2014	13-JUN-2014	30-Jun-2014
JUBILEE HOLDINGS	FINAL	6.00	20/03/2014	10-JUN-2014	25-JUL-2014
NATION MEDIA GROUP	FINAL	7.50	21/03/2014	16-MAY-2014	30-JUL-2014
STANDARD GROUP	FINAL	0.50	24/03/2014	20-JUN-2014	23-JUL-2014
UMEME	FINAL	USH.16.80	24/03/2014	06-JUN-2014	30-JUN-2014
LIMURU TEA	FINAL	7.50	25/03/2014	17-APR-2014	
SCBK	DIVIDEND	14.50	25/03/2014	24-APR-2014	30-MAY-2014
NBK	1ST& FINAL	0.33	26/03/2014	30-MAY-2014	27-JUN-2014
SAMEER AFRICA	1ST& FINAL	0.30	27/03/2014	06-JUN-2014	08-JUL-2014
BOC GASES	FINAL	2.60	31/03/2014	31-MAY-2014	30-JUN-2014
ARM CEMENT LTD	1ST& FINAL	0.60	01/04/2014	18-JUL-2014	20-AUG-2014
TOTAL KENYA	1ST& FINAL	0.60	03/04/2014	13-JUN-2014	29-Jul-2014
KENOLKOBIL	1ST& FINAL	0.10	10/04/2014	16-MAY-2014	05-JUN-2014
LIBERTY KENYA HOLDINGS	SCRIP DIVIDEND	1.00 @15.90	10/04/2014	21-MAY-2014	SUB TO APPROVAL
I&M Holdings	INTERIM	2.50	10/04/2014	09-MAY-2014	26-MAY-2014
TPS EASTERN AFRICA	FINAL	1.35	16/04/2014	28-MAY-2014	20-JUN-2014
TRANSCENTURY	FINAL	0.40	16/04/2014	13-JUN-2014	30-JUN-2014
KENYA RE	1ST&	0.60	29/04/2014	16-JUN-2014	18-JUL-2014

	FINAL		14		
SCANGROUP	1ST& FINAL	0.40	30/04/20 14	30-MAY-2014	30-JUN-2014
CROWN PAINTS	DIVIDEND	1.75	30/04/20 14	27-JUN-2014	29-Jul-2014
SAFARICOM	DIVIDEND	0.47	13/05/20 14	16-SEP-2014	15-DEC-2014
Bamburi Cement	INTERIM	6.00	06/06/20 14	05-Sept-2014	10-Oct-2014
WILLIAMSON TEA	FINAL	7.00	09/06/20 14	6/30/2014	22-Aug-2014
KAPCHORUA	Final	5.00	09/06/20 14	6/29/2014	27-Aug-2014
LONGHORN	INTERIM	0.80	10/06/20 14	30-Jun-2014	31-July-2014
DIAMOND TRUST	Rights Issue	1:10@165. 00	19/06/20 14	24-Jun-2014	25-Aug-2014
BAT	INTERIM	3.50	10/07/20 14	11-Aug-2014	15-Sept-2014
HFCK	INTERIM	0.75	17/07/20 14	01-Aug-2014	29-Aug-2014
EABL	FINAL	4.00	08/08/20 14	08-Sept-2014	20-Jan-2015
CFC STANBIC HOLDINGS	INTERIM	0.95	11/08/20 14	01-Sept-2014	30-Oct-2014
BOC GASES	INTERIM	2.20	11/08/20 14	12-Sept-2014	30-Oct-2014
UMEME	INTERIM	Ush.9.40	18/08/20 14	01-Dec-2014	22-Dec-2014
JUBILEE HOLDINGS	INTERIM	1.00	26/08/20 14	19-Sept-2014	7-Oct-2014
NATION MEDIA GROUP	INTERIM	2.50	28/08/20 14	12- Sep-2014	30-Sep-2014
OLYMPIA CAPITAL	FINAL	0.25	29/08/20 14	17-Oct-2014	