est. 1927

ANNOUNCEMENT OF DECISIONS OF BOARD OF DIRECTORS

KEO plc announces that its Board of Directors, at a meeting that took place on 20 October 2016, has decided the payment of dividend of €4,584,836.06 that corresponds to 14.8 cent per share and that a related resolution will be proposed for approval on an Extraordinary General Meeting of the Company's shareholders.

According to the resolution to be proposed at the Extraordinary General Meeting for approval:

- 83% of the dividend will not be paid in cash but it shall be used for the payment in full of new shares in the capital of the Company at the price of 60.81 cent of Euro per share to be issued and allotted to the beneficiaries of such dividends.

- The issue price of the new shares has been determined according the weighted average trading price of the existing shares in the Cyprus Stock Exchange during the last 2 months (i.e. between 19 August and 19 October 2016) with a discount of 20%.

- For the calculation of the corresponding number of shares to be allotted to each beneficiary, the amount of dividend to be used for the payment in full of new shares (83% of the total dividend) will be divided by the issue price of the new shares (60.81 cent of the Euro per share). In case the aforesaid calculation results to a fractional number, then if the fractional number is less than 0.50 it will be ignored, but if it is equal or greater than 0.50 then an additional share will be allotted in regards to that fractional number.

- For any shareholders for which the above calculation results to the allotment of zero (0) shares, the amount of dividend that corresponds to these shareholders, less any Special Defense Contribution, where it applies, will be paid in cash.

- The remaining 17% of the amount of the dividend shall be payable in cash to the beneficiaries, subject to withholding of any Special Defense Contribution payable in respect to the whole amount of the dividend, in each case where applicable.

- The new shares to be issued will have a nominal value of €0.43 per share and shall have the same rights as the existing shares.

- The Company will proceed with an application for the admission of the new shares for trading in the alternative market of the Cyprus Stock Exchange where the already existing shares are already trading.

KEO plc
1 Franklin Roosevelt Ave. 3012 Limassol, Cyprus, P.O.Box 50209, 3602 Limassol, Cyprus
Tel.:+357 25 020000, Fax:+357 25 020001 www. keo.com.cy keo@keogroup.com

KEO

The Board of Directors of the Company has decided to convene the Extraordinary General Meeting on the 16th of November 2016 at 10:00 a.m. at the Company's registered office, 1 Franklin Roosevelt Avenue, 3012 Limassol.

The related resolution will be included in the notice for the convening of the Extraordinary General Meeting that will be announced within the deadline defined by the relevant legislation.

20 October 2016