

PRICE GUIDE FOR THE 5-YEAR RE-OPEN FIXED COUPON BOND ISSUE FXD1/2014/5.

YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
7.000%	113.994	11.625%	97.485
7.125%	113.503	11.750%	97.082
7.250%	113.016	11.855%	96.745
7.375%	112.531	11.875%	96.681
7.500%	112.048	12.000%	96.282
7.625%	111.568	12.125%	95.886
7.750%	111.091	12.250%	95.491
7.875%	110.616	12.375%	95.098
8.000%	110.144	12.500%	94.708
8.125%	109.674	12.625%	94.319
8.250%	109.207	12.750%	93.933
8.375%	108.742	12.875%	93.548
8.500%	108.280	13.000%	93.166
8.625%	107.820	13.125%	92.785
8.750%	107.363	13.250%	92.407
9.000%	106.455	13.375%	92.030
9.125%	106.005	13.625%	91.283
9.250%	105.557	13.750%	90.912
9.375%	105.112	13.875%	90.543
9.500%	104.669	14.000%	90.176
9.625%	104.228	14.125%	89.811
9.750%	103.790	14.250%	89.448
9.875%	103.354	14.375%	89.086
10.000%	102.920	14.500%	88.727
10.125%	102.489	14.625%	88.369
10.250%	102.060	14.750%	88.013
10.375%	101.633	14.875%	87.659
10.500%	101.208	15.000%	87.307
10.625%	100.786	15.125%	86.957
10.750%	100.365	15.250%	86.608
<b>10.870%</b>	<b>99.964</b>	15.375%	86.261
11.000%	99.532	15.500%	85.916
11.125%	99.118	15.625%	85.573
11.250%	98.706	15.750%	85.232
11.375%	98.297	15.875%	84.892
11.500%	97.890	16.000%	84.554

PRICE GUIDE FOR THE 20-YEAR RE-OPEN FIXED COUPON BOND ISSUE FXD1/2012/20.

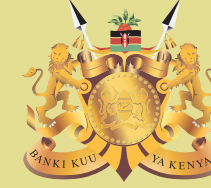
YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
8.000%	137.623	12.625%	96.566
8.125%	136.135	12.750%	94.725
8.250%	134.671	12.875%	93.897
8.375%	133.230	13.000%	93.080
8.500%	131.812	13.125%	92.274
8.625%	130.417	13.250%	91.481
8.750%	129.044	13.375%	90.698
8.875%	127.694	13.500%	89.927
9.000%	126.364	13.625%	89.167
9.125%	125.056	13.750%	88.417
9.250%	123.768	13.875%	87.678
9.375%	122.501	14.000%	86.949
9.500%	121.253	14.125%	86.230
9.625%	120.025	14.250%	85.521
9.750%	118.817	14.375%	84.822
9.875%	117.627	14.500%	84.133
10.000%	116.455	14.625%	83.453
10.125%	115.302	14.750%	82.783
10.250%	114.166	14.875%	82.121
10.375%	113.048	15.000%	81.469
10.500%	111.946	15.125%	80.829
10.625%	110.862	15.250%	80.190
10.750%	109.794	15.375%	79.564
10.875%	108.743	15.500%	78.946
11.000%	107.707	15.625%	78.337
11.125%	106.687	15.750%	77.735
11.250%	105.682	15.875%	77.142
11.375%	104.693	16.000%	76.556
11.500%	103.718	16.125%	75.978
11.625%	102.757	16.250%	75.407
11.750%	101.811	16.375%	74.845
11.875%	100.879	16.500%	74.289
<b>12.000%</b>	<b>99.961</b>	16.625%	73.741
12.125%	99.056	16.750%	73.199
12.250%	98.164	16.875%	72.665
12.375%	97.285	17.000%	72.137
12.500%	96.420	17.125%	71.617

PRICE GUIDE FOR THE 20-YEAR RE-OPEN FIXED COUPON BOND ISSUE FXD1/2012/20.

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12.500%	96.420	17.125%	71.617

IMPORTANT INFORMATION

The five-year bond attracts Accrued Interest (AI) of Ksh.2.718 per Ksh 100. Withholding tax is computed on clean prices. Example: If yield quoted is 10.870%, the settlement price is the clean price (Ksh.99.964) plus AI (Ksh.2.718) which gives Ksh.102.682. The twenty-year bond attracts Accrued Interest (AI) of Ksh.2.077 per Ksh 100. Withholding tax is computed on clean prices. Example: If yield quoted is 12.000%, the settlement price is the clean price (Ksh.99.961) plus AI (Ksh.2.077) which gives Ksh.102.038.



CENTRAL BANK OF KENYA

PROSPECTUS FOR FIVE-YEAR (RE-OPEN)  
&  
TWENTY-YEAR (RE-OPEN)  
FIXED COUPON TREASURY BONDS

ISSUE NOs. FXD 1/2014/5 & FXD 1/2012/20

TOTAL VALUE: UP TO KSHS 20 BILLION

JANUARY 2015

For enquiries please contact Central Bank of Kenya, Financial Markets Department on 2860000 or our Branches in Mombasa, Kisumu and Eldoret or Nyeri, Meru and Nakuru Currency Centres or any Commercial Bank, Investment Bank, Stock Brokers or send an email to [NDO@centralbank.go.ke](mailto:NDO@centralbank.go.ke) or visit the CBK website on [www.centralbank.go.ke](http://www.centralbank.go.ke)

## FXD 1/2014/5 & FXD 1/2012/20

The Central Bank of Kenya, acting in its capacity as fiscal agent for the Republic of Kenya, invites bids for the above bonds whose terms and conditions are as follows:-

<b>Issuer</b>	: Republic of Kenya		
<b>Amount</b>	: Up to <b>Kshs.20 Billion</b>		
<b>Purpose</b>	: Budgetary Support		
<b>Tenor</b>	: <b>Five Year-Re-open (4.25 years)</b>		
	: <b>Twenty-Year-Re-open (17.83 years)</b>		
<b>Coupon</b>	: <b>Five-Year-10.870%</b>		
	: <b>Twenty-Year - 12.000%</b>		
<b>Period of sale</b>	: <b>09/01/2015 to 20/01/2015</b>		
<b>Value Date</b>	: <b>26/01/2015</b>		
<b>Price Quote</b>	: Discounted/Premium/ Par		
<b>Minimum Amount</b>	: <b>Kshs.50,000.00</b>		
<b>Interest Payment Dates</b>	: <b>5 - Year</b>		
	27/04/2015	24/04/2017	22/04/2019
	26/10/2015	23/10/2017	
	25/04/2016	23/04/2018	
	24/10/2016	22/10/2018	
	<b>20 - Year</b>		
	25/05/2015	15/11/2021	08/05/2028
	23/11/2015	16/05/2022	06/11/2028
	23/05/2016	14/11/2022	07/05/2029
	21/11/2016	15/05/2023	05/11/2029
	22/05/2017	13/11/2023	06/05/2030
	20/11/2017	13/05/2024	04/11/2030
	21/05/2018	11/11/2024	05/05/2031
	19/11/2018	12/05/2025	03/11/2031
	20/05/2019	10/11/2025	03/05/2032
	18/11/2019	11/05/2026	01/11/2032
	18/05/2020	09/11/2026	
	16/11/2020	10/05/2027	
	17/05/2021	08/11/2027	
<b>Taxation</b>	: Discount/Interest is subject to withholding tax at a rate of <b>15%</b> for 5-year and <b>10%</b> for 20-year.		
<b>Redemption Dates</b>	: <b>5-Year -22/04/2019; 20-Year - 01/11/2032</b>		
<b>Issuing and Paying Agent</b>	: Registrar, National Debt.		
<b>Placing Agents</b>	: <ul style="list-style-type: none"> <li>• Commercial Banks</li> <li>• Non-Bank Financial Institutions</li> <li>• Licensed Stock Brokers</li> <li>• Licensed Investment Advisors</li> </ul>		

<b>Issuance method</b>	: Multi-Price Bid Auction.		
<b>Non-Competitive Bids</b>	: Maximum <b>Kshs. 20 Million</b> per investor account per issue.		
<b>Bids Closure</b>	: Duly completed bond application forms must be submitted to any branch of the Central Bank in the specified tender box by <b>2.00 p.m on Tuesday, 20<sup>th</sup> January, 2015</b>		
<b>Auction Date</b>	: <b>21/01/2015</b>		
<b>Results</b>	: Investors should obtain details of amounts payable for successful bids, from Central Bank on <b>22/01/2015</b> .		
<b>Defaulters</b>	: Defaulters may be suspended from subsequent investment in Government Securities.		
<b>Commission</b>	: Licensed placing agents will be paid commission at the rate of <b>0.15%</b> of actual sales (at cost ) net of <b>5%</b> withholding tax.		
<b>Rediscounting</b>	: The Central Bank will rediscount the bonds as a last resort at <b>3%</b> above the prevailing market yield or coupon rate whichever is higher, <b>upon written confirmation to do so from the Nairobi Securities Exchange</b> .		
<b>Liquidity</b>	: The bonds qualify for statutory liquidity ratio requirements for Commercial Banks and Non-Bank Financial Institutions as stipulated in the Banking Act CAP 488 of the Laws of Kenya.		
<b>Listing</b>	: The bonds will be listed on the Nairobi Securities Exchange.		
<b>Classification</b>	: These bonds are benchmark bonds.		
<b>Registrar</b>	: National Debt, Central Bank of Kenya.		
<b>Eligibility</b>	: Only CDS Account holders with updated mandates.		
<b>Re-opening</b>	: The Bonds may be re-opened at a future date.		
<b>Secondary Trading</b>	: Secondary trading in multiples of Kshs. 50,000.00 to commence on <b>Tuesday, 27<sup>th</sup> January, 2015</b> .		
<b>Right to accept applications</b>	: The Central Bank reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.		