

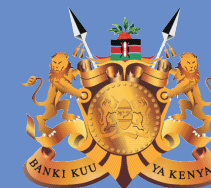
**PRICE GUIDE FOR THE 10- YEAR FIXED COUPON BOND
RE-OPEN TREASURY BOND ISSUE FXD1/2013/10.**

YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
9.000%	117.952	13.625%	94.230
9.125%	117.212	13.750%	93.682
9.250%	116.478	13.875%	93.138
9.375%	115.750	14.000%	92.599
9.500%	115.028	14.125%	92.064
9.625%	114.312	14.250%	91.533
9.750%	113.602	14.375%	91.006
9.875%	112.898	14.500%	90.484
10.000%	112.200	14.625%	89.965
10.125%	111.507	14.750%	89.451
10.250%	110.820	14.875%	88.940
10.375%	110.138	15.000%	88.434
10.500%	109.462	15.125%	87.932
10.625%	108.792	15.250%	87.433
10.750%	108.127	15.375%	86.939
10.875%	107.467	15.500%	86.448
11.000%	106.813	15.625%	85.961
11.125%	106.164	15.750%	85.478
11.250%	105.521	15.875%	84.999
11.375%	104.882	16.000%	84.523
11.500%	104.249	16.125%	84.051
11.625%	103.621	16.250%	83.583
11.750%	102.998	16.375%	83.118
11.875%	102.380	16.500%	82.657
12.000%	101.767	16.625%	82.200
12.125%	101.159	16.750%	81.746
12.250%	100.555	16.875%	81.295
12.371%	99.976	17.000%	80.848
12.500%	99.363	17.125%	80.405
12.625%	98.774	17.250%	79.965
12.750%	98.190	17.375%	79.528
12.875%	97.611	17.500%	79.094
13.000%	97.036	17.625%	78.664
13.125%	96.466	17.750%	78.237
13.250%	95.900	17.875%	77.814
13.375%	95.339	18.000%	77.393
13.500%	94.782	18.125%	76.976

IMPORTANT INFORMATION

The bond attracts Accrued Interest (AI) of Ksh.0.952 per Ksh 100.

Withholding tax is computed on clean prices. Example: If yield quoted is 12.371%, settlement price is the clean price (Ksh.99.976) plus AI (Ksh.0.952) which gives Ksh.100.928.



CENTRAL BANK OF KENYA

**PROSPECTUS FOR TWO YEAR & TEN YEAR
RE-OPEN**

FIXED COUPON TREASURY BONDS

ISSUE NOs. FXD 1/2016/2 & FXD 1/2013/10

TOTAL VALUE: KSHS 35 BILLION

JANUARY 2016

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 or visit the CBK website on www.centralbank.go.ke

FXD 1/2016/2 & FXD 1/2013/10

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:-

Issuer	: Republic of Kenya
Amount	: Kshs. 35 Billion
Purpose	: Budgetary Support
Tenor	: Two Year-New : Ten Year-Re-open (7.42 years)
Coupon	: Two Year - Market Determined : Ten Year - 12.371%
Period of sale	: 05/01/2016 to 19/01/2016
Value Date	: 25/01/2016
Price Quote	: Discounted/Premium/ Par
Minimum Amount	: Kshs. 50,000.00
Interest Payment Dates:	2 - Year 25/07/2016 23/01/2017 24/07/2017 22/01/2018 10 - Year 27/06/2016 24/12/2018 21/06/2021 26/12/2016 24/06/2019 20/12/2021 26/06/2017 23/12/2019 20/06/2022 25/12/2017 22/06/2020 19/12/2022 25/06/2018 21/12/2020 19/06/2023
Taxation	: Discount/Interest is subject to withholding tax at a rate of 15% for 2 year and 10% for 10 year.
Redemption Dates	: 2 Year - 22/01/2018 10 Year - 19/06/2023
Issuing and Paying Agent:	Central Bank of Kenya.
Placing Agents	: • Commercial Banks • Non-Bank Financial Institutions • Licensed Stock Brokers • Licensed Investment Advisors
Issuance method	: Multi-Price Bid Auction.

Non-Competitive Bids	: Maximum Kshs 20 Million per investor per tenor.
Bids Closure	: Duly completed bond application forms must be submitted to any branch of the Central Bank in the specified tender box by 2.00 p.m on Tuesday January 19, 2016.
Auction Date Results	: 20/01/2016 : Investors should obtain details of amounts payable for successful bids, from Central Bank on 21/01/2016.
Defaulters	: Defaulters may be suspended from subsequent investment in Government Securities.
Commission	: Licensed placing agents will be paid commission at the rate of 0.15% of actual sales (at cost) net of 5% withholding tax.
Rediscounting	: The Central Bank will rediscount the bonds as a last resort at 3% above the prevailing market yield or coupon rate whichever is higher, upon written confirmation to do so from the Nairobi Securities Exchange.
Liquidity	: 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.
Listing	: The bonds will be listed on the Nairobi Securities Exchange.
Classification	: These bonds are benchmark Bonds
Registrar Eligibility	: National Debt, Central Bank of Kenya. : Only investors with active CDS Accounts with the Central Bank of Kenya
Re-opening	: The Bonds may be re-opened at a future date.
Secondary Trading	: Secondary trading in multiples of KShs 50,000.00 to commence on Tuesday, January 26, 2016.
Right to accept applications	: The Central Bank reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.