

**PRICE GUIDE FOR THE 20 - YEAR FIXED COUPON BOND
RE-OPEN TREASURY BOND ISSUE FXD1/2008/20.**

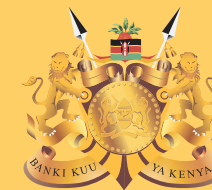
8.000%	143.602
8.125%	142.383
8.250%	141.179
8.375%	139.989
8.500%	138.813
8.625%	137.651
8.750%	136.503
8.875%	135.369
9.000%	134.247
9.125%	133.139
9.250%	132.044
9.375%	130.962
9.500%	129.892
9.625%	128.835
9.750%	127.790
9.875%	126.758
10.000%	125.737
10.125%	124.728
10.250%	123.731
10.375%	122.745
10.500%	121.771
10.625%	120.807
10.750%	119.855
10.875%	118.914
11.000%	117.984
11.125%	117.064
11.250%	116.154
11.375%	115.255
11.500%	114.366
11.625%	113.487
11.750%	112.619
11.875%	111.759
12.000%	110.910
12.125%	110.070
12.250%	109.240
12.375%	108.418
12.500%	107.606

12.625%	106.803
12.750%	106.009
12.875%	105.224
13.000%	104.448
13.125%	103.680
13.250%	102.920
13.375%	102.169
13.500%	101.426
13.625%	100.691
13.750%	99.965
13.875%	99.246
14.000%	98.535
14.125%	97.832
14.250%	97.136
14.375%	96.448
14.500%	95.768
14.625%	95.094
14.750%	94.429
14.875%	93.770
15.000%	93.118
15.125%	92.473
15.250%	91.835
15.375%	91.204
15.500%	90.580
15.625%	89.962
15.750%	89.351
15.875%	88.746
16.000%	88.147
16.125%	87.555
16.250%	86.969
16.375%	86.390
16.500%	85.816
16.625%	85.248
16.750%	84.686
16.875%	84.131
17.000%	83.580
17.125%	83.036

IMPORTANT INFORMATION

The bond attracts Accrued Interest (AI) of Ksh.1.322 per Ksh 100.

Withholding Tax is computed on clean prices. Example: If yield quoted is 13.750%, Settlement price is the clean price (Ksh.99.965) plus AI (Ksh.1.322) which gives Ksh.101.287.



CENTRAL BANK OF KENYA

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

ISSUE NOs. FXD 2/2016/5 & FXD 1/2008/20

TOTAL VALUE: KSHS 30 BILLION

JULY 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 2/2016/5 & FXD 1/2008/20

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:-

Issuer	:	Republic of Kenya
Amount	:	Kshs. 30 Billion
Purpose	:	Budgetary Support
Tenor	:	Five Year-New
	:	Twenty Year-Re-open (11.9 years)
Coupon	:	Five Year - Market Determined
	:	Twenty Year - 13.75%
Period of sale	:	06/07/2016 to 19/07/2016
Value Date	:	25/07/2016
Price Quote	:	Discounted/Premium/ Par
Minimum Amount	:	Kshs. 50,000.00
Interest Payment Dates:		5 - Year
		23/01/2017 21/01/2019 18/01/2021
		24/07/2017 22/07/2019 19/07/2021
		22/01/2018 20/01/2020
		23/07/2018 20/07/2020
		20 - Year
		19/12/2016 14/12/2020 09/12/2024
		19/06/2017 14/06/2021 09/06/2025
		18/12/2017 13/12/2021 08/12/2025
		18/06/2018 13/06/2022 08/06/2026
		17/12/2018 12/12/2022 07/12/2026
		17/06/2019 12/06/2023 07/06/2027
		16/12/2019 11/12/2023 06/12/2027
		15/06/2020 10/06/2024 05/06/2028
Taxation	:	Discount/Interest is subject to withholding tax at a rate of 15% for 5 year and 10% for 20 year.
Redemption Dates	:	5 Year - 19/07/2021
	:	20 Year - 05/06/2028
Issuing and Paying Agent	:	Central Bank of Kenya.
Placing Agents	:	<ul style="list-style-type: none"> • 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 July 19, 2016.
Auction Date	:	20/07/2016
Results	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on 21/07/2016.
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	:	National Debt, Central Bank of Kenya.
Eligibility	:	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, July 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.