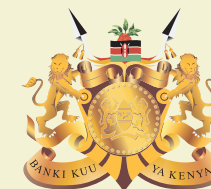


**PRICE GUIDE FOR THE 15-YEAR AMORTISED FIXED COUPON
INFRASTRUCTURE BOND ISSUE IFB1/2018/15**

YIELD(YTM)	CLEAN PRICE
8.000%	135.576
8.125%	134.351
8.250%	133.142
8.375%	131.948
8.500%	130.770
8.625%	129.608
8.750%	128.460
8.875%	127.327
9.000%	126.209
9.125%	125.105
9.250%	124.015
9.375%	122.939
9.500%	121.877
9.625%	120.828
9.750%	119.792
9.875%	118.770
10.000%	117.760
10.125%	116.764
10.250%	115.779
10.375%	114.807
10.500%	113.847
10.625%	112.899
10.750%	111.963
10.875%	111.038
11.000%	110.125
11.125%	109.223
11.250%	108.333
11.375%	107.453
11.500%	106.584
11.625%	105.725
11.750%	104.877
11.875%	104.039
12.000%	103.212
12.125%	102.394
12.250%	101.586
12.375%	100.788
12.500%	100.000

YIELD(YTM)	CLEAN PRICE
12.625%	99.221
12.750%	98.451
12.875%	97.691
13.000%	96.939
13.125%	96.197
13.250%	95.463
13.375%	94.738
13.500%	94.021
13.625%	93.313
13.750%	92.613
13.875%	91.921
14.000%	91.238
14.125%	90.562
14.250%	89.894
14.375%	89.234
14.500%	88.581
14.625%	87.936
14.750%	87.299
14.875%	86.668
15.000%	86.045
15.125%	85.429
15.250%	84.820
15.375%	84.218
15.500%	83.622
15.625%	83.033
15.750%	82.451
15.875%	81.876
16.000%	81.307
16.125%	80.744
16.250%	80.187
16.375%	79.637
16.500%	79.093
16.625%	78.554
16.750%	78.022
16.875%	77.496
17.000%	76.975
17.125%	76.460



CENTRAL BANK OF KENYA

**PROSPECTUS
FOR GOVERNMENT OF KENYA
INFRASTRUCTURE BOND OFFER**

**15-YEAR AMORTIZED BOND
ISSUE NO. IFB 1/2018/15**

TOTAL VALUE: KSHS 40 BILLION

JANUARY 2018

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

IFB 1/2018/15

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

Issuer	:	Republic of Kenya
Amount	:	Kshs. 40 Billion
Purpose	:	Funding of Infrastructural projects in the FY 2017/18 Budget Estimates.
Tenor	:	Fifteen-year
Coupon	:	12.500% p.a
Period of sale	:	16/01/2018 to 23/01/2018
Value Date	:	29/01/2018
Price Quote	:	Discounted/Premium/ Par
Minimum Amount	:	Kshs. 100,000.00
Interest Payment Dates	:	30/07/2018 25/07/2022 20/07/2026 14/01/2030 28/01/2019 23/01/2023 18/01/2027 15/07/2030 29/07/2019 24/07/2023 19/07/2027 13/01/2031 27/01/2020 22/01/2024 17/01/2028 14/07/2031 27/07/2020 22/07/2024 17/07/2028 12/01/2032 25/01/2021 20/01/2025 15/01/2029 12/07/2032 26/07/2021 21/07/2025 16/07/2029 10/01/2033 24/01/2022 19/01/2026
Redemption Date	:	10/01/2033
Taxation	:	The Bond will be tax free as is the case for all Infrastructure Bonds as provided for under the Income Tax Act.
Redemption Structure	:	17th January, 2028- 40.000% of unencumbered outstanding principal amount. 10th January, 2033 - 100.000% - Final Redemption of all outstanding amounts.
Amortization	:	No partial redemption will be paid on encumbered securities on amortization dates. Any amount upto Kshs. 1.0 million per CDS account at amortization will be redeemed in full except for encumbered securities.
Issuing and Paying Agent	:	Central Bank of Kenya
Placing Agents	:	Commercial Banks, Non-Bank Financial institutions, Licensed Stock Brokers and

Auction Method	:	Licensed Investment Advisors. Multi-Price Bid Auction.
Non-Competitive Bids	:	Maximum Kshs 20 Million per investor.
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, 23rd January, 2018.
Auction Date	:	Wednesday, 24/01/2018
Results	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on Thursday, 25/01/2018.
Defaulters	:	Defaulters may be suspended from subsequent investment in Government Securities.
Re-opening Commission	:	The Bond may be re-opened at a future date 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 bond 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 bond qualifies 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 bond will be listed on the Nairobi Securities Exchange.
Classification	:	The bond is a non-benchmark Bond
Eligibility	:	Only active CDS Account holders
Secondary Trading	:	Secondary trading in multiples of KShs 50,000.00 to commence on Tuesday, 30th January, 2018.
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.