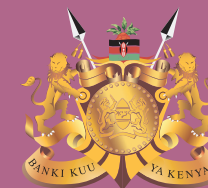


**PRICE GUIDE FOR THE 15 YEAR FIXED COUPON
RE-OPEN TREASURY BOND ISSUE FXD2/2007/15**

YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
8.000%	122.155	12.625%	103.141
8.125%	121.585	12.750%	102.682
8.250%	121.017	12.875%	102.226
8.375%	120.453	13.000%	101.772
8.500%	119.893	13.125%	101.321
8.625%	119.336	13.250%	100.873
8.750%	118.782	13.375%	100.428
8.875%	118.231	13.500%	99.984
9.000%	117.684	13.625%	99.544
9.125%	117.140	13.750%	99.106
9.250%	116.599	13.875%	98.670
9.375%	116.061	14.000%	98.238
9.500%	115.527	14.125%	97.807
9.625%	114.996	14.250%	97.379
9.750%	114.468	14.375%	96.953
9.875%	113.943	14.500%	96.530
10.000%	113.421	14.625%	96.110
10.125%	112.902	14.750%	95.691
10.250%	112.386	14.875%	95.275
10.375%	111.873	15.000%	94.862
10.500%	111.364	15.125%	94.451
10.625%	110.857	15.250%	94.042
10.750%	110.353	15.375%	93.635
10.875%	109.852	15.500%	93.231
11.000%	109.354	15.625%	92.829
11.125%	108.859	15.750%	92.430
11.250%	108.367	15.875%	92.032
11.375%	107.878	16.000%	91.637
11.500%	107.392	16.125%	91.244
11.625%	106.908	16.250%	90.854
11.750%	106.428	16.375%	90.465
11.875%	105.950	16.500%	90.079
12.000%	105.475	16.625%	89.695
12.125%	105.003	16.750%	89.313
12.250%	104.533	16.875%	88.933
12.375%	104.066	17.000%	88.556
12.500%	103.602	17.125%	88.180

IMPORTANT INFORMATION

The bond attracts accrued interest (AI) of Ksh 0.519 per Ksh 100. Withholding tax is computed on clean prices. Example: If yield quoted is 13.500%, the settlement price is the clean price (Ksh 99.984) plus AI (Ksh 0.519) which gives Ksh.100.503.



CENTRAL BANK OF KENYA

**PROSPECTUS FOR FIXED COUPON RE-OPEN
FIFTEEN -YEAR TREASURY BOND**

ISSUE NO. FXD 2/2007/15

TOTAL VALUE: KSHS 30 BILLION

JUNE 2017

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 2/2007/15

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. 30 Billion
Purpose	:	Budgetary Support
Tenor	:	Fifteen-year (Re-open 4.96 years)
Coupon	:	13.500%
Period of sale	:	09/06/2017 to 20/06/2017
Value Date	:	26/06/2017
Price Quote	:	Discounted/Premium/ Par
Minimum Amount	:	Kshs. 50,000.00
Interest Payment Dates:		11/12/2017 08/06/2020 11/06/2018 07/12/2020 10/12/2018 07/06/2021 10/06/2019 06/12/2021 09/12/2019 06/06/2022
Taxation	:	Discount/Interest is subject to withholding tax at a rate of 10% .
Redemption Date	:	06/06/2022
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.
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, 20th June 2017 .
Auction Date	:	Wednesday, 21/06/2017

Results	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on Thursday, 22/06/2017 .
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 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 benchmark Bond.
Eligibility	:	Only investors with active CDS accounts at Central Bank of Kenya
Re-opening	:	The bond may be re-opened at a future date.
Secondary Trading	:	Secondary trading in multiples of KShs 50,000.00 to commence on Tuesday, 27th June, 2017 .
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.