

PRESS ANNOUNCEMENT

For immediate release

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Thomas Murray rates Barclays Bank of Kenya Limited A- for Kenyan Domestic Custody

LONDON – Thomas Murray, the specialist custody rating, risk management and research firm has awarded Barclays Bank of Kenya Limited a public Kenyan domestic custody rating of:

Public Domestic Custody Rating	Core Services											
	Overall Rating	Credentials	Settlements	Safetkeeping	Income Collection	Corporate Actions	Corporate Governance	Cash/FX Management	Taxation	Securities Lending	Internal Operations	Risks
Barclays, Kenya Domestic Custody Rating:	A-	AA	A-	A	A-	A-	A-	A-	N/A	N/A	A-	BBB

Barclays Bank of Kenya demonstrates a strong Kenyan domestic custody offering and has been awarded a rating of A- (with a stable outlook) by Thomas Murray. The bank has been appointed as custodian to the recently formed Central Depository Settlement Corporation (CDSC). The bank has a strong control culture within its custody operation. Strengths were demonstrated in its settlements processes and income and corporate actions. A daily automated reconciliation procedure of its own records to those of the CDSC has been implemented to improve asset safety standards. The bank has limited experience in the provision of proxy voting however this appears to be largely as a result of lack of client demand rather than an inability to deliver the service. The bank has made good use of its technology capabilities embracing automation where feasible and SWIFT client reporting can be provided when required. Contractual arrangements are with the local Barclays subsidiary with no parental guarantee provided. As a result the financial risk is considered low to moderate.

Simon Thomas, CEO and Chief Ratings Officer of Thomas Murray said: “Thomas Murray is pleased to be able to announce the public Kenyan domestic custody rating of Barclays Bank of Kenya. Barclays Bank of Kenya, a majority owned subsidiary of Barclays Bank PLC, has taken its custody business from strength to strength drawing on group expertise to develop a creative and dynamic custody business in the Kenyan securities market. The rating reflects the strong capability and competency that Barclay’s has developed in the sometimes difficult operating conditions of a developing securities market.”

Adan Mohamed, the Chief Executive Officer of Barclays Bank of Kenya said “We are delighted with this rating. We have put substantial investment in this business and the results of this assessment are clear indication of money well spent and a job well done. Barclays Kenya is committed to continuously raising the level of service to all its clients and the Custody business is at the core of this strategy”.

Chris Wooldridge, Head of Barclays Securities Services, said “Barclays Bank of Kenya is pleased to have worked closely with Thomas Murray on the Kenyan domestic custody rating. We found that Thomas Murray’s rating methodology provided our Kenyan custody business with a comprehensive assessment of our operating processes and has been helpful in focusing the businesses developments. The A- rating is an indicator of the progress that has been made and the overall service quality. We firmly believe that from the point of view of both current and prospective clients, the domestic custody rating from Thomas Murray being an independent expert will give Barclays Bank of Kenya the ability to differentiate itself in the Kenyan custody market and enhance the credibility of our custody product”.

The domestic custody rating is a business rating that assesses the operational performance of domestic custodians – financial institutions that hold securities in safekeeping for global custodian, broker dealer and domestic clients. The methodology considers the business credentials and service capabilities of custodians, and the quality and effectiveness of their operational infrastructure. It also assesses the custodian’s willingness and ability to protect their clients from losses and incorporates a risk analysis of the custodian. As part of the rating the breadth and quality of the custodian’s services is assessed. The ratings are on a consistent global scale, using the familiar AAA to C ratings methodology. Once the rating is assigned there is an ongoing surveillance process to monitor the custodian.

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Thomas Murray

Thomas Murray was founded in 1994 and is a specialist custody risk rating, advisory and research firm specialising in the global securities services industry. The Company publicly/privately maintains ratings on over 300 custodians, 100 capital market infrastructures and 150 central securities depositories globally. Thomas Murray is the single largest provider of public and private ratings and risk assessments on global custodians, agent banks and capital market infrastructures.

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Barclays Bank of Kenya

Barclays Bank of Kenya is a 68.5% subsidiary of Barclays Bank PLC. The remainder of Barclays Bank of Kenya shares are locally listed. It was originally established in 1925 and incorporated in Kenya in 1978 and is supervised by the Central Bank of Kenya. Barclays Bank of Kenya has offered securities custody and settlement services to international institutional investors since 1994.