

4 October 2011

PRESS NOTICE

AUCTION OF BRITISH GOVERNMENT STOCK

Auction Details

Auction Date	Thursday, 13 October 2011
Issue and Settlement Date	Friday, 14 October 2011
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	£0.432005 per £100 nominal
Auction Close	10:30am London Time

Details of Security

Title	4¼% Treasury Gilt 2039
Amount (nominal) for auction	£2,000 million (fungible with previous issues) (see Note 3)
Nominal outstanding after auction	£18,417.7 million
Maturity Date	7 September 2039 at par
Interest Dates	7 March – 7 September
Parent ISIN Code	GB00B3KJDS62
Parent SEDOL Code	B-3KJ-DS6
Strippable	Yes, since 3 July 2009
Interest Payable	Gross (see Note 2)
Next Interest Date	7 March 2012 (Standard Coupon)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 4 October 2011
Closes	Close of business: 13 October 2011
“When issued” ISIN Code	GB00B6ZD5338
“When issued” SEDOL Code	B-6ZD-533
TIDM (for trade reporting)	AUCB

Note 1: Bids may be made on either a competitive or a non-competitive basis. Details of the bidding procedures are set out in the prospectus and in the Information Memorandum. Gilt-edged Market Makers may bid by means of the Bloomberg Bond Auction System to the DMO not later than 10.30 am on Thursday, 13 October 2011.

Note 2: Holders may elect to have United Kingdom income tax deducted from interest payments, should they so wish, on application to the Registrar, Computershare Investor Services PLC.

Note 3: Subject to the provisions of the Information Memorandum, this auction will be eligible for the Post Auction Option Facility of an additional amount of the Gilt equivalent to 10% of the nominal amount of the Gilt allocated at the auction. Details of the Post Auction Option Facility procedures are set out in the Information Memorandum.

Documentation

Prospectus DMO : 4 October 2011	http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp041011b.pdf
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : August 2011	http://www.dmo.gov.uk/documentview.aspx?docName=/publications/operationalrules/infmemadd150811.pdf
Formulae for Calculating Gilt Prices from Yields DMO : 16 March 2005	www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldeqns.pdf

Applications from Members of the Approved Group of Investors

Application forms from Approved Group members must be sent to Computershare Investor Services PLC, who are acting on behalf of the DMO, at the following address: PO Box 2411, The Pavilions, Bristol, BS99 6WX to arrive not later than 10.00 am on Thursday, 13 October 2011. They may also be lodged by hand at the DMO, Eastcheap Court, 11 Philpot Lane, London, EC3M 8UD not later than 10.00 am on Thursday, 13 October 2011. The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £125.50 per £100 nominal of the Gilt.

Remit 2011-12

Gilt sales of £167.5 billion (cash) are planned in 2011-12 and progress against the remit is summarised in the table below (which may not include the amount of gilts issued under the Post Auction Option Facility for the most recent auction, if any).

Gilt sales relative to remit plans at 4 October (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Auction sales to-date	28,909	20,969	10,493	9,754	70,126
PAOF proceeds to-date	728	740	607	402	2,477
Syndication sales to-date			9,319	7,598	16,917
Mini-tender sales to date			1,185	494	1,679
Total gilt sales to date	29,637	21,709	21,604	18,247	91,198
Auction sales required to meet plans (excludes PAOF proceeds)	28,491	13,731	10,507	8,446	61,174
Number of auctions remaining	6	4	5	7	22
Currently required average auction sizes	4,748	3,433	2,101	1,207	
Syndication sales required to meet plan			4,181	10,502	14,683
Mini-tender sales required to meet plan			1,715	1,206	2,921
Planned gilt sales at auctions	57,400	34,700	21,000	18,200	131,300
Number of auctions scheduled	12	10	10	15	47
Planned gilt sales by syndication			13,500	18,100	31,600
Planned sales by mini-tender			2,900	1,700	4,600
Total planned supplementary gilt sales			16,400	19,800	36,200
Total planned gilt sales	57,400	34,700	37,400	38,000	167,500

