ISSUE OF GOVERNMENT STOCK

The United Kingdom Debt Management Office (the "DMO") announces that Her Majesty's Treasury shall create on 2 July 2010 an additional amount of the Stock listed below:

£79,850,000 03/4% Index-linked Treasury Gilt 2047

The issue price was the striking price of the Stock at 10:30am in the auction held on 1 July 2010 as certified by the DMO.

The Stock to be issued represents a further amount of the existing Stock, carrying the same rights as that Stock and subject to the terms and conditions applicable to that Stock.

This further issue of the Stock will rank for the full six months' interest on the next interest payment date applicable to the Stock.

Application has been made to the UK Listing Authority for the Stock to be admitted to the Official List on 2 July 2010.

Application has also been made to the London Stock Exchange for the Stock to be admitted to trading on the London Stock Exchange's regulated market.

Copies of the prospectus for 03/4% Index-linked Treasury Gilt 2047 dated 22 June 2010 may be obtained from the DMO or the Registrar, Computershare Investor Services PLC, at the addresses shown below:

UK Debt Management Office Computershare Investor Services PLC

Eastcheap Court PO Box 2411
11 Philpot Lane The Pavilions
London EC3M 8UD Bristol BS99 6WX

0845 357 6500 0870 703 0143

The prospectus may also be viewed on the DMO's website at:

http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp220610.pdf

Other information and terms relating to the Stock are contained in the Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock dated May 2009, which is obtainable from the DMO or may be viewed on the DMO website at:

 $\underline{www.dmo.gov.uk/documentview.aspx?docname=publications/operational rules/infmem220509.pdf}$

The Stock is repayable, and interest is payable half-yearly, on the dates shown below:

Stock Redemption date Interest payment dates 03/4% Index-linked Treasury Gilt 2047 22 November 2047 22 May & 22 November

Both the principal and interest on the Stock are indexed to the General Index of Retail Prices. Details of the manner of indexation are set out in the prospectus.

The relevant Index figures for the half-yearly interest payments on the Stock are as follows:

Interest payable Relevant Index figure Published in
22 November 2010 Not yet determinable October 2010
22 May 2011 Not yet determinable April 2011

United Kingdom Debt Management Office

1 July 2010

