

DMO ANNOUNCEMENT 31 MARCH 2005

Cancellation of 8½% Treasury Stock 2005

The United Kingdom Debt Management Office (DMO) will cancel £664,859,265.37 nominal of 8 ½% Treasury Stock 2005 on 1 April 2005. The DMO will purchase this amount from the Secretary of State for Trade and Industry, immediately after its transfer from British Nuclear Fuels plc, under the terms of a nuclear transfer scheme being effected by the Secretary of State under the Energy Act 2004 as part of the formation of the Nuclear Decommissioning Authority ('NDA') and associated restructuring of the BNFL Group.

The nominal amount of 8½% Treasury Stock 2005 outstanding after this cancellation will be £9.821,319,144.65.