

PRESS NOTICE

AUCTION OF BRITISH GOVERNMENT STOCK

Auction Details

Auction Date	Thursday, 14 February 2013
Issue and Settlement Date	Friday, 15 February 2013
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	Nil
Auction Close	10:30am London Time

Details of Security

Title	1¼% Treasury Gilt 2018
Amount (nominal) for auction	£4,000 million (see Note 4)
Nominal outstanding after auction	£4,000 million
Maturity Date	22 July 2018 at par
Interest Dates	22 January – 22 July
Parent ISIN Code	GB00B8KP6M44
Parent SEDOL Code	B-8KP-6M4
Strippable	No (see Note 2)
Interest Payable	Gross (see Note 3)
Next Interest Date	22 July 2013 - £0.542127 per £100 nominal (Short First Coupon)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 5 February 2013
Closes	Close of business: 14 February 2013
“When issued” ISIN Code	GB00B8KP6M44
“When issued” SEDOL Code	B-8KP-6M4
TIDM (for trade reporting)	AUCA

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, 14 February 2013.

Note 2. The Gilt may not be stripped and reconstituted until so specified in a notice issued by the DMO.

Note 3: 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 4: 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 : 5 February 2013	http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp050213.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/ifmemadd150811.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, 14 February 2013. 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, 14 February 2013.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £102.50 per £100 nominal of the Gilt.

Remit 2012-13

Gilt sales of £164.2 billion (cash) are planned in 2012-13 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 5 February 2013 (£ millions)					
	Conventional Gilts			Index-linked	Total
	Short	Medium	Long	gilts	
Auction sales in the financial year to-date	40,185	29,531	21,480	14,479	105,675
PAOF sales in the financial year to-date	1,733	2,737	1,267	649	6,386
Auction and PAOF sales in the financial year to date	41,918	32,268	22,747	15,128	112,060
<i>PAOF sales since the Autumn Statement</i>	0	484	190	33	707
Syndication sales in the financial year to-date			13,143	15,651	28,794
Mini-tender sales in the financial year to-date	4,998	0	0	0	4,998
Total gilt sales in the financial year to-date	46,916	32,268	35,890	30,779	145,852
Required auction sales to meet plans					
Sales required	8,482	2,232	1,703	1,172	13,590
Less remaining assumed PAOF proceeds to end-financial year	556	197	8	222	983
Auction sales currently required to meet plans	7,926	2,035	1,695	950	12,607
Number of auctions remaining	2	1	1	1	5
Currently required average auction sizes	3,963	2,035	1,695	950	
Syndication sales required to meet plan			-93	3,849	3,756
Mini-tender sales required to meet plan					1,002
Total planned gilt sales					164,200
Required gilt sales remaining					18,348
Planned gilt sales at auctions	50,400	34,500	24,450	16,300	125,650

