

6 March 2012

PRESS NOTICE

AUCTION OF BRITISH GOVERNMENT STOCK

Auction Details

Auction Date	Thursday, 15 March 2012
Issue and Settlement Date	Friday, 16 March 2012
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	£1.229508 per £100 nominal
Auction Close	10:30am London Time

Details of Security

Title	4½% Treasury Gilt 2042
Amount (nominal) for auction	£2,000 million (fungible with previous issues) (see Note 3)
Nominal outstanding after auction	£21,534 million
Maturity Date	7 December 2042 at par
Interest Dates	7 June – 7 December
Parent ISIN Code	GB00B1VWPJ53
Parent SEDOL Code	B-1VW-PJ5
Strippable	Yes, since 12 September 2007
Interest Payable	Gross (see Note 2)
Next Interest Date	7 June 2012 (Standard Coupon)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 6 March 2012
Closes	Close of business: 15 March 2012
“When issued” ISIN Code	GB00B7F9SB70
“When issued” SEDOL Code	B-7F9-SB7
TIDM (for trade reporting)	AUC

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, 15 March 2012.

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 : 6 March 2012	http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/pr_osp060312.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/yl_deqns.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, 15 March 2012. 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, 15 March 2012. The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £134.50 per £100 nominal of the Gilt.

Remit 2011-12

Gilt sales of £178.9 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 6 March 2012 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Auction sales in the financial year to-date	55,224	37,684	19,298	16,908	129,114
PAOF sales in the financial year to-date	1,397	2,439	1,038	693	5,567
Auction and PAOF sales in the financial year to date	56,621	40,122	20,336	17,602	134,681
<i>PAOF sales since the Autumn Statement</i>	533	1,330	206	133	2,202
Syndication sales in the financial year to-date			14,670	19,682	34,352
Mini-tender sales in the financial year to-date			2,091	494	2,585
Total gilt sales in the financial year to-date	56,621	40,122	37,097	37,777	171,618
Required auction sales to meet plans					
Sales required	4,511	-322	2,471	1,431	8,091
Less assumed PAOF proceeds to end-financial year	464	0	348	276	1,089
Auction sales currently required to meet plans	4,048	-322	2,122	1,155	7,002
Number of auctions remaining	1	0	1	1	3
Currently required average auction sizes	4,048		2,122	1,155	
Syndication sales required to meet plan			30	-82	-52
Mini-tender sales required to meet plan			109	6	115
Planned gilt sales at auctions	60,600	39,800	22,600	18,900	141,900
Number of auctions scheduled	13	11	10	15	49
Planned gilt sales by syndication			14,700	19,600	34,300
Planned sales by mini-tender			2,200	500	2,700
Planned supplementary gilt sales			16,900	20,100	37,000
Total planned gilt sales	60,600	39,800	39,500	39,000	178,900

