

USE OF THE DMO'S STANDING AND SPECIAL REPO FACILITY

27 May 2009

An additional £470 million (nominal) of the 5% Treasury Stock 2014 has today (27 May 2009) been made available to the market under the terms of the DMO's standing repo facility, which was introduced on the 1 June 2000, and most recently revised with effect from 5 March 2009.

It is intended that any additional stock created under this operation will be cancelled upon return, but the DMO will make an announcement at that time. The DMO has been given general collateral at the Bank of England's Official Bank Rate against the stock it has lent at 0.10%.

Any additional amount(s) of stock created this morning is (are) NOT eligible for inclusion in FTSE indices calculations and the amount(s) in issue following cancellation of this stock will remain at £17,686 million nominal.

An additional £156 million (nominal) of 5% Treasury Stock 2014 has today (27 May 2009) been created and made available to the market under the terms of the DMO's special repo facility, which was announced on 22 May 2009, with effect from 26 May 2009.

It is intended that this additional stock will be cancelled upon return, but the DMO will make an announcement at that time. The DMO has been given general collateral for one week at the Bank of England's Official Bank Rate against the stock it has lent at 0.15%.

The additional amount of stock created this morning is (are) NOT eligible for inclusion in FTSE indices calculations and the amount in issue following cancellation of this stock will remain at £17,686 million nominal respectively.