



United Kingdom
Debt
Management
Office

ISSUE OF £4,750,000,000

3³/₄% TREASURY GILT 2052

(to be consolidated and form a single series with the
3³/₄% Treasury Gilt 2052 first issued on 28 September 2011
of which £4,598,000,000 in nominal amount is currently outstanding)

ON 25 JANUARY 2012

Joint Lead Managers

Barclays Capital Credit Suisse
HSBC Morgan Stanley

Co-Lead Managers

BNP PARIBAS BofA Merrill Lynch
Citigroup Deutsche Bank
Goldman Sachs International Bank Jefferies
J.P. Morgan Nomura
RBC Capital Markets Santander Global Banking & Markets
Scotia Capital Société Générale Corporate & Investment Banking
The Royal Bank of Scotland UBS Investment Bank

Offering Circular dated 24 January 2012



participants, into a CREST Cash Memorandum Account in accordance with the holder's instructions to the Registrar and, where applicable, to CREST, or, at the option of the holder, by warrant sent by post. In the absence of instructions from the holder, payment of interest on the Gilt will be made by interest warrant sent by post.

8. If the due date for payment of any amount of principal or interest in respect of the Gilt is not a business day then payment may not be made until the next succeeding business day and in such cases the holder of the Gilt will not be entitled to any further interest or other payment in respect of such delay. For these purposes, "business day" means any day which is not a Saturday or Sunday, Good Friday, Christmas Day, nor a day which is a bank holiday in England and Wales under the *Banking and Financial Dealings Act 1971*.

MATURITY

9. The Gilt will be repaid at par on 22 July 2052.

INTEREST

10. Interest on the Gilt is payable half-yearly on 22 January and 22 July.
11. Interest on this further issue of the Gilt will accrue from 22 January 2012, the most recent interest payment date of the Gilt. The price payable will include an amount equal to the accrued interest (the "Accrued Interest") from 22 January 2012 to 25 January 2012, the settlement date of this issue, at the rate of £0.030907 per £100 nominal of the Gilt. This further issue of the Gilt will rank for the six months' interest payment due on 22 July 2012.

TAXATION

12. The general taxation position for the Gilt, under current legislation, is broadly as follows:
 - i. Interest payments on the Gilt will be paid without deduction of income tax unless the holder of the Gilt has elected to receive interest payments net of income tax. However, as income arising on the Gilt has a United Kingdom source, it may in certain circumstances be chargeable to United Kingdom income tax.
 - ii. The Gilt will be a gilt-edged security for the purposes of Schedule 9 to the *Taxation of Chargeable Gains Act 1992*. Accordingly, a disposal of the Gilt will not give rise to a chargeable gain or allowable loss for the purposes of capital gains.
 - iii. The Gilt is not a "deeply discounted security" for income tax purposes. Thus, for a holder of the Gilt who is neither trading in the Gilt nor within the charge to corporation

provision, it falls to be treated for the purpose of the *Income Tax Acts* (as defined in section 831(1)(b) of the *Income and Corporation Taxes Act 1988*) as income of any person resident or ordinarily resident in the United Kingdom.

- ii. The exemptions will not entitle a person to claim any repayment of tax unless the claim is made within the time limit provided for under applicable legislation. In general, such a claim will be within the time limit if it is made within four years after the end of the year of assessment to which it relates.

16. Where relevant, applications for exemption from United Kingdom income tax should be made in such form as may be required by the Commissioners for Revenue and Customs. The appropriate forms may be obtained from HM Revenue & Customs, Centre for Non-Residents, Fitz Roy House, PO Box 46, Nottingham, NG2 1BD.

Provision of information to HM Revenue & Customs for exchange with other tax authorities

17. Under European Council Directive 2003/48/EC on the taxation of savings income (the "Directive"), as amended, EU Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories, including Switzerland, have adopted similar measures (a withholding system in the case of Switzerland). The European Commission has proposed certain amendments to the Directive which may, if adopted, amend or broaden the scope of the requirements described above.
18. The *Reporting of Savings Income Information Regulations 2003*², as amended, (the "2003 Regulations") require a paying agent (as defined in the 2003 Regulations) established in the United Kingdom who makes a payment of savings income to an individual resident, or a residual entity (as defined in the 2003 Regulations) established, in another EU Member State or one of certain other non-EU countries and territories to obtain, verify, record and then provide to HM Revenue & Customs certain information about the payee and the

23. The Gilt has not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Manager has represented and agreed in the Agreement that it has not offered or sold, and will not offer or sell, any of the Gilt constituting part of its allotment except in accordance with Rule 903 of Regulation S under the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.
24. In addition, until 40 days after the commencement of the offering, an offer or sale of the Gilt within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.
25. No action has been taken or will be taken in any jurisdiction by Her Majesty's Treasury or any of the Managers that would permit a public offering of the Gilt, or possession or distribution of this Offering Circular (in draft or preliminary or final form) or any amendment or supplement hereto or any other offering or publicity material relating to the Gilt, in any country or jurisdiction where action for that purpose is required. Each Manager has agreed in the Agreement that it will comply with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers the Gilt or has in its possession or distributes this Offering Circular (in draft or preliminary or final form) or any amendment or supplement thereto or any such other material, in all cases at its own expense.

Commission paid to the Managers

26. Her Majesty's Treasury shall pay to the Managers an amount equal to the commission provided for in the Agreement.

Price payable

27. The Gilt will be issued to the Managers at a price of £112.854 per £100 nominal of the Gilt (being the price the DMO is prepared to accept for subscriptions from investors subscribing through the Managers) plus the Accrued Interest.
28. The price payable by subscribers will be £112.854 per £100 nominal of the Gilt (being the re-offer price at which the Managers have agreed in the Agreement that the Gilt will be sold to subscribers) plus the Accrued Interest.

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LONDON

24 January 2012