

25/08

15 April 2008

PRESS NOTICE

AUCTION OF UK GOVERNMENT SECURITY (GILT)

Auction Details

Auction Date	Thursday, 24 April 2008
Issue and Settlement Date	Friday, 25 April 2008
Bidding Convention	Uniform Price (see Note 1)
Uplifted accrued interest payable with bid	£0.326533 per £100 nominal
Auction Close	10:30am London Time

Details of Security

Title	0¾% Index-linked Treasury Gilt 2047
Amount (nominal) for issue	£675 million (fungible with previous issues)
Nominal outstanding after issue	£2,198 million (£2,233.1 million uplifted)
Maturity Date	22 November 2047
Interest Dates	22 May and 22 November
Parent ISIN Code	GB00B24FFM16
Parent SEDOL Code	B-24F-FM1
Reference Index applicable to first issue date	207.76667 (as at 21 November 2007) (see Note 4)
Index Ratio at 25 April 2008	1.01595
Interest Payable	Gross (see Note 2)
Next Interest Date	22 May 2008: at £0.384492 per £100 nominal (Long First Coupon) (see Note 3)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 15 April 2008
Closes	Close of business: 24 April 2008
“When issued” ISIN Code	GB00B2QRGJ99
“When issued” SEDOL Code	B-2QR-GJ9
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. Index-linked 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, 24 April 2008.



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. Actual amount of interest per £100 nominal will be $((1 + (1/184)) \times \text{£}0.375) \times \text{Index Ratio}$ for 22 May 2008 and expressed as a percentage in pounds sterling to six places of decimals and rounded to the nearest figure. The Index Ratio for 22 May 2008 is 1.01977.

Note 4. The Reference Index for the first calendar day of any calendar month shall be the Retail Price Index figure for the calendar month falling three calendar months earlier. The Reference Index for any other day in the month shall be calculated by linear interpolation between the Reference Index applicable to the first calendar day of the month in which the day falls and the Reference Index applicable to the first calendar day of the month immediately following. Interpolated values for the Reference Index for any date should be rounded to the nearest 5th decimal place.

Documentation

Prospectus DMO : 15 April 2008	www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp150408.pdf
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : August 2007	www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem200807.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, 24 April 2008. 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, 24 April 2008.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £114 per £100 nominal of the Gilt.

Remit 2008-09

Gilt sales of £80.0 billion (cash) are planned in 2008-09 and progress against the remit is summarised in the table below.

Gilt sales v remit at 15 April 2008 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Gilt sales to date	3,802	0	0	1,308	5,110
Total planned sales	25,000	12,800	24,200	18,000	80,000
Sales remaining	21,198	12,800	24,200	16,692	74,890
Auctions remaining	6	5	11	17	39

