



United Kingdom
Debt Management
Office

The Minster Building
21 Mincing Lane
London
EC3R 7AG

T 020 7862 6500

www.dmo.gov.uk

25 March 2021

PRESS NOTICE

LAUNCH OF £500 MILLION OF UK SOVEREIGN SUKUK MATURING ON 22 JULY 2026

Today, the UK Debt Management Office (DMO), on behalf of HM Treasury, successfully launched £500 million of the UK's second sovereign Sukuk by syndication. The profit rate on the Sukuk has been set at 0.333%, representing a spread of 0bps relative to that of the reference gilt 1½% Treasury Gilt 2026, and with the price set at £100.00.

The Sukuk have a long 5-year maturity (22 July 2026) and, as with the UK's first Sukuk issue, will employ the commonly used Al-Ijara structure. Today's transaction will settle on 1 April 2021. The ISIN code for the new Sukuk is XS2317288996.

Proceeds from the transaction are expected to amount to £500 million and will reduce the DMO's Net Financing Requirement in 2021-22 accordingly.

Notes for editors

The Joint Lead Managers on the syndication were:

- CIMB Investment Bank
- Dubai Islamic Bank
- Emirates NBD Capital
- HSBC (Structuring Advisor)
- Standard Chartered Bank

Four banks were also appointed as Co-Lead Managers: Bank ABC, Dukhan Bank, KFH Capital and Maybank.

Books on the transaction opened at 8:30am (London time) on 25 March 2021. The issue size was set at £500 million at 10:30am (London time), with the spread set flat to the reference gilt. The books closed at 11.30am, and pricing took place at 11.59am (both London time).

The profit rate on the Sukuk will be payable semi-annually, on 22 January and 22 July in each year, commencing 22 July 2021 (short first period).

The first sovereign Sukuk was issued in 2014 and amounted to £200 million.

HM Treasury has issued a Press Notice on today's transaction, which can be found at:

<https://www.gov.uk/government/news/uk-bolsters-islamic-finance-offering-with-second-sukuk>