

09/08

5 February 2008

PRESS NOTICE

AUCTION OF UK GOVERNMENT SECURITY (GILT)

Auction Details

Auction Date	Thursday, 14 February 2008
Issue and Settlement Date	Friday, 15 February 2008
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	£0.860656 per £100 nominal
Auction Close	10:30am London Time

Details of Security

Title	4½% Treasury Gilt 2042
Amount (nominal) for issue	£2,000 million (fungible with previous issues)
Nominal outstanding after issue	£10,584 million
Maturity Date	7 December 2042 at par
Interest Dates	7 June – 7 December
ISIN Code	GB00B1VWPJ53
SEDOL Code	B-1VW-PJ5
Strippable	Yes, since 12 September 2007
Interest Payable	Gross (see Note 2)
Next Interest Date	7 June 2008 (Standard Coupon)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 5 February 2008
Closes	Close of business: 14 February 2008
“When issued” ISIN Code	GB00B29WPL68
“When issued” SEDOL Code	B-29W-PL6
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, 14 February 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.

Documentation

Prospectus DMO : 5 February 2008	www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp050208.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, 14 February 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, 14 February 2008.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £110.50 per £100 nominal of the Gilt.

Remit 2007-08

Gilt sales of £58.4 billion (cash) are planned in 2007-08 and progress against the remit is summarised in the table below.

Gilt sales v remit at 6 February 2008 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Gilt sales to date	7,534	10,019	19,385	12,927	49,866
Total planned sales	10,000	10,000	23,400	15,000	58,400
Sales remaining	2,466		4,015	2,073	8,553
Auctions remaining	1		2	2	5

