

PRESS NOTICE

ISSUE BY SYNDICATED OFFERING OF A NEW INDEX-LINKED GILT MATURING ON 22 NOVEMBER 2042

The United Kingdom Debt Management Office (“the DMO”) announces that the gilt to be issued at the second syndicated offering in 2009-10 will be a new current coupon index-linked gilt, with a maturity date of 22 November 2042. The gilt will pay a short first dividend on 22 November 2009. Further details about the gilt, including the coupon, will be announced at 3.30pm on Tuesday 14 July.

The DMO expects the offer to be conducted in the week beginning 20 July, subject to market conditions. The Lead Managers and Co-Lead Managers for the offer will be appointed and announced in due course.

NOTES TO EDITORS

The DMO financing remit for 2009-10 published alongside Budget 2009 on 22 April, included the provision for a programme of up to 8 syndicated offerings to be held in 2009-10 to raise approximately £25.0 billion (through sales of long-dated and index-linked gilts) as part of an overall gilt sales target of £220.0 billion. Gilt sales in the financial year to-date are £57.9 billion.

The first syndicated offer under this programme was held on 16 June 2009, when £7.0 billion (nominal) of a new issue, 4½% Treasury Gilt 2034 was sold, raising £6.84 billion.

On 22 May 2009 the DMO announced plans to hold three syndicated offerings in June-September:

- wc 15 June: a new long conventional gilt with a maturity in the 25 year area.
- Second half of July: a new index-linked gilt with a maturity in the 30-40 year area.

- September: an index-linked gilt.

This press notice will be appearing on the DMO's website at: www.dmo.gov.uk

