



13 February 2018

## PRESS NOTICE

### AUCTION OF BRITISH GOVERNMENT STOCK

#### Auction Details

|  |                            |
|--|----------------------------|
| Auction Date                                     | Thursday, 22 February 2018 |
| Issue and Settlement Date                        | Friday, 23 February 2018   |
| Bidding Convention                               | Uniform Price (see Note 1) |
| Index adjusted accrued interest payable with bid | £0.034285 per £100 nominal |
| Auction Close                                    | 10:30am London Time        |

#### Details of Security

|  |   |
|--|---|
| Title  | 0½% Index-linked Treasury Gilt 2036                       |
| Amount (nominal) for auction                   | £950 million (fungible with previous issues) (see Note 5) |
| Nominal outstanding after auction              | £8,976.4 million (£9,583.6 million Index adjusted)        |
| Maturity Date                                  | 22 November 2036  |
| Interest Dates                                 | 22 May and 22 November                                    |
| ISIN Code                                      | GB00BYZW3J87  |
| SEDOL Code                                     | B-YZW-3J8   |
| Reference Index applicable to first issue date | 260.01935 (as at 11 March 2016) (see Note 4)              |
| Index Ratio at 23 February 2018                | 1.06764   |
| Interest Payable                               | Gross (see Note 2)  |
| Next Interest Date                             | 22 May 2018 (Standard Coupon) (see Note 3)                |

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, 22 February 2018.

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 is £0.0625 x Index Ratio for 22 May 2018 and expressed as a percentage in pounds sterling to six places of decimals and rounded to the nearest figure.

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.

Note 5: Subject to the provisions of the Information Memorandum, this auction will be eligible for the Post Auction Option Facility of an additional amount of the Gilt equivalent to 15% of the nominal amount of the Gilt allocated at the auction. Details of the Post Auction Option Facility procedures are set out in the Information Memorandum.

## Documentation

|  |   |
|--|---|
| Prospectus<br>DMO : 13 February 2018   | <a href="http://www.dmo.gov.uk/media/15341/prosp130218a.pdf">http://www.dmo.gov.uk/media/15341/prosp130218a.pdf</a>       |
| Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock<br>DMO : January 2017 | <a href="http://www.dmo.gov.uk/media/14590/infmemadd200117.pdf">http://www.dmo.gov.uk/media/14590/infmemadd200117.pdf</a> |
| Formulae for Calculating Gilt Prices from Yields<br>DMO : 16 March 2005  | <a href="http://www.dmo.gov.uk/media/1955/yldeqns.pdf">http://www.dmo.gov.uk/media/1955/yldeqns.pdf</a>                   |

## Applications from Members of the Approved Group of Investors

Application forms from Approved Group members must be sent to Computershare Investor Services PLC, who is acting on behalf of the DMO, at the following address: British Government Stocks (Gilts), Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZW to arrive not later than 10.00 am on Thursday, 22 February 2018. 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, 22 February 2018. The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £151 per £100 nominal of the Gilt.

## Remit 2017-18

Gilt sales of £115.1 billion (cash) are planned in 2017-18 and progress against the remit is summarised in the table below.

| Gilt sales relative to remit plans 13 February 2018 (£ millions) |                    |               |               |                    |                |
|--|--------------------|---------------|---------------|--------------------|----------------|
|  | Conventional Gilts |               |               | Index-linked gilts | Total          |
|  | Short              | Medium        | Long          |                    |                |
| Auction proceeds to-date   | 24,275             | 19,498        | 17,502        | 11,625             | 72,901         |
| PAOF proceeds to-date  | 2,240              | 1,391         | 942           | 149                | 4,721          |
| <b>Auction and PAOF proceeds to-date</b>                         | <b>26,514</b>      | <b>20,889</b> | <b>18,444</b> | <b>11,774</b>      | <b>77,622</b>  |
| Syndication sales to-date  | 0                  | 0             | 10,355        | 13,983             | 24,338         |
| Gilt tender sales to date  | 0                  | 0             | 688           | 0                  | 688            |
| <b>Total gilt sales to date</b>                                  | <b>26,514</b>      | <b>20,889</b> | <b>29,487</b> | <b>25,757</b>      | <b>102,648</b> |
| Auction sales required to meet plans                             | 2,686              | 2,111         | 4,656         | 2,626              | 12,078         |
| Number of auctions remaining                                     | 1                  | 1             | 2             | 2                  | 6              |
| Current average auction sizes                                    | 2,686              | 2,111         | 2,328         | 1,313              |                |
| <b>Planned gilt sales at auctions</b>                            | <b>29,200</b>      | <b>23,000</b> | <b>23,100</b> | <b>14,400</b>      | <b>89,700</b>  |
| Number of auctions scheduled                                     | 10                 | 9             | 10            | 11                 | 40             |
| Minimum syndication sales plan                                   | -                  | -             | 10,300        | 13,983             | 24,283         |
| Syndication sales required to meet minimum plan                  | -                  | -             | -55           | 0                  | -55            |
| Remaining unallocated sales                                      |                    |               |               |                    | 429            |
| Total planned supplementary gilt sales                           |                    |               |               |                    | 25,400         |
| <b>Total planned gilt sales</b>                                  |                    |               |               |                    | <b>115,100</b> |