PRESS NOTICE

SALE BY SYNDICATED OFFERING OF 0¼% INDEX-LINKED TREASURY GILT 2052 IN THE WEEK COMMENCING 24 SEPTEMBER 2012

The United Kingdom Debt Management Office (“the DMO”) announces that the new index-linked gilt maturing on 22 March 2052 will have a coupon of 0¼%. The ISIN code for the new gilt will be GB00B73ZYW09 and the SEDOL code will be B-73Z-YW0. The new gilt will pay a short first coupon on 22 March 2013.

Subject to market conditions, it is expected that the offer will take place in the week commencing 24 September 2012. Further information about the conduct of the offer will be announced in due course.

NOTES TO EDITORS

The DMO financing remit for 2012-13, published alongside the Budget on 21 March 2012, included the provision for a programme of up to eight syndicated offerings to be held in 2012-13 aiming to raise £33.5 billion. The planning assumption is that two syndicated offerings will be held in each quarter of the financial year.

The DMO also announced on 21 March 2012 that it intended to implement the syndication programme on a broadly even-flow basis throughout the year, in a similar way to 2011-12. The DMO may, however, continue to vary the size of each syndicated offering to take account of market and demand conditions at the time of each transaction - such discretion will be limited to around £1.0 billion (cash) above or below the prevailing required average operation size.
The size of the syndication programme was reduced to £32.5 billion at the financing remit revision which coincided with the publication of the outturn of the Central Government Net Cash Requirement in 2011-12 on 24 April 2012. However, following the larger than anticipated syndicated offer of 0¾% Index-linked Treasury Gilt 2062 on 29 May 2012, the size of the programme was increased by £0.5 billion to £33.0 billion (and the size of the mini-tender programme was reduced by the same amount to £6.5 billion).

The results of the three syndicated offerings held in the financial year to-date are summarised in the table below.

<table>
<thead>
<tr>
<th>Date</th>
<th>Gilt</th>
<th>Size (£m nominal)</th>
<th>Issue Price (£)</th>
<th>Issue Yield (%)</th>
<th>Proceeds (£m cash)</th>
</tr>
</thead>
<tbody>
<tr>
<td>24 Apr 2012</td>
<td>3¾% Treasury Gilt 2052</td>
<td>4,750</td>
<td>106.587</td>
<td>3.446</td>
<td>5,053</td>
</tr>
<tr>
<td>29 May 2012</td>
<td>0¾% Index-linked Treasury Gilt 2062</td>
<td>4,000</td>
<td>116.520</td>
<td>0.040</td>
<td>4,750</td>
</tr>
<tr>
<td>24 Jul 2012</td>
<td>0¾% Index-linked Treasury Gilt 2044</td>
<td>4,000</td>
<td>100.311</td>
<td>0.115</td>
<td>4,004</td>
</tr>
</tbody>
</table>

On 31 August 2012, the DMO announced that, subject to market conditions, it expects to hold the following syndicated offerings in the period September to December:

- week commencing 24 September: an index-linked gilt maturing in the 35-50 year area;
- second half of October: a new conventional gilt maturing in the 30-year area; and
- second half of November: an index-linked gilt.

On 7 September 2012, the DMO announced that the index-linked gilt to be sold in the week commencing 24 September would be a new bond maturing on 22 March 2052.

On 14 September 2012, the DMO announced that the Joint Bookrunners for the sale of the new 2052 maturity index-linked gilt were Morgan Stanley, RBS, Société Générale CIB and UBS Investment Bank.

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