

26/01

23 JULY 2001

PRESS NOTICE

GILT-EDGED CONVERSION: FROM 9% TREASURY STOCK 2012 INTO 5% TREASURY STOCK 2012

The final result of the above conversion offer is that acceptances have been received for 92% (£4,958,373,182.17) of the £5,361 million nominal of 9% Treasury Stock 2012 outstanding prior to the offer.

The nominal amount of 5% Treasury Stock 2012 outstanding prior to the conversion was £4,219 million; the amount created via the conversion is £6,760,741,831.99 so that the outstanding amount following the conversion is £10,979,466,231.99 nominal. The nominal amount of 9% Treasury Stock 2012 outstanding following the conversion will be £402,903,147.56 nominal.

From 8.30am today the United Kingdom Debt Management Office ("DMO") will increase the upper limit on the size of "rumps" from £400 million nominal to £410 million nominal. This means that the remaining element of 9% Treasury Stock 2012 is considered a "rump" stock and Gilt-Edged Market Makers ("GEMMs") are no longer required to make markets in it. The full list of stocks for which the DMO will provide bids on request (ie. "rump" stocks) is available on the DMO's web site.

An indicative daily price for this stock will continue to be made available on the DMO's wire services pages and will also be provided to the London Stock Exchange for onward transmission to the press.

NOTE TO EDITORS

This Notice gives details of the amount of 9% Treasury Stock 2012 converted into 5% Treasury Stock 2012 as a result of the gilt-edged conversion offer, the terms of which were announced on 29 June 2001.

Provisional figures on the amount of 9% Treasury Stock 2012 to be converted into 5% Treasury Stock 2012 were announced on 20 July 2001.

The Operational Notice issued by the DMO in October 2000 states that the DMO, is prepared, when asked by a GEMM, to bid a price of its own choosing for stock where the amount in issue is too small for a two-way market to be expected to exist (e.g. the rumps of certain stocks which have previously been subject to conversion offers).

