

PRESS NOTICE

REDEMPTION OF 13½% TREASURY STOCK 2004-2008 ON 26 MARCH 2004

The United Kingdom Debt Management Office (“DMO”) has today announced its intention to redeem 13½% Treasury Stock 2004-2008 at par on 26 March 2004 (the earliest possible redemption date under the terms of the stock’s prospectus).

Redemption monies will be payable on that date either to persons registered as holders of the stock on 17 March 2004 (the final ex-dividend date), or in accordance with instructions received from such holders. The next and final interest payment on the stock of £6.75 per £100 nominal will also be payable on 26 March 2004.

NOTES TO EDITORS

13½% Treasury Stock 2004-2008 was originally issued in April 1980. There is currently £96 million nominal in issue of this stock. Double-dated stocks may be redeemed at the option of HM Treasury on or after the first of the specified dates contained in the prospectus. This also includes the requirement that the holders of the stock must be given not less than three calendar months’ notice in the *London Gazette* of the Government’s intention to redeem the stock early. Such a notice will be appearing today in the *London Gazette* in respect of 13½% Treasury Stock 2004-08. Friday 26 March 2004, the next interest payment date on 13½% Treasury Stock 2004-2008, is the earliest date that the stock can be redeemed. Redemption amounts and the final interest payments will be paid to persons registered as holders of the stock on 17 March 2004. The redemption of this stock was included in the

assumed gilt redemptions total for 2003-2004 contained in the Debt and Reserves Management Report 2003-2004.

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