

PRESS NOTICE

GILT OPERATIONS: JANUARY-MARCH 2009

In the final quarter of the 2008-09 financial year, the UK Debt Management Office (DMO) plans to hold twenty outright auctions and four mini tenders, as set out in the tables below.

| Auction date | Gilt | Details¹ announced (at 3.30pm) |
|----------------------|--|--|
| Wednesday 7 January | 4¾% Treasury Stock 2038 | Tuesday 30 December |
| Tuesday 13 January | 4½% Treasury Gilt 2019 | Tuesday 6 January |
| Thursday 15 January | 1¼% Index-linked Treasury Gilt 2032 | Tuesday 6 January |
| Thursday 22 January | 4½% Treasury Gilt 2013 | Tuesday 13 January |
| Tuesday 27 January | 0¾% Index-linked Treasury Gilt 2047 | Tuesday 20 January |
| Thursday 29 January | 4¾% Treasury Stock 2020 | Tuesday 20 January |
| Tuesday 3 February | 3¼% Treasury Gilt 2011 | Tuesday 27 January |
| Wednesday 4 February | 4¼% Treasury Gilt 2049 | Tuesday 27 January |
| Tuesday 10 February | 4½% Treasury Gilt 2019 | Tuesday 3 February |
| Thursday 12 February | 1¼% Index-linked Treasury Gilt 2027 | Tuesday 3 February |
| Thursday 19 February | 5¼% Treasury Gilt 2012 | Tuesday 10 February |
| Tuesday 24 February | 1⅞% Index-linked Treasury Gilt 2037 | Tuesday 17 February |
| Thursday 26 February | New conventional gilt maturing on 7 March 2022 | Tuesday 17 February |
| Tuesday 3 March | 3¼% Treasury Gilt 2011 | Tuesday 24 February |
| Wednesday 4 March | New conventional gilt maturing on 7 September 2039 | Tuesday 24 February |
| Tuesday 10 March | 4½% Treasury Gilt 2019 | Tuesday 3 March |
| Thursday 12 March | 1¼% Index-linked Treasury Gilt 2032 | Tuesday 3 March |
| Thursday 19 March | New conventional gilt maturing on 7 March 2014 | Tuesday 10 March |
| Wednesday 25 March | 4¼% Treasury Gilt 2049 | Tuesday 17 March |
| Thursday 26 March | 1⅞% Index-linked Treasury Gilt 2022 | Tuesday 17 March |

Auction dates in February and March are subject to confirmation depending on the date of Budget 2009.

¹ Including the coupon on new gilts.

| Mini Tender (week) | Gilt – maturity area | Details announced (3.30pm) |
|---------------------------|-----------------------------|--|
| wc 5 January | Short-dated | Choice of gilt on Friday 19 December. Size and date 24-48 hours in advance. |
| wc 19 January | Long-dated | Choice of gilt on Friday 9 January. Size and date 24-48 hours in advance. |
| wc 16 February | Long-dated | Choice of gilt on Friday 6 February. Size and date 24-48 hours in advance. |
| wc 16 March | Long-dated | Choice of gilt on Friday 6 March. Size and date 24-48 hours in advance. |

Tender dates in February and March are subject to confirmation depending on the date of Budget 2009.

Commenting on the Q4 issuance calendar, Robert Stheeman, Chief Executive of the DMO said:

This is the most challenging quarterly calendar to-date in terms of the number of operations. In designing the programme we have, as usual, listened closely to the views of market participants, whose commitment to the delivery of the Government's financing programme to-date I greatly value. We have again tried to be as responsive as we can to market requirements.

Reflecting our commitment to transparency and predictability in debt management operations, we have been able to achieve a significant degree of regularity in the calendar, which includes short-dated conventional auctions every two weeks, medium-dated conventional auctions every two weeks, and index-linked auctions every two weeks. Long-dated conventional auctions will be held at the start of every month (with an additional long auction on 25 March) - long conventional mini-tenders have been scheduled in the third week of each month. We will continue to build up benchmark gilts and will launch three new conventional gilts in Q4, maturing in 2014, 2022 and 2039.

First dividend periods

- The new gilt maturing on 7 March 2014 will pay a short first dividend on 7 September 2009.
- The new gilt maturing on 7 March 2022 will pay a long first dividend on 7 September 2009.

- The new gilt maturing on 22 September 2039 will pay a long first dividend on 7 September 2009.

NOTES TO EDITORS

Gilt sales in 2008-09 are currently £84.7 billion (cash) relative to the £146.4 billion remit target, as summarised in the table below.

| Gilt sales v remit at 5 December 2008 (£ millions) | | | | | |
|---|---------------------------|---------------|---------------|---------------------------|----------------|
| | Conventional Gilts | | | Index-linked gilts | Total |
| | Short | Medium | Long | | |
| Gilt sales to date | 35,640 | 17,591 | 18,872 | 12,562 | 84,665 |
| Total planned sales | 62,800 | 33,100 | 30,500 | 20,000 | 146,400 |
| Total auctions planned | 16 | 11 | 12 | 19 | 58 |
| Sales remaining | 27,160 | 15,509 | 11,628 | 7,438 | 61,735 |
| Auctions remaining | 7 | 5 | 4 | 7 | 23 |
| Mini-tenders remaining | 1 | 0 | 3 | 0 | 4 |