

PRESS NOTICE

AUCTION OF UK GOVERNMENT SECURITY (GILT)

Auction Details

Auction Date	Thursday, 11 June 2009
Issue and Settlement Date	Friday, 12 June 2009
Bidding Convention	Uniform Price (see Note 1)
Uplifted accrued interest payable with bid	£0.043542 per £100 nominal
Auction Close	10:30am London Time

Details of Security

Title	0¾% Index-linked Treasury Gilt 2047
Amount (nominal) for auction	£725 million (fungible with previous issues) (see Note 5)
Nominal outstanding after auction	£5,723 million (£5,822.4 million Index adjusted)
Maturity Date	22 November 2047
Interest Dates	22 May and 22 November
Parent ISIN Code	GB00B24FFM16
Parent SEDOL Code	B-24F-FM1
Reference Index applicable to first issue date	207.76667 (as at 21 November 2007) (see Note 4)
Index Ratio at 12 June 2009	1.01736
Interest Payable	Gross (see Note 2)
Next Interest Date	22 November 2009 (Standard Coupon) (see Note 3)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 2 June 2009
Closes	Close of business: 11 June 2009
“When issued” ISIN Code	GB00B4YQW161
“When issued” SEDOL Code	B-4YQ-W16
TIDM (for trade reporting)	AUC

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, 11 June 2009.

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 £0.375 x Index Ratio for 22 November 2009 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 RPI 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 10% of the nominal amount of the Gilt allocated at the auction. Details of the Post Auction Option Facility procedures are set out in the prospectus and in the Information Memorandum.

Documentation

Prospectus DMO : 2 June 2009	www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp020609b.pdf
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : May 2009	www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem220509.pdf
Formulae for Calculating Gilt Prices from Yields DMO : 16 March 2005	www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldeqns.pdf

Applications from Members of the Approved Group of Investors

Application forms from Approved Group members must be sent to Computershare Investor Services PLC, who are acting on behalf of the DMO, at the following address: PO Box 2411, The Pavilions, Bristol, BS99 6WX to arrive not later than 10.00 am on Thursday, 11 June 2009. 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, 11 June 2009.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £105.50 per £100 nominal of the Gilt.

Remit 2009-10

Gilt sales of £220.0 billion (cash) are planned in 2009-10 and progress against the remit is summarised in the table below.

Gilt sales v remit 2 June 2009 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Gilt sales to date	12,674	10,047	7,955	4,797	35,473*
1. Planned sales at auctions	74,000	70,000	27,000	12,000	183,000
Sales at auctions to date	12,674	10,047	6,458	4,261	33,441
Sales remaining at auctions	61,326	59,953	20,542	7,739	149,559
Auctions remaining	12	16	9	8	45
2. Sales by syndication	0	0	0	0	0
Syndications to be allocated					25,000
3. Sales by tender	0	0	1,496	536	2,032
Tenders to be allocated					9,968
Total planned sales					220,000

* Gilt sales to date does not include any take-up of the Post Auction Option Facility on 2 June 2009

