

PRESS NOTICE

AUCTION OF BRITISH GOVERNMENT STOCK

Auction Details

Auction Date	Tuesday, 13 April 2010
Issue and Settlement Date	Wednesday, 14 April 2010
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	£0.438859 per £100 nominal
Auction Close	10:30am London Time

Details of Security

Title	4¼% Treasury Gilt 2039
Amount (nominal) for auction	£2,250 million (fungible with previous issues) (see Note 3)
Nominal outstanding after auction	£16,193 million
Maturity Date	7 September 2039 at par
Interest Dates	7 March – 7 September
Parent ISIN Code	GB00B3KJDS62
Parent SEDOL Code	B-3KJ-DS6
Strippable	Yes, since 3 July 2009
Interest Payable	Gross (see Note 2)
Next Interest Date	7 September 2010 (Standard Coupon)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 6 April 2010
Closes	Close of business: 13 April 2010
“When issued” ISIN Code	GB00B59Z3Y58
“When issued” SEDOL Code	B-59Z-3Y5
TIDM (for trade reporting)	AUCA

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. Gilt-edged Market Makers may bid by means of the Bloomberg Bond Auction System to the DMO not later than 10.30 am on Tuesday, 13 April 2010.

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: 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 Information Memorandum.

Documentation

Prospectus DMO : 6 April 2010	http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp060410a.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 Tuesday, 13 April 2010. 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 Tuesday, 13 April 2010. The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £101.50 per £100 nominal of the Gilt.

Remit 2010-11

The DMO's remit for 2010-11 was published alongside Budget 2010 on 24 March. Gilt sales of £187.3 billion (cash) are planned in 2010-11 and the structure of the new remit is summarised in the table below.

DMO remit 2010-11					
	Conventional Gilts			Index-linked	Total
	Short	Medium	Long	gilts	
Total gilt sales to-date	0	0	0	0	0
Planned sales at auctions	59,000	45,000	26,700	17,400	148,100
1. Sales at auctions	0	0	0	0	0
Balance of auction sales to plan	59,000	45,000	26,700	17,400	148,100
Auctions remaining	13	12	12	15	52
Auction evenflow	4,538	3,750	2,225	1,160	
2. Sales by syndication	0	0	0	0	0
Planned sales by syndication					29,200
3. Sales by tender	0	0	0	0	0
Planned sales by tender					10,000
Total supplementary sales			0	0	0
Balance to plan			18,600	20,600	39,200
4. PAOF proceeds	0	0	0	0	0
Total planned sales	59,000	45,000	45,300	38,000	187,300

