

32/08

27 May 2008

## **PRESS NOTICE**

### **AUCTION OF UK GOVERNMENT SECURITY (GILT)**

#### **Auction Details**

Auction Date	Tuesday, 3 June 2008
Issue and Settlement Date	Wednesday, 4 June 2008
Bidding Convention	Fully paid Bid Price (see Note 1)
Rebate Interest to be deducted from amount payable with bid	£0.034836 per £100 nominal
Auction Close	10:30am London Time

#### **Details of Security**

Title	4¼% Treasury Gilt 2055
Amount (nominal) for issue	£2,250 million (fungible with previous issues)
Nominal outstanding after issue	£14,309 million
Maturity Date	7 December 2055 at par
Interest Dates	7 June – 7 December
ISIN Code	GB00B06YGN05
SEDOL Code	B-06Y-GN0
Strippable	Yes, since 8 December 2005
Interest Payable	Gross (see Note 2)
Next Interest Date	7 December 2008 (Standard Coupon) (see Note 3)

#### **“When Issued” Trading**

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 27 May 2008
Closes	Close of business: 3 June 2008
“When issued” ISIN Code	GB00B2QRGW27
“When issued” SEDOL Code	B-2QR-GW2
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. 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, 3 June 2008.

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: As the price payable for this further issue of the Gilt will be reduced by an amount equal to the rebate interest from 4 June 2008 to 7 June 2008 this further issue of the Gilt will not rank for the interest payment due on 7 June 2008 but will rank for the interest payment due on 7 December 2008.

## Documentation

Prospectus DMO : 27 May 2008	<a href="http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp270508.pdf">www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp270508.pdf</a>
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : August 2007	<a href="http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem200807.pdf">www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem200807.pdf</a>
Formulae for Calculating Gilt Prices from Yields DMO : 16 March 2005	<a href="http://www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldegns.pdf">www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldegns.pdf</a>

## 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, 3 June 2008. 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, 3 June 2008.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £107 per £100 nominal of the Gilt.

## Remit 2008-09

Gilt sales of £80.0 billion (cash) are planned in 2008-09 and progress against the remit is summarised in the table below.

Gilt sales v remit at 27 May 2008 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
<b>Gilt sales to date</b>	<b>3,802</b>	<b>2,516</b>	<b>2,223</b>	<b>3,033</b>	<b>11,575</b>
<b>Total planned sales</b>	<b>25,000</b>	<b>12,800</b>	<b>24,200</b>	<b>18,000</b>	<b>80,000</b>
<b>Sales remaining</b>	<b>21,198</b>	<b>10,284</b>	<b>21,977</b>	<b>14,967</b>	<b>68,425</b>
<b>Auctions remaining</b>	<b>6</b>	<b>4</b>	<b>10</b>	<b>15</b>	<b>35</b>

