



26 July 2016

PRESS NOTICE

AUCTION OF BRITISH GOVERNMENT STOCK

Auction Details

Auction Date	Tuesday, 2 August 2016
Issue and Settlement Date	Wednesday, 3 August 2016
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	Nil
Auction Close	10:30am London Time

Details of Security

Title	0½% Treasury Gilt 2022
Amount (nominal) for auction	£2,500 million (see Note 4)
Nominal outstanding after auction	£2,500 million
Maturity Date	22 July 2022 at par
Interest Dates	22 January – 22 July
Parent ISIN Code	GB00BD0PCK97
Parent SEDOL Code	B-D0P-CK9
Strippable	No (see Note 2)
Interest Payable	Gross (see Note 3)
Next Interest Date	22 January 2017 - £0.233696 per £100 nominal (Short First Coupon)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 26 July 2016
Closes	Close of business: 2 August 2016
“When issued” ISIN Code	GB00BD0PCK97
“When issued” SEDOL Code	B-D0P-CK9
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, 2 August 2016.

Note 2. The Gilt may not be stripped and reconstituted until so specified in a notice issued by the DMO.

Note 3: 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 4: 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 15% 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 : 26 July 2016	http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp260716c.pdf
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : March 2016	http://www.dmo.gov.uk/documentview.aspx?docName=/publications/operationalrules/infmemadd240316.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 is acting on behalf of the DMO, at the following address: British Government Stocks (Gilts), Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZW to arrive not later than 10.00 am on Tuesday, 2 August 2016. 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, 2 August 2016.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £103 per £100 nominal of the Gilt.

Remit 2016-17

Gilt sales of £131.5 billion (cash) are planned in 2016-17 and progress against the remit is summarised in the table below (which does not include proceeds from the syndicated offering of 0½% Index-linked Treasury Gilt 2065 on 26 July 2016).

Gilt sales relative to remit plans 26 July 2016 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Auction proceeds to-date	11,120	7,337	8,666	5,274	32,397
PAOF proceeds to-date	1,668	1,097	633	118	3,516
Auction and PAOF proceeds to-date	12,787	8,434	9,299	5,392	35,913
Syndication sales to-date	0	0	5,033	4,655	9,688
Gilt tender sales to date	0	0	912	0	912
Total gilt sales to date	12,787	8,434	15,245	10,048	46,514
Auction sales required to meet plans	18,213	16,766	18,001	9,108	62,087
Number of auctions remaining	7	7	8	7	29
Current average auction sizes	2,602	2,395	2,250	1,301	
Planned gilt sales at auctions	31,000	25,200	27,300	14,500	98,000
Number of auctions scheduled	11	10	12	11	44
Minimum syndication sales plan	-	-	9,500	16,500	26,000
Syndication sales required to meet minimum plan	-	-	4,467	11,845	16,312
Remaining unallocated sales					6,588
Balance of total supplementary gilt sales					22,899
Total planned supplementary gilt sales					33,500
Total planned gilt sales					131,500