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Debt Management
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PRESS NOTICE

SYNDICATED RE-OPENING OF £4.5 BILLION OF 1½% GREEN GILT 2053: RESULT

The United Kingdom Debt Management Office (DMO) announces that the syndicated re-opening of £4.5 billion (nominal) of 1½% Green Gilt 2053 has been priced at £52.447 per £100 nominal, equating to a gross redemption yield of 4.2947%. The transaction will settle, and the second tranche of this gilt will be issued, on 29 September 2022.

Proceeds from today's transaction are expected to amount to approximately £2.4 billion (cash¹) and will take syndication proceeds this financial year to £10.0 billion. This represents the third transaction of the DMO's 2022-23 syndication programme, which is planned to raise £25.5 billion (£18.0 billion via issuance of long conventional gilts in four transactions and £7.5 billion via issuance of index-linked gilts in two transactions). The transaction also takes green gilt sales in 2022-23 to £4.4 billion relative to the remit plan of £10.0 billion.

The UK domestic market provided the main support for the issue, taking around 93% of the allocation.

Commenting on the result, Sir Robert Stheeman, the Chief Executive of the DMO, said:

"I am pleased with today's successful conclusion of the first reopening of our 30-year green gilt benchmark. This transaction marks an important step in building up this bond, which now has over £10.6 billion in issue, and contributing to our remit target of £10.0 billion issuance in the form of green gilts in support of the government's green agenda.

Today's transaction took place against a highly volatile market backdrop, so it is all the more pleasing that it has been well received by the market. In particular, I am glad that it attracted another high quality order book largely from our core investor base. I want to express my gratitude for the degree of commitment and support we have seen from the five banks who joint lead managed this green gilt sale, the other primary dealers who supported it, and our

¹ Figures in this press notice are in cash terms unless indicated otherwise.

investor community more generally. We look forward to continuing to enjoy the market's full support, especially in volatile market conditions, as we deliver the rest of this year's gilt programme".

NOTES TO EDITORS

The syndicated offering was lead managed by five Joint Bookrunners: Barclays, BNP Paribas, HSBC, J.P. Morgan and UBS Investment Bank. All other wholesale Gilt-edged Market Makers were appointed Co-Lead Managers. The composition of the syndicate was announced by the DMO on 9 September 2022.

The order book for the transaction was opened at 9.00am on 28 September 2022 with indicative price guidance for investors at a spread of 1.0 to 1.5 basis points (bp) above the yield on the reference gilt (3¾% Treasury Gilt 2052). At 9.45am, the Joint Bookrunners announced that the price guidance was fixed at 1.0bp above the yield on the reference gilt (the tight end of the initial price guidance).

The book closed at 10.00am with 92 orders². The nominal size of the transaction was announced as £4.5 billion at 10.29am and the price was set at 1.21pm.

Proceeds from the transaction amount to approximately £2.4 billion and will take long conventional gilt sales for the financial year to date to £16.1 billion.

Total gilt sales for the financial year to date now amount to £63.1 billion, relative to the newly increased overall remit target of £193.9 billion.

This press notice will be appearing on the DMO's website at: www.dmo.gov.uk

² Total orders were £30.1 billion nominal.