

PRESS NOTICE

AUCTION OF UK GOVERNMENT SECURITY (GILT)

Auction Details

Auction Date	Thursday, 2 July 2009
Issue and Settlement Date	Friday, 3 July 2009
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	£1.386252 per £100 nominal
Auction Close	10:30am London Time

Details of Security

Title	4¼% Treasury Gilt 2039
Amount (nominal) for auction	£2,500 million (fungible with previous issues) (see Note 4)
Nominal outstanding after auction	£7,000 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	From 3 July 2009 (see Note 3)
Interest Payable	Gross (see Note 2)
Next Interest Date	7 September 2009 - £2.148481 per £100 nominal (Long First Coupon)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 23 June 2009
Closes	Close of business: 2 July 2009
“When issued” ISIN Code	GB00B4YRCS66
“When issued” SEDOL Code	B-4YR-CS6
TIDM (for trade reporting)	AUCB

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 Thursday, 2 July 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: Following the issue of this further amount of the Gilt, 4¼% Treasury Gilt 2039 may be stripped and holdings of the Gilt reconstituted: the provisions relating to strips contained in the Information Memorandum will



therefore apply except that the minimum stripping unit will be £1,000,000 nominal until the payment of the non-standard first coupon on 7 September 2009. The SEDOL and ISIN codes for the new coupon strips and principal strip are set out in the table attached at Annex 1.

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 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 : 23 June 2009	www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp230609b.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, 2 July 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, 2 July 2009. 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 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 (which may not include the amount of Gilt issued under the Post Auction Option Facility for the most recent auction, if any).

Gilt sales v remit 23 June 2009 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Gilt sales to date	18,753	18,090	14,973	5,516	57,331
1. Planned sales at auctions	74,000	70,000	27,000	12,000	183,000
Sales at auctions to date	18,753	18,090	6,641	4,980	48,463
Sales remaining at auctions	55,247	51,910	20,359	7,020	134,537
Auctions remaining	11	14	9	7	41
2. Sales by syndication	0	0	6,836	0	6,836
Syndications to be allocated					18,165
3. Sales by tender	0	0	1,496	536	2,032
Tenders to be allocated					9,968
Total planned sales					220,000



Annex 1

SEDOL and ISIN codes for the new coupon strips and principal strip for 4¼% Treasury Gilt 2039

<i>SEDOL</i>	<i>ISIN</i>	<i>DESCRIPTION</i>
B-61B-CQ3	GB00B61BCQ39	UK TREASURY STRIP 7/9/36 COUPON
B-61N-Z37	GB00B61NZ372	UK TREASURY STRIP 7/3/37 COUPON
B-614-YC2	GB00B614YC20	UK TREASURY STRIP 7/9/37 COUPON
B-61N-VB7	GB00B61NVB70	UK TREASURY STRIP 7/3/38 COUPON
B-61L-FW0	GB00B61LFW02	UK TREASURY STRIP 7/9/38 COUPON
B-61H-RJ9	GB00B61HRJ92	UK TREASURY STRIP 7/3/39 COUPON
B-61N-VD9	GB00B61NVD94	UK TREASURY STRIP 7/9/39 COUPON
B-61L-FT7	GB00B61LFT72	4.25% TREASURY STRIP 07/09/39 PRINCIPAL

