

04/05

18 January 2005

## **PRESS NOTICE**

### **DETAILS OF GILT AUCTION ON THURSDAY 27 JANUARY 2005**

NOMINAL AMOUNT: £2,250,000,000

STOCK: 4¾% TREASURY STOCK 2038

MATURITY DATE: 7 DECEMBER 2038

INTEREST DATES: 7 JUNE / 7 DECEMBER

AUCTION DATE: 27 JANUARY 2005

SETTLEMENT DATE: 28 JANUARY 2005

The United Kingdom Debt Management Office ("the DMO") announces the issue by Her Majesty's Treasury of a further £2,250 million nominal of 4¾% Treasury Stock 2038, for auction on a fully-paid bid-price basis on Thursday, 27 January 2005 and settlement on Friday, 28 January 2005. This further issue will be fungible with the stock already in issue.

Interest on 4¾% Treasury Stock 2038 is payable half-yearly on 7 June and 7 December. The price payable for the stock being auctioned will include an amount equal to the accrued interest from 7 December 2004, the most recent interest payment date of the stock, to 28 January 2005, the settlement date of this auction, at the rate of £0.678571 per £100 nominal of stock. This further issue of stock will rank for the six months' interest payment due on 7 June 2005. The stock will be repayable at par on 7 December 2038. This stock is strippable in accordance with the terms of the Information Memorandum, published by the DMO, relating to the Issue, Stripping and Reconstitution of British Government Stock dated December 2004 (the "Information Memorandum").

Interest payments will ordinarily be paid to holders of this stock without deduction of United Kingdom income tax. However, 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.



Under Rule 7265 of the London Stock Exchange, dealings in the unstripped 4¾% Treasury Stock 2038 on a "when-issued" basis may be conducted from the time of this announcement until the close of business on Thursday, 27 January 2005. The SEDOL and ISIN codes to be used for "when-issued" trading are B-058-DH6 and GB00B058DH64 respectively. In relation to "when-issued" trading, the TIDM code "AUC" should be used for trade reporting purposes. The SEDOL and ISIN codes to be used after this date are B-00N-Y17 and GB00B00NY175 respectively.

A Formal Notice announcing the auction of this further issue of stock will be advertised in the Press. 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. The prospectus for competitive bids and non-competitive bids can be obtained from the Registrar or the DMO or from the DMO's website at: [www.dmo.gov.uk/gilts/public/prospectus/prosp180105.pdf](http://www.dmo.gov.uk/gilts/public/prospectus/prosp180105.pdf) and [www.dmo.gov.uk/gilts/public/technical/infmem211204.pdf](http://www.dmo.gov.uk/gilts/public/technical/infmem211204.pdf) respectively.

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, BS3 9WX to arrive not later than 10.00 am on Thursday, 27 January 2005; or lodged by hand at the DMO, Eastcheap Court, 11 Philpot Lane, London, EC3M 8UD not later than 10.00 am on Thursday, 27 January 2005.

Gilt-edged market makers may bid by telephone to the DMO not later than 10.30 am on Thursday, 27 January 2005.

## **NOTE TO EDITORS**

Planned gilt sales in 2004-05 were increased from £47.1 billion to £50.3 billion (cash) in the Pre-Budget Report on 2 December 2004. Conventional gilt sales are now planned to raise £42.3 billion in 16 auctions and planned index-linked sales are now for £8.0 billion in 10 auctions. To date, outright gilt sales under the remit are £37.8 billion (cash) relative to the target of £50.3 billion (cash).

The auction announced today is the twenty-second of the 2004-05 remit and the fourteenth of conventional stock. 4¾% Treasury Stock 2038 was first issued in April 2004 and following the auction on 27 January 2005 the nominal amount outstanding of 4¾% Treasury Stock 2038 will



be £14.25 billion. Long conventional gilt sales of £14.5 billion (cash) are planned in 2004-05; long conventional gilt sales to date are £12.1 billion (cash).

Computershare Investor Services PLC assumed responsibility for the gilt registration service as HM Treasury's designated Registrar in succession to the Bank of England on 20 December 2004.

Copies of the full prospectus are available on request from the addresses given below and on the DMO website, [www.dmo.gov.uk](http://www.dmo.gov.uk). Only stock applications made on the forms sent out by the Registrar to Approved Group members will be accepted in the auction.

Copies of the Information Memorandum are available from the DMO, Eastcheap Court, 11 Philpot Lane, London, EC3M 8UD (telephone 020-7862 6500; fax 020-7862 6509) and Computershare Investor Services PLC, PO Box 2411, The Pavilions, Bristol, BS3 9WX (telephone 0870 703 0143).

This press notice together with the prospectus for the further issue of the stock will be appearing on the DMO's website at: [www.dmo.gov.uk](http://www.dmo.gov.uk).

