

96/08

25 November 2008

PRESS NOTICE

AUCTION OF UK GOVERNMENT SECURITY (GILT)

Auction Details

Auction Date	Tuesday, 2 December 2008
Issue and Settlement Date	Wednesday, 3 December 2008
Bidding Convention	Fully paid Bid Price (see Note 1)
Rebate Interest to be deducted from amount payable with bid	£0.046448 per £100 nominal
Auction Close	10:30am London Time

Details of Security

Title	4¼% Treasury Gilt 2049
Amount (nominal) for issue	£2,250 million (fungible with previous issues)
Nominal outstanding after issue	£7,333 million
Maturity Date	7 December 2049 at par
Interest Dates	7 June – 7 December
Parent ISIN Code	GB00B39R3707
Parent SEDOL Code	B-39R-370
Strippable	From 3 December 2008 (see Note 2)
Interest Payable	Gross (see Note 3)
Next Interest Date	7 June 2009 (Standard Coupon) (see Note 4)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 25 November 2008
Closes	Close of business: 2 December 2008
“When issued” ISIN Code	GB00B3D4YD04
“When issued” SEDOL Code	B-3D4-YD0
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 Tuesday, 2 December 2008.



Note 2: Following the issue of this further amount of the Gilt, 4¼% Treasury Gilt 2049 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 December 2008. The SEDOL and ISIN codes for the new principal strip are B-3FM-YZ4 and GB00B3FMYZ45 respectively.

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: As the price payable for this further issue of the Gilt will be reduced by an amount equal to the rebate interest from 3 December 2008 to 7 December 2008 this further issue of the Gilt will not rank for the interest payment due on 7 December 2008 but will rank for the interest payment due on 7 June 2009.

Documentation

Prospectus DMO : 25 November 2008	www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp251108.pdf
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : August 2007	www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem200807.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 Tuesday, 2 December 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, 2 December 2008.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £108 per £100 nominal of the Gilt.

Remit 2008-09

Gilt sales of £146.4 billion (cash) are planned in 2008-09 following yesterday's remit revision and progress against the remit is summarised in the table below.

Gilt sales v remit at 25 November 2008 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Gilt sales to date	31,671	17,591	16,543	11,547	77,352
Total planned sales	62,800	33,100	30,500	20,000	146,400
Total auctions planned	16	11	12	19	58
Sales remaining	31,129	15,509	13,957	8,453	69,048
Auctions remaining	8	5	5	8	26
Mini-tenders remaining	1	0	3	1	5

