

## **PRESS NOTICE**

### **AUCTION OF BRITISH GOVERNMENT STOCK**

#### **Auction Details**

|                                   |                                   |
|-----------------------------------|-----------------------------------|
| Auction Date                      | Wednesday, 28 April 2010          |
| Issue and Settlement Date         | Thursday, 29 April 2010           |
| Bidding Convention                | Fully paid Bid Price (see Note 1) |
| Accrued Interest payable with bid | £0.648098 per £100 nominal        |
| Auction Close                     | 10:30am London Time               |

#### **Details of Security**

|                                   |   |
|-----------------------------------|---|
| Title                             | 4½% Treasury Gilt 2013                                      |
| Amount (nominal) for auction      | £4,500 million (fungible with previous issues) (see Note 3) |
| Nominal outstanding after auction | £33,787 million   |
| Maturity Date                     | 7 March 2013 at par   |
| Interest Dates                    | 7 March – 7 September                                       |
| Parent ISIN Code                  | GB00B29WRG55  |
| Parent SEDOL Code                 | B-29W-RG5   |
| Strippable                        | Yes, since 13 June 2008                                     |
| Interest Payable                  | Gross (see Note 2)  |
| Next Interest Date                | 7 September 2010 (Standard Coupon)                          |

#### **“When Issued” Trading**

under London Stock Exchange Rule 1530

|                            |                                   |
|----------------------------|-----------------------------------|
| Commences                  | 3:30pm London Time: 20 April 2010 |
| Closes                     | Close of business: 28 April 2010  |
| “When issued” ISIN Code    | GB00B597VZ84                      |
| “When issued” SEDOL Code   | B-597-VZ8                         |
| 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 Wednesday, 28 April 2010.

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: 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 Information Memorandum.

## Documentation

|  |  |
|--|--|
| Prospectus<br>DMO : 20 April 2010  | <a href="http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp200410b.pdf">http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp200410b.pdf</a>    |
| Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock<br>DMO : May 2009 | <a href="http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem220509.pdf">www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem220509.pdf</a> |
| Formulae for Calculating Gilt Prices from Yields<br>DMO : 16 March 2005  | <a href="http://www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldeqns.pdf">www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldeqns.pdf</a>                           |

## 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 Wednesday, 28 April 2010. 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 Wednesday, 28 April 2010.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £109.50 per £100 nominal of the Gilt.

## Remit 2010-11

Gilt sales of £187.3 billion (cash) are planned in 2010-11 and progress against the remit is summarised in the table below (which may not include the amount of gilts issued under the Post Auction Option Facility for the most recent auction, if any).

| <b>Gilt sales v remit 20 April 2010 (£ millions)</b> |                           |               |               |                     |                |
|--|---------------------------|---------------|---------------|---------------------|----------------|
|  | <b>Conventional Gilts</b> |               |               | <b>Index-linked</b> | <b>Total</b>   |
|  | <b>Short</b>              | <b>Medium</b> | <b>Long</b>   | <b>gilts</b>        |                |
| <b>Total gilt sales to-date</b>                      | <b>4,998</b>              | <b>0</b>      | <b>2,336</b>  | <b>908</b>          | <b>8,242</b>   |
| <b>Planned sales at auctions</b>                     | <b>59,000</b>             | <b>45,000</b> | <b>26,700</b> | <b>17,400</b>       | <b>148,100</b> |
| <b>1. Sales at auctions</b>                          | <b>4,911</b>              | <b>0</b>      | <b>2,123</b>  | <b>908</b>          | <b>7,942</b>   |
| <b>Balance of auction sales to plan</b>              | <b>54,089</b>             | <b>45,000</b> | <b>24,577</b> | <b>16,492</b>       | <b>140,158</b> |
| <b>Auctions remaining</b>                            | <b>12</b>                 | <b>12</b>     | <b>11</b>     | <b>14</b>           | <b>49</b>      |
| <b>Auction evenflow</b>                              | <b>4,507</b>              | <b>3,750</b>  | <b>2,234</b>  | <b>1,178</b>        |                |
| <b>2. Sales by syndication</b>                       | <b>0</b>                  | <b>0</b>      | <b>0</b>      | <b>0</b>            | <b>0</b>       |
| <b>Planned sales by syndication</b>                  |                           |               |               |                     | <b>29,200</b>  |
| <b>3. Sales by tender</b>                            | <b>0</b>                  | <b>0</b>      | <b>0</b>      | <b>0</b>            | <b>0</b>       |
| <b>Planned sales by tender</b>                       |                           |               |               |                     | <b>10,000</b>  |
| <b>Total supplementary sales</b>                     |                           |               | <b>0</b>      | <b>0</b>            | <b>0</b>       |
| <b>Balance to plan</b>                               |                           |               | <b>18,600</b> | <b>20,600</b>       | <b>39,200</b>  |
| <b>4. PAOF proceeds</b>                              | <b>87</b>                 |               | <b>212</b>    |                     | <b>300</b>     |
| <b>Total planned sales</b>                           | <b>59,000</b>             | <b>45,000</b> | <b>45,300</b> | <b>38,000</b>       | <b>187,300</b> |

