

32/06

13 June 2006

PRESS NOTICE

AUCTION OF UK GOVERNMENT SECURITY (GILT)

Auction Details

Auction Date	Thursday, 22 June 2006
Issue and Settlement Date	Friday, 23 June 2006
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	£1.247283 per £100 nominal
Auction Close	10:30am London Time

Details of Security

Title	4¼% Treasury Gilt 2011
Amount (nominal) for issue	£2,500 million (fungible with previous issue)
Nominal outstanding after issue	£8,750 million
Maturity Date	7 March 2011 at par
Interest Dates	7 March – 7 September
Parent ISIN Code	GB00B0LN641
Parent SEDOL Code	B-0LN-X64
Strippable	Yes, since 27 January 2006
Interest Payable	Gross (see Note 2)
Next Interest Date	7 September 2006 - £2.125 per £100 nominal (Standard Coupon)

“When Issued” Trading

under London Stock Exchange Rule 7265

Commences	3:30pm : 13 June 2006
Closes	Close of business : 22 June 2006
“When issued” ISIN Code	GB00B128F474
“When issued” SEDOL Code	B-128-F47
TIDM (for trade reporting)	AUC

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 (as amended). Gilt-edged Market Makers may bid by telephone to the DMO not later than 10.30 am on Thursday, 22 June 2006.



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.

Documentation

Prospectus DMO : 13 June 2006	www.dmo.gov.uk/gilts/public/prospectus/prosp130606.pdf
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : December 2004	www.dmo.gov.uk/gilts/public/technical/infmem211204.pdf
Notice of Amendment DMO : 13 May 2005	www.dmo.gov.uk/gilts/public/technical/infmemadd130505.pdf
Notice of Amendment DMO : 13 September 2005	www.dmo.gov.uk/gilts/public/technical/infmemadd130905.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, BS3 9WX to arrive not later than 10.00 am on Thursday, 22 June 2006. 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, 22 June 2006.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £101.50 per £100 nominal of the Gilt.

Remit 2006-07

Gilt sales of £63.0 billion (cash) are planned in 2006-07, the split is summarised in the table below.

Gilt sales v remit at 8 June 2006 (£ millions).					
	Conventional Gilts			Index-linked gilts	Total
	Shorts (1-7 yrs)	Mediums (7-15yrs)	Longs (15 yrs+)		
Gilt sales to date	0	2,626	7,153	3,002	12,781
Core gilt programme	10,000	10,000	17,000	16,000	53,000
Programme to be allocated in-year					
Allocated in-year to date	0	0	3,750	1,250	5,000
Currently allocated programme	10,000	10,000	20,750	17,250	58,000
Remaining to be allocated					5,000
Total planned sales					63,000
Remaining to meet allocated programme	10,000	7,374	13,597	14,248	45,219
Auctions remaining in current programme	4	3	6	14	27

