

30/10

12 February 2010

PRESS NOTICE

RE-OPENING BY SYNDICATED OFFERING OF 4% TREASURY GILT 2060: APPOINTMENT OF SYNDICATE

The United Kingdom Debt Management Office ("the DMO") announces the appointment of a syndicate to sell by subscription the forthcoming re-opening of 4% Treasury Gilt 2060.

Joint Bookrunners: Barclays Capital, Deutsche Bank, Royal Bank of Canada and Royal Bank of Scotland.

Co-Lead Managers: All other panel member conventional Gilt-edged Market Makers ("GEMMs") have been invited to be Co-Lead Managers.

The DMO has appointed a panel comprising exclusively wholesale GEMM firms from which it has chosen syndicate members for the conduct of the programme of syndicated offerings in 2009-10. The current planning assumption is that syndicated offerings will raise approximately £30 billion in 2009-10 (£26.5 billion has been raised to-date).

The DMO expects the sale of the gilt to be conducted in the period 17- 25 February 2010, subject to market and demand conditions. Further details about the conduct of the offer will be announced in due course.

NOTES TO EDITORS

The DMO financing remit for 2009-10 published alongside Budget 2009 on 22 April 2009, included the provision for a programme of up to 8 syndicated offerings to be held in 2009-10 to raise £25.0 billion (through sales of long-dated and index-linked gilts) as part of an overall gilt sales target of £220.0 billion.

At the Pre-Budget Report (PBR) on 9 December 2009 the DMO's financing remit for 2009-10 was revised with total planned gilt sales rising by £5.1 billion to £225.1 billion. The remit revision included a £5.0 billion increase in the planning assumption of proceeds from syndications, to £30.0 billion; it was also announced that up to two syndications will be held in the final quarter of 2009-10.

Five syndicated offerings have been held to date, two of new conventional gilts (maturing in 2034 and 2060) and three of new index-linked gilts (maturing in 2040, 2042 and 2050). Proceeds from the syndication programme to-date are £26.5 billion.

On 18 December 2009 the DMO announced plans to hold up to two syndicated offerings in the January-March 2010 period:

- Second half of January: an index-linked gilt maturing in the 30-year area.
- A decision to proceed with any second offering would be taken after the first offering.

The first syndicated offer in the current quarter, of £3.5 billion (nominal) of 0 $\frac{5}{8}$ % Index-linked Treasury Gilt 2040 was completed on 27 January 2010, on which date the DMO confirmed its intention to hold a further syndicated offer in this quarter.

The DMO announced on 5 February 2010 that the forthcoming syndication would be a re-opening of 4% Treasury Gilt 2060, to be held in the period 17-25 February, subject to market and demand conditions.

This press notice will be appearing on the DMO's website at: www.dmo.gov.uk