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PRESS NOTICE

4 October 2000

EARLY REDEMPTION OF 11½% TREASURY STOCK 2001-04 ON 19 MARCH 2001

The United Kingdom Debt Management Office ("DMO") has today announced its intention to redeem 11½% Treasury Stock 2001-2004 at par on Monday 19 March 2001.

Redemption monies will be payable on that date either to persons registered as holders of the stock on 8 March 2001 (the final ex-dividend date), or in accordance with instructions received from such holders. The next and final interest payment on the stock will also be payable on 19 March 2001.

The DMO will be prepared to respond to offers of 11½% Treasury Stock 2001-04 from Gilt-edged Market Makers with immediate effect.

NOTES TO EDITORS

11½% Treasury Stock 2001-2004 was originally issued in May 1979. There is £1,620 million nominal in issue of this double-dated stock. Double-dated stocks may be redeemed at the option of HM Treasury on or after the first of the specified dates. The prospectus for 11½% Treasury Stock 2001-2004 includes the requirement that the holders of the stock must be given not less than three calendar months' notice in the *London Gazette* of the Government's intention to redeem early. Such a notice is appearing in today's edition of the *London Gazette*.

The next interest payment date on 11½% Treasury Stock 2001-2004, on 19 March 2001, is the earliest date that the Government can redeem the stock. Redemption amounts and the final interest payments will be paid to persons registered as holders of the stock on 8 March 2001. The redemption of this bond was included in the assumed gilt redemption total for 2000-01 in the Debt Management Report 2000-01.

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

Queries may be addressed to the DMO's press officer, Steve Whiting

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