

DMO SCREEN/WEB ANNOUNCEMENT: 23 JANUARY 2007

TENDER FOR £164 MILLION (NOMINAL) OF BNFL-OWNED INDEX-LINKED TREASURY STOCK 2024

The UK Debt Management Office (DMO) announces the sale by tender of £164 million (nominal) of 2½% Index-linked Treasury Stock 2024 on Monday 29 January 2007. This holding forms part of the portfolio of index-linked gilts currently held by British Nuclear Fuels Limited (BNFL), which is being liquidated as a consequence of the transfer of the discharge of nuclear liabilities to the Nuclear Decommissioning Authority, as announced at the time of the Pre- Budget Report on 6 December 2006. As this is a sale of existing gilts, there will be no impact on any gilt market indices.

Details of the tender are as follows –

- It will be conducted on a uniform price basis, with no non-competitive bidding facility,
- GEMM firms may each submit an unlimited number of bids up to 2.20pm and thereafter up to ten further bids, by telephone, either for their own account or on behalf of customers, to two decimal places and in multiples of round GBP millions (nominal),
- Bids must be received by the DMO before 2:30pm,
- There will be no maximum allocation limit and no minimum bid price set, although the DMO reserves the right not to accept bids deemed to be at an unacceptable discount to the prevailing market price.

The results of this tender will be announced on the DMO's wire services pages and web site as soon as practicable after 2:30pm on 29 January 2007. Settlement will be on the following day, Tuesday 30 January 2007, for which the DMO's standard settlement arrangements will apply.