

21/03

16 June 2003

PRESS NOTICE

REDEMPTION OF 12½% TREASURY STOCK 2003-2005 ON 21 NOVEMBER 2003

The United Kingdom Debt Management Office (“DMO”) has today announced its intention to redeem 12½% Treasury Stock 2003-2005 at par on 21 November 2003 (the earliest possible redemption date under the terms of the stock’s prospectus).

Redemption monies will be payable on that date either to persons registered as holders of the stock on 12 November 2003 (the final ex-dividend date), or in accordance with instructions received from such holders. The next and final interest payment on the stock of £6.25 per £100 nominal will also be payable on 21 November 2003.

NOTES TO EDITORS

12½% Treasury Stock 2003-2005 was originally issued in November 1978. There is currently £152 million nominal in issue of this stock. Double-dated stocks may be redeemed at the option of HM Treasury on or after the first of the specified dates contained in the prospectus. This also 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 the stock early. Such a notice will be appearing today in respect of 12½% Treasury Stock 2003-05 in the *London Gazette*. Friday, 21 November 2003, the next interest payment date on 12½% Treasury Stock 2003-2005, is the earliest date that the stock can be redeemed. Redemption amounts and the final interest payments will be paid to persons

registered as holders of the stock on 12 November 2003. The redemption of this stock was included in the assumed gilt redemptions total for 2003-2004 contained in the Debt and Reserves Management Report 2003-2004.

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