

## **PRESS NOTICE**

### **AUCTION OF BRITISH GOVERNMENT STOCK**

#### **Auction Details**

Auction Date	Thursday, 17 June 2010
Issue and Settlement Date	Friday, 18 June 2010
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	£1.399457 per £100 nominal
Auction Close	10:30am London Time

#### **Details of Security**

Title	5% Treasury Stock 2014
Amount (nominal) for auction	£4,000 million (fungible with previous issues) (see Note 3)
Nominal outstanding after auction	£32,057 million
Maturity Date	7 September 2014 at par
Interest Dates	7 March – 7 September
Parent ISIN Code	GB0031829509
Parent SEDOL Code	3-182-950
Strippable	Yes, since 23 October 2002
Interest Payable	Gross (see Note 2)
Next Interest Date	7 September 2010 (Standard Coupon)

#### **“When Issued” Trading**

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 8 June 2010
Closes	Close of business: 17 June 2010
“When issued” ISIN Code	GB00B55R4L99
“When issued” SEDOL Code	B-55R-4L9
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. Gilt-edged Market Makers may bid by means of the Bloomberg Bond Auction System to the DMO not later than 10.30 am on Thursday, 17 June 2010.

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.

Note 3: Subject to the provisions of the Information Memorandum, this auction will be eligible for the Post Auction Option Facility of an additional amount of the Stock equivalent to 10% of the nominal amount of the Stock allocated at the auction. Details of the Post Auction Option Facility procedures are set out in the Information Memorandum.

## Documentation

Prospectus DMO : 8 June 2010	<a href="http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp080610.pdf">www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp080610.pdf</a>
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : May 2009	<a href="http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem220509.pdf">www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem220509.pdf</a>
Formulae for Calculating Gilt Prices from Yields DMO : 16 March 2005	<a href="http://www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldeqns.pdf">www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldeqns.pdf</a>

## 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, BS99 6WX to arrive not later than 10.00 am on Thursday, 17 June 2010. 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, 17 June 2010.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £115.50 per £100 nominal of the Stock.

## Remit 2010-11

Gilt sales of £185.2 billion (cash) are planned in 2010-11 and progress against the remit is summarised in the table below (which may not include the amount of gilts issued under the Post Auction Option Facility for the most recent auction, if any).

Gilt sales v remit 8 June 2010 (£ millions)					
	Conventional Gilts			Index-linked	Total
	Short	Medium	Long	gilts	
Total gilt sales to-date	14,597	8,231	7,957	9,281	40,065
Planned sales at auctions	59,000	42,900	26,700	17,400	146,000
1. Sales at auctions	14,076	7,483	6,363	4,628	32,550
Balance of auction sales to plan	44,924	35,417	20,337	12,772	113,450
Auctions remaining	10	10	9	11	40
Auction evenflow	4,492	3,542	2,260	1,161	
2. Sales by syndication	0	0	0	3,762	3,762
Planned sales by syndication					29,200
3. Sales by tender	0	0	982	728	1,710
Planned sales by tender					10,000
Total supplementary sales			982	4,490	5,472
Balance to plan			17,618	16,110	33,728
4. PAOF proceeds	521	748	611	163	2,043
Total planned sales	59,000	42,900	45,300	38,000	185,200

