

PRESS NOTICE

AUCTION OF BRITISH GOVERNMENT STOCK

Auction Details

Auction Date	Thursday, 14 June 2012
Issue and Settlement Date	Friday, 15 June 2012
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	£1.593407 per £100 nominal
Auction Close	10:30am London Time

Details of Security

Title	4% Treasury Gilt 2060
Amount (nominal) for auction	£1,500 million (fungible with previous issues) (see Note 4)
Nominal outstanding after auction	£18,358 million
Maturity Date	22 January 2060
Interest Dates	22 January – 22 July
Parent ISIN Code	GB00B54QLM75
Parent SEDOL Code	B-54Q-LM7
Strippable	No (see Note 2)
Interest Payable	Gross (see Note 3)
Next Interest Date	22 July 2012 (Standard Coupon)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 6 June 2012
Closes	Close of business: 14 June 2012
“When issued” ISIN Code	GB00B57HZ257
“When issued” SEDOL Code	B-57H-Z25
TIDM (for trade reporting)	AUCA

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, 14 June 2012.

Note 2. The Gilt may not be stripped and reconstituted until so specified in a notice issued by the DMO.



Note 3: 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 4: 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 Gilt equivalent to 10% of the nominal amount of the Gilt allocated at the auction. Details of the Post Auction Option Facility procedures are set out in the Information Memorandum.

Documentation

Prospectus DMO : 6 June 2012	http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp060612b.pdf
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : August 2011	http://www.dmo.gov.uk/documentview.aspx?docName=/publications/operationalrules/infmemadd150811.pdf
Formulae for Calculating Gilt Prices from Yields DMO : 16 March 2005	www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldeqns.pdf

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, 14 June 2012. 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, 14 June 2012.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £138.50 per £100 nominal of the Gilt.

Remit 2012-13

Gilt sales of £164.4 billion (cash) are planned in 2012-13 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 relative to remit plans at 6 June 2012 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Auction sales to-date	8,945	7,342	4,862	2,828	23,978
PAOF proceeds to-date	448	581	249	130	1,409
Syndication sales to-date			5,053	4,750	9,803
Mini-tender sales to date	1,660	0	0	0	1,660
Total gilt sales to date	11,053	7,924	10,165	7,709	36,850
Auction sales required to meet plans (excludes PAOF proceeds)	41,455	27,158	18,838	13,472	100,922
Number of auctions remaining	9	8	9	10	36
Currently required average auction sizes	4,606	3,395	2,093	1,347	
Syndication sales required to meet plan			8,447	14,750	23,197
Mini-tender sales required to meet plan					4,840
Planned gilt sales at auctions	50,400	34,500	23,700	16,300	124,900
Number of auctions scheduled	11	10	11	12	44
Planned gilt sales by syndication			13,500	19,500	33,000
Planned sales by mini-tender					6,500
Total planned supplementary gilt sales					39,500
Total planned gilt sales					164,400

