

50/09

31 March 2009

PRESS NOTICE

AUCTION OF UK GOVERNMENT SECURITY (GILT)

Auction Details

Auction Date	Wednesday, 8 April 2009
Issue and Settlement Date	Thursday, 9 April 2009
Bidding Convention	Uniform Price (see Note 1)
Uplifted accrued interest payable with bid	£0.540859 per £100 nominal
Auction Close	10:30am London Time

Details of Security

Title	1¼% Index-linked Treasury Gilt 2032
Amount (nominal) for issue	£1,100 million (fungible with previous issues)
Nominal outstanding after issue	£5,450 million (£5,282.2 million Index adjusted)
Maturity Date	22 November 2032
Interest Dates	22 May and 22 November
Parent ISIN Code	GB00B3D4VD98
Parent SEDOL Code	B-3D4-VD9
Reference Index applicable to first issue date	217.13226 (as at 29 October 2008) (see Note 4)
Index Ratio at 9 April 2009	0.96921
Interest Payable	Gross (see Note 2)
Next Interest Date	22 May 2009 (Long First Coupon) (see Note 3)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 31 March 2009
Closes	Close of business: 8 April 2009
“When issued” ISIN Code	GB00B3NL9W50
“When issued” SEDOL Code	B-3NL-9W5
TIDM (for trade reporting)	AUCB

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, as amended. Index-linked Gilt-edged Market Makers may bid by means of the Bloomberg Bond Auction System to the DMO not later than 10.30 am on Wednesday, 8 April 2009.

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: Actual amount of interest per £100 nominal will be $((1 + (24/184)) \times £0.625) \times \text{Index Ratio for 22 May 2009}$ and expressed as a percentage in pounds sterling to six places of decimals and rounded to the nearest figure.

Note 4: The Reference Index for the first calendar day of any calendar month shall be the Retail Price Index figure for the calendar month falling three calendar months earlier. The Reference Index for any other day in the month shall be calculated by linear interpolation between the Reference Index applicable to the first calendar day of the month in which the day falls and the Reference Index applicable to the first calendar day of the month immediately following. Interpolated values for the Reference Index for any date should be rounded to the nearest 5th decimal place.

Documentation

Prospectus DMO : 31 March 2009	www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp310309b.pdf
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : August 2007	www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem200807.pdf
Notice of Amendment DMO: 18 March 2009	www.dmo.gov.uk/documentview.aspx?docName=/publications/operationalrules/infmemadd180309.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 Wednesday, 8 April 2009. 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 Wednesday, 8 April 2009.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £105 per £100 nominal of the Gilt.

Remit 2009-10

Gilt sales of £147.9 billion (cash) are provisionally planned in 2009-10 as summarised in the table below.

DMO Provisional Remit 2009-10 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Total planned sales	63,600	32,500	31,100	20,700	147,900
Auctions planned	16	11	14	20	61

