

13 January 2011

PRESS NOTICE

SYNDICATED OFFERING OF AN INDEX-LINKED GILT MATURING IN 2050 OR LONGER: APPOINTMENT OF SYNDICATE

The United Kingdom Debt Management Office ("the DMO") announces the appointment of a syndicate to sell by subscription an index-linked gilt maturing in 2050 or longer.

Joint Bookrunners: Barclays Capital, BNP Paribas, RBC Capital Markets and RBS.

Co-Lead Managers: All other panel member Index-linked Gilt-edged Market Makers ("IL GEMMs") have been invited to be Co-Lead Managers.

The DMO has appointed a panel comprising exclusively wholesale GEMM firms from which it has chosen syndicate members for the conduct of the programme of syndicated offerings in 2010-11. The current planning assumption is that syndicated offerings will raise approximately £26.2 billion in 2010-11. Proceeds from the four syndicated offerings in the financial year to-date are £22.3 billion.

The DMO expects to hold the sale in the week commencing 24 January 2011, subject to market conditions. Further information about the conduct of the offer, including details of the gilt to be sold, will be announced in due course.

NOTES TO EDITORS

The DMO financing remit for 2010-11, published alongside the Budget on 24 March 2010, included the provision for a programme of up to 10 syndicated offerings to be held in 2010-11 to raise £29.2 billion (through sales of long-dated conventional and index-linked gilts).

At the Budget on 22 June 2010, planned sales from the syndication programme were reduced by £3.2 billion to £26.0 billion. At the Economic and Fiscal Outlook on 29 November 2010 planned sales from the syndication programme were increased to £26.2 billion (reflecting a proceeds outturn for the conventional syndication programme which was £0.2 billion above the plan).

Four syndicated offerings have been held to date in 2010-11, as summarised in the table below.

Syndicated gilt offerings in 2010-11 to-date

Date	Gilt	Size (£bn nominal)	Proceeds (£bn)
Wed 26 May	0½% Index-linked Treasury Gilt 2050	4.0	3.76
Tue 29 Jun	4¼% Treasury Gilt 2040	8.0	7.99
Tue 27 Jul	0⅞% Index-linked Treasury Gilt 2040	6.0	5.56
Wed 27 Oct	4¼% Treasury Gilt 2040	5.0	5.00
			22.31

On 3 December 2010 the DMO announced plans to hold one syndicated offering (of an index-linked gilt maturing in the 30-50 year area) in the second half of January 2011, (subject to confirmation depending on market conditions nearer the time).

On 7 January 2011 the DMO announced that the next syndicated offering would be for an index-linked gilt maturing in 2050 or longer, with the sale planned for the week commencing 24 January.

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