

13 May 2011

PRESS NOTICE

APPOINTMENT OF SYNDICATE FOR THE SALE OF THE NEW INDEX-LINKED GILT MATURING ON 22 MARCH 2034

The United Kingdom Debt Management Office ("the DMO") announces the appointment of a syndicate to sell by subscription the new index-linked gilt maturing on 22 March 2034.

Joint Bookrunners: B of A Merrill Lynch, Credit Suisse, HSBC Bank PLC 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 will choose syndicate members for the conduct of the programme of syndicated offerings in 2011-12. The current planning assumption is that syndicated offerings will raise approximately £31.6 billion in 2011-12.

It is expected that the sale will be held in the week commencing 23 May 2011, subject to market conditions. Further information about the conduct of the offer will be announced in due course.

NOTES TO EDITORS

The DMO financing remit for 2011-12, published alongside the Budget on 23 March 2011, included the provision for a programme of up to eight syndicated offerings to be held in 2011-12 to raise £31.6 billion. The current planning assumption is that £18.1 billion will be raised by sales of index-linked gilts and £13.5 billion by sales of long-dated conventional gilts.

The DMO also announced on 23 March 2011 its intention to implement the programme of syndicated gilt offerings in 2011-12 more evenly across the year than in 2010-11 via smaller and more regular operations than in 2010-11.

On 31 March 2011 the DMO announced plans to hold two syndicated offerings in the period April-June 2011 (of an index-linked gilt maturing in the 20-25 year area in the second half of May, and of a long-dated conventional gilt in the second half of June - subject to confirmation depending on market conditions nearer the time).

On 12 May 2011 the DMO announced that the bond to be sold at the next syndicated offering will be a new index-linked gilt maturing on 22 March 2034 and that the offering is expected to be held in the week commencing 23 May 2011.

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