

PRESS NOTICE

SYNDICATED OFFERING OF AN INDEX-LINKED GILT MATURING IN THE 20 TO 30 YEAR AREA: 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 the 20 to 30 year area.

Joint Bookrunners: Deutsche Bank, Goldman Sachs International, HSBC Bank plc and the Royal Bank of Scotland.

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 2010-11. The current planning assumption is that syndicated offerings will raise approximately £26.0 billion in 2010-11. Proceeds from the programme in the financial year to date are £11.8 billion.

The DMO expects the sale will take place in the second half of July, 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 gilt sales in 2010-11 were reduced by £20.2 billion to £165.0 billion. Planned sales from the syndication programme were reduced by £3.2 billion to £26.0 billion.

The first syndicated offer of the 2010-11 programme was held on 26 May 2010 with the sale of £4.0 billion (nominal) of 0½% Index-linked Treasury Gilt 2050; the proceeds of that sale were £3.8 billion.

The second syndicated offer of the 2010-11 programme was held on 29 June 2010 with the sale of £8.0 billion (nominal) of 4¼% Treasury Gilt 2040; the proceeds of that sale were £8.0 billion.

On 28 May 2010 the DMO announced plans to hold three syndicated offerings in the June-September 2010 period, subject to confirmation depending on market conditions nearer the time:

- Second half of June: a conventional gilt maturing in the 30-year area.
- Second half of July: an index-linked gilt maturing in the 20 to 30 year area.
- Second half of September: a long-dated conventional or an index-linked gilt.

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