

DMO announcement: results of the tenders for BNFL gilts

The result of the tenders executed today by the DMO for British Nuclear Fuel Limited (BNFL)'s holdings of the following indexed-linked gilts are:

2½% Index-linked Treasury Stock 2009 (£10 million nominal)

Nominal amount sold	£10.0 million
Strike price (per £100 nom)	£253.17
Real yield at strike price*	2.210%
Percentage allotment at strike price	100.0%

2½% Index-linked Treasury Stock 2013 (£65 million nominal)

Nominal amount sold	£65.0 million
Strike price (per £100 nom)	£228.50
Real yield at strike price*	2.032%
Percentage allotment at strike price	71.0%

** assuming 3% inflation*

As announced on 6 December 2006, the DMO is conducting the sale of the existing index-linked gilt holdings of the Nuclear Liabilities Investment Portfolio (NLIP) via a series of tenders in January-March 2007. The tenders held today are the first of these sales.

The next tender, for £164 million (nominal) of 2½% Index-linked Treasury Stock 2024, will be held on Monday 29 January 2007.

15 January 2007