

13/07

27 February 2007

## **PRESS NOTICE**

### **AUCTION OF UK GOVERNMENT SECURITY (GILT)**

#### **Auction Details**

Auction Date	Tuesday, 6 March 2007
Issue and Settlement Date	Wednesday, 7 March 2007
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	£1.050824 per £100 nominal
Auction Close	10:30am London Time

#### **Details of Security**

Title	4¼% Treasury Gilt 2027
Amount (nominal) for issue	£2,250 million (fungible with previous issues)
Nominal outstanding after issue	£11,250 million
Maturity Date	7 December 2027 at par
Interest Dates	7 June – 7 December
Parent ISIN Code	GB00B16NNR78
Parent SEDOL Code	B-16N-NR7
Strippable	Yes, since 6 December 2006
Interest Payable	Gross (see Note 2)
Next Interest Date	7 June 2007 (Standard Coupon)

#### **“When Issued” Trading**

under London Stock Exchange Rule 7265

Commences	3:30pm London Time: 27 February 2007
Closes	Close of business : 6 March 2007
“When issued” ISIN Code	GB00B1L6WD01
“When issued” SEDOL Code	B-1L6-WD0
TIDM (for trade reporting)	AUC

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). Gilt-edged Market Makers may bid by telephone to the DMO not later than 10.30 am on Tuesday, 6 March 2007.

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.



## Documentation

Prospectus DMO : 27 February 2007	<a href="http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp270207.pdf">www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp270207.pdf</a>
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : December 2004	<a href="http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem211204.pdf">www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem211204.pdf</a>
Notice of Amendment DMO : 13 May 2005	<a href="http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmemadd130505.pdf">www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmemadd130505.pdf</a>
Notice of Amendment DMO : 13 September 2005	<a href="http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmemadd130905.pdf">www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmemadd130905.pdf</a>
Formulae for Calculating Gilt Prices from Yields DMO : 16 March 2005	<a href="http://www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldeqns.pdf">www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldeqns.pdf</a>

## 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, BS3 9WX to arrive not later than 10.00 am on Tuesday, 6 March 2007. 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 Tuesday, 6 March 2007.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £103 per £100 nominal of the Gilt.

## Remit 2006-07

Gilt sales of £62.5 billion (cash) are planned in 2006-07, the split is summarised in the table below.

<b>Gilt sales v remit at 23 February 2007 (£ millions).</b>					
	Conventional Gilts			Index-linked gilts	Total
	Short (1-7 yrs)	Medium (7-15yrs)	Long (15 yrs+)		
<b>Gilt sales to date</b>	<b>7,322</b>	<b>9,948</b>	<b>23,037</b>	<b>16,243</b>	<b>56,551</b>
<b>Core gilt programme</b>	<b>10,000</b>	<b>10,000</b>	<b>17,000</b>	<b>16,000</b>	<b>53,000</b>
<b>Programme to be allocated in-year</b>					
<b>Allocated in-year to date</b>	<b>0</b>	<b>0</b>	<b>8,250</b>	<b>1,250</b>	<b>9,500</b>
<b>Currently allocated programme</b>	<b>10,000</b>	<b>10,000</b>	<b>25,250</b>	<b>17,250</b>	<b>62,500</b>
<b>Remaining to be allocated</b>					<b>0</b>
<b>Total planned sales</b>					<b>62,500</b>
<b>Remaining to meet allocated programme</b>	<b>2,678</b>	<b>52</b>	<b>2,213</b>	<b>1,007</b>	<b>5,949</b>
<b>Auctions remaining in programme</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>3</b>

