

26/07

24 April 2007

PRESS NOTICE

AUCTION OF UK GOVERNMENT SECURITY (GILT)

Auction Details

Auction Date	Thursday, 3 May 2007
Issue and Settlement Date	Friday, 4 May 2007
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	£1.728022 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	£13,500 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: 24 April 2007
Closes	Close of business: 3 May 2007
“When issued” ISIN Code	GB00B1VWNY64
“When issued” SEDOL Code	B-1VW-NY6
TIDM (for trade reporting)	AUCA

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 Thursday, 3 May 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 : 24 April 2007	www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp240407.pdf
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : December 2004	www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem211204.pdf
Notice of Amendment DMO : 13 May 2005	www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmemadd130505.pdf
Notice of Amendment DMO : 13 September 2005	www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmemadd130905.pdf
Formulae for Calculating Gilt Prices from Yields DMO : 16 March 2005	www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldeqns.pdf

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 Thursday, 3 May 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 Thursday, 3 May 2007.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £100.50 per £100 nominal of the Gilt.

Remit 2007-08

Gilt sales of £58.4 billion (cash) are planned in 2007-08, the split and progress against the remit is summarised in the table below.

Gilt sales v remit at 25 April 2007 (£ millions).					
	Conventional Gilts			Index-linked gilts	Total
	Short (1-7 yrs)	Medium (7-15yrs)	Long (15 yrs+)		
Gilt sales to date	0	0	1,993	2,026	4,019
Total planned sales	10,000	10,000	23,400	15,000	58,400
Gilt sales remaining	10,000	10,000	21,407	12,974	54,381
Auctions remaining in programme	4	4	10	13	31

