



MEDIA RELEASE

February 28, 2006

RESULTS OF THE AUCTION OF K50 MILLION GOVERNMENT INSCRIBED STOCK

The Government announces, through the Department of Treasury, the successful auction of Inscribed Stock of K50 million held on Tuesday 28 February 2006.

Inscribed Stock Maturities	Total Amount of Bids Received (Kina million)	Total Amount Offered (Kina million)	Coverage Ratio (Bids ÷ Offered)	Accepted (Kina million)
15 February 2009	50.1	20.0	2.5	19.0
15 August 2011	35.0	15.0	2.3	14.0
15 February 2016	39.4	15.0	2.6	17.0
TOTAL	124.5	50.0	2.5	50.0

Of the K124.5 million of Total Bids, K25 million were from BPNG and K99.5 million were from other investors. BPNG under the Central Bank act has the independence and authority to take various actions to promote price and macroeconomic stability, including buying Government Securities. BPNG bids under the same terms and conditions as all other registered bidders, and has no prior knowledge or access to other bids.

Inscribed Stock maturities	Coupon (% pa)	Weighted average issue yield (% pa)	Highest accepted issue yield (% pa)	Lowest accepted issue yield (% pa)
15 February 2009	6.00	5.94	6.00	5.80
15 August 2011	8.00	8.23	9.00	7.90
15 February 2016	12.00	12.21	12.50	11.90

The oversubscription of Inscribed Stock demonstrates the attractiveness of government securities as a component of a prudent investment portfolio. Currently the minimum bid amount is K1 million and investors who wish to find out more about government securities should contact either:

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