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This announcement is released by Transport for London and contains information that qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 ("**MAR**") as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, encompassing information relating to the Offers described above. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, this announcement is made by Joanna Hawkes, Director of Corporate Finance, on behalf of Transport for London.

1 December 2022

Transport for London (the "**Issuer**") has today launched separate invitations to the holders of the outstanding notes detailed below (each a "**Series**" and together the "**Notes**") to tender a portion of such Notes for purchase by the Issuer for cash subject to the satisfaction or waiver of the Financing Condition (each such invitation an "**Offer**" and, together, the "**Offers**").

The Offers are made on the terms and subject to the conditions set out in the Tender Offer Memorandum dated 1 December 2022 (the "**Tender Offer Memorandum**") and are subject to the offer and distribution restrictions set out below and as described in the Tender Offer Memorandum. Copies of the Tender Offer Memorandum are available, subject to eligibility confirmation and registration, from the Tender Offer Website (<https://projects.morrowsodali.com/tfl>). Noteholders are advised to read carefully the Tender Offer Memorandum for full details of, and information on the procedures for participating in, the Offers. Capitalised terms used and not otherwise defined in this announcement have the meanings given to them in the Tender Offer Memorandum.

Description of Notes	ISIN / Common Code	Aggregate Principal Amount Outstanding	Benchmark Reference Security	Fixed Spread	Target Acceptance Amount
£400,000,000 2.125 per cent. Notes due April 2025 (the " 2025 Notes ")	XS1222743061/122274306	£400,000,000	0.625 per cent. UK Treasury Gilt due 7 June 2025 (ISIN: GB00BK5CVX03)	150 bps	
£200,000,000 4.500 per cent. Notes due 2027-2031 (the " 2027-2031 Notes ")	XS0248643750/024864375	£200,000,000	0.50 per cent. UK Treasury Gilt due 31 January 2029 (ISIN: GB00BLPK7227)	120 bps	
£300,000,000 4.000 per cent. Notes due September 2033 (the " 2033 Notes ")	XS0969795920/096979592	£300,000,000	0.875 per cent. UK Treasury Gilt due 31 July 2033 (ISIN: GB00BM8Z2S21)	115 bps	
£500,000,000 3.875 per cent. Notes due July 2042 (the " July 2042 Notes ")	XS0806476544/080647654	£500,000,000	4.50 per cent. UK Treasury Gilt due 7 December 2042 (ISIN: GB00B1VWPJ53)	110 bps	The Target Acceptance Amount will be £800,000,000 (subject as set out in the Tender Offer Memorandum)
£100,000,000 4.500 per cent. Notes due December 2042 (the " December 2042 Notes ")	XS0279542608/027954260	£100,000,000	4.50 per cent. UK Treasury Gilt due 7 December 2042 (ISIN: GB00B1VWPJ53)	110 bps	
£400,000,000 3.625 per cent. Notes due May 2045 (the " 2045 Notes ")	XS0928618569/092861856	£400,000,000	3.50 per cent. UK Treasury Gilt due 22 January 2045 (ISIN: GB00BN65R313)	115 bps	
£500,000,000 4.000 per cent. Notes due April 2064 (consisting of a first tranche of £370,000,000 4.000 per cent. Notes due April 2064 issued on 7 April 2014 and a second tranche of £130,000,000 4.000 per cent. Notes due April 2064 issued on 16 May 2014) (the " 2064 Notes ")	XS1045127393/104512739	£500,000,000	0.50 per cent. UK Treasury Gilt due 22 October 2061 (ISIN: GB00BMBL1D50)	120 bps	

THE OFFERS COMMENCE ON 1 DECEMBER 2022 AND WILL EXPIRE AT 16:00 (LONDON TIME) ON 8 DECEMBER 2022 (THE "EXPIRATION DEADLINE"), UNLESS EXTENDED, WITHDRAWN OR TERMINATED AT THE SOLE DISCRETION OF THE ISSUER. TENDER INSTRUCTIONS, ONCE SUBMITTED, MAY NOT BE WITHDRAWN EXCEPT IN THE LIMITED CIRCUMSTANCES OUTLINED IN THE TENDER OFFER MEMORANDUM UNDER THE HEADING "AMENDMENT AND TERMINATION".

Custodians, Direct Participants and Clearing Systems will have deadlines for receiving instructions prior to the Expiration Deadline and Noteholders should contact the intermediary through which they hold their Notes as soon as possible to ensure proper and timely delivery of instructions.

Rationale for the Offer

The Offers are being undertaken as part of the Issuer's balance sheet management and to reduce net debt, as well as providing liquidity to holders of the Notes.

Purchase Price

The price payable for Notes of a Series accepted for purchase (in respect of each Series, the "**Purchase Price**") will be calculated at or around the Pricing Time on the Pricing Date, in accordance with the market standard convention, by reference to the annualised sum (in respect of each Series, the "**Repurchase Yield**") of the fixed spread in respect of that Series, as specified in the table above (in respect of each Series, the "**Fixed Spread**"), and the relevant Benchmark Reference Security Yield, expressed as a percentage and rounded to the third decimal place (with 0.0005 being rounded upwards). Specifically, the Purchase Price for each Series will equal (a) the value of all remaining payments of principal and interest on Notes of the relevant Series up to and including the maturity date for the relevant Notes, discounted to the Settlement Date at a discount rate equal to the Repurchase Yield, minus (b) Accrued Interest.

In respect of any Notes accepted for purchase, the Issuer will also pay an amount equal to any accrued and unpaid interest on the relevant Notes from, and including, the interest payment date for the relevant Series immediately preceding the Settlement Date up to, but excluding, the Settlement Date, which is expected to be 16 December 2022.

Notes repurchased by the Issuer pursuant to the Offers will be cancelled. Notes which have not been validly tendered and accepted for purchase pursuant to the Offers will remain outstanding after the Settlement Date subject to their respective terms.

Target Acceptance Amount

The Issuer proposes to accept Notes for purchase up to a maximum aggregate principal amount of £800,000,000 (the "**Target Acceptance Amount**") on the terms and subject to the conditions contained in the Tender Offer Memorandum, although the Issuer reserves the right in its sole and absolute discretion to purchase significantly more or significantly less than (or none of) the Target Acceptance Amount pursuant to the Offers. The Issuer will determine the allocation of funds between each Series in its sole and absolute discretion.

In the event that Tender Instructions are received in respect of an aggregate principal amount of Notes of the relevant Series which is greater than the Series Acceptance Amount, such Tender Instructions will be accepted on a pro-rata basis.

A separate Tender Instruction must be submitted on behalf of each beneficial owner of the Notes of each Series due to potential pro-rata.

Financing Condition

The Issuer is not under any obligation to accept for purchase any Notes tendered pursuant to the Offers. The acceptance for purchase by the Issuer of Notes tendered pursuant to the Offers is at the sole discretion of the Issuer and tenders may be rejected by the Issuer for any reason. The purchase of any Notes by the Issuer pursuant to the Offers is subject to the successful execution of a loan (as determined by the Issuer in its sole and absolute discretion) from an existing lender, for which the Issuer has borrowing capacity (the "**Financing Condition**"). The Issuer expects such loan to settle at or ahead of the settlement of the Offers on the Settlement Date.

Amendment and Termination

The Issuer reserves the right, in its sole and absolute discretion, to extend, re-open, withdraw or terminate the Offers and to amend or waive any of the terms and conditions of the Offers (including, but not limited to, purchasing more than the Target Acceptance Amount) at any time following the announcement of the Offers, as further described in the Tender Offer Memorandum. Details of any such extension, re-opening, withdrawal, termination, amendment or waiver will be notified to the Noteholders as soon as possible after such decision.

Transaction Conditions

An offer of Notes for repurchase pursuant to the relevant Offer may only be made by the submission of a valid Tender Instruction. The acceptance of Notes for repurchase pursuant to the Offers is conditional on the satisfaction or waiver of the Transaction Conditions (including, without limitation, the Financing Condition).

Tender Instructions

Tender Instructions must be submitted in respect of a principal amount of Notes of the relevant Series of no less than the applicable Minimum Denomination for that Series. A separate Tender Instruction must be submitted on behalf of each beneficial owner of Notes and in respect of each Series due to potential scaling.

The submission of a valid Tender Instruction will be irrevocable (except in the limited circumstances described in the Tender Offer Memorandum).

Indicative Timetable

This is an indicative timetable showing one possible outcome for the timing of the Offers based on the dates in the Tender Offer Memorandum. This timetable is subject to change and dates and times may be extended or amended by the Issuer in accordance with the terms of the Offers as described in the Tender Offer Memorandum. Accordingly, the actual timetable may differ significantly from the timetable below.

<u>Date</u>	<u>Action</u>
1 December 2022	<i>Commencement of the Offers</i> Offers announced by way of announcements on the relevant Notifying News Service(s), through the Clearing Systems and via RNS. Tender Offer Memorandum available from the Tender Offer Website.
8 December 2022 16:00 (London time)	<i>Expiration Deadline</i> Deadline for receipt by the Information and Tender Agent of all Tender Instructions in order for Noteholders to be able to participate in the Offers.
9 December 2022 As soon as reasonably practicable	<i>Announcement of indicative results</i> Announcement of: (i) the aggregate principal amount of Notes of each Series validly tendered pursuant to the Offers; and (ii) a non-binding indication of the level at which the Issuer expects to set the Series Acceptance Amount and any applicable scaling.
9 December 2022 At or around 12:30 (London time)	<i>Pricing Time on the Pricing Date</i> Determination of the Benchmark Reference Security Yield (for the purpose of calculating the relevant Repurchase Yield and the relevant Purchase Price) for each Series.
As soon as reasonably practicable after the Pricing Time on the Pricing Date	<i>Announcement of Result of Offers</i> Announcement of the Issuer's decision whether to accept valid tenders of Notes for purchase pursuant to any or all of the Offers (including, if applicable, the Settlement Date for such Offers), subject only to the satisfaction or (if applicable) waiver of the relevant Transaction Conditions on or prior to the Settlement Date. Details of:

- (i) the Purchase Price, the Accrued Interest, the Repurchase Yield and the Benchmark Reference Security Yield for Notes of each Series accepted for purchase pursuant to the relevant Offer(s), and the Settlement Date;
- (ii) the final aggregate principal amount of the Notes of each Series validly tendered pursuant to the Offers and any applicable scaling; and
- (iii) each Series Acceptance Amount, the pro-ration factor, if applicable and the principal amount of Notes of each Series that will remain outstanding after the Settlement Date subject to their respective terms,

distributed by way of announcements on the relevant Notifying News Service(s), through the Clearing Systems and via RNS.

16 December 2022

Settlement Date

Subject to satisfaction or waiver of the Transaction Conditions, expected Settlement Date for the Offers. Payment of Purchase Consideration and Accrued Interest Payments in respect of the Offers.

Unless stated otherwise, announcements in connection with the Offers will be made via RNS. Such announcements may also be made by (i) the issue of a press release to a Notifying News Service and (ii) the delivery of notices to the Clearing Systems for communication to Direct Participants. Copies of all such announcements, press releases and notices can also be obtained from the Tender Offer Website or from the Information and Tender Agent, the contact details for whom are on the last page of the Tender Offer Memorandum. Significant delays may be experienced where notices are delivered to the Clearing Systems and Noteholders are urged to contact the Information and Tender Agent for the relevant announcements relating to the Offers.

Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would require to receive instructions from a Noteholder in order for that Noteholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offers before the deadlines specified above. The deadlines set by any such intermediary and each Clearing System for the submission of Tender Instructions will be earlier than the relevant deadlines specified above.

Further Information

Any questions or requests for assistance in connection with the Offers may be directed to the Dealer Managers at the following telephone number or e-mail address:

HSBC Bank plc (Telephone: +44 20 7992 6237; Email: LM_EMEA@hsbc.com; Attention: Liability Management, DCM)

NatWest Markets Plc (Telephone: +44 20 7678 5222; Email: liabilitymanagement@natwestmarkets.com; Attention: Liability Management)

Any questions or requests for assistance in connection with the delivery of Tender Instructions or requests for additional copies of the Tender Offer Memorandum or related documents, which may be obtained free of charge, may be directed to the Information and Tender Agent:

Morrow Sodali Limited (Telephone: +44 20 4513 6933; Email: tfl@investor.morrowsodali.com; Tender Offer Website: <https://projects.morrowsodali.com/tfl>)

OFFER AND DISTRIBUTION RESTRICTIONS

Neither this announcement nor the electronic transmission thereof constitutes an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes for purchase pursuant to the Offers will not be accepted from Noteholders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Offer to be made by a licensed broker or dealer and either of the Dealer Managers or any of their respective affiliates is such a licensed broker or dealer in any such jurisdiction, such Offer shall be deemed to be made by such Dealer Manager or such affiliate, as the case may be, on behalf of the Issuer in such jurisdiction.

United States

The Offers are not being made and will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or of any facilities of a national securities exchange of, the United States or to any U.S. Person (as defined in Regulation S of the United States Securities Act of 1933, as amended (each a "U.S. Person")). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. Accordingly, copies of this announcement and any other documents or materials relating to the Offers are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to a U.S. Person and the Notes cannot be tendered in the Offers by any such use, means, instrumentality or facility or from or within or by persons located or resident in the United States or by any U.S. Person. Any purported tender of Notes in the Offers resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Notes made by a person located in the United States, a U.S. Person, by any person acting for the account or benefit of a U.S. Person, or by any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each holder of Notes participating in an Offer will represent that it is not a U.S. Person located in the United States and is not participating in such Offer from the United States, or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Offer from the United States and who is not a U.S. Person. For the purposes of this and the above paragraph, "**United States**" means the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

United Kingdom

The communication of this announcement and any other documents or materials relating to the Offers is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Financial Promotion Order**")) or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order.

France

The Offers are not being made, directly or indirectly, in the Republic of France ("**France**") other than to qualified investors (*investisseurs qualifiés*) as referred to in Article L.411-2 1° of the French *Code monétaire et financier* and defined in Article 2(e) of Regulation (EU) 2017/1129 (as amended). Neither this announcement nor any other documents or materials relating to the Offers have been or shall be distributed in France other than to qualified investors (*investisseurs qualifiés*) and only qualified investors (*investisseurs qualifiés*) are eligible to participate in the Offers. This announcement and any other document or material relating to the Offers have not been and will not be submitted for clearance to nor approved by the *Autorité des marchés financiers*.

Italy

None of the Offers, this announcement or any other documents or materials relating to the Offers have been or will be submitted to the clearance procedure of the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**").

The Offers are being carried out in the Republic of Italy as an exempted offers pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999).

Noteholders, or beneficial owners of the Notes, can tender some or all of their Notes pursuant to the Offers through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Notes or the Offers.

DISCLAIMER

Noteholders must read this announcement in conjunction with the Tender Offer Memorandum. This announcement and the Tender Offer Memorandum contain important information which should be read carefully before any decision is made with respect to the Offer. If any Noteholder is in any doubt as to the contents of this announcement and/or the Tender Offer Memorandum or the action it should take, it is recommended to seek its own financial and legal advice, including in respect of any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to tender such Notes pursuant to the Offer.

The Dealer Managers are acting exclusively for the Issuer and no one else in connection with the arrangements described in this announcement and the Tender Offer Memorandum and none of the Dealer Managers, the Information and Tender Agent, or any director, officer, employee, agent or affiliate of any such person, will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Offers, and accordingly none of the Dealer Managers, the Information and Tender Agent or any of their respective directors, officers, employees or affiliates make any representation or recommendation whatsoever regarding the Offers or any recommendation as to whether Noteholders should tender Notes in the Offers or otherwise participate in the Offers.