EMBARGOED UNTIL 11:00 A.M.   CONTACT: Office of Financing
March 8, 2007   202/504-3550

TREASURY OFFERS 9-YEAR 11-MONTH 4 5/8% NOTES

The Treasury will auction $8,000 million of 9-year 11-month 4 5/8% notes to raise new cash.

Up to $1,000 million in noncompetitive bids from Foreign and International Monetary Authority (FIMA) accounts bidding through the Federal Reserve Bank of New York will be included within the offering amount of the auction. These noncompetitive bids will have a limit of $100 million per account and will be accepted in the order of smallest to largest, up to the aggregate award limit of $1,000 million.

Treasury Direct customers have scheduled purchases of approximately $4 million into the 9-year 11-month 4 5/8% note.

The auction will be conducted in the single-price auction format. All competitive and noncompetitive awards will be at the highest yield of accepted competitive tenders. The allocation percentage applied to bids awarded at the highest yield will be rounded up to the next hundredth of a whole percentage point, e.g., 17.13%.

The notes being offered today are eligible for the STRIPS program.

This offering of Treasury securities is governed by the terms and conditions set forth in the Uniform Offering Circular for the Sale and Issue of Marketable Book-Entry Treasury Bills, Notes, and Bonds (31 CFR Part 356, as amended).

Details about the new security are given in the attached offering highlights.

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Attachment

March 8, 2007

Offering Amount ....$8,000 million
Maximum Award (35% of Offering Amount) ....$2,800 million
Maximum Recognized Bid at a Single Yield ......$2,800 million
NLP Reporting Threshold ....$2,800 million
NLP Exclusion Amount ....$4,600 million

Description of Offering:
 Term and type of security ....9-year 11-month 4 5/8% notes
                                              (reopening)
 Series B-2017
 CUSIP number ....912828 GH 7
 Auction date ....March 13, 2007
 Issue date ....March 15, 2007
 Dated date ....February 15, 2007
 Maturity date ....February 15, 2017
 Interest rate 4 5/8%
 Currently outstanding ....$14,193 million
 Yield ....Determined at auction
 Interest payment dates ....August 15 and February 15
 Minimum bid amount and multiples $1,000
 Accrued interest payable by investor ....$3.57735 per $1,000 (from February 15
                                              to March 15, 2007)
 Premium or discount ....Determined at auction

STRIPS Information:
 Minimum amount required $1,000
 Corpus CUSIP number ....912820 PE 1
 Due date(s) and CUSIP number(s)
  for additional TINT(s) ....Not applicable

Submission of Bids:
 Noncompetitive bids:
    Accepted in full up to $5 million at the highest accepted yield.
 Foreign and International Monetary Authority (FIMA) bids:
    Noncompetitive bids submitted through the Federal Reserve Banks as agents for
    FIMA accounts. Accepted in order of size from smallest to largest with no more
    than $100 million awarded per account. The total noncompetitive amount awarded
    to Federal Reserve Banks as agents for FIMA accounts will not exceed $1,000
    million. A single bid that would cause the limit to be exceeded will be
    partially accepted in the amount that brings the aggregate award total to the
    $1,000 million limit. However, if there are two or more bids of equal amounts
    that would cause the limit to be exceeded, each will be prorated to avoid
    exceeding the limit.
 Competitive bids:
    (1) Must be expressed as a yield with three decimals, e.g., 7.123%.
    (2) Net long position (NLP) for each bidder must be reported when the sum of the
        total bid amount, at all yields, and the net long position equals or exceeds
        the NLP reporting threshold stated above.
    (3) Net long position must be determined as of one-half hour prior to the closing
        time for receipt of competitive tenders.
    (4) Competitive bids from Treasury Direct customers are not allowed.

Receipt of Tenders:
 Noncompetitive tenders:
    Prior to 12:00 noon eastern daylight saving time on auction day
 Competitive tenders:
    Prior to 1:00 p.m. eastern daylight saving time on auction day