



EMBARGOED UNTIL 9:00 A.M.
May 2, 2007

CONTACT: Office of Financing
202/504-3550

TREASURY MAY QUARTERLY FINANCING

The Treasury will auction \$14,000 million of 3-year notes, \$13,000 million of 10-year notes, and \$5,000 million of 29-year 9-month 4 3/4% bonds to refund \$54,584 million of publicly held securities maturing on May 15, 2007, and to pay down approximately \$22,584 million.

Tenders for 29-year 9-month Treasury bonds to be held on the book-entry records of Legacy Treasury Direct will not be accepted. However, tenders for 29-year 9-month Treasury bonds to be held on the book-entry records of TreasuryDirect will be accepted.

In addition to the public holdings, Federal Reserve Banks, for their own accounts, hold \$11,289 million of the maturing securities, which may be refunded by issuing additional amounts of the new securities.

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 each 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 \$232 million into the 3-year note and \$31 million into the 10-year note.

The auctions being announced today 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 securities 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 securities are given in the attached offering highlights.

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Attachment

HIGHLIGHTS OF TREASURY OFFERINGS TO THE PUBLIC
MAY 2007 QUARTERLY FINANCING

May 2, 2007

<u>Offering Amount</u>	\$14,000 million	\$13,000 million	\$5,000 million
<u>Maximum Award (35% of Offering Amount)</u>	\$ 4,900 million	\$ 4,550 million	\$1,750 million
<u>Maximum Recognized Bid at a Single Yield</u>	\$ 4,900 million	\$ 4,550 million	\$1,750 million
<u>NLP Reporting Threshold</u>	\$ 4,900 million	\$ 4,550 million	\$1,750 million
<u>NLP Exclusion Amount</u>	None	None	\$3,200 million

Description of Offering:

Term and type of security.....	3-year notes	10-year notes	29-year 9-month 4-3/4% bonds
Series.....	T-2010	C-2017	Bonds of February 2037
CUSIP number.....	912828 GR 5	912828 GS 3	912810 PT 9
Auction date.....	May 7, 2007	May 8, 2007	May 10, 2007
Issue date.....	May 15, 2007	May 15, 2007	May 15, 2007
Dated date.....	May 15, 2007	May 15, 2007	February 15, 2007
Maturity date.....	May 15, 2010	May 15, 2017	February 15, 2037
Interest rate.....	Determined based on the highest accepted competitive bid	Determined based on the highest accepted competitive bid	4-3/4%
Currently outstanding.....	Not applicable	Not applicable	\$9,826 million
Yield.....	Determined at auction	Determined at auction	Determined at auction
Interest payment dates.....	November 15 and May 15	November 15 and May 15	August 15 and February 15
Minimum bid amount and multiples.....	\$1,000	\$1,000	\$1,000
Accrued interest payable by investor	None	None	\$11.67818 per \$1,000 (from February 15 to May 15, 2007)
Premium or discount.....	Determined at auction	Determined at auction	Determined at auction

STRIPS Information:

Minimum amount required.....	\$1,000	\$1,000	\$1,000
Corpus CUSIP number.....	912820 PN 1	912820 PP 6	912803 CZ 4
Due date(s) and CUSIP number(s) for additional TINT(s)	Not applicable	Not applicable	Not applicable

The following rules apply to all securities mentioned above:

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