

DEPARTMENT OF THE TREASURY

TREASURY



NEWS

OFFICE OF PUBLIC AFFAIRS • 1500 PENNSYLVANIA AVENUE, N.W. • WASHINGTON, D.C. • 20220 • (202) 622-2960

EMBARGOED UNTIL 11:00 A.M.
October 4, 2004

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202/504-3550

TREASURY OFFERS 5-YEAR NOTES

The Treasury will auction \$15,000 million of 5-year 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.

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

HIGHLIGHTS OF TREASURY OFFERING TO THE PUBLIC OF
5-YEAR NOTES TO BE ISSUED OCTOBER 15, 2004

October 4, 2004

Offering Amount\$15,000 million
Maximum Award (35% of Offering Amount)\$ 5,250 million
Maximum Recognized Bid at a Single Yield\$ 5,250 million
NLP Reporting Threshold\$ 5,250 million

Description of Offering:

Term and type of security5-year notes
SeriesN-2009
CUSIP number912828 CX 6
Auction dateOctober 6, 2004
Issue dateOctober 15, 2004
Dated dateOctober 15, 2004
Maturity dateOctober 15, 2009
Interest rateDetermined based on the highest
accepted competitive bid
YieldDetermined at auction
Interest payment datesApril 15 and October 15
Minimum bid amount and multiples\$1,000
Accrued interest payable by investorNone
Premium or discountDetermined at auction

STRIPS Information:

Minimum amount required\$1,000
Corpus CUSIP number912820 KU 0
Due date(s) and CUSIP number(s)
for additional TINT(s)October 15, 2009 - - 912833 3M 0

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 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.

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

Payment Terms: By charge to a funds account at a Federal Reserve Bank on issue date,
or payment of full par amount with tender. *TreasuryDirect* customers can use the Pay
Direct feature which authorizes a charge to their account of record at their
financial institution on issue date.