



EMBARGOED UNTIL 9:00 A.M.
December 12, 2001

PUBLIC CONTACT: Office of Financing
202-691-3550

MEDIA CONTACT: Office of Public Affairs
202-622-2960

TREASURY ANNOUNCES DEBT BUYBACK OPERATION

On December 13, 2001, the Treasury will buy back up to \$1,500 million par of its outstanding issues that mature between November 2022 and November 2027. Treasury reserves the right to accept less than the announced amount.

This debt buyback (redemption) operation will be conducted by Treasury's Fiscal Agent, the Federal Reserve Bank of New York, using its Open Market operations system. Only institutions that the Federal Reserve Bank of New York has approved to conduct Open Market transactions may submit offers on behalf of themselves and their customers. Offers at the highest accepted price for a particular issue may be accepted on a prorated basis, rounded up to the next \$100,000. As a result of this rounding, the Treasury may buy back an amount slightly larger than the one announced above.

This debt buyback operation is governed by the terms and conditions set forth in 31 CFR Part 375 and this announcement.

The debt buyback operation regulations are available on the Bureau of the Public Debt's website at www.publicdebt.treas.gov.

Details about the operation and each of the eligible issues are given in the attached highlights.

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Attachment

HIGHLIGHTS OF TREASURY DEBT BUYBACK OPERATION

December 12, 2001

Par amount to be bought back .. Up to \$1,500 million
 Operation date December 13, 2001
 Operation close time 11:00 a.m. eastern standard time
 Settlement date December 17, 2001
 Minimum par offer amount \$100,000
 Multiples of par \$100,000
 Format for offers Expressed in terms of price per \$100 of par with three decimals. The first two decimals represent fractional 32^{nds} of a dollar. The third decimal represents eighths of a 32nd of a dollar, and must be a 0, 2, 4, or 6.
 Delivery instructions ABA Number 021001208 FRB NYC/CUST

Treasury issues eligible for debt buyback operation (in millions):

Coupon Rate (%)	Maturity Date	CUSIP Number	Par Amount Outstanding*	Par Amount Privately Held*	Par Amount Held as STRIPS**
7.625	11/15/2022	912810 EN 4	7,747	6,146	3,969
7.125	02/15/2023	912810 EP 9	16,202	13,567	6,328
6.250	08/15/2023	912810 EQ 7	22,659	21,051	3,322
7.500	11/15/2024	912810 ES 3	9,704	8,089	6,177
7.625	02/15/2025	912810 ET 1	10,129	8,536	6,504
6.875	08/15/2025	912810 EV 6	11,410	9,611	4,003
6.000	02/15/2026	912810 EW 4	12,838	11,674	1,185
6.750	08/15/2026	912810 EX 2	9,286	7,672	2,734
6.500	11/15/2026	912810 EY 0	10,890	9,166	5,793
6.625	02/15/2027	912810 EZ 7	9,899	8,414	3,208
6.375	08/15/2027	912810 FA 1	9,603	7,963	2,404
6.125	11/15/2027	912810 FB 9	22,046	18,698	10,498
Total			152,413	130,587	56,125

* Par amounts are as of December 11, 2001.

** Par amounts are as of December 10, 2001.

The difference between the par amount outstanding and the par amount privately held is the par amount of those issues held by the Federal Reserve System.